



## Chapter 9

# Assurance 16

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### A16 Effort Definition

#### Intentions

- Encourage and enable household to reduce their home energy needs and thereby the need for energy assistance, including:
  - Enabling households to be more self-sufficient in their energy use.
  - Enabling household resiliency in the face of energy-related and other unexpected hardships.

#### Values

- Household energy security:
  - Energy bills should be affordable.
  - Heat and electricity are basic and essential needs.
  - Household energy should be safe.
  - Target households most vulnerable to energy cost fluctuations.
  - Entire household context affects energy security (e.g., socioeconomic realities).
  - Households know their needs, barriers, and constraints best.
- Sustainable, transformative household impact.
- Balancing effectiveness, efficiency, and compliance with fairness and simplicity:
  - Ease of administration.
  - Accountability.
  - Clarity.
  - Broad interpretation of the statute as long as not clearly erroneous.
  - Consistency.
  - Flexibility.
  - Continuous improvement.
- Partners and partnerships.
  - All stakeholders (government, advocacy organizations, energy vendors and households) should contribute to assuring that all households have heat during the heating season.
  - Collaboration.

- Program evaluation – measurement.

## Focus

- Services and activities that:
  - Enable and encourage a household's optimal (e.g., efficient/lower) energy usage.
  - Increase the affordability of energy.
  - Enable household access to services/programs/opportunities that increase or improve income and/or assets.
  - Encourage increased household housing/energy provider options.
- A16 planning.
  - Policy.
  - Local Plan/Contract.
  - A16 proposals.
  - A16 funding and allocation.
  - Sharing best practices.
- A16 oversight.
  - Monitoring.
  - Reporting.
  - Evaluation.

## Exclusions

- Activities associated with administering other aspects of EAP (e.g., preparing EAP applications, administering Primary Heat, Crisis, or ERR benefits).
- Direct payments to households.
- Payment of household energy bills.
- Direct purchase of low-cost/no-cost energy conservation materials.

## Assurance 16 Description

The LIHEAP statute requires states to agree to 16 different requirements, or assurances. Assurance 16 (A16) allows states to spend up to five percent (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 the impact of such activities.

For FFY14, the State of Minnesota budgets five percent (5%) of total LIHEAP funds for A16 activities. All A16 funds are allocated to local delivery agencies. The allocation formula is the same as the formula for administrative funds (see [Chapter 16 - Fiscal Program Management](#)), although the State may adjust the allocation method for future program years to encourage more effective and efficient use of A16 funds. The allocation is reserved for allowable A16 activities only. Allowable activities are those specifically outlined in this chapter, as well as additional activities proposed in a plan developed by EAP Service Providers and approved by the State. Service Providers must, at minimum, carry out those activities specifically outlined in this chapter. Proposing A16 activities not specified in the *EAP FFY14 Policy Manual* is optional.

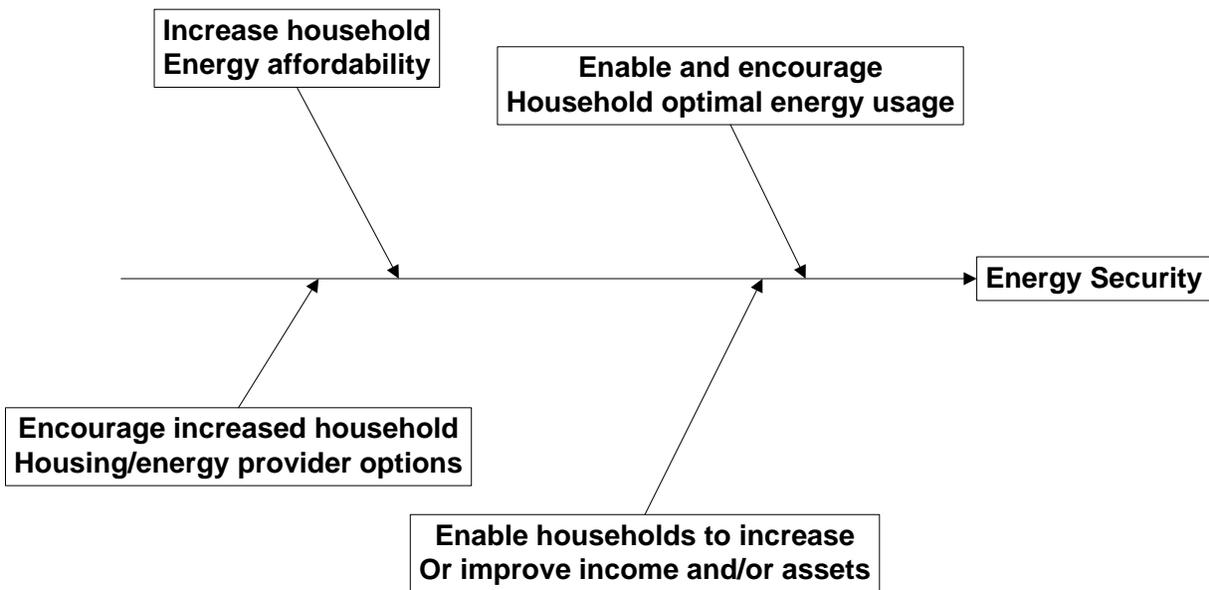
## Allowable Activities

While it is not possible to provide a comprehensive description of all expenses and activities that can be charged to A16, the *FFY14 EAP Policy Manual*, the EAP Annual Training and the LIHEAP Statute provide guidance. State policy distinguishes between basic defined activities (outlined below) and Service Provider-

proposed activities. All Service Providers are required to conduct basic defined activities included under advocacy and referral, and may at their option propose additional activities that meet both the LIHEAP and A16 Effort Definition requirements. Service Providers are not required to conduct every one of the defined advocacy and referral activities, but should make efforts to conduct all of those that meet identified community or household needs.

In consultation with the EAP Policy Advisory Committee, DOC, and Service Provider subject matter experts, EAP has identified four primary strategies that, if realized, should contribute towards reducing household energy need and enabling energy security. The four strategies include (but are not limited to):

- Enabling and encouraging a household's optimal energy usage.
- Increasing household energy affordability.
- Enabling households to increase or improve income and/or assets.
- Encouraging increased household housing/energy provider options.



### Required Basic Activities

EAP Service Providers are required to work towards these outcomes by, at minimum, conducting referral and advocacy activities.

### Referral Activities

The following are the basic referral activities all Service Providers may conduct without providing a proposal to the state, so long as they contribute toward reducing household energy need.

- **Interview client.** This task includes time spent discussing the client situation to identify appropriate, specific referral needs. This is a needs assessment activity.
- **Train staff to elicit client needs.** This task includes activities to train staff on eliciting client needs, including research, preparation, presentation and follow-up.
- **Build database of local resources.** This task includes activities necessary to identify and organize resources. It does not include the costs for any database software.
- **Familiarize staff with local resources.** This activity involves familiarizing staff with local resources, including disseminating information and training staff on how to most effectively exercise referrals.

- **Familiarize staff with government resources.** This activity involves familiarizing staff with government resources, including disseminating information and training staff on how to most effectively exercise referrals.
- **Provide client with specific referrals.** This activity includes providing specific referrals to households based on the needs assessment conducted in activity (a), above.
- **Provide applicants with a list of referral agencies.** This activity includes the time and cost for developing and distributing a list of resources that could help a household reduce their energy need.

### Advocacy Activities

The following are the basic advocacy activities all Service Providers may conduct without providing a proposal to the state, so long as they contribute toward reducing household energy need.

- **Resolve energy emergency:** This activity includes working with the energy vendor and the household to get fuel delivered, service reconnected, or repairing or replacing non-functioning mechanical heating systems without using Primary Heat, Crisis or ERR funds. This can be done through coordination of community resources (e.g., County Economic Assistance or HeatShare).
- **Access services:** This involves helping the household to access services the household cannot access alone. Activities may include making calls on the household's behalf, helping the household complete an application for non-EAP resources, helping the household manage a series of actions needed to access services, etc.
- **Build self-sufficiency skills:** This activity includes helping the household build self-sufficiency skills using methods such as classes, financial counseling, or case management. Energy self-sufficiency must be a key component of the activity to qualify for A16 funding.
- **Stabilize household situation:** This activity includes helping the household manage a series of crises that have the potential to spin out of control. This is a case management activity for households in crisis. The crisis must have an energy component to qualify for A16 funding.

### Collaboration and Coordination

Service Providers should collaborate with other energy related service providers and relevant community resources to outreach and facilitate EAP and provide referral services to target groups. Coordination and collaboration must be designed to meet program and local needs, and service providers should have an on-going process for evaluating and improving their approaches to these activities. Collaboration may focus with community agencies providing:

- Children service programs.
- Family service programs.
- Elderly service Programs.
- Educational programs.
- Energy programs.
- Housing programs.
- Neighborhood programs.
- Human service programs.
- Emergency programs.
- Workforce programs.

### Examples of Allowable A16 Expenditures for the Required Basic Activities

A16 funds may be used to conduct, with or on behalf of EAP households, referral and advocacy activities that contribute towards reducing household energy need and enabling energy security. The direct

preparation, performance and recording of EAP referral and advocacy activities may be charged to A16, including the related portion of fringe benefits earned.

**Examples of activities chargeable to A16:**

- Needs assessment counseling for EAP households.
- Printing costs and postage to mail A16 materials and information.
- EAP staff time for:
  - Referring EAP households to specific non-energy services identified through a needs assessment as potentially contributing to reducing their energy need and enabling energy security. Possible referrals include, but are not limited to:
    - Child care providers.
    - Child Care Resource and Referral.
    - Continuum of Care Programs.
    - Displaced Homemaker Program.
    - Early education programs (e.g., Head Start, ECFE).
    - Emergency food programs (food shelf, etc).
    - Educational programs.
    - Family Service Collaborative.
    - Housing Redevelopment Authority (HRA).
    - Human service agencies.
    - Law enforcement/neighborhood policing.
    - Migrant seasonal farm-worker services.
    - Minnesota Health Insurance Exchange.
    - Tax assistance.
    - Transitional housing/homelessness programs.
    - Transportation services.
    - Vocational rehabilitation programs.
    - Workforce Centers.
  - Referring EAP households to specific energy-related services identified through a needs assessment. Possible referrals include, but are not limited to:
    - Energy vendor affordability programs.
    - Social service agency emergency energy programs (e.g., HeatShare).
    - Weatherization services.
  - Working with a household to sign up for CWR protection, including:
    - Helping the household identify a reasonable payment amount for their budgets.
    - Helping the household negotiate a reasonable payment agreement with their energy vendor.
  - Assisting a household to access non-EAP services identified through the needs assessment interview.
    - Preparing for and conducting formal financial literacy or home energy education classes.
    - Conducting formal financial literacy counseling.
    - Building relationships with other services and resources available in the community.
    - The preparation and execution of interagency agreements with other low income program offices to provide referrals and enable access to targeted populations.

## Service Provider Proposed Activities

It is neither possible nor useful to precisely define every activity that may contribute towards reducing household energy need and enabling energy security. Service Providers each have unique capacities and work in unique communities. As such, the most context-appropriate and innovative approaches to assisting households will often come from Service Providers themselves. To facilitate innovation and empower Service Providers to develop and implement new methods and strategies, Service Providers may propose to conduct A16 activities not specifically outlined in the *FFY14 EAP Policy Manual*. The proposed activities must be funded using the Service Provider's allocated A16 funds (i.e., no additional A16 funds will be provided). Reasonable costs for planning proposed A16 activities may be funded with a Service Provider's allocated A16 funds.

To ensure compliance with the LIHEAP Statute and EAP policy, Service Providers must submit a proposal demonstrating how planned activities not already defined in the *FFY14 EAP Policy Manual* will contribute to reducing household energy need and enabling energy security. Proposals must be approved by DOC prior to implementing any associated activities, and may be submitted at any time during the program year.

Proposals must, at minimum, include the information required on [Appendix 9A – Assurance 16 Proposal](#), but may also include additional supporting information or documentation. Proposals will be incorporated into the Service Provider's Local Plan, and may be submitted as an attachment during the Local Plan completion and review process, or at any other point during the program year prior to initiating the proposed activities.

## Ineligible Activities

### Examples of Expenditures Not Chargeable to A16

A16 is not meant to fund all of a Service Provider's outreach, referral, and advocacy activities. Generalizing the use of A16 funds by rationalizing that anytime a household gets help in one area, they are more able to reduce their home energy needs is inconsistent with the DOC interpretation of the LIHEAP statute and may result in disallowed costs. A16 is EAP money for EAP activities. Staff time may be charged to A16 in the preparation, performance and recording of A16 activities if the staff person is doing EAP work.

Following are examples of expenditures that may not be charged to A16:

- A Head Start employee who spends time eliciting client needs and ascertains the household needs EAP is doing Head Start referral activities, not EAP A16.
- An executive director speaking to a community group about all programs the Service Provider offers is performing an administrative activity that should be supported by all programs.
- Office space, desks, equipment, chairs, and supplies.
- Administrative/business needs and services for employees, including those used by employees doing exclusively A16 activities. For example:
  - Indirect costs
  - Human Resources services
  - IT support
- Staff time for answering the Service Provider phone when a caller inquires about Service Provider programs available to assist their family. It is not an A16 activity to determine that one of the programs the household should apply for is EAP. The activity is a shared administrative cost with other programs.

- Postage and time used to mail or hand out an EAP, Head Start or other application to a household at their request is an administrative activity.
- Administrative functions and expenditures as identified in Chapter 16 - Program Fiscal Management.
- Primary Heat or Crisis payments.
- ERR activities.
- Costs for activities associated with administering other EAP services (e.g., preparing EAP applications, administering Primary Heat, Crisis, or ERR benefits).
- Energy conservation products or supplies, such as door sweeps, compact florescent light bulbs and low-flow shower heads (note that the costs for distributing these items – if donated, for example – could be eligible if included in an approved A16 proposal).
- Low-cost/no-cost residential weatherization.
- Other cost-effective energy-related home repair.
- Leveraging activities.

## Documenting and Reporting on A16 Activities

Agencies must ensure each A16 activity complies with EAP Policy and the LIHEAP Statute. The DOC will accept that an activity fits the A16 requirements unless the Service Provider is clearly erroneous in their interpretation of the allowable activities.

### Documentation of Required Basic Activities

Each referral and advocacy activity must be documented. This can be done by either:

- Logging individual A16 activities in eHEAT (see below); or
- By an approved alternative means of documenting the required A16 activities. If a Service Provider chooses not to log activities in eHEAT, they must propose an alternative in their FFY14 Local Plan.

### Proposing Service Provider-Specific A16 Documentation

Some Service Providers may find logging A16 activities in eHEAT more burdensome than alternative means of documentation. Logging A16 activities in eHEAT may also duplicate documentation a Service Provider captures in some other way based on the needs of that particular organization. To reduce duplication and give Service Providers an opportunity to consider more effective and efficient means of documentation, Service Providers may propose alternative means of documentation for DOC approval in their FFY14 Local Plan.

The FFY14 Local Plan provides a space for Service Providers to propose alternative documentation, which DOC will review for approval. If not acceptable, DOC will ask the Service Provider to modify the proposed documentation or require the Service Provider to log their A16 activities using eHEAT.

Proposed documentation should include sufficient detail to validate that the activity occurred and enable the Service Provider to complete the information required in [Appendix 9C – A16 and Outreach Activities Report](#). Note the information required in this report is based on the information included in the A16 and Outreach sections of the FFY14 EAP Local Plan. For example, if the report section for the A16 referral activity of “training staff to elicit client needs” asks for a description of the training and the number of staff trained, documentation should be sufficient to validate this information. Additional documentation may also be provided. For example, for training, copies of training material, staff training logs, or even photos may be considered adequate documentation.