

Best Practice – How Do I Spend All My CEAP Money On Time?

Date: March 2022

Subject: Achieve Full CEAP Expenditures

Problem or Question: We have a lot of CEAP funds to spend. We have leftover PY21 funds, CEAP ARP, and PY22 funds. These contracts combined equal almost double a normal contract amount for us. What are some processes that we could use to increase CEAP expenditures and try to get back on track?

Discussion:

There is a simple and direct correlation when determining CEAP expenditures:

(1) NUMBER of QUALIFIED HOUSEHOLDS SERVED X (2) EXPENDITURE per HOUSEHOLD

With such a high dollar amount to spend in the CEAP program during calendar year 2022, Subrecipients need to focus on both aspects.

OUTREACH:

With the current CEAP funding levels, serving more households will be absolutely necessary. To accomplish that, Subrecipients must substantially increase their number of applicants, and to do that, you need to prioritize outreach. It's possible you will need 150-200% more households than a normal program year to fully expend funds. That means you need even more NEW clients! The Department suggests doing the normal generic outreach as well as more targeted outreach to areas where qualified households are living.

General Outreach: This is what most normally do for outreach. Common examples of this general outreach would be advertising on the agency website and advertising on social media (Facebook, Twitter, etc.). This kind of outreach is useful but typically only reaches clients that already have a knowledge of the program or are internet savvy. Subrecipients can also consider marketing on the radio, in newspapers, and on TV, but the costs associated with those options should be considered.

Targeted Outreach: Here are some effective targeted outreach methods.

1. Outreach to TX Rent Relief identified clients.
 - a. Utilize the TRR list the Department provided in early March 2022. Follow the CEAP Flexibilities guidance provided to reach out to those households identified as income-qualified and those identified for outreach. All clients still need to complete a current CEAP application. Clients identified for "outreach" on the TRR list need complete income documentation collected.
2. Target highest poverty population by county/counties and zip code(s). Use this website as a resource: <https://cap.engagementnetwork.org/>.
 - a. Instructions: <https://www.tdhca.state.tx.us/community-affairs/ceap/docs/CommunityAssessmentToolInstructions.pdf>.
Zip code instructions on pages 4-5.
 - b. Once you identify the areas, find locations to provide advertising/marketing. EX: head start centers, federally-qualified healthcare centers, neighborhood community centers, neighborhood recreational centers, grocery stores, daycare centers, healthcare centers, public schools in low-income areas, public assisted housing complexes, universities and community colleges, etc.

3. Filter through existing CEAP households. Look for **common addresses** to identify potential multifamily complexes where you could conduct outreach.
 - a. Provide outreach documentation at the main complex office; inform the staff about the program to encourage potentially qualified households to apply.
4. Filter through existing CEAP households. Look for **common zip codes** to identify potential areas where you could conduct outreach.
 - a. Once you identify the areas, find locations to provide advertising/marketing. EX: head start centers, federally-qualified healthcare centers, neighborhood community centers, neighborhood recreational centers, grocery stores, daycare centers, healthcare centers, public schools in low-income areas, public assisted housing complexes, universities and community colleges, etc.
5. Tap into the resources in your community – nonprofits and social services organizations can funnel clients to you in the form of referral partnerships. Work with CSBG staff to utilize as many known partnerships as possible. Ensure nonprofits and other organizations serving similar populations are aware of your services, and provide them outreach materials to share with their clients.

EXPENDITURE per HOUSEHOLD:

How do we maximize the expenditures per household?

1. Utilize current CEAP Flexibilities.
 - a. When applicable, pay arrears, with no cap. Payment of arrears does NOT count towards the household's benefit allowance.
 - b. Make lump sum payment(s) based on households' 12-month billing history or ABM.
 - i. Reminder: if a vendor bundles charges that aren't allowable under the CEAP program, water/wastewater/trash/etc., lump sum payments might not be an option with these vendors. CEAP payments must only apply to home energy costs.
 - c. Provide service and repair of HVAC units when qualified households (vulnerable & non-vulnerable) have an inoperable system.
2. Maximize allowable benefit to each qualified household.
 - a. Make lump sum payment(s) based on households' 12-month billing history or ABM. Pay the largest vendor first. If there is benefit allowance remaining, and the household has a secondary fuel source, you can make a lump sum payment to the secondary fuel source based on their 12-month billing history or ABM, not to exceed the maximum benefit allowance.
 - b. If the household needs assistance later in the year, and crisis criteria has been met, you can assist the household with CA funds.
3. Utilize all CEAP Program options, including HVAC service and repair component.
 - a. Maximize benefit to qualified households under Utility Assistance component.
 - b. Maximize benefit to qualified households under Crisis Assistance component, when crisis criteria is met.
 - c. Service and Repair of inoperable existing HVAC systems for qualified households. The flexibility for 2022 allows HVAC service/repair for both vulnerable and non-vulnerable households, any time they have an inoperable system. Based on the scope of work needed to repair the system, this component has a max expenditure of \$7,500/house. Subrecipients must have a properly procured HVAC contractor to provide these services. If procurement is needed, please refer to the [Department procurement website](#) first, or contact Department training staff for more assistance.

INTERNAL PROCESS ANALYSIS – Be More Efficient:

With the need for so many more households and the work associated with the needed volume of households, Subrecipients need to seriously analyze internal processes to make sure they are as efficient as possible. Subrecipients should make sure their application process is efficient: universal applications that apply to all possible programs (CEAP, CSBG, WAP, etc.); electronic applications; utilizing client software server to auto-populate applications for repeat households.

Subrecipients should do internal process mapping to see where potential inefficiencies or where there are longer lag times and work to minimize/eliminate them. Subrecipient should look at updated internal documents to auto-populate or auto-calculate as often as possible. Any opportunities to get more efficient, now is the time to analyze and identify those areas and make the changes. Trying to process at such high volumes with an inefficient process will not allow you to achieve the needed goals of full expenditure within applicable contract terms.

Ensure staff have the proper training to perform their job duties as related to processing CEAP applications. Provide targets and incentives to staff in order to encourage them to maximize their time and abilities. Track which of your services centers and staff are processing at particularly high or low rates and determine if staffing changes are necessary. Eliminate unnecessary steps from your process if they are not required by your contract or the TAC. Reach out to the Department if you or your staff need additional training on any area related to the CEAP program.

NEED for ADDITIONAL STAFF:

With the need for so many more applicants and the work associated with the needed volume of applicants, Subrecipients need to seriously consider hiring new and/or temporary staff. New caseworker staff could be used for outreach to new areas, client intake, client income determination, payment determination, quality control checks for HVAC service and repair work, etc. New financial staff could be needed to help with the financial processing of payments to vendors, etc. It might not be necessary to hire additional staff if your internal processes are efficient enough, but Subrecipients should at minimum analyze the possibility.

Recommendation Summary: For the CEAP network to assist households in need and expend the amount of CEAP money available across all open contracts within the applicable contract terms, Subrecipients need to: (1) have efficient internal processes, (2) increase the number qualified households served by conducting more outreach using effective strategies, and then (3) maximize the allowable benefit provided to each qualified household by maximizing the flexibilities of all CEAP components.