The Texas Department of Housing and Community Affairs (The Department) has created the following document to assist its CEAP funded Subrecipients to answer applicable program questions. The document contains answers to the questions the Department has received that are relevant to the network. In addition to this document, Subrecipients are encouraged to take the following steps to respond to their questions:

1. Review your CEAP Contract(s)
2. Reference applicable TAC Rules
3. Reference other applicable program rules/guidelines (OMBs, CFRs, UGMS, etc.)
4. Review Department guidance on TDHCA Website

If after reading and referencing all these materials you still have questions, you may submit a program question by completing this form: https://tdhca.wufoo.com/forms/request-for-ca-program-assistance/

For information regarding income guidelines, please refer to the Department’s Frequently Asked Income Questions document: http://www.tdhca.state.tx.us/community-affairs/ceap/guidance.htm

For information regarding Household Status verification, please refer to the Department’s US Citizenship/US National and SAVE Frequently Asked Questions (PDF) document: https://www.tdhca.state.tx.us/community-affairs/save.htm

You may click on the hyperlinks below to move to the most appropriate category that applies to your question.

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A. GENERAL

1. The program requires priority be given to those in the vulnerable population. If a household that does not have one of the "vulnerable" individuals in the household nor has a high-energy use or high-energy burden, do we not provide services to that household until we have assisted all those that have a vulnerable individual in the household?
The TAC rules do not direct Subrecipients to serve only those with a vulnerable member in the household; the TAC does ask that you prioritize services to households based on their priority rating. Subrecipients should have a priority rating sheet to provide documentation that priority is occurring and following the TAC. Requirements for the prioritization of households are outlined in 10 TAC §6.307(e).

2. What is the prioritization process that the Department wants the Subrecipient network to follow?
Requirements for the prioritization of households are outlined in 10 TAC §6.307(e) and 10 TAC §6.309(c). Requirements for program assistance in accordance with these priorities are outlined in 10 TAC §6.309(d) and in 10 TAC §6.311(a) and (c). The LIHEAP statute states that the funds must be used to provide the highest level of assistance to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size. The sliding scale benefit and the priority given to households containing elderly, disabled, and children 5 and younger are meant to meet this requirement.
Depending upon demand and available funds, Subrecipients could prioritize by day, week, month, or by using a remaining amount threshold. This should be outlined within your annual CEAP Service Delivery Plan.

3. Regarding high-energy burden, and high-energy consumption; what is considered “high”?
High-energy burden is defined in 10 TAC §6.2(b)(29): High-energy Burden—A Household whose energy burden exceeds 11% of annual gross income (as defined by the applicable program), determined by dividing a Household's annual home energy costs by the Household's annual gross income.
High-energy Consumption is defined in 10 TAC §6.2(b)(30): High-energy Consumption--A Household that is billed more than $1000 annually for related fuel costs for heating and cooling their Dwelling Unit.

4. Can agencies conduct all business by mail with CEAP applicants and recipients instead of going to sites to accept applications? We post our application online and they are also located at all utility companies in our area or we will mail applications.
Subrecipients cannot only use mail; Subrecipients must make reasonable accommodations. Subrecipients should consider multiple Household situations to include health and income considerations. Subrecipients should provide access for applicants and recipients who cannot leave their residence.
The LIHEAP Act requires outreach activities to inform eligible households, especially vulnerable households, or households with high-energy burdens, of available assistance. Subrecipients should also attempt to serve counties equitably by considering the poverty population of each county in their service area.

5. 10 TAC §6.309(h)(9) says “In lieu of deposit required by an energy vendor, Subrecipient may make advance payments… Advance payments may not exceed an estimated two months' billings;” What exactly does this mean?
Sometimes utility vendors will require deposits of customers they feel are risky (for example, poor credit or missed utility payments)Deposits may not be made unless the Subrecipient can negotiate with the vendor to refund CEAP paid deposits back to the CEAP provider and not the client. The Department recommends that Subrecipients contact the vendor to see if either the deposit requirement can be waived entirely, or if it can be waived with an advance payment. Subrecipients may apply the advance payment option to the UA Component.
6. In an effort to begin providing CEAP services as early as possible in the new program year, we released applications for the next program year in the fall. Applications for the next program year are starting to come in already (in December). Could we accept applications now for the next program year or would applications, income, and dates on application need to read 2020? We want to provide services as soon as possible in January. Can we start accepting applications the new program year in December? In other words, we would like to accept applications on the week of December 16 and then schedule appointments for these individuals starting in the first week of January. This means that applications will be signed by applicants and approved by us in December of 2019, but they will not receive services until after January 2, 2020.

Subrecipients can distribute upcoming year applications in advance. However, signature date and income documents for income eligibility cannot be done prior to January 1.

7. **Can faxed copies of CEAP applications received be used or do we need originals?**
   Yes, faxed or electronic copies are acceptable.

8. **We want to use an online application. The application is currently set-up for the customer to type their initials for the consent form. Is this sufficient or do we need a hand-written (paper or electronic) signature?**
   Electronic signatures are acceptable, but initials alone cannot be substituted for a signature, with a paper or electronic application. Electronic signatures need to be from the appropriate person. The definition and criteria for “electronic signature” is identified in GPEA Part II, Section 2.

9. **In an effort to save money, can Subrecipients use electronic files?**
   The Department supports and encourages going paperless. According to the program contracts, the requirement is that all the outlined information is collected and kept, but it does not specifically say it has to be in paper form; the important thing is that all the appropriate information is gathered and retained. Additionally, 2 CFR 200.333-.337 addresses record keeping requirements. Specifically, in 200.335, it outlines the option of original documents being generated electronically and there being no need to create and retain paper copies.

There are policies, procedures, and the implementation of those identified in GPEA Part I that Subrecipients should review prior to any implementation. GPEA Part II, Sections 3-9 also provide additional information on the analysis of the potential switch. The Department reminds the network that electronic files would require some things that need to be in place prior to making this transition:

- Applicable documents created as originals and un-editable after-the-fact;
- System must be secure to protect information and mitigate the risk of hacking, etc.;
- There must be a good backup process in place to prevent potential for system crashing and potentially losing information (applicable record retention remains a program requirement).

- Any other applicable safeguard for the files.

10. **Can we assist household with their bill if it is in the name of someone not in the household?**
   Yes, as long as the bill being paid can be determined that it is for the residence of the eligible household. Client file documentation to clarify the situation is a must in this scenario to avoid program compliance issues.

11. **When applicants come in during the early part of a program year, their bills often have charges based on usage during the previous program year. Can we assist them with these bills even though they contain charges accrued before the beginning of the program year?**
   Yes. If the household is eligible, you can assist them in paying their current or current and arrears charges, even if they were accrued in the previous program year.

12. **If some family members live in a house and other members live in another house right next to each other and share an electric meter and propane tank may we assist the households as a combined application?**
   Possibly. 10 TAC §6.307(f) “A Household unit cannot be served if the meter is utilized by another Household that is not a part of the application for assistance. In instances where separate structures share a meter and the applicant is otherwise eligible for assistance, Subrecipient must provide services if:
(1) the members of the separate structures that share a meter meet the definition of a Household per 10 TAC §6.2 of this Chapter;

(2) the members of the separate structures that share a meter submit one application as one Household; and

(3) all persons and applicable income from each structure are counted when determining eligibility.”

Household is defined in 10 TAC §6.2(b)(31): “Household--An individual or group of individuals, excluding unborn children, who are living together as one economic unit. For DOE WAP this includes all persons living in the Dwelling Unit. For CSBG/LIHEAP it includes these persons customarily purchasing residential energy in common or making undesignated payments for energy. In CSBG/LIHEAP a live-in aide, or a Renter with a separate lease that includes a separate bill for utilities is not considered a Household member.”

13. A household is currently receiving CEAP assistance. At the time of application, the head of household’s mother was part of the household. The mother has now moved to a new household and applied for assistance at her new residence. Can we assist her at this new residence if she is otherwise eligible?

Yes. She would need to apply again with her new circumstances provided on the application. If determined eligible for CEAP you can assist her as you would any other new applicant. The assistance to her previous household would remain the same.

14. An applicant was denied on their initial CEAP application due to being over income. This applicant has now reapplied, stating that a new person is living in the household. We are concerned that this applicant may have changed her reported circumstances solely to qualify for assistance. How should we handle this situation?

Subrecipients are encouraged to have a policy on how often a household can apply, such as requiring denied applicants to wait 30 days prior to reapplying. If your agency has such a policy, you need to follow that policy before accepting a new application for this household.

Beyond that, it is the applicant’s responsibility to ensure that all provided information is true and correct.

B. 10 TAC §6.309 — TYPES OF ASSISTANCE AND BENEFIT LEVELS

1. 10 TAC §6.309(e) identifies maximum benefit amounts based on the Federal Poverty Guidelines: $1600 for incomes between 0 and 50% of Federal Poverty Guidelines, $1500 for incomes between 51 and 75% of Federal Poverty Guidelines, and ($1400 for incomes between 75 and 150% of Federal Poverty Guidelines or those that exceed 150% of Federal Poverty Guidelines but are categorically eligible. If the household’s percent of Federal Poverty Guidelines falls in between for ex.: 50.1% through 50.9%, what benefit level do we provide to the household?

Agencies should round down to avoid under applying the benefit by using the whole number. For example if the household’s income falls at 50.9%, that is less than 51%, so $1,600 would be the maximum benefit. Keep in mind that for income eligibility determination there is no rounding of the percent of Federal Poverty Guidelines.

2. When determining UA pledges for vulnerable households is there a limit on the number of payments?

For vulnerable households, assistance is allowable up to the maximum benefit allowance, with no limit on the number of payments. See TAC §6.309 (h)(1)(B and C)

3. Non-vulnerable households can receive up to six payments; do we pay current bill/current and arrears PLUS six payments? Or is it current bill/current and arrears and up to five additional payments?

The initial current bill, or current and arrears, is considered the first payment. You may then pledge up to five more payments, within the maximum benefit allowance.
4. If we pay two fuel sources for a household’s first month of assistance, does that count as one payment or two payments?
   Per 10 TAC §6.309(h)(1)(B and C): The first bill payment may cover two separate fuel sources. Count this as one payment.

5. Under UA, does the Subrecipient go ahead and commit pledged funds at the time of enrollment in program?
   Or does the Subrecipient have to wait for recipients to come in to request the assistance every month?
   Subrecipients should fully commit UA based upon the previous 12 month’s billing history or if unavailable should base payments on current bill and Subrecipient approved ABM, not to exceed the maximum benefit allowance. The actual payment of pledges need to be made in the appropriate month for the payment.

6. If there is a household that has a child age five or younger can they be set-up on remaining bill payments?
   Yes, children five or younger fall under the vulnerable category per 10 TAC §6.2(b)(66) Vulnerable Populations—Elderly persons, Persons with a Disability, and Households with a Child at or below the age of five

C. 10 TAC §6.311 — UTILITY ASSISTANCE (UA)
   1. Since the requirement to pay the highest months bills has been removed, how should we determine which months to assist the household in?
   While the Department removed this language at the request of public comment, we still strongly encourage Subrecipients to determine pledge months based on the highest months of usage in an effort to maximize household benefits and ensure full CEAP contract expenditures.

   2. If a household applies and they have a credit or zero balance at the time of application, how do we determine benefits for their first month of assistance?
   CEAP can only pay charges that are outstanding. Since nothing is currently owed, there is no payment to make. You would pledge future months based on their billing history or ABM up to their maximum benefit allowance.

   3. Can you pay more than one bill in a month? For example, could we pay an electric bill and also a gas/propane bill in the same month?
   Only on the first bill payment, as per 10 TAC §6.309(h)(1)(B) “The first bill payment may cover two separate fuel sources.” The remaining months, you may only pay one bill.

   4. If a household applying for current program year benefits was assisted in the prior program year and did not receive maximum assistance in the prior year, can the unused benefit amount from the prior year be paid in the current year? Example: A household qualified for maximum assistance of $1600.00 in the prior year but only received $1200.00 in assistance, leaving unused benefits in the amount of $400.00. Can we assist in the current year for the $400.00 plus their max?
   No. Maximum benefits and payments start over January 1 of every program year regardless of what occurred in the previous program year.

   5. If a household is in an average billing plan with their company, are their benefit amounts based on their billing history or under the ABM? Would they have to remove themselves from the plan with their company? The company does provide the household with a billing history and it does state how much they were charged monetarily and how many kWh were used.
   No, they would not have to remove themselves from the plan. If they have a 12-month billing history, use the monthly consumption to determine the level of assistance otherwise utilize the ABM.

   6. Are we able to assist with households who have a pre-paid electric account? If so can you please explain in detail how to do so?
   Yes. Monthly pledge amounts would be determined using a 12-month billing history, if available, or the ABM. You cannot go back and credit what they already paid.
7. Are late fees to vendors an allowable program expense?
Late fees are considered penalties or fines as identified in 10 TAC §6.309(g)(11) and are not allowable.

8. Are fees assessed to a household by a company due to using less than 1000 kWh considered a penalty or fine?
Any charges that are part of the normal delivery of services, such as delivery fees and taxes, can be paid for with CEAP. The only excluded costs are penalties and fines.

9. If the household does not have a complete twelve (12) month billing history, what options do Subrecipients have for making UA pledges?
The Subrecipient current Alternative Billing Method is to be used for households that do not have a complete 12 month billing history. 10 TAC §6.309(h)(1)(A):

Subrecipient may make utility payments on behalf of Households based on the previous 12-month’s home energy consumption history, including allowances for cost inflation. If a 12-month’s home energy consumption history is unavailable, Subrecipient may base payments on current Program Year's bill or utilize a Department-approved alternative method. Subrecipient will note such exceptions in customer files. Benefit amounts exceeding the actual bill shall be treated as a credit for the customer with the utility company.

10. What is the process to obtaining a “Department-approved alternative method”?
Subrecipients must submit statistically sound data for all fuel types, dwelling types and household sizes each year for Department approval of their CEAP Service Delivery Plan.

The most used option for the ABM option has one where the Subrecipient determines the average consumption amount (kWh, therms, MCF, gallons, etc.), per month, for each household size and type. A separate calculation must be made for single family site built homes, multifamily units, and mobile homes. Parameters for using this method:

- The sample size must be at least 30 files with complete billing histories, per household size:
  a. 30 files for 1 person households;
  b. 30 files for 2 or 3 person households;
  c. 30 files for 4 or 5 person households;
  d. 30 files for 6 or 7 person households;
  e. 30 files for 8 or 9 person households;
  f. 30 files for 10+ person households;
    o If Subrecipients do not have at least 30 files per household size to pull to create an average consumption amount, use all the applicable files to determine the average consumption; make documentation of the lack of files for that household size.
- The data collected from these files must be averaged, per household size, to determine the average consumption amount (kWh, therms, MCF, gallons, etc.) per household size.
- From that average consumption amount, Subrecipients can then apply the appropriate charge per kWh, therms, MCF, gallons, etc., for the applicable utility vendor to the average consumption usage to get the most accurate billing amount for the household. These are the billing amounts that the Subrecipient must use to select the appropriate UA pledges for the remainder of the program year for those households that do not have a complete billing history.
- These amounts should also be used to compute the energy burden for the household.
- Subrecipients may use this data to determine payments for pre-paid meter households who do not have a billing history.
- Subrecipients must keep in mind the benefit amount, as outlined in 10 TAC §6.309(e), and the number of potential payments, as outlined in 10 TAC §6.309(e)(1-3).
- To ensure that the most up-to-date billing and usage information is used, Subrecipients must update the data used (pull new files, use current utility rates, etc.) to calculate the average prior to the beginning of
11. Are Unqualified Aliens included in the household count when determining which ABM category to use? For example, a household of five applies and one of the members is an Unqualified Alien. We know to consider this a household of four when determining eligibility, but is this a household of four or five when deciding which ABM to use?

Since the ABM is designed to estimate energy usage in the home and doesn’t impact eligibility in any way, all persons in the household should be included in the count for purposes of determining which category of ABM to use.

12. If an eligible household presents a bill with their application that is for an amount that exceeds the maximum assistance available to them through either UA, or CA, or UA and CA combined, can we help them?

It depends. If the client’s service is not at risk of disconnection, you may assist. If the assistance provided cannot resolve a disconnection, you may not assist. Assisting in these types of situations may require a combination of efforts to resolve. Here are a few successful methods used by Subrecipients:

- Contact the utility vendor to negotiate the waiving of fees, interest, or reducing charges.
- Reach out to your local partners to see if they can provide assistance in paying this bill.
- Use unrestricted funds.
- CSBG funds may be used for those who cannot verify citizenship or qualified alien status.

D. 10 TAC §6.310 — CRISIS ASSISTANCE COMPONENT (CA)

1. What are examples of having “already lost service or in immediate danger of losing service”?

Examples of conditions that would be considered as “lost service” include:

- disconnection of electric or gas service
- empty propane tank
- inoperable heating/cooling system

Examples of conditions that would be considered as “in immediate danger of losing service” include:

- a disconnect notice,
- less than $30 remaining in a pre-paid account or
- propane low reserve of fuel (under 20% remaining)

2. What is life threatening?

10 TAC §6.301 defines: (5) Life Threatening Crisis--A Life Threatening Crisis exists when the life of at least one person in the applicant Household who is a U.S. Citizen, U.S. National, or a Qualified Alien would likely, in the opinion of a reasonable person, be endangered if utility assistance or heating and cooling assistance is not provided due to a Household member who needs electricity for life-sustaining equipment or whose medical professional has prescribed that the person with a medical condition requires that the ambient air temperature be maintained at a certain temperature. Examples of life-sustaining equipment include, but are not limited to, kidney dialysis machines, oxygen concentrators, and cardiac monitors. Documentation must not be requested about the medical condition of the applicant, but the applicant must state that such a device is required in the Dwelling Unit to sustain life.

3. We have a household that applied for CEAP in March with arrears on their utility bill from January and February. If Extreme Weather Conditions criteria are met, is it allowable to use CA funds to pay the arrears and regular UA to pay the current charges?

As long as crisis conditions are met, you can use both components for payment of this first bill. In the scenario you presented, you would need to document the following:

- The household has lost or is in immediate danger of losing service,
- The existence of three days that meet your weather crisis trigger temperatures during the billing period
4. How many CA payments could a household potentially receive for the year?
Households may receive as many crisis payments, when properly triggered by CA criteria, as outlined in 10 TAC §6.310(a), as their approved benefit amount will allow. REMINDER—unless the disconnect notice meets one of the three crisis definitions, a disconnect notice is handled under the UA component.

5. Can we purchase portable heating/cooling units for someone that has no heating/cooling? Can CEAP funds pay for the installation of the portable units?
Yes, CEAP funds can be used to purchase and install portable heating/cooling units under the following conditions:

- 10 TAC §6.310(c)(9) When a Household meets the definition of Life Threatening Crisis, purchase of portable heating and/or cooling units is allowable. .... Purchase of more than two portable heating and/or cooling units, which require performance of electrical work for proper installation, requires prior written approval from the Department.

6. Under Crisis Assistance, if it is determined that a repair of existing heating and cooling equipment is necessary to resolve the crisis, how long do we have to repair/replace component(s)?
Section (a) provides the following time frames:

1. Extreme Weather Conditions, as defined in §6.301 of this subchapter (relating to Background and Definitions), with assistance provided within 48 hours;
2. Disaster, as defined in §6.301 of this subchapter, with assistance provided within 48 hours; or
3. Life Threatening Crisis, as defined in §6.301 of this subchapter, with assistance provided within 18 hours.

AND (d) The 18 and 48-hour timeframes do not apply in the case of a Natural Disaster.

Subrecipient must, at minimum, have a documented work order of the service/repair within the allotted time frame.

7. Subrecipients have said blankets can be purchased if the agency meets their definition of crisis as written 10 TAC §6.310(a). What sort of approval process would we need from the department in order to purchase blankets if we meet our definition of a crisis?
Please refer to 10 TAC §6.301(b)(3) and §6.310(c)(7). In order to purchase blankets under CA, first a Disaster must occur that results in energy supply shortages or other energy-related emergencies in your service area.

Second, documented proper procurement of blankets must be conducted. Be cautious to not procure more than is necessary for the crisis event. Review Small Purchase or Non-Competitive during a public emergency procurement methods on the Department Procurement webpage: https://www.tdhca.state.tx.us/community-affairs/procurement/index.htm

8. Is it allowable this year to assist households with purchase of propane using CA funds, and can it cover repair costs?
It depends. Normal deliveries of propane should be handled under the UA component. CA purchase of propane is allowable under the crisis conditions found in TAC §6.310 (a), as outlined in CA per TAC §6.310 (c)(3) Emergency deliveries of fuel up to 250 gallons per crisis per Household, at the prevailing price. This benefit may include coverage for tank pressure testing. CEAP can pay for pressure testing, but may not cover repair costs (i.e. valve, tank, etc.).

9. If a household has received all scheduled payments under UA and then receives a disconnection notice that qualifies as a crisis due to weather disaster or life threatening, are they then eligible for two payments under CA for disconnection notices?
With the new rules that went into effect January 1, 2020, disconnects are no longer a stand-alone crisis. In order to receive benefits under CA, households must have lost service or be in danger of losing service (inoperable heating/cooling system, be disconnected, have a disconnect notice, or have low reserve of fuel, etc.) and meet one of three conditions:
• Extreme Weather Conditions,
• Disaster, or
• Life Threatening Crisis.

If those conditions are met, the only limit for assistance under those conditions is the maximum benefit amount of $1400, $1500, or $1600. There is no limit on the number of payments provided under the CA component.

Remember, the purpose of CA is to prevent loss of life and ensure health and safety due to Texas’ extreme weather, disaster, or serious illness. Subrecipients should make reasonable efforts to ensure that applicants and recipients understand that CEAP assistance has limits and that it is the client’s responsibility to pay that the portion(s) of their utility bill that CEAP cannot cover.

10. The 10 TAC §6.301(b)(4) lists winter months as November—February and summer months as June—September. Does this mean the only months we can use extreme weather criteria for crisis payments is during these 8 months?

Extreme Weather Conditions only apply during the winter and summer months identified in 10 TAC §6.301(b)(4). CA due to Extreme Weather Conditions cannot be provided outside of those periods.

11. What sources are we allowed to use to document local weather conditions?

NOAA, which is the same site used in developing your Extreme Weather Conditions trigger temperatures in your Service Delivery Plan is recommended. This may be accessed through https://www.noaa.gov/, “Find Your Local Weather” in the upper right hand corner.

You may also use documented local weather data. The most important thing is to use a consistent source and methodology. The Department recommends that Subrecipients designate staff to print/save temperatures daily during the Extreme Weather Conditions months (November-February and June-September) in a master file to determine if Extreme Weather Conditions are met and that can be referenced during monitoring visits.

12. How do we determine if a household meets the condition of Life Threatening Crisis if they do not verbally disclose that information? Can we utilize a self-certification form? If not, will a verbal certification suffice?

The requirement to determine if a crisis is life threatening is not new, because the requirement that assistance during a Life Threatening Crisis must be provided within the 18-hour time limit is not new. If a Subrecipient does not currently have a procedure in place, one should be implemented immediately. Questions can be asked verbally or on the application to determine if the household is experiencing a Life Threatening Crisis. Per 10 TAC §6.301(b)(5), client statement is sufficient to document this condition and medical information is not to be requested. This information can be provided verbally and must be reflected in case notes to document that crisis conditions were met.

13. When Extreme Weather Conditions are met [as defined in §6.301(b)(4)], does a household also need a disconnect notice to receive assistance under CA? For example, household's obligated payment for June is $70, so we pay the $70, however, they bring in their actual bill which is $100 during Extreme Weather Conditions in June. Can we pay the remaining $30 using CA Component?

10 TAC §6.310(a) states that a household must have “lost service or be in danger of losing service” in addition to meeting the criteria for Extreme Weather Crisis, Disaster or Life Threatening Crisis in order to receive benefits under CA. If the household in this example has not lost service or is not in immediate danger of losing service (due to disconnect, disconnect notice, low pre-pay balance, low propane, etc.) they cannot be assisted under the CA component.

E. SERVICE AND REPAIR

1. Can Subrecipients only provide utility assistance and not the repair of existing heating and cooling units or crisis related purchase of portable heating and cooling units?

No, all possible activities of the CEAP program must be available to households depending upon Household needs.
2. Under what conditions may we address heating/cooling service or repairs?

10 TAC §6.310(c)(8) For Non-Vulnerable Populations meeting the conditions described in subsection (a) of this section, service and repair of existing heating and cooling units when the Household has an inoperative heating or cooling system. If a component(s) of the heating or cooling system cannot be repaired using parts, the Subrecipient can replace the component(s) in order to repair the heating or cooling system.

(e) Benefit Level for Crisis Assistance: (4) Service and repair or purchase of heating or cooling, or heating and cooling units for up to $5,000 will not be counted towards the total maximum Household allowable assistance under the utility assistance and crisis components.

Vulnerable Household heating/cooling service repairs is found under the Utility Assistance Component: 10 TAC §6.311(c) For Vulnerable Population Households, service and repair of existing heating and cooling units is allowed when the Household has an inoperative heating or cooling system. If a component(s) of the heating or cooling system cannot be repaired using parts, the Subrecipient can replace the component(s) in order to repair the heating or cooling system. The cost shall not exceed $5,000 and will not be counted towards the total maximum per Household allowable under the Utility Assistance Component. Subrecipients may leverage this type of assistance with LIHEAP and/or DOE Weatherization.

3. Regarding the service and repair of existing heating and cooling units; does the service and repair cap of $5,000 include an assessment charge to determine the type of repairs needed for the heating/cooling unit?

Yes, the $5,000 cap includes everything associated with the service and repair of the existing heating and cooling units, which includes the initial assessment.

4. Can you please define what are the acceptable heating and cooling units allowable for repair under CA?

The first condition for repair is that the existing system must be inoperative. Systems that are working cannot be repaired using CEAP funds, even if the working system is old or inefficient. See 10 TAC §6.309(f), §6.310(c)(8), and §6.311(c) for the additional requirements that also must be met to provide service and repair of existing heating and/or cooling systems with CEAP funds.

There are three main components of a central HVAC system – condenser (AC component, typically outside); furnace (heating component, typically located in the air handler); blower (fan that blows the conditioned air throughout the house, typically located in the air handler). The heating/cooling components both utilize the blower of the system. Additionally, these three components have smaller parts/pieces that they need to operate functionally – parts, valves, hoses, pipes, etc. Acceptable heating/cooling repairs, not to exceed $5,000, under the conditions listed in 10 TAC §6.310(c)(8) or §6.311(c), could include the repair of any of the components, or parts/pieces of those components listed above; repair of any of the three components, repair/replacement of any of the parts/pieces of those components to make them functional and working again. 10 TAC §6.310(c)(8) and §6.311(c) state “If a component(s) of the heating or cooling system cannot be repaired using parts, the Subrecipient can replace the component(s) in order to repair the heating or cooling system.”

For households without a central HVAC system using one or more portable units (such as window AC units) as their heating/cooling system, each unit would be considered as a component of their existing system and could be repaired under the same criteria as those used for central HVAC systems.

Regarding the procurement for the aforementioned services, Subrecipients should contact other Subrecipients (both CEAP and/or WAP funding) in the local area to get an understanding of what repairs are applicable/common in your service area to make sure that the procured services will be able to provide the most effective and beneficial assistance to the households.

5. Is repair to the duct system an allowable CEAP program expenditure under CA?

The duct system delivers the conditioned air throughout the house and is a component of the system, so yes; repair to the duct system is potentially allowable program expenditure under CA. Repair to the duct system would be covered under the $5,000 service/repair cap for CA; all applicable justification and documentation is still
required. In such cases, a referral to WAP for a whole-house assessment may be best.

6. What if the house does not have a conventional HVAC system? Say for instance a central furnace and evaporative cooler, is this considered a “central system?” Or a wall furnace and window ACs throughout the house? Could the components of the furnace or cooling components be repaired or replaced as part of the central system, if CA criteria was met?

Yes, these scenarios are possible. Acceptable situations are:

- **EXAMPLE 1**: Home has a typical HVAC system, with a furnace/air handler inside, and condenser outside. The HVAC system uses the duct system to heat/cool the house. In this case, repairing any aspects of those components, or possibly replacing one of those 3 major components could be done in an effort to repair the central system, when a local weather crisis has been met.

- **EXAMPLE 2**: Home has an evaporative cooler and a central furnace with duct systems to heat/cool the entire house. In this case, either of those heating/cooling components could be replaced individually in an effort to repair the central system, when a local weather crisis has been met.

- **EXAMPLE 3**: Home has window air conditioners and a central furnace for their heat/cool system. Two window ACs could be replaced, and the furnace could be addressed as the heating component. Department prior approval is needed, if more than two window units are needed.

F. **DISABILITY**

1. What defines a person with a disability?

   “Person with a Disability” is defined in 10 TAC §6.2(b)(44): “(44) Person with a Disability--Any individual who is:
   
   (A) An individual described in 29 U.S.C. §701 or has a disability under 42 U.S.C. §§12131 - 12134;
   
   
   (C) Receiving benefits under 38 U.S.C. Chapter 11 or 15; or
   
   (D) An individual with a disability as defined in §1.202(4).”

2. Will individuals be able to self-identify as disabled? Is documentation required to support the disability? Can we accept a note from their doctor that simply states the household member is disabled? Can an applicant certify for a minor or other household member?

   Applicants may self-certify themselves or members of their household as disabled on the application. Please refer to the [Texas Health and Safety Code](#): As per 10 TAC §1.24. Doctor’s notes are not to be kept in client files. The applicant can certify a disabled minor or another disabled household member on the application when they sign the application.

G. **LANDLORD VENDOR AGREEMENTS**

1. Can households paying their landlord for utilities be assisted thru CEAP? If you pay the landlord for the household’s utilities, do you require a vendor agreement?

   Yes. Subrecipients may make payments to landlords on behalf of eligible renters who pay their utility and/or fuel billed through their landlord. You must have a signed vendor agreement with the landlord. Payments must be made directly to the vendor and not the tenant. For pledges, if the landlord cannot provide a 12 month billing history for each dwelling, the Alternative Billing Method (ABM) for the applicants housing type and household size should be used.

   Always use the latest Vendor Agreement found on the [CEAP Program Guidance](#) page.
2. Applicant is renting a room and is requesting utility assistance. Can we assist them with CEAP if they are renting a room?
Yes, you may assist an applicant who rents a room. However, you’d need to obtain a copy of the rental agreement and it would need to state something about utility responsibilities. The applicant’s income would be based on their household size and income (not the occupants of the entire home). If the renter pays a monthly fee for their portion of the utilities, you’d need documentation and a vendor agreement with the landlord to pay the landlord-avers the utility vendor.

H. PROPANE
1. Can CEAP funds be used to repair propane gas lines or leaks?
Repair of gas lines and or leaks would not be allowable use of CEAP funds; only those items listed in current 10 TAC §6.310(c)(3): “Emergency deliveries of fuel up to 250 gallons per crisis per Household, at the prevailing price. This benefit may include coverage for tank pressure testing.” or under 10 TAC §6.310(c)(8): “…If any component of the central system cannot be repaired using parts, the Subrecipient can replace the component in order to repair the central system. Any service or repair of air conditioning or heating units must comply with the 2015 International Residential Code ("IRC") to ensure proper installation....”

2. Is assistance with propane or natural gas limited only to the months of November, December, January, and February? Propane is not used to cool the home.
No. There is no distinction as to what time of year that households that use bulk fuels are to be assisted. Each agency will need to evaluate the consumption for the various utility vendors the household uses and determine which months and type of energy bill would best benefit the household within the parameters of the CEAP.

3. Is assistance with propane limited to 250 gallons?
It depends on the component being used to provide the assistance with propane. If the household meets the crisis requirements listed in 10 TAC §6.310 (a), up to 250 gallons of propane can be provided using the Crisis Assistance (CA) component, up to the maximum benefit amount. If using the Utility Assistance (UA) component to provide the propane assistance, there is no limit on the number of gallons, as long as the assistance does not exceed their maximum benefit allowance.

4. How do we treat propane consumption history when trying to determine monthly consumption?
CEAP, is to obtain the household’s 12-month billing history for all household fuel types; including 12-months’ worth of propane payments. The 12-month billing history for propane will not consist of an amount for each month; as other utility bills do—however, you will collect the propane bills over the past12-months as so billing history. When determining which fuel bill to pledge, it is most likely that the propane bill months will be the highest. In order to maximize client benefits, whichever fuel type is the highest should be the bill that is pledged.

5. Do we need propane consumption history to pay propane? Can we pay propane using the current bill provided by the propane company needed to refill the tank?
As with any other CEAP assistance, payments for propane must be made based on a 12-month billing history, a Department approved ABM, or an actual bill.

6. Does being out of propane or low on propane (below 20% supply, per the customer) meet the definition of “in immediate danger of losing service?”
Yes.

I. BUDGETS/REPORTING
1. What will the Administration and Program Services Cost (PSC) percentages be?
The applied percentages are outlined in your CEAP Contract, and may vary from year to year. For the 2020 program year, the percentages are set at 7.22% for Admin and 13.29% for PSC. These percentages are calculated based on the expenditure of direct service dollars.
2. Please provide an overview on what is allowable under Admin and Program Services Costs.
Please refer to 10 TAC §6.308. Additional guidance can currently be found in the CEAP Contract Section 8.

3. Does CEAP intake include processing and determining pledges? Those activities are never mentioned as to where we would pay those employee hours.
Any aspect for providing direct services falls under Program Support. For additional guidance see: CEAP Admin and Program Services Costs (PDF)

4. Between the two CEAP components, UA & CA, is there a minimum percentage per component that must be expended by the end of the contract period?
There are no specific minimum limits established in the TAC. You could weigh one category more heavily than the other, based upon your area needs, as long as the total expended for both components does not exceed the total budget amount for Direct Services.

5. Why is the final reporting due date 45 days?
The final date is 45 days in order to conduct contract close-out activities, such as: invoices from vendors, contractors, suppliers and final expenditure and performance reporting.

6. Within the contract system, can we have two designees for approvals of amendments and monthly reports?
Yes. The Subrecipient would need to submit an Access Request with both of the individual’s names listed to the Department.

The Department Fiscal & Reporting staff can address the following questions.
  • Who should I contact with questions regarding CEAP budget amendments?
  • Who should I contact with questions regarding CEAP reports?
  • Who should I contact with questions regarding CEAP inventory reports?
  • Who should I contact with questions regarding the Community Affairs Contract System?
  • Who should I contact with questions about recording information in our computer system?

The contact information for those staff can be found at: http://www.tdhca.state.tx.us/community-affairs/contacts.htm

J. PROCUREMENT
For procurement questions, please refer to 10 TAC §1.404 and the Department’s CA Procurement webpage: http://www.tdhca.state.tx.us/community-affairs/procurement/index.htm

1. Regarding procurement for office supplies, we have two choices to purchase toner and paper which will be above $500. Do we need to go through separate procurement and get three bids per this new guidance?
Yes. In this instance, you will need to follow the small purchase procedure, which requires a minimum of three quotes.

2. Could Subrecipients use the WAP contractor to complete CEAP heating and cooling work without going through procurement?
Possibly, if your agency has both programs. Allowability depends upon how the procurement process was documented. If the procurement bid package included both the WAP and CEAP programs, then you may use that contractor.

3. Who do we contact to get approval for procurement?
Per 10 TAC §1.404(f) All vehicles considered for purchase with state or federal funds must be pre-approved by the Department via written correspondence from the Department. Procurement procedures must include provisions for free and open competition. Any vehicle purchased without approval may result in disallowed costs.

In the case where purchase of equipment with a unit acquisition (an individual piece of equipment) cost of more than $5,000 contact the Department for approval to proceed before making the award. Subrecipients should
contact their assigned trainer, CA Program Administrators, for the review approval letter.

Approval for a small purchase threshold under $100,000 is not needed. A competitive process such as Sealed Bid, Request for Proposals, or Request for Quotes is needed for procurement purchases that will exceed $100,000. Per Section 16 of your Contract: Subrecipients shall comply with UGMS, 10 TAC §1.404, contracts, and applicable federal, state, and local regulations, and ordinances for making procurement transactions and purchases.

K. BOARD

1. Does the board have to accept contract amendments before the Executive Director accepts it? Is the board's acceptance post facto?

According to 10 TAC §6.3(b): The governing body of the Subrecipient must pass a resolution authorizing its Executive Director or his/her designee to have signature authority to enter into contracts, sign amendments, and review and approve reports. All Contract actions including extensions, amendments or revisions must be ratified by the governing body at a subsequent regularly scheduled meeting no later than 120 calendar days from the Contract action. Minutes relating to this resolution must be on file at the Subrecipient level.