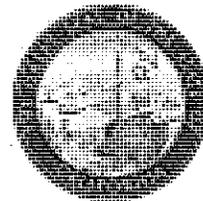




JOHN A. WAGNER
DIRECTOR

State of California-Health and Human Services Agency
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
P.O. Box 1947, Sacramento, CA 95812-1947
Telephone: (916) 576-7109 | Fax: (916) 263-1406
www.csd.ca.gov



EDMUND G. BROWN JR.
GOVERNOR

August 30, 2012

Jeannie L. Chaffin, Director
Office of Community Services
Administration for Children and Families
U.S. Department of Health and Human Services
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

SUBJECT: Detailed State Plan Application for Federal Fiscal Year 2013

Dear Director Chaffin:

Enclosed is the State of California's Low-income Home Energy Assistance Program (LIHEAP) Detailed State Plan Application for Federal Fiscal Year 2013 and the LIHEAP Household Report (estimated) for Federal Fiscal Year 2012.

Pursuant to Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended, I certify that the Department of Community Services and Development (CSD) will comply with the 16 federal assurances. A delegation letter from Governor Brown is enclosed.

On August 16, 2012, CSD conducted a public hearing on the proposed LIHEAP Detailed State Plan Application, as required by federal law. The Department did not receive any public testimony or written comments on the LIHEAP Detailed State Plan Application for Federal Fiscal Year 2013.

Sincerely,

JOHN A. WAGNER
Director



OFFICE OF THE GOVERNOR

May 26, 2011

Ms. Yolanda J. Butler, Ph.D.
Acting Director
Office of Community Services
Administration for Children and Families
U.S. Department of Health and Human Services
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

Dear Ms. Butler:

Pursuant to 42 U.S.C. 9908(a)(1) and Title 45, Part 96.10(b) of the Code of Federal Regulations, I hereby delegate signature authority to John A. Wagner, Acting Director of the State of California's Department of Community Services and Development, and his successor, for the purposes of submitting the application and certifying compliance with federal assurances relating to the Community Services Block Grant and Low-Income Home Energy Assistant Program.

Sincerely,

A handwritten signature in black ink that reads "Edmund G. Brown Jr." with a stylized flourish at the end.

Edmund G. Brown Jr.



**State of California
Health and Human Services Agency
Department of Community Services and Development**

**LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)
STATE PLAN APPLICATION**

**DETAILED MODEL PLAN
FEDERAL FISCAL YEAR (FFY) 2013
October 1, 2012 – September 30, 2013**

**Submitted to:
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
OFFICE OF COMMUNITY SERVICES**

**EDMUND G. BROWN, JR.
Governor**

**DIANA S. DOOLEY
Secretary, California Health and Human Services Agency**

**JOHN A. WAGNER
Director, Department of Community Services and Development**

ATTACHMENT 3

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

DETAILED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FISCAL YEAR (FY) 2013

GRANTEE: State of California, Department of Community Services and Development

EIN: 68-0283471

ADDRESS: P.O. Box 1947

Sacramento, CA 95812-1947

2389 Gateway Oaks Drive, Suite 100

Sacramento, CA 95833

NAME OF LIHEAP COORDINATOR: Sylmia Britt

EMAIL: Sylmia.Britt@csd.ca.gov

TELEPHONE: 916-576-7130 FAX: 916-263-1406

PLEASE CHECK ONE: TRIBE STATE X INSULAR AREA

**Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, DC 20447**

**August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01
OMB Approval No. 0970-0075
Expiration Date: 04/30/2014**

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)

Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which the grantee is not permitted to file an abbreviated plan. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Assurances

The Department of Community Services and Development agrees to:

(Grantee Name)

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs,

and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150% of the poverty level for such State; or

(ii) an amount equal to 60% of the State median income;

except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110% of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that—

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10% of the funds payable to such State under this title for a fiscal year; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) * beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

*** This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.**

(16) use up to 5% of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended.* By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.**

Signature:  John A Wagner
Title: Director
Date: 8/30/12

* Indian tribes/tribal organizations, and territories with annual regular LIHEAP allotments of \$200,000 or less, are not subject to assurance 15, and thus must only certify to 15 assurances.

** If a person other than the Chief Executive Officer of the State or territory, or Tribal Chairperson or Board Chairperson of a tribal organization, is signing the certification to the assurances, a letter must be submitted delegating such authority. (PLEASE ATTACH DELEGATION of AUTHORITY.) The delegation must include authority to sign the assurances, not just to administer the program.

*** HHS needs the EIN (Entity Identification Number) of the State, territory or Tribal agency that is to receive the grant funds before it can issue the grant.

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.

Statutory
References

2605(a)

2605(b)(1) → Please check which components you will operate under the LIHEAP program.
(Note: You must provide information for each component designated here as requested elsewhere in this plan.)

	<u>Dates of Operation</u>
(Use of funds) <u>X</u> heating assistance	<u>January through December</u>
<u>X</u> cooling assistance	<u>January through December</u>
<u>X</u> crisis assistance	<u>January through December</u>
<u>X</u> weatherization assistance	<u>January through December</u>

2605(c)(1)(C) → Please estimate what amount of available LIHEAP funds will be used for each component that you will operate: **The total of all percentages must add up to 100%.**

(Use of funds)	<u>14.65</u> % heating assistance
	<u>14.65</u> % cooling assistance
	<u>30.70</u> % crisis assistance
2605(k)(1)	<u>15.00</u> % weatherization assistance*
	<u>10.00</u> % carryover to the following fiscal year
2605(b)(9)	<u>10.00</u> % administrative and planning costs
2605(b)(16)	<u>5.00</u> % services to reduce home energy needs including needs assessment (assurance 16)
	<u>0.00</u> % used to develop and implement leveraging activities (limited to the greater of 0.08% or \$35,000 for States, the greater of 2% or \$100 for territories, tribes and tribal organizations).
	<u>100.00</u> % TOTAL

*California Government Code § 1637.5 (c) directs CSD to apply for the weatherization waiver annually to ensure CSD receives the maximum allowed weatherization allocation. If the weatherization waiver is awarded, the 10% allocation increase to the weatherization assistance category will come from the carryover category.

Statutory
References

2605(c)(1)(C)

➔The funds reserved for winter crisis assistance that have not been expended by March 15 will be reprogrammed to:

(Alternate use
of Crisis Assistance
Funds)

___ heating assistance

___ cooling assistance

___ weatherization assistance

X Other (specify):

CSD maintains a year around crisis program that addresses heating, cooling and weatherization assistance.

➔Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served? (This is required by the statute.)

Yes X No ___

2605(b)(2)

2605(c)(1)(A)

➔What are your maximum eligibility limits?

(Please check the components to which they apply.)

Current year guidelines must be used.

(Eligibility)

___ 150% of the poverty guidelines:

heating ___ cooling ___ crisis ___ wx ___

___ 125% of the poverty guidelines:

heating ___ cooling ___ crisis ___ wx ___

___ 110% of the poverty guidelines:

heating ___ cooling ___ crisis ___ wx ___

X 60% of the State's median income:

heating X cooling X crisis X wx X

___ Other (specify for each component)

X Households automatically eligible if one person is receiving

____ TANF, ____ SSI, X Food Stamps, ____ Certain means-tested veterans programs (heating ____ cooling ____ crisis ____ wx ____)

Pursuant to AB 6 (Chapter 501, Statutes of 2011), CSD and the California Department of Social Services (CDSS) were directed to implement a Heat and Eat program in California by January 1, 2013. The goal of such a program is to leverage the federal Supplemental Nutrition Assistance Program (SNAP) and LIHEAP to generate additional resources for vulnerable households, increasing the likelihood that Californians will have access to critical nutrition, maintain affordable housing and sustain heat/cooling within the home. The Heat and Eat program also reinforces outreach efforts as outlined in Section 2605(b)(3) and program coordination in 2605(b)(4) of the LIHEAP Statute.

CDSS administers the SNAP, known as CalFresh in California. CSD will set aside no more than \$500,000 of its annual LIHEAP block grant to fund the Heat and Eat program. Issuing a nominal LIHEAP benefit along with information about the LIHEAP program allows the use of the highest possible heat and utility deductions when determining the client's food assistance and may increase their benefit amount. Under the program, CalFresh households would receive a nominal LIHEAP benefit as dictated by the statute qualifying them to automatically receive the SNAP Standard Utility Allowance (SUA), for the purpose of calculating CalFresh benefits. Making the SUA automatic will result in an estimated average increase to eligible CalFresh households of \$62 per month, while also increasing the number of newly eligible households under CalFresh. An additional benefit is the simplification of the application process for CalFresh applicants as it would not require any additional paperwork or verification on behalf of the applicant. The resulting change in benefit calculations would increase benefits for some households and remove the verification requirements associated with utility costs for all households, thus simplifying the application process and leveraging additional federal nutrition benefits for CalFresh households.

Similar Heat and Eat initiatives across the country have been implemented in an effort to maximize federal nutrition benefits, in order to mitigate the effects of high housing and utility costs. Other states that have implemented a utility assistance or Heat and Eat initiative include Connecticut, Delaware, District of Columbia, Michigan, New Jersey, Pennsylvania, Massachusetts, Vermont, Maine, Washington, New York, Rhode Island, Oregon, and Wisconsin. Though each program varies to some degree according to the unique needs of the SNAP caseload in each state, the basic premise is the same across the country.

Statutory
References2605(c)(1)(A)
2605(b)(2)
(Eligibility)

→Do you have additional eligibility requirements for:
HEATING ASSISTANCE (____ Yes X No)

→Do you use: Yes No

Assets test? X

→Do you give priority in eligibility to:

Elderly? X

Disabled? X

Young children? X

Other: X
(If Yes, please describe)

Each Local Service Provider is required to submit a priority plan as part of their contract. The priority plan identifies four categories: Poverty Level, Energy Burden, Vulnerable Population and Agency-Defined. Agency-Defined category is optional. The following five priority categories will serve as the basis for Agency-Defined priorities (examples provided are not all inclusive):

Medically Needy – *Examples:* Needing special medical equipment, high medical expenses relative to income

Frail Elderly – *Examples:* Homebound, 80+, living alone, lack of access to services, poor health

Severe Financial Hardship – *Examples:* Recent loss of income, receiving Unemployment Insurance Benefits (UIB), high risk of homelessness, income eligible for LIHEAP but ineligible for other need-based benefits

Hard to Reach – *Examples:* Geographically/culturally isolated, language barrier(s), significantly underrepresented in clients served vs. local demographics

Priority Offsets – *Examples:* Client receiving other utility, rent or mortgage subsidies; client served in previous year.

NOTE: No application for benefits may be rejected based on previous receipt of benefits, and an alternate-year policy must allow for continuing prioritization of services to the most vulnerable clients. An “alternate-year policy” may be one of the elements in a priority system for determining eligibility for LIHEAP benefits and assistance (see the “Priority Offsets” category above). However, an alternate year policy will not be used to arbitrarily deny benefits or assistance to clients who are genuinely needy, particularly if the result is to grant benefits or assistance to a less needy applicant.

Based on an assessment of each client, Local Service Providers assign points for each of the first three categories and the Agency-Defined categories, if the Local Service Provider elects to use this additional fourth category. Clients with the highest resulting number of points are served first, though priority may be given to households with life-threatening emergencies.

Statutory
References

2605(c)(1)(A)
2605(b)(2)

→Do you have additional eligibility requirements for:
COOLING ASSISTANCE (____ Yes X No)

(Eligibility)

→Do you use:	<u>Yes</u>	<u>No</u>
Assets test?	_____	<u>X</u>
→Do you give priority in eligibility to:		
Elderly?	<u>X</u>	_____
Disabled?	<u>X</u>	_____
Young children?	<u>X</u>	_____
Other:	<u>X</u>	_____

(If Yes, please describe)

Each Local Service Provider is required to submit a priority plan as part of their contract. The priority plan identifies four categories: Poverty Level, Energy Burden, Vulnerable Population and Agency-Defined. Agency-Defined category is optional. The following five priority categories will serve as the basis for Agency-Defined priorities (examples provided are not all inclusive):

Medically Needy – *Examples:* Needing special medical equipment, high medical expenses relative to income

Frail Elderly – *Examples:* Homebound, 80+, living alone, lack of access to services, poor health

Severe Financial Hardship – *Examples:* Recent loss of income, receiving Unemployment Insurance Benefits (UIB), high risk of homelessness, income eligible for LIHEAP but ineligible for other need-based benefits

Hard to Reach – *Examples:* Geographically/culturally isolated, language barrier(s), significantly underrepresented in clients served vs. local demographics

Priority Offsets – *Examples:* Client receiving other utility, rent or mortgage subsidies; client served in previous year.

NOTE: No application for benefits may be rejected based on previous receipt of benefits, and an alternate-year policy must allow for continuing prioritization of services to the most vulnerable clients. An “alternate-year policy” may be one of the elements in a priority system for determining eligibility for LIHEAP benefits and assistance (see the “Priority Offsets” category above). However, an alternate year policy will not be used to arbitrarily deny benefits or assistance to clients who are genuinely needy, particularly if the result is to grant benefits or assistance to a less needy applicant.

Based on an assessment of each client, Local Service Providers assign points for each of the first three categories and the Agency-Defined categories, if the Local Service Provider elects to use this additional fourth category. Clients with the highest resulting number of points are served first, though priority may be given to households with life-threatening emergencies.

Statutory
References2604(c)
2605(c)(1)(A)

(Eligibility)→Do you have additional eligibility requirements for:
CRISIS ASSISTANCE (X Yes ___No)

	<u>Yes</u>	<u>No</u>
→Do you use:		
Assets test?	_____	_____ <u>X</u>
Must the household have received a shut-off notice or have an empty tank?	_____	_____ <u>X</u>
Must the household have exhausted regular benefit?	_____	_____ <u>X</u>
Must the household have received a rent eviction notice?	_____	_____ <u>X</u>
Must heating/cooling be medically necessary?	_____	_____ <u>X</u>
Other (Please explain):	_____ <u>X</u>	_____

Additional requirements for utility/fuel crisis assistance include meeting one or more of the following criteria:

- Proof of utility shutoff notice;
- Proof of energy termination;
- Insufficient funds to establish a new energy account;
- Insufficient funds to pay a delinquent utility bill;
- Insufficient funds to pay for essential firewood, oil or propane
- Insufficient funds to pay the cost of repairing or replacing an eligible heating or cooling appliance or for a new heating or cooling appliance; and/or
- Applicant has a medical condition that requires temperature or climate control and the heating/cooling appliance is considered hazardous, nonexistent, or inoperable

➔What constitutes a crisis? (Please describe)

CSD uses the federal definition of a crisis (Low Income Energy Assistance Act § 2603 (3)): “weather-related and supply shortage emergencies and other household energy related emergencies.” Crisis funds may only be used in accordance with the federal definition, including:

1. A natural disaster (whether or not officially declared),
2. A significant home energy supply shortage or disruption,
3. An official declaration of a significant increase in:
 - a. Home energy costs,
 - b. Home energy disconnections,
 - c. Enrollment in public benefit programs, or
 - d. Unemployment and layoffs, or
4. An official emergency declaration by the Secretary of Health and Human Services,

In those situations where there is not an official federal, state, or local declaration of emergency, an emergency may be deemed to exist by CSD where there is imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

Statutory
References

2605(c)(1)(A)

➔Do you have additional eligibility requirements for:
WEATHERIZATION (___ Yes ___ **X** No)

(Eligibility)

➔Do you use: Yes No

Assets test? _____ X _____

Priority groups? (Please list) X _____

Each Local Service Provider is required to submit a priority plan as an attachment to their contract. The priority plans are in narrative format and identify multiple categories used to prioritize services, such as: Poverty Level, Energy Burden, Vulnerable Population, New Applicants, Health & Safety Issues, Proximity to other eligible dwellings and Agency-Defined (Agency-Defined categories are described above). Based on an assessment

of each applicant, some Local Service Providers prioritize by assigning points for each of these categories and serving those with the highest point value first, though priority may be given to households with life-threatening emergencies.

→ Are you using Department of Energy (DOE) Low Income Weatherization Assistance Program (LIWAP) rules to establish eligibility or to establish priority eligibility for households with certain characteristics? _____ X

→ If Yes, are there exceptions? _____
Please list below. _____

Statutory
References

2605(b)(3)
2605(c)(3)(A)

(Outreach)

→ Please check the outreach activities that you conduct that are designed to assure that eligible households are made aware of all LIHEAP assistance available:

X provide intake service through home visits or by telephone for the physically infirm (i.e. elderly or disabled).

X place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.

X publish articles in local newspapers or broadcast media announcements.

X include inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.

X make mass mailing to past recipients of LIHEAP.

X inform low income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.

X execute interagency agreements with other low-income program offices to perform outreach to target groups.

X other (Please specify):

- Partnerships with utility companies
- Outreach to: legislative offices, community organizations, and attendance at community events
- Referrals to CSD's programs from child care centers
- Pamphlets
- Toll-free phone line
- CSD's website
- Contractors' websites
- Special events
- Canvass neighborhoods and go door to door
- Distributes flyers at schools

Statutory References

2605(b)(4)

➔ Please describe how you will assure that LIHEAP is coordinated with similar and related programs. The description provided applies to all components unless specifically noted.

(Coordination)

CSD and Local Service Providers coordinate activities with similar and related programs administered by the federal, state, and the public and private sector, particularly low-income, energy conservation programs. CSD is working with the California Public Utilities Commission (CPUC) and the state's investor owned utility companies to develop strategies to better leverage and coordinate our mutual resources to benefit low-income households in the state.

Local Service Providers refer potentially eligible applicants, including heating and cooling, and crisis applicants, to the weatherization program, California Alternate Rate for Energy (CARE), Reduced Rate Programs (RRP), and/or to other energy or conservation programs. This referral is accomplished through interagency agreements, communications with pertinent agencies, one-stop centers, utility companies, and public/private partnerships. Local Service Providers provide assistance in coordinating the payment of client's energy/utility bill with the appropriate energy vendor or utility company.

2605(b)(5)
2605(b)(2)

➔ The statute requires that there be no difference in the treatment of households eligible because of their income and those eligible

2605(b)(8A) because they receive benefits under TANF, Food Stamps, SSI, or certain means-tested veterans programs ("categorically eligible"). How do you ensure there is no difference when determining eligibility and benefit amounts? This applies to all components unless specifically noted below.

(Benefit Levels)

Participation in the LIHEAP program is based on the household's income meeting the program's income eligibility guidelines and service priority. CSD ensures equal treatment of LIHEAP income eligible households, regardless to their participation in public benefit program. However, it is worthy of mention that CSD structures its utility assistance benefits in accordance with an individual's income level among other factors, to assure that households with the lowest income receive the highest possible benefit established for a county service area.

Statutory References

HEATING COMPONENT

2605(b)(5) → Please check the variables you use to determine your benefit levels (check all that apply):

(Determination of Benefits)

- income
- family (household) size
- home energy cost or need
 - fuel type
 - climate/region
 - individual bill
 - dwelling type
 - energy burden
(% of income spent on home energy)
- energy need
- other (describe)

CSD conducts an "Individual Utility Company Rate Survey" each year. In the survey, utility companies report their residential rates, by county, for natural gas and electricity. CSD uses this information to establish average utility costs for each county. These costs are factored into the heating and cooling benefit formula to determine LIHEAP benefit levels.

2605(b)(5)
2605(c)(1)(B) → Describe how you will assure that the highest benefits go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size.

(Benefit Levels)

Please describe benefit levels or attach a copy of your payment matrix.

CSD and its Local Service Providers consider a number of pertinent factors to assure that the highest benefits go to households with the lowest incomes and the highest energy costs or needs, based on family size.

Who receives a payment is based on four factors: 1) Poverty Level, 2) Energy Burden, 3) Vulnerable Populations, and 4) Agency Defined Factors (optional).

What level the payment will be is determined by an additional three factors: 1) the number of people in the household, 2) the household's total gross monthly income, and 3) the cost of energy in the region. As described in the response above, the formula for determining the regional cost of energy is revised annually, based on the actual cost of energy in the region.

Taken together, these two formulas for determining who receives benefits and at what level, consider the U.S. Department of Health and Human Services (HHS) Federal Poverty Guidelines and actual, regional energy costs, allowing CSD and its Local Service Providers to establish benefits that are proportionate to need and income level. As a result, we provide the highest possible benefit to those who have the highest energy burden and the lowest incomes.

→ Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits?

Yes No If Yes, please describe.

Statutory
References

2605(b)(5)
2605(c)(1)(B)

(Determination
of Benefits)

COOLING COMPONENT

→ Please check the variables you use to determine your benefit levels (check all that apply):

income
 family (household) size
 home energy cost or need
 fuel type
 climate/region
 individual bill
 dwelling type

energy burden
 (% of income spent on home energy)
 energy need
 other (describe)

CSD conducts an “Individual Utility Company Rate Survey” each year. In the survey, utility companies report their residential rates, by county, for gas and electricity. CSD uses this information to establish average utility costs for each county. These costs are factored into the heating and cooling benefit formula to determine LIHEAP benefit levels.

2605(b)(5)
 2605(c)(1)(B)
 (Benefit
 Levels)

→ Describe how you will assure that the highest benefits will go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size. Please describe benefit levels or attach a copy of your payment matrix.

CSD and its Local Service Providers consider a number of pertinent factors to assure that the highest benefits go to households with the lowest incomes and the highest energy costs or needs, based on family size.

Who receives a payment is based on four factors: 1) Poverty Level, 2) Energy Burden, 3) Vulnerable Populations, and 4) Agency Defined Factors (optional).

What level the payment will be is determined by an additional three factors: 1) the number of people in the household, 2) the household’s total gross monthly income, and 3) the cost of energy in the region. As described in the response above, the formula for determining the regional cost of energy is revised annually, based on the actual cost of energy in the region.

Taken together, these two formulas for determining who receives benefits and at what level, consider the HHS Federal Poverty Guidelines and actual, regional energy costs, allowing CSD and its Local Service Providers to establish benefits that are proportionate to need and income level. As a result, we provide the highest possible benefit to those who have the highest energy burden and the lowest incomes.

→ Do you provide in-kind (e.g. fans) and/or other forms of benefits?

Yes No If Yes, please describe.

Statutory
References2605(b)(5)
2605(c)(1)(B)**CRISIS COMPONENT**(Determination
of Benefits)

➔How do you handle crisis situations?

 separate component other (please explain)

➔If you have a separate component, how do you determine crisis assistance benefits?

 amount to resolve crisis, up to maximum other (please describe)

The Crisis Program is limited to four activities:

1. Fast Track (electric and gas) utility payments
2. Energy Crisis Intervention Program Wood, propane and oil (ECIP WPO) payments
3. Heating and cooling services (HCS)
4. Severe Weather Energy Assistance and Transportation Services (SWEATS)

Fast Track benefits are determined by the Local Service Providers, but payments to the utility companies are processed, centrally, by CSD, where ECIP WPO assistance benefits, HCS and SWEATS activities are provided locally. Local Service Providers have the ability to increase the Fast Track base amount by adding a supplemental benefit. The total benefit amount cannot exceed the total amount of the entire utility bills (to include energy charges, reconnection fees, and other assessed utility fees/surcharges to alleviate the crisis situation) or \$1,000, whichever is less.

ECIP WPO benefits are determined at the local level based on clients inability to pay for essential firewood, oil or propane. The amount of the benefit is based on the cost to resolve the crisis.

HCS services provide payment for energy-related repairs or replacement of non-functioning heating, cooling appliances and water-heating appliances. The benefit amount is based on the cost of the repair or replacement, up to the maximum amount as determined annually.

SWEATS services provide payment to address energy-related emergency needs of low-income households affected by a natural disaster. Typical services include additional utility assistance, temporary housing services, transportation services and temporary heating/cooling devices. The amount of the benefit may vary depending on the benefit offered.

(Benefit
Levels)

➔ Please indicate the maximum benefit for each type of crisis assistance offered.

heating \$ * _____ maximum benefit

cooling \$ * _____ maximum benefit

year-round \$ * _____ maximum benefit (Fast Track)

*Maximum benefit for each type of crisis assistance is indicated above.

➔ Do you provide in-kind (e.g. blankets, space heaters, fans) and/or other forms of benefits?

___ Yes X No If Yes, please describe.

Statutory
References

2605(b)(5)
2605(c)(1)
(B) & (D)

WEATHERIZATION & OTHER ENERGY RELATED HOME REPAIR AND IMPROVEMENTS

➔ What LIHEAP weatherization services/materials do you provide? (Check all categories that apply.)

(Types of
Assistance)

- X Weatherization needs assessments/audits.
 X Caulking, insulation, storm windows, etc.
 X Furnace/heating system modifications/repairs
 X Furnace replacement
 X Cooling efficiency mods/repairs/replacement
 X Other (Please describe)
- Dwelling Assessment
 - General heat, waste and safety assessment
 - Combustion appliances safety check
 - Blower door test
 - Duct leakage test
 - Post weatherization inspections
 - Health or safety hazard repair/replacement
 - Carbon monoxide alarm

- Smoke alarm
- Electric or Gas cooking appliance repair/replacement
- Electric or Gas water heater repair/replacement
- Attic/floor foundation venting
- Ceiling fans
- Electric water heater timer
- Cover plate gaskets
- Minor envelope repair
- Hot water flow restrictors: low-flow showerheads and facet restrictors
- Window replacement/glass repair/window repair
- Sliding glass door repair/replacement
- Duct and register repair/replacement
- Lead Safe Weatherization
- Exterior pipe wrap
- Kitchen exhaust installation repair and replacement
- Thermostat, programmable
- Vent cover, interior
- Shade screens
- Shutters
- Tinted window film
- Electric base load measures
 - Refrigerator replacement
 - Electric water heater repair/replacement
 - Microwave oven
 - Compact fluorescent lamps
 - Evaporative cooler installation
 - Window/wall air conditioner repair and replacement

(Benefit Levels)

→ Do you have a maximum LIHEAP weatherization benefit/expenditure per household? X Yes No

If Yes, what is the maximum amount? \$ See below

The LIHEAP contract maximum average reimbursement limit per dwelling is \$3,055 for allowable measures and activities. The maximum average reimbursement amount is increased to \$3,514 in the event a State of Emergency or Local Emergency is declared by the Governor under Article 13 and/or 14 of the California Emergency Services Act.

In dwelling units in which the heating unit must be repaired/replaced, no more than a maximum average reimbursement of \$5,100 can be expended per dwelling unit. This limitation includes all weatherization measures installed.

➔Under what rules do you administer LIHEAP weatherization? (Check only one.)

(Types of Rules)

Entirely under LIHEAP (not DOE) rules
 Entirely under DOE LIWAP rules
 Mostly under LIHEAP rules with the following DOE LIWAP rule(s) where LIHEAP and LIWAP rules differ (Check all that apply):

Weatherize buildings if at least 66% of units (50% in 2- & 4-unit buildings) are eligible units or will become eligible within 180 days

Weatherize shelters temporarily housing primarily low income persons (excluding nursing homes, prisons, and similar institutional care facilities).

Other (Please describe)

Mostly under DOE LIWAP rules, with the following LIHEAP rule(s) where LIHEAP and LIWAP rules differ (Check all that apply.)

Weatherization not subject to DOE LIWAP maximum statewide average cost per dwelling unit.

Other (Please describe.)

2605(b)(6) The state or tribe administers LIHEAP through the following local agencies:

(Agency Designation)

county welfare offices

community action agencies (weatherization component only)

community action agencies (heating, cooling or crisis)

charitable organizations

not applicable (i.e. state energy office)

tribal office

other, describe:

- Community based organizations
- Local government

➔Have you changed local administering agencies from last year?

Yes No

If Yes, please describe how you selected them.

➔What components are affected by the change?

2605(c)(1)(E)

➔Please describe any additional steps (other than those described elsewhere in this plan) that will be taken to target assistance to households with high home energy burdens. **(This applies to all components. If all steps to target households with high home energy burdens are described elsewhere in the plan, no further information is required here.)**

(Targeting of Assistance)

CSD relies on the strength of our network of Local Service Providers and their ability to provide assistance and outreach based on the needs of the local community. Local Service Providers are staffed to address language barriers, issues of cultural diversity, and to target their most needy clients.

Local Service Providers are able to proactively address the energy needs of low-income households by conducting thorough energy needs assessment of each client, providing budget counseling and energy conservation education, and interacting with the client's utility company to establish co-payment or annualized payment plans. Whenever possible, weatherization services are provided which represent a preventative, holistic and long-term solution to energy needs.

Statutory References

2605(b)(7)

(Energy Suppliers)

➔Do you make payments directly to home energy suppliers?

Heating X Yes _____ NoCooling X Yes _____ NoCrisis X Yes _____ NoIf Yes, are there exceptions? X Yes _____ No

If Yes, please describe.

In most cases, direct payments are issued to energy vendors. Occasionally, dual party warrants are issued and are made payable to the client and the energy vendor. On those few occasions when utilities are included in the rent or sub-metered, warrants are issued directly to the client.

For those heating and cooling and crisis clients whose energy source is WPO, Local Service Providers make payment directly to energy vendors.

2605(b)(7)(A)

➔If you make payments directly to home energy suppliers, how do you notify the client of the amount of assistance paid? (Please describe)

When a WPO payment is made directly to an energy vendor, the Local Service Provider sends the client a letter, advising them of the LIHEAP payment amount and date. Local Service Providers keep the information on file.

When a crisis, and/or heating and cooling payment is made directly to an energy vendor, the vendor does one or both of the following:

1. Shows the amount of credit on the customer's bill, indicating that the payment was made by LIHEAP.
2. Sends a letter advising the client of the LIHEAP payment.

CSD evaluates the notification process of LIHEAP payments during program evaluation visits.

2605(b)(7)
(B) & (C)

➔How do you make sure the home energy supplier performs what is required in this assurance? If vendor agreements are used, they may be attached. Indicate each component for which this description applies.

Local Service Providers require each home energy supplier to sign an agreement to adhere to the requirements of this assurance. Local Service Providers keep this information on file and clients are advised of their right to fair and equal treatment at the time of service. CSD staff ensures compliance with this provision during program evaluation visits.

Before paying energy suppliers for all types of delivered fuels, Local Service Providers verify that the charges for the services and goods provided are reasonable and within fair-market value. The amounts of these charges are reviewed during program evaluation visits made by CSD staff.

For heating and cooling, payment is made directly to an energy vendor, the vendor does one or both of the following:

1. Shows the amount of credit on the customer's bill, indicating that the payment was made by LIHEAP.
2. Sends a letter advising the client of the LIHEAP payment.

CSD evaluates the notification process of LIHEAP payments during program evaluation visits.

A different process is in place for Crisis payments, depending on whether the home energy supplier is a regulated utility or a non-regulated one.

Regulated Utilities are audited by the CPUC to ensure that proper billing procedures are in place and the amount of payments or credits are accurate. No modification of energy rates can occur without a public regulatory process, which is administered by the CPUC.

For Non-Regulated energy vendors:

1. Local Service Providers use a "Confirmation of Payment" form whereby the non-regulated energy vendors records the date and amount credited for each account.
2. Local Service Providers are required to have each home energy supplier sign an assurance agreeing to the requirements of this section. Local Service Providers keep this information on file and clients are advised of their right to fair and equal treatment at the time of service. CSD staff ensures compliance with this provision during program evaluation visits.
3. Local Service Providers verify, before paying energy suppliers for all types of delivered fuels, that the charges for the services and goods provided are reasonable and within fair-market value. The amounts of these charges are reviewed during program evaluation visits made by CSD staff.

Statutory
References

2605(b)(8)(B)

➔ Is there any difference in the way owners and renters are treated? If Yes, please describe.

(Owners
and
Renters)

HEATING ASSISTANCE

_____ Yes X No

COOLING ASSISTANCE

_____ Yes X No

CRISIS ASSISTANCE

_____ Yes X No

WEATHERIZATION X Yes No

CSD and its Local Service Providers provide weatherization services to eligible households, regardless of whether they rent or own. In fact, Local Service Providers are contractually required to do so. However, in order to protect the rights of renters, some special steps are followed:

Before performing weatherization services in a rental unit, Local Service Providers obtain written permission from the owner (or service agent) of a rental unit in the form of an “Energy Service Agreement for Rental Units.”

This agreement specifies, in part, that the owner will not use the weatherization work as justification for increasing the rent or evicting the tenants for a period of two years. Local Service Providers keep this form on file for two years after weatherization work has been completed.

Tenants receive a copy of this agreement, along with instructions on how to file a complaint should conditions not be met.

Statutory
References

2605(b)(10)

➔How do you ensure good fiscal accounting and tracking of LIHEAP funds? (Please describe. Include a description of how you monitor fiscal activities.)

CSD maintains fiscal controls and accounting practices in accordance with the California Uniform Accounting System. Our financial management system maintains financial data and accounting records supported by source documentation for all federal funds administered. CSD's internal control structure conforms to state and federal procedures. See below for additional information.

(Program,
Fiscal
Monitoring,
and Audit)

➔How do you monitor program activities? (Please be sure to include a description of how you monitor eligibility and benefit determination.)

The following summarizes core program monitoring activities that will be implemented to ensure Subgrantees are compliant federal and state laws and regulations:

- CSD Field Operations unit conduct bi-annual comprehensive on-site field visits to verify compliance with client eligibility, benefit

determinations, dwelling eligibility and measure installation, evaluate operational efficiency, evaluate subcontractor activity and oversight.

- Special monitoring visits are conducted to investigate Whistleblower complaints, evaluate underperformance, and follow-up on significant corrective action requirements.
- Weatherization dwelling inspections are being conducted on at least 5% of completed dwellings at each Agency to ensure quality of workmanship and verification of measure installation.
- Quarterly agency assessments are conducted to actively monitor Subgrantees expenditure levels, households served, and unit production.

➔ How is your LIHEAP program audited?

Under the Single Audit Act? Yes No

If not, please describe:

For States and Territories:

➔ Is there an annual audit of local administering agencies? Yes No

If not, please explain.

Statutory
References

2605(b)(12)

(Timely and
Meaningful
Public
Participation)

➔ How did you get timely and meaningful public participation in the development of the plan? (Please describe.)

Advance notification was emailed to all LIHEAP Local Service Providers advising them of CSD's intent to post on the CSD website on or before August 3, 2012; 1) the draft 2013 Detailed LIHEAP Model Plan Application and, 2) the accompanying cover letter announcing the date, time, and location of the public hearing. Local Service Providers were encouraged to participate in the submittal of the annual LIHEAP state plan, and were given at least 10 days to review and offer comments prior to the submittal of the state plan application to the HHS.

The draft state plan application was posted on the CSD website and was available for download at the local level, and upon request, a copy will be emailed to all individuals requesting a copy of the document. Public notices were published in newspapers in the north, central, and southern parts of the state. Publication of these notices was posted at least 10 days

before the August 16, 2012 public hearing date. The public was given at least 10 days to review and offer comments before the public hearing.

2605(a)(2)

➔Did you conduct public hearings on the proposed use and distribution of your LIHEAP funds? When and where?

Yes No

(Not required for Tribes and tribal organizations)

(Public
Hearings)

A public hearing was held on August 16, 2012 at the Department of Community Services and Development (CSD), 2389 Gateway Oaks Drive, Sinex Conference Room, Sacramento, CA 95833.

The draft 2013 Detailed State Plan Application was posted on the CSD website August 3, 2012 with an accompanying cover letter announcing the date, time, and location of the public hearing. Public Notices were published in newspapers in the north, central, and southern parts of the state. Publication of these notices was posted at least 10 days prior to August 16, 2012. The public had until 5:00 p.m. on August 16, 2012 to submit written comments.

No written comments were received from the LIHEAP Service Providers. No written comments were received from the public.

Statutory
References

2605(b)(13)

➔Describe your fair hearing procedures for households whose applications are denied or not acted on in a timely manner. When are applicants informed of these rights?

(Fair
Hearings)

Local Service Providers provide all interested individuals equal opportunity to apply for LIHEAP programs, and may not discourage any interested individual from submitting an application for LIHEAP assistance. Local Service Providers act upon all applications in writing within 15 working days.

Pursuant to Title 22 of the California Code of Regulations, Section 100805, Local Service Providers are required to establish a written appeals process to enable applicants who are denied benefits or services, or who receive untimely response or unsatisfactory performance, the right to appeal the decision or performance to the Contractor. The process must include, at a minimum, all of the requirements of Section 100805 subdivision (b), plus:

- A. Provisions that ensure that each applicant is notified in writing of the right to appeal a denial of or untimely response to an application, or to appeal unsatisfactory performance, and the process to request such an appeal, at the time that each applicant submits an application. Such notification shall include information about the right to appeal to both the Contractor and to CSD.
- B. Provisions that ensure that Local Service Providers will make a good faith effort to resolve each appeal.
- C. Provisions that ensure that Local Service Providers notify the applicant in writing of the Local Service Provider's final decision within 15 working days after the appeal is requested. If the appeal is denied, the written notification must include instructions on how to appeal the decision to CSD. Whenever Local Service Providers notify an applicant of a denial of an appeal, Local Service Providers simultaneously provide a copy of the final decision CSD.
- D. Provisions to enable Local Service Providers to collect information on denials and appeals in its regular program reporting.

→ Denials

Local Service Providers inform, at the time of intake, all applicants of their right to appeal all claims for assistance that are denied or are not acted upon with reasonable promptness.

- A. Local Service Providers review all claims from applicants who are determined ineligible for benefits or who have submitted written notice that there has been an unreasonable delay in processing their application or receiving their benefits.
- B. Local Service Providers conduct a structured, fair, and impartial meeting within 5 working days of the initial request for appeal and are required to make a good faith effort to resolve the applicant's complaint(s) at the local level. The Local Service Provider, as contractor, makes a written finding which sets forth the case of both parties and the decision of the Local Service Provider.
- C. If the appeal is not resolved at the local level, Local Service Providers inform the applicant that an appeal to the State agency (CSD) may be requested as part of the Fair Hearing process and shall provide the applicant with the appropriate form.

- D. If the applicant decides to appeal to CSD, the applicant submits a written appeal request to be received by CSD within 10 days from the date of the contracted Local Service Provider's final decision. Upon request from CSD, Local Service Providers provide all supportive documentation to be received by the State within 5 working days.
- E. Within 10 working days of receipt of the requested documentation from the contracted Local Service Provider, CSD staff reviews the appeal and supportive documentation, confers with the appellant and the contracted Local Service Provider if necessary, and notifies the appellant and contractor of the decision in writing.

The applicant may withdraw the appeal at any time.

If an applicant decides to withdraw an appeal, he or she may write or call the Local Service Provider or CSD depending on the location of the appeal. Should the applicant call to withdraw the appeal, CSD or the Local Service Provider documents the action and sends a copy of the documentation as letter of verification, to the applicant.

If the applicant submits a written statement of withdrawal, CSD, or the Local Service Provider keeps a written date of receipt and a copy of the statement as part of the closed file.

→ Applications Not Acted On In a Timely Manner

During intake, Local Service Providers inform applicants of their right to appeal all claims for assistance that are denied or are not acted upon with reasonable promptness.

- A. Local Service Providers review all claims from applicants who are determined ineligible for benefits or who have submitted written notice that there has been an unreasonable delay in processing their application or receiving their benefits.
- B. Local Service Providers conduct a structured, fair, and impartial meeting within 5 working days of the initial request for appeal and are required to make a good faith effort to resolve the applicant's complaint(s) at the local level. The Local Service Provider, as contractor, makes a written finding which sets forth the case of both parties and the decision of the Local Service Provider.

- C. If the appeal is not resolved at the local level, Local Service Provider informs the applicant that an appeal to the State agency (CSD) may be requested as part of the Fair Hearing process and shall provide the applicant with the appropriate form.
- D. If the applicant decides to appeal to CSD, the applicant submits a written appeal request to be received by CSD within 10 days from the date of the contracted Local Service Provider's final decision. Upon request from CSD, Local Service Providers provide all supportive documentation to be received by the State within 5 working days.
- E. Within 10 working days of receipt of the requested documentation from the contracted Local Service Provider, CSD staff reviews the appeal and supportive documentation, confers with the appellant and the contracted Local Service Provider if necessary, and notifies the appellant and contractor of the decision in writing.

The applicant may withdraw the appeal at any time.

If an applicant decides to withdraw an appeal, he or she may write or call the Local Service Provider or CSD depending on the location of the appeal. Should the applicant call to withdraw the appeal, CSD or the Local Service Provider must document this action and send a copy as letter of verification, to the applicant.

If the applicant submits a written statement of withdrawal, CSD, or the Local Service Provider keeps a written date of receipt and a copy of the statement as part of the closed file.

Statutory References

2605(b)(15)

For States and Puerto Rico only (not applicable to Tribes and tribal organizations, or to territories whose annual regular LIHEAP allotments are \$200,000 or less):

→ Does the State agency that administers the following LIHEAP component also administer the State's welfare program?

(Alternate Outreach and Intake)

HEATING ASSISTANCE

_____ Yes X No

If Yes, describe alternate process for outreach and intake:

COOLING ASSISTANCE

_____ Yes X No

If Yes, describe alternate process for outreach and intake:

CRISIS ASSISTANCE

_____ Yes X No

If Yes, describe alternate process for outreach and intake:

Statutory References

2605(b)(16)

➔Do you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance? (This assurance refers to activities such as needs assessments, counseling, and assistance with energy vendors.)

X Yes _____ No

If Yes, please describe these activities.

Local Service Providers address the energy needs of low-income households by conducting a thorough energy needs assessment of each client, providing budget counseling, energy conservation education, and coordination with utility companies. Whenever possible, weatherization services are also provided to offer a preventive, holistic and long-term solution to energy needs.

Local Service Providers maintain a source document that substantiates that the client was provided these services. The

document is kept on file by the contractor and is reviewed during routine program evaluation visits made by CSD staff.

If Yes, how do you ensure that you don't use more than 5% (statutory ceiling) of your LIHEAP funds for these activities?

Up to 5% of the total block grant is allocated specifically for Assurance 16 activities and distributed by formula to the contractor network. CSD provides a budget form for contractors to account for Assurance 16 activities.

Local Service Providers are contractually required to submit monthly expenditure and activity reports to CSD. These reports are monitored cumulatively to ensure that no more than 5% is spent on Assurance 16 activities. The data is entered into an automated database management system, which calculates and verifies compliance. Status reports are printed regularly for use by CSD staff. Issues needing clarification and areas of concern are more readily identified with the automated system that, in turn, allows for a more timely resolution with contractors.

Local Service Providers are made aware of the 5% cap, and through the local planning process, have the flexibility to submit proposed funding levels up to the 5% cap, for activities specifically targeted for Assurance 16.

Statutory References

2607A
(Leveraging)

→ Please describe leveraging activities planned for the fiscal year. **(This entry is optional.)*** Complete this entry if you plan to apply for LIHEAP leveraging incentive funds and to include in your leveraging report resources/benefits provided to low income households this fiscal year under criterion (iii) in 45 CFR 96.87(d)(2). Provide the following information for each:

- (1) Identify and described each resource/benefit;
- (2) Identify the source(s) of each resource; and
- (3) Describe the integration/coordination of each resource/benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii).

HEATING AND COOLING:
CALIFORNIA ALTERNATE RATE FOR ENERGY (CARE),
HOME ENERGY ASSISTANCE PROGRAM (HEAP)

In 1988, the State of California Senate Bill 987 was enacted which required the CPUC to establish a low-income assistance program for electric and gas customers. The resulting program, the California Alternate Rates for Energy or CARE program, is administered by all regulated and non-regulated utilities in the State. This program provides a 15-30% discount on monthly energy costs of eligible low-income customers.

Intake for HEAP is provided at the local level through the use of CSD's LIHEAP contractor network (Local Service Providers), which also provides weatherization services.

The eligibility criteria for both HEAP and CARE is based solely on income eligibility and the guidelines are specific to each program. HEAP and CARE are similar and assistance for either program is limited to eligible low-income households.

The levels of assistance for each program vary according to their respective program. HEAP assistance levels are determined by: the amount of Federal funding; the number of persons in the household; the applicant's geographical location; and the household's income. The CARE program offers a 15-30% reduction off the applicant's monthly gas/electric costs or charges.

Both programs are integrated/coordinated through the written/verbal referral of applicants/customers to the opposite program. Both programs have printed on their applications, or on the literature accompanying the application, the name and telephone number of the other program. In addition, marketing and outreach efforts are undertaken by both programs through the use of flyers, application/bill inserts, posters, and newsletters to promote participation of both programs.

CSD also maintains toll-free "800" telephone lines for use by applicants to inquire about the LIHEAP and utility sponsored low-income discount programs. The rate discount is a non-federal resource which benefits federally qualified low-income households, as described in Section 2605(b)(2) of Public Law 97-35. The discount is both measurable and quantifiable.

CRISIS COMPONENT:

ENERGY CRISIS INTERVENTION PROGRAM (ECIP)

There are a number of leveraging activities occurring within HEAP/ECIP, which is administered through a network of community action agencies and community-based organizations throughout the State.

To ensure that low-income households have year-around access to energy assistance and the greatest number of low-income households receive assistance, Local Service Providers have coordinated the services provided under LIHEAP with local private and public energy assistance programs. The coordination of these programs enables the local agencies to expand emergency services to families who otherwise would not receive assistance through LIHEAP due to insufficient funds.

A number of CSD's LIHEAP Local Service Providers coordinate HEAP/ECIP with the Pacific Gas & Electric Company (PG&E)/Salvation Army REACH Program. The REACH Program is similar to HEAP/ECIP in that it provides utility payments on behalf of eligible low-income households within the PG&E service area and is funded with ratepayers' money. REACH eligibility is similar to HEAP/ECIP.

Several of CSD's LIHEAP Local Service Providers administer HEAP/ECIP in conjunction with REACH by coordinating an HEAP/ECIP payment with a REACH payment for each LIHEAP-eligible household. In most cases, the HEAP/ECIP payment alone is not enough to avoid a utility shut-off, but with the additional REACH payment, shut-off is avoided.

Other LIHEAP Local Service Providers HEAP/ECIP programs work in direct conjunction with REACH by maintaining ongoing communication with the local REACH office to screen potential clients and coordinate benefits. Applicants to both programs are screened to determine if any benefits have already been received by the applicant from either source.

Valley Churches United Missions, Kaiser, United Way, Pacific Gas and Electric, St. Vincent DePaul, Catholic Social Services, Love Inc, St. Phillips & St. Joseph Church, First Presbyterian Church, San Diego Gas and Electric Company, The City of Riverside, United Way, Imperial Irrigation District, Emergency Food and Shelter Program, also provide funds to several of CSD's LIHEAP Local Service Providers for payments to utility providers on behalf of LIHEAP-eligible households and for energy repairs to heating and cooling units.

Discounts on cords of firewood are made to several LIHEAP Local Service Providers. These discounted cords of wood have been coordinated and integrated with the HEAP/ECIP Program. The distribution of discounted wood is determined by the HEAP/ECIP Intake Worker. The wood is allocated to HEAP/ECIP eligible households either to supplement fuel payments made with State LIHEAP funds or to provide fuel to eligible households who are not otherwise assisted due to a lack of LIHEAP funds.

ECIP funds can also be used for furnace repair or replacement. Many of CSD's LIHEAP Local Service Providers receive discounts on furnace purchases which are installed in LIHEAP-eligible homes. Savings from the discounts allow for additional eligible households to receive ECIP assistance.

In addition, one of CSD's LIHEAP Local Service Providers received a discounts for services rendered. Specifically, vendors reduced labor charges for the repair and replacement of HVAC units and stoves.

WEATHERIZATION

There are many countable leveraging activities occurring within the LIHEAP Weatherization Program.

Several of CSD's LIHEAP Local Service Providers are provided funds through contracts with private and municipal utility companies, as well as City and County funded contracts to weatherize LIHEAP-eligible households. Some of the sources of these leveraged cash resources are Pacific Gas and Electric Company, Sacramento Municipal Utility District, Pacific Power Company, Southern California Gas Company, Southern California Edison Company, San Diego Gas and Electric Company, Pacific Power Corporation, City of Anaheim, and Modesto Irrigation District. Because cash resources are administered by the same agencies that provide LIHEAP weatherization services, these funds allow for the weatherization of more LIHEAP eligible households than is possible with LIHEAP funds alone. In addition, utility companies utilize a bid process to identify administering agencies. CSD LIHEAP-funded agencies are successful in the bid process largely due to their experience in providing weatherization services under the LIHEAP Program and because they are a known entity within the low-income community.

Some LIHEAP-eligible households receive repair or replacement of appliances and tune-ups of central air conditioning units by the Pacific Gas and Electric Company, Southern California Edison, Southern California Gas Company and the Southwest Gas Corporation if they also qualify under that utility company's program. This resource is coordinated with LIHEAP because eligible households are identified as needing repairs or replacement of appliances during the time the dwelling is assessed for LIHEAP weatherization services.

Pacific Gas and Electric Company, Southern California Edison Company, City of Anaheim Utility, Bear Valley Electric and City of Lodi provide for the purchase and installation of energy efficient water heaters, evaporative coolers, refrigerators and furnaces which are used in LIHEAP-eligible

dwelling for the purpose of heating or cooling. Additionally, utility companies use a bid process to identify administering agencies. Many CSD LIHEAP Local Service Providers are successful in the bid process due to their technical ability honed through years of experience in performing home weatherization services.

Many of CSD's LIHEAP Local Service Providers receive discounts on bulk purchases of weatherization materials that are installed in LIHEAP-eligible homes. Savings from the discounts allow for additional eligible dwellings to be weatherized.

One of CSD's LIHEAP Local Service Providers manufactures their own windows at a discounted price. Materials manufactured in-house at cost, enabled this agencies to install additional weatherization measures.

Southern California Gas Company, Southern California Edison, Southwest Gas Corporation, and Pacific Gas and Electric Company provide funds to conduct post-inspections of weatherization measures installed by LIHEAP Local Service Providers. These inspections required by the LIHEAP Program to ensure the correct and safe installation of weatherization materials.

Volunteers assist LIHEAP Local Service Providers in the installation of weatherization materials in LIHEAP eligible households.

One LIHEAP Local Service Provider secured property management companies and/or private landlords donate furnaces, hot water heaters, refrigerators, stoves, air conditioning, furnaces and weatherization materials used to provide additional weatherization measures in LIHEAP-eligible households.

One LIHEAP Local Service Providers received utility company rebates for the installation of solar (photovoltaic) systems on homes under CSD's Solar For All California pilot solar program.

CSD includes leveraging funds in the base for calculation of maximum State planning and administration costs, but leveraging incentive funds are not used for the costs of planning and administration, or for transfer to other HHS block grants.

* Leveraged resources/benefits that are counted under criterion (iii) in 45 CFR 96.87(d)(2) must be identified and described in the grantee's LIHEAP plan and distributed as indicated in the plan. In addition, leveraging resources/benefits that are counted under criterion (ii) must be carried out under one or more components of the grantee's regular LIHEAP program.

Statutory
References

2605(b)

➔ Please describe performance goals and measures planned for the fiscal year. **(This entry is optional.)**

(Performance)
Goals and
Measures)

ADDITIONAL CERTIFICATIONS AND REQUIREMENTS

Attached are additional certifications required as follows:

- * **Lobbying certification**, which must be filed by all States and territories. If applicable, Form LLL, which discloses lobbying payments, must be submitted. **(Tribes and tribal organizations are EXEMPT.)**
- * **Debarment and suspension certification**, which must be filed by all grantees.
- * **Drug-free workplace requirement certification**, which must be filed by all grantees, unless the grantee has filed a statewide certification with the Department of Health and Human Services. **STATES ONLY:** If you have filed a statewide certification for the drug-free workplace requirement, please check here: _____
- * One of the requirements included in the 1994 reauthorization of the statute is that state grantees must include in their annual application for funds a report on the number and income levels of households applying for and receiving LIHEAP assistance, and on the number of recipient households that have members who are elderly, disabled, or young children.

All Tribes and those territories with allotments of less than \$200,000 need only submit data on the number of households served by each component (heating, cooling, weatherization and crisis). The approval for the collection of information contained in the **LIHEAP Household Report** is covered by OMB approval number 0970-0060.
- * Though not a part of this application, the report on funds to be carried over or available for reallocation as required by section 2607(a) for the preceding year must be submitted by August 1 of each year. A grant award for the current fiscal year may not be made until the carryover/reallotment report is received. The approval for the collection of information contained in the **LIHEAP Carryover and Reallotment Report** is covered by OMB approval number 0970-0106.

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

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

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

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

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



Signature

Director

Title

State of California, Department of Community Services and Development

Organization

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

Instructions for Certification

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

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

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

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

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

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

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

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

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

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

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

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

Instructions for Certification

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

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

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

5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

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

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

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

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

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

Controlled substance means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

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

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

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

Certification Regarding Drug-Free Workplace Requirements

Alternate I. (Grantees Other Than Individuals)

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

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

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

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

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

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

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

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

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

2389 Gateway Oaks Drive, Suite 100

Sacramento, Sacramento County, CA 95833

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

Alternate II. (Grantees Who Are Individuals)

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

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

[55 FR 21690, 21702, May 25, 1990]

Attachment One: Public Hearing Comments and Responses

No Public Hearing comments were made.

Attachment Two: Notices of Public Hearing

- ✓ CSD's Website
- ✓ Notice emailed to all LIHEAP Service Providers
- ✓ Public Notice published in the following newspapers:
 - Los Angeles Times
 - The Sacramento Bee
 - Redding Record Searchlight
 - La Opinion

Screen print of CSD's calendar from CSD's website

The screenshot displays the CSD website's calendar interface. At the top, the navigation menu includes links for Home, About Us, Director, Programs, Recovery Act, FAQs, Resources, Español, and Languages. The main header identifies the Department of Community Services and Development. Below this, the page is titled 'CSD > Calendar' and includes a brief instruction: 'Use the Calendar list to keep informed of upcoming meetings, deadlines, and other important events.' The calendar is set for August 2012, with the current date being Wednesday, August 22, 2012. The calendar grid shows two events: 'CSBG Advisory Committee' on August 22 at 10:00 AM and '2013 LIHEAP State Plan Public Hearing' on August 23 at 10:00 AM. A sidebar on the left provides quick links to various programs and resources.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15 10:00 AM CSBG Advisory Committee	16 10:00 AM 2013 LIHEAP State Plan Public Hearing	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	1

PROGRAMS

- » CSD Recovery Act
- » Community Services Block Grant
- » Low-Income Home Energy Assistance
- » Weatherization Assistance Program
- » Lead Hazard Control
- » Service Provider Directories & Income Guidelines

RESOURCES

- » Calendar
- » News Releases
- » Consumer Alerts
- » Publications
- » Disaster Preparedness
- » Employment
- » Contact CSD

LINKS

- » California Health and Human Services Agency
- » Department of Housing and

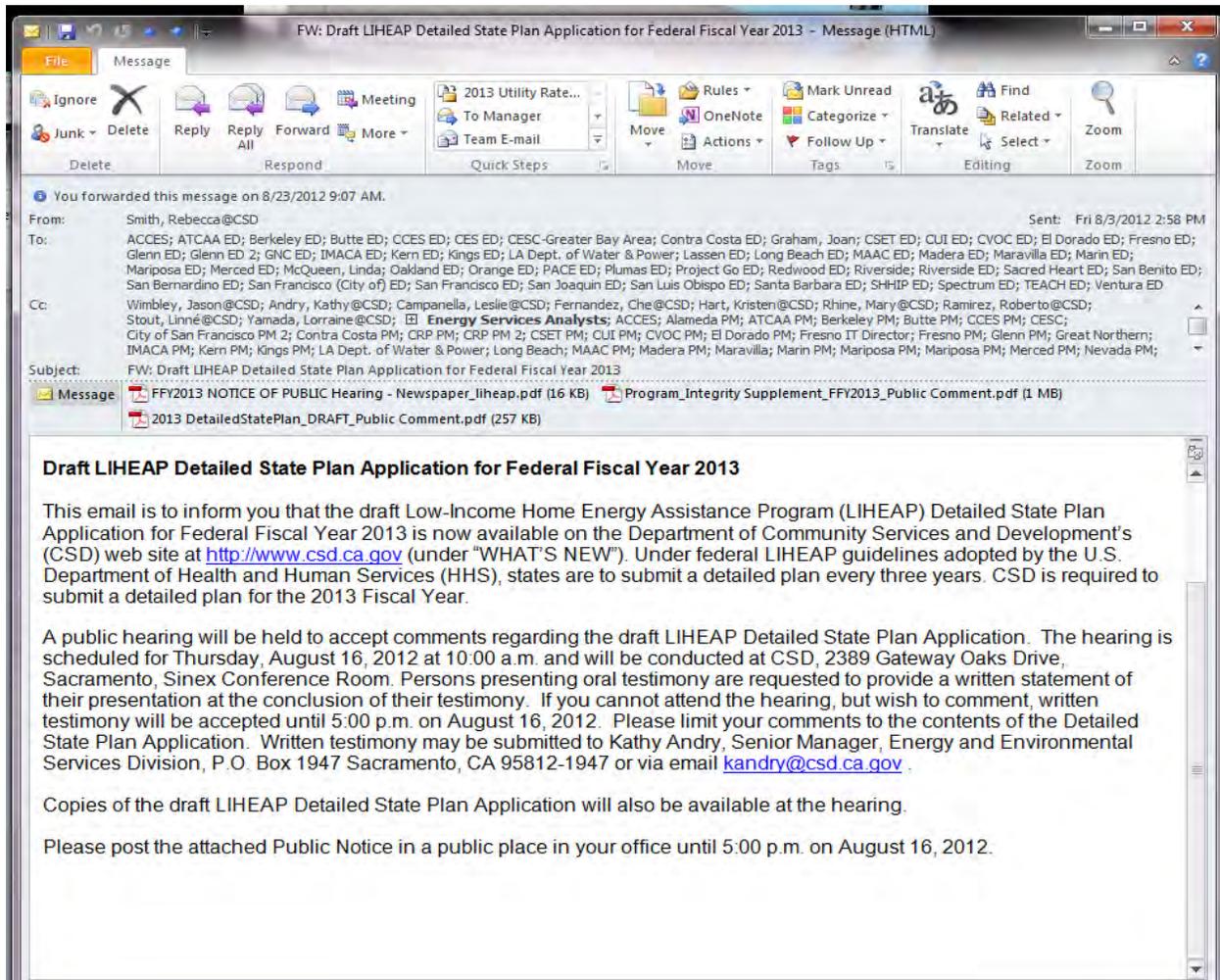
Screen print of CSD's calendar from CSD's website

The screenshot shows a web browser window displaying the CSD website. The browser's address bar shows the URL: <http://www.csd.ca.gov/Lists/Calendar/DispForm.aspx?ID=1298&Source=http%3A%2F%2Fwww%2Eca%2Fgov%2FLists%2F>. The website header features the CSD logo and navigation links: Home, About Us, Director, Programs, Recovery Act, FAQs, Resources, Español, Languages, and Sign In. Below the header, there are portraits of Edmund G. Brown Jr. (Governor) and John A. Wagner (Director). The main content area is titled "Calendar: 2013 LIHEAP State Plan Public Hearing" and contains an "Export Event" button and a table of event details.

TITLE	2013 LIHEAP State Plan Public Hearing
LOCATION	CSD Headquarters
ADDRESS	2389 Gateway Oaks Dr, Sinex Conf Room Sacramento, CA 95833
START TIME	8/16/2012 10:00 AM
END TIME	8/16/2012 11:00 AM
DESCRIPTION	STATE OF CALIFORNIA - DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT NOTICE OF PUBLIC HEARING - DRAFT DETAILED LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) STATE PLAN APPLICATION for FEDERAL FISCAL YEAR (FFY) 2013 A public hearing to receive comments on the Draft Detailed LIHEAP State Plan Application for FFY 2013 is scheduled for Thursday, August 16, 2012 at 10:00 a.m. at the Department of Community Services and Development, Sinex Conference Room, 2389 Gateway Oaks Drive, Sacramento, CA 95833. Persons presenting oral testimony are requested to provide a written statement of their presentation at the conclusion of their testimony. If unable to attend, send written comments to: Department of Community Services and Development, P.O. Box 1947, Sacramento, CA 95812-1947, Attention: Kathy Andry, Senior Manager, Energy and Environmental Services Division. Written comments will be accepted until 5:00 p.m., August 16, 2012. A copy of the Draft Detailed LIHEAP State Plan Application is available by accessing CSD's web site, http://www.csd.ca.gov , under "WHAT'S NEW". NOTICE: Americans with Disabilities Act - individuals who, because of a disability, need special assistance to attend the public hearing, may request assistance by calling Rebecca Smith at (916) 576-7109. Requests should be made at least five working days in advance.
REGISTRATION INFORMATION	
CONTACT	
ALL DAY EVENT	
RECURRENCE	
WORKSPACE	

Created at 8/3/2012 2:08 PM by Eastburn, Jeffrey
Last modified at 8/3/2012 2:12 PM by Eastburn, Jeffrey

Email sent to all LIHEAP Service Providers



The screenshot shows an email client interface with a message titled "FW: Draft LIHEAP Detailed State Plan Application for Federal Fiscal Year 2013 - Message (HTML)". The message is from Rebecca Smith at CSD, dated Friday, August 3, 2012, at 2:58 PM. The recipient list includes various California counties and departments such as ACCESS, ATCAA, Berkeley, Butte, CCES, CES, CESC, Contra Costa, Graham, Joan, CSET, CUI, CVOC, El Dorado, Fresno, Glenn, GNC, IMACA, Kern, Kings, LA Dept. of Water & Power, Lassen, Long Beach, MAAC, Madera, Maravilla, Marin, Mariposa, Merced, McQueen, Linda, Oakland, Orange, PACE, Plumas, Project Go, Redwood, Riverside, Sacred Heart, San Benito, San Bernardino, San Francisco (City of), San Francisco, San Joaquin, San Luis Obispo, Santa Barbara, SHHIP, Spectrum, TEACH, and Ventura. The subject is "FW: Draft LIHEAP Detailed State Plan Application for Federal Fiscal Year 2013". The message content includes a public notice of a hearing on August 16, 2012, at 10:00 a.m. at CSD, 2389 Gateway Oaks Drive, Sacramento, in the Sinex Conference Room. It also mentions that written testimony can be submitted to Kathy Andry, Senior Manager, Energy and Environmental Services Division, at P.O. Box 1947, Sacramento, CA 95812-1947, or via email at kandry@csd.ca.gov. The message also includes attachments for a public notice and a draft public comment.

Draft LIHEAP Detailed State Plan Application for Federal Fiscal Year 2013

This email is to inform you that the draft Low-Income Home Energy Assistance Program (LIHEAP) Detailed State Plan Application for Federal Fiscal Year 2013 is now available on the Department of Community Services and Development's (CSD) web site at <http://www.csd.ca.gov> (under "WHAT'S NEW"). Under federal LIHEAP guidelines adopted by the U.S. Department of Health and Human Services (HHS), states are to submit a detailed plan every three years. CSD is required to submit a detailed plan for the 2013 Fiscal Year.

A public hearing will be held to accept comments regarding the draft LIHEAP Detailed State Plan Application. The hearing is scheduled for Thursday, August 16, 2012 at 10:00 a.m. and will be conducted at CSD, 2389 Gateway Oaks Drive, Sacramento, Sinex Conference Room. Persons presenting oral testimony are requested to provide a written statement of their presentation at the conclusion of their testimony. If you cannot attend the hearing, but wish to comment, written testimony will be accepted until 5:00 p.m. on August 16, 2012. Please limit your comments to the contents of the Detailed State Plan Application. Written testimony may be submitted to Kathy Andry, Senior Manager, Energy and Environmental Services Division, P.O. Box 1947 Sacramento, CA 95812-1947 or via email kandry@csd.ca.gov.

Copies of the draft LIHEAP Detailed State Plan Application will also be available at the hearing.

Please post the attached Public Notice in a public place in your office until 5:00 p.m. on August 16, 2012.

Proof of Publications

RECORDING/FILING REQUESTED BY AND MAIL TO:
 Dept of Community Services & Development
 2389 Gateway Oaks Dr.
 Ste 100
 Sacramento, CA 95833

PROOF OF PUBLICATION
 (California Code of Civil Procedure 2010, 2015.5)

STATE OF CALIFORNIA
 County of Los Angeles

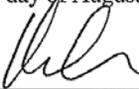
I am a citizen of the United States and a resident of the aforesaid County. I am over the age of eighteen years (18) years, and not a party to or interested in the above-entitled matter. I am the Principal Clerk of the printer of the **LOS ANGELES TIMES**, a newspaper of general circulation, printed and published DAILY in the City of Los Angeles, County of Los Angeles and which newspaper was adjudged a newspaper of general circulation by the Superior Court of the County of Los Angeles, State of California, under the date of April 28, 1952, Case Number 598599. The notice, a true and correct copy of which is annexed, has been published in each regular and entire issue of said newspaper on the following dates, to wit:

FRIDAY; AUGUST 03, 2012.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated at Los Angeles, California,

This 6th day of August, 2012



 Signature

Veronica Chavez

STATE OF CALIFORNIA - DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
 NOTICE OF PUBLIC HEARING - DRAFT DETAILED LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) STATE PLAN APPLICATION FOR FEDERAL FISCAL YEAR (FFY) 2013

A public hearing to receive comments on the Draft Detailed LIHEAP State Plan Application for FFY 2013 is scheduled for Thursday, August 16, 2012 at 10:00 a.m. at the Department of Community Services and Development, Sinex Conference Room, 2389 Gateway Oaks Drive, Sacramento, CA 95833. Persons presenting oral testimony are requested to provide a written statement of their presentation at the conclusion of their testimony. If unable to attend, send written comments to: Department of Community Services and Development, P.O. Box 1847, Sacramento, CA 95812-1847, Attention: Kathy Andry, Senior Manager, Energy and Environmental Services Division. Written comments will be accepted until 5:00 p.m., August 16, 2012. A copy of the Draft Detailed LIHEAP State Plan Application is available by accessing CSD's web site, <http://www.csd.ca.gov>, under "WHAT'S NEW". NOTICE: Americans with Disabilities Act - Individuals who, because of a disability, need special assistance to attend the public hearing, may request assistance by calling Rebecca Smith at (916) 876-7109. Requests should be made at least five working days in advance.

The Sacramento Bee

P.O. Box 15779 • 2100 Q Street • Sacramento, CA 95852

CA DEPT OF COMMUNITY SRVCS
ATTN: MARY RHINE
2389 GATEWAY OAKS DR #100
SACRAMENTO, CA 95833

DECLARATION OF PUBLICATION
(C.C.P. 2015.5)

COUNTY OF SACRAMENTO
STATE OF CALIFORNIA

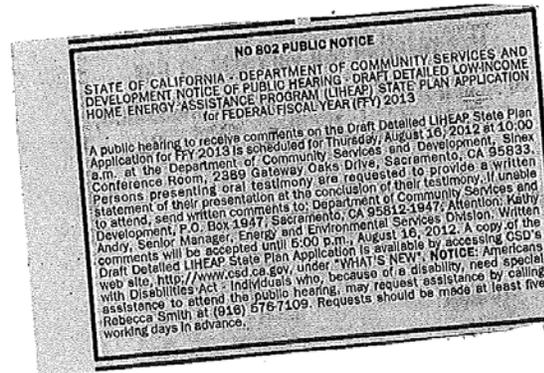
I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the printer and principal clerk of the publisher of The Sacramento Bee, printed and published in the City of Sacramento, County of Sacramento, State of California, daily, for which said newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Sacramento, State of California, under the date of September 26, 1994, Action No. 379071; that the notice of which the annexed is a printed copy, has been published in each issue thereof and not in any supplement thereof on the following dates, to wit:

August 3, 2012

I certify (or declare) under penalty of perjury that the foregoing is true and correct and that this declaration was executed at Sacramento, California, on **August 3, 2012**



(Signature)



In the Superior Court of the State of California
in and for the County of Shasta

CERTIFICATE OF PUBLICATION
RECORD SEARCHLIGHT

CALIF DEPT OF ENERGY SERVICES
2389 GATEWAY OAKS DR STE 100
SACRAMENTO CA 95833

REFERENCE: 00610725 MARY RHINE
6767562 STATE OF CALIFORNIA

State of California
County of Shasta

I hereby certify that the Record Searchlight is a newspaper of general circulation within the provisions of the Government Code of the State of California, printed and published in the City of Redding, County of Shasta, State of California; that I am the principal clerk of the printer of said newspaper; that the notice of which the annexed clipping is a true printed copy was published in said newspaper on the following dates, to wit;

STATE OF CALIFORNIA - DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
NOTICE OF PUBLIC HEARING - DRAFT DETAILED LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) STATE PLAN APPLICATION for FEDERAL FISCAL YEAR (FFY) 2013
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NOTICE: Americans with Disabilities Act - Individuals who, because of a disability, need special assistance to attend the public hearing, may request assistance by calling Rebecca Smith at (916) 576-7109. Requests should be made at least five working days in advance.
August 9, 2012 6767562

PUBLISHED ON: 08/03

FILED ON: 08/03/12

I certify under penalty of perjury that the foregoing is true and correct, at Redding, California on the above date.


RECORD SEARCHLIGHT
1101 Twin View Blvd, Redding, CA 96003

VIERNES 3 DE AGOSTO DE 2012, La Opinión | **5A**

**STATE OF CALIFORNIA - DEPARTMENT OF
COMMUNITY SERVICES AND DEVELOPMENT**

**NOTICE OF PUBLIC HEARING - DRAFT DETAILED LOW-INCOME HOME
ENERGY ASSISTANCE PROGRAM (LIHEAP) STATE PLAN APPLICATION
for FEDERAL FISCAL YEAR (FFY) 2013**

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**ESTADO DE CALIFORNIA - DEPARTAMENTO DE SERVICIOS
COMUNITARIOS Y DESARROLLO**

**AVISO DE AUDIENCIA PÚBLICA - PROYECTO DETALLADO DEL
PROGRAMA DE ASISTENCIA DE ENERGÍA PARA HOGARES DE
BAJOS INGRESOS (LIHEAP, POR SUS SIGLAS EN INGLÉS) ESTATAL
PLAN DE APLICACIÓN PARA EL AÑO FISCAL FEDERAL
(FFY, POR SUS SIGLAS EN INGLÉS) 2013**

Una audiencia pública para recibir comentarios sobre el Proyecto Detallado LIHEAP Estatal Plan de Aplicación para el FFY 2013 está programada para el jueves 16 de agosto de 2012 a las 10:00 a.m., en el Departamento de Servicios Comunitarios y Desarrollo, Sala de Conferencias Sinex, 2389 Gateway Oaks Drive, Sacramento, CA 95833. Las personas que presenten testimonios orales deberán presentar una declaración escrita de su presentación a la conclusión de su testimonio. Si no puede asistir, envíe sus comentarios por escrito a: Departamento de Servicios Comunitarios y Desarrollo, P.O. Box 1947, Sacramento, CA 95812-1947, Atención: Kathy Andry, Administrador Senior, División de Energía y Servicios Ambientales. Los comentarios escritos serán aceptados hasta las 5:00 p.m. del 16 de agosto de 2012. Una copia del Proyecto Detallado LIHEAP Estatal Plan de Aplicación se encuentra disponible ingresando al sitio en línea de la CSD, <http://www.csd.ca.gov>, bajo "QUE HAY DE NUEVO".

AVISO: Ley de Estadounidenses con Discapacidad - A las personas que, debido a una discapacidad, necesitan asistencia especial para asistir a la audiencia pública, pueden solicitar asistencia llamando a Rebecca Smith al (916) 576-7109. Las solicitudes deben hacerse por lo menos cinco días hábiles antes de la audiencia.

111-1009121

Attachment Three: Hearing Transcript

STATE OF CALIFORNIA
HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

PUBLIC HEARING
2013 DRAFT LOW-INCOME HOME ENERGY ASSISTANCE
PROGRAM (LIHEAP) DETAILED STATE PLAN APPLICATION

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
2389 GATEWAY OAKS DRIVE
SINEX CONFERENCE ROOM, 2nd FLOOR
SACRAMENTO, CALIFORNIA

THURSDAY, AUGUST 16, 2012
10:00 A.M.

 ORIGINAL

Reported by Jacqueline Toliver, CSR No. 4808

CALIFORNIA REPORTING, LLC
52 Longwood Drive
San Rafael, CA 94901
(415) 457-4417

APPEARANCES

HEARING OFFICER:

Ms. Mary Rhine

ALSO PRESENT:

Sylmia Britt, LIHEAP Coordinator

Jeff Eastburn, Program Analyst

INDEX

Remarks by Hearing Officer Rhine	2
Remarks by Ms. Britt	2
Adjournment	3
Reporter's Certificate	4

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PROCEEDINGS

HEARING OFFICER RHINE: Good morning. My name is Mary Rhine of the Department of Community Services and Development. I am the hearing officer for today's public hearing on the 2013 Draft Detailed LIHEAP State Plan Application.

Today is Thursday, August 16th, 2012. The time is 10:00 a.m.

We are assembling at the Department of Community Services and Development, specifically the Sinex Conference Room on the second floor, to conduct a public hearing to receive testimony from interested parties regarding the 2013 Draft Detailed LIHEAP State Plan Application.

The hearing is being recorded by Court Reporter Jacqueline Toliver.

MS. BRITT: My name is Sylvania Britt.

We'd like to point out that CSD is noting the following correction to the Draft Detailed LIHEAP State Plan Application for 23013: Page 23 and 24 of the Detailed LIHEAP State Plan Application Draft will now be replaced with a new page 23. The changes relate to the question mostly under LIHEAP rules with the following DOE LIWAP rule, or LIHEAP and LIWAP rules differ.

We will only select the first checkbox, and the

remaining boxes will remain unchecked. The bullets below will be deleted.

HEARING OFFICER RHINE: Is there anyone who has testimony at this time?

(No response.)

It appears there are no comments.

This public hearing is considered closed.

CSD will receive written testimony until 5:00 p.m. today, August 16, 2012.

The time is now 10:02.

(Public hearing adjourned at 10:02 a.m.)

* * *

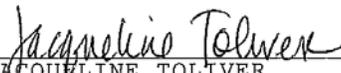
REPORTER'S CERTIFICATE

I, Jacqueline Toliver, a Certified Shorthand Reporter for the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing hearing was reported in shorthand by me, a duly qualified Certified Shorthand Reporter, and thereafter transcribed into typewritten form by means of computer-aided transcription.

I further certify that I am not of counsel or attorney for any of the parties to said hearing or in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of August 2012.



JACQUELINE TOLIVER
Certified Shorthand Reporter
License No. 4808

Attachment Four: LIHEAP Household Report – Federal Fiscal Year 2012 – Long Format

Estimated Household Report completed August 29, 2012

LIHEAP Household Report for-Federal Fiscal Year 2012--Long Form

Grantee Name: State of California Contact Person Sylmia Britt, Program Manager Phone: 916-576-7154
 Department of Community Services and Development Date: 8/30/2012

The LIHEAP Household Report--Long Form is for use by the 50 States, District of Columbia, and the Commonwealth of Puerto Rico. This report provides household counts for both LIHEAP recipient and applicant households for Fed (FFY) 2012, the period of October 1, 2011 - September 30, 2012. The Long Form for this report consists of the following parts: (A) LIHEAP Assisted Households and (B) LIHEAP Applicant Households. Data on assisted households in the Department's *LIHEAP Report to Congress for FFY 2012*. The data are also used in measuring LIHEAP targeting performance under the Government Performance and Results Act (GPRA) of 1993, as amended by the GPRA of 2010. As the reported data are aggregated, the information in this report is not considered to be confidential. Submit the completed Excel sp LIHEAPsubmission@acf.hhs.gov

REQUIRED DATA must be reported under the LIHEAP statute. **REQUESTED DATA** can be reported (at the state's option) in response to House Report 103-483 and Senate Report 103-251. Both the LIHEAP Household Report--Lc (FFY 12_LIHEAP_Long_Form.xls) and the instructions (FFY 12_LIHEAP_Long_Form_Instructions.pdf) can be downloaded in the Forms sections of the Office of Community Services' LIHEAP web site at: www.acf.hhs.gov/progra Excel spreadsheet is page protected to keep the format uniform. The items requiring a response are not page protected, such as "State-Reported Total" household counts. However, other areas of this spreadsheet cannot be modified. The "Calculated Total" cannot be entered as that cell contains a protected formula that automatically adds the number of households under the poverty intervals as data is entered across each row.

Do the data below include estimated figures? NO YES If YES, mark "X" in the second column below for each type of assistance that has at least one estimated data e

A. LIHEAP ASSISTED HOUSEHOLDS The 2011 HHS Poverty Guidelines are available at: www.acf.hhs.gov/programs/ocs/liheap/guidance/information_memoranda/im11-08.html

REQUIRED DATA													REQUESTED DATA	
Type of LIHEAP assistance	Mark "X" for estimated data	Number of assisted households		2011 HHS Poverty Guideline interval, based on gross income and household size					At least one households member who is a member of the following target groups:				At least one member who is	
		State-Reported Total	Calculated Total	Under 75% poverty	75%-100% poverty	101%-125% poverty	126%-150% poverty	Over 150% poverty	60 years or older (elderly)	Disabled	Age 5 years or under (young child)	Elderly, disabled, or young child	Age 2 years or under	Age 3 years through 5 years
1. Heating	X		194,623	72,730	55,815	31,401	16,381	18,296	69,840	75,179	45,984	108,880	24,609	31,933
2. Cooling			0											
3. Winter/year round crisis	X		95,993	47,989	19,192	11,071	7,717	10,024	14,631	28,185	35,170	74,241	19,957	23,765
4. Summer crisis			0											
5. Other crisis (describe below)	X		11,203	2,538	2,560	1,878	1,569	2,658	3,720	2,145	3,084	3,871	1,588	2,244
6. Weatherization	X		24,830	6,275	5,570	4,031	3,150	5,804	8,832	5,775	5,904	10,195	3,106	4,321
7. Any type of LIHEAP assistance			220,132						60,564	75,452	61,896	154,844		

Include any notes below for section A (indicate type of assistance and item). For example, explain briefly why the state-reported total does not equal the calculated total of cooling assisted h = Not applicable

NOTE: Other Crisis = Emergency Heating and Cooling Services

B. LIHEAP APPLICANT HOUSEHOLDS (regardless of whether assisted)

REQUIRED DATA									
Type of LIHEAP assistance	Mark "X" for estimated data	Number of applicant households		2011 HHS Poverty Guideline interval, based on gross income and household size					Income data unavailable
		State-Reported Total	Calculated Total	Under 75% poverty	75%-100% poverty	101%-125% poverty	126%-150% poverty	Over 150% poverty	
1. Heating	X		194,623	72,730	55,815	31,401	16,381	18,296	
2. Cooling			0						
3. Winter/year round crisis	X		95,993	47,989	19,192	11,071	7,717	10,024	
4. Summer crisis			0						
5. Other crisis (specify)	X		11,203	2,538	2,560	1,878	1,569	2,658	
6. Weatherization	X		24,830	6,275	5,570	4,031	3,150	5,804	

Include any notes below for section B (indicate type of assistance and item). For example, explain briefly why the number of applicant households is less than or equal to the corresponding number of assisted households.

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

ABSTRACT:

HHS is requiring further detail from Grantees on their FY2013 plans for preventing and detecting fraud, abuse, and improper payments. HHS is also requiring that Grantees highlight and describe all elements of this FY2013 plan which represent improvements or changes to the Grantees' FY2013 plan for preventing and detecting fraud, abuse and improper payment prevention.

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

State, Tribe or Territory): California		Date: 9/1/12 Fiscal Year: 2012/2013	
RECENT AUDIT FINDINGS			
Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY2013 or the prior three years, in annual audits, Grantee monitoring assessments, Inspector General reviews, or other Government Agency reviews of LIHEAP agency finances.	Please describe whether the cited audit findings or relevant operations have been resolved or corrected. If not, please describe the plan and timeline for doing so in FY2013.	If there is no plan in place, please explain why not.	Necessary outcomes from these systems and strategies
<i>Please refer to Attachment 1 for audit results</i>	All recommendations have been addressed	NA	<i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i>

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

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

COMPLIANCE MONITORING			
Describe the Grantee's FY 2012 strategies that will continue in FY 2013 for monitoring compliance with State and Federal LIHEAP policies and procedures by the Grantee and local administering agencies.	Please highlight any strategies for compliance monitoring from your plan which will be newly implemented as of FY 2013.	If you don't have a firm compliance monitoring system in place for FY 2012, please describe how the State is verifying that LIHEAP policy and procedures are being followed.	Necessary outcomes from these systems and strategies
<p><i>CSD conducts on-site compliance monitoring of LIHEAP agencies every other year, and performs quarterly desk reviews. The general scope for on-site and desk monitoring includes, but is not limited to, the following areas:</i></p> <p>Administrative Review</p> <ul style="list-style-type: none"> <i>o Board membership and board meeting minutes evaluation</i> <i>o Review of separation of duties</i> <i>o Review and verify adherence to conflict of interest, procurement, inventory, and record retention policies</i> <p>Subcontractor Oversight Review</p> <ul style="list-style-type: none"> <i>o Review subcontractor agreement to ensure compliance with LIHEAP contract requirements</i> <i>o Verify that contractor has adequate subcontractor oversight</i> <p>Fiscal and Performance Review</p> <ul style="list-style-type: none"> <i>o Validate claims for reimbursements</i> <i>o Obtain and evaluate cost allocation plan</i> <i>o Verify and evaluate billing process</i> <p>Programmatic Review</p> <ul style="list-style-type: none"> <i>o Verify resolution of prior monitoring findings and implementation of recommendations</i> <i>o Conduct client file review to verify client and dwelling eligibility, benefit determination</i> <i>o Address issue or concerns identified during the course of the year such as client complaints or audit concerns</i> <i>o Review training logs for updates and verification of completion</i> <p>Quarterly Desk Review</p> <p><i>Field monitors conduct quarterly desk reviews to actively monitor agency expenditure performance, resolution of corrective actions, reporting requirements and data discrepancies.</i></p> <p><i>CSD is audited annually by the Bureau of State Audits to ensure compliance with OMB A-133 Compliance Supplement for the LIHEAP program.</i></p>	<p>CSD is in the process of developing a new data collection system. The Combined Outcome Reporting Engine (CORE) will assist the overall integrity of compliance monitoring by adding uniformed data collection standards, centralizing the collection of statewide data from local LIHEAP administrators, CSD's program monitoring and oversight, and provide efficiency to LIHEAP programmatic and fiscal reporting.</p>	<p>NA</p>	<p><i>A sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.</i></p>

<p>Local administering agencies are responsible for the performance of subcontracted services to ensure subcontractor is compliant with applicable LIHEAP requirements and services are rendered accordingly. As indicated above, CSD monitors its local administering agencies to ensure they have proper oversight of subcontracted services.</p>			
<p>FRAUD REPORTING MECHANISMS</p>			
<p>For FY 2012 activities continuing in FY 2013, please describe all (a) mechanisms available to the public for reporting cases of suspected LIHEAP fraud, waste or abuse [These may include telephone hotlines, websites, email addresses, etc.]; (b) strategies for advertising these resources.</p>	<p>Please highlight any tools or mechanisms from your plan which will be newly implemented in FY 2013, and the timeline for that implementation.</p>	<p>If you don't have any tools or mechanisms available to the public to prevent fraud or improper payments, please describe your plan for involving all citizens and stakeholders involved with your program in detecting fraud.</p>	<p>Necessary outcomes of these strategies and systems</p>
<p><i>CSD operates a toll free line that can be used by the public to report suspected fraud. The Bureau of State Audits has established a whistleblower hotline that is available to state employee and grantee staff to report information regarding possible fraud. The information is advertised via posters that are located throughout the department's office, and the Department issues a memo to all new and existing CSD staff on how to report. Local administering agencies and vendors report fraud through various methods to the department via correspondence, telephone communication with grantee staff, and email to grantee staff. Upon notification of potential fraud, the department advises its legal office and an investigation commences. The department is in the process of developing procedures to systematically handle fraud reporting and to ensure fraud reporting is readily advertised to agencies, vendors and the general public.</i></p>	<p>No change anticipated for FY2013</p>	<p>NA</p>	<p><i>Clear lines of communication for citizens, grantees, clients, and employees to use in pointing out potential cases of fraud or improper payments to State administrators.</i></p>
<p>Please refer to CSD's website www.csd.ca.gov</p>			

VERIFYING APPLICANT IDENTITIES			
Describe all FY 2012 Grantee policies continuing in FY2013 for how identities of applicants and household members are verified.	Please highlight any policy or strategy from your plan which will be newly implemented in FY 2013.	If you don't have a system in place for verifying applicant's identities, please explain why and how the Grantee is ensuring that only authentic and eligible applicants are receiving benefits.	Necessary outcomes from these systems and strategies
<i>CSD uses the SSN as an identifier, therefore, the SSN is requested from all applicants. However, it is not a requirement to receive services. An applicant may refuse to submit their SSN. If no SSN is submitted then a picture ID is required to verify identity. Names, SSN and date of birth are not required for all household members only for the applicant. The SSN is not verified other than the Death Match File.</i>	CSD is in the process of determining feasibility of using SSA database to verify SSN. If feasible, CSD plans to implement for FY 2013	NA	<i>Income and energy supplier data that allow program benefits to be provided to eligible individuals.</i>
Please refer to CSD's website www.csd.ca.gov ; link to the LIHEAP Verification and Eligibility Guide, Citizenship and Alien Status for Public Agencies, pages 7-9.			

SOCIAL SECURITY NUMBER REQUESTS			
Describe the Grantee's FY 2013 policy in regards to requiring Social Security Numbers from applicants and/or household members applying for LIHEAP benefits.	Please describe whether the State's policy for requiring or not requiring Social Security numbers is new as of FY2013, or remaining the same.	If the Grantee is not requiring Social Security Numbers of LIHEAP applicants and/or household members, please explain what supplementary measures are being employed to prevent fraud.	Necessary outcomes from these systems and strategies
<i>The local administering agency is responsible for conducting Intake services of applicants. CSD requires that the local administering agency request the Social Security Number (SSN) from the applicant. CSD does not require that identification information is obtained from the other household members. If the applicant refuses to submit their SSN, the applicant's identity must be established through a picture ID and then the intake form and all supporting documents are faxed to the CSD to be researched. Once CSD receives the documents, the information is entered in CSD's statewide database to see if the applicant has ever applied using their SSN. If a match is found for the SSN, the SSN from the previous application is used to process the new application. If no SSN exists; a nine digit number is</i>	No changes anticipated for FY2013	NA	<i>All valid household members are reported for correct benefit determination.</i>

<p><i>assigned to that individual which will follow them if they apply in future years. The nine digit number is faxed back to the local administering agency who will enter the application using the nine digit number in place of a SSN. CSD is in the process of determining the legal authority of requiring SSNs from all applicants and household members.</i></p>			
<p>Please refer to CSD's website www.csd.ca.gov; link to the Verification and Eligibility Guide, Processing Applications without a Social Security Number, page 20-22.</p>			

<p>CROSS-CHECKING SOCIAL SECURITY NUMBERS AGAINST GOVERNMENT SYSTEMS/DATABASES</p>			
<p>Describe if and how the Grantee used existing government systems and databases to verify applicant or household member identities in FY 2012 and continuing in FY 2013. (Social Security Administration Enumeration Verification System, prisoner databases, Government death records, etc.)</p>	<p>Please highlight which, if any, policies or strategies for using existing government databases will be newly implemented in FY 2013.</p>	<p>If the Grantee won't be cross checking Social Security Numbers and ID information with existing government databases, please describe how the Grantee will supplement this fraud prevention strategy.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p><i>CSD's database uses the Death Match file from SSA to verify all SSNs/last names for the applicant only. The audit is performed twice, once at data entry and again just prior to approval for payment. If a match occurs, the database will not accept entry of that SSN. Agencies must research and follow up to make necessary corrections. If an error has occurred on the SSA file, CSD can temporarily override and accept the SSN. It is then imperative that the client contact SSA and correct the error. CSD is researching the ability to use the SSA database to verify SSNs.</i></p>	<p>CSD is in the process of determining feasibility of using SSA database to verify SSN. If feasible, CSD plans to implement for FY 2013</p>	<p>NA</p>	<p><i>Use of all available database systems to make sound eligibility determination.</i></p>

<p>VERIFYING APPLICANT INCOME</p>			
<p>Describe how the Grantee or designee used State Directories of new hires or similar systems to confirm income eligibility in FY 2012 and continuing in FY 2013.</p>	<p>Please highlight any policies or strategies for using new hire directories which will be newly implemented in FY 2013.</p>	<p>If the Grantee won't be using new hire directories to verify applicant and household member incomes how will the Grantee be verifying the that information?</p>	<p>Necessary outcomes from these systems and strategies</p>
<p><i>Currently CSD does not use the State Directories for new hires to confirm income eligibility. Eligibility is based on the stated income amount and</i></p>	<p>No changes anticipated for FY2013</p>	<p>NA</p>	<p><i>Effective income determination achieved through coordination across program lines.</i></p>

<p>supporting documentation submitted by the applicant. The applicant is required to provide proof of the gross monthly income for all adult members of the household. All documentation must cover a one month period and be current within 6 weeks of intake. Depending on the type of income (wages, public assistance, SSI, SSA, etc.); acceptable documentation could be paycheck stubs, copy of a check, current bank statement, letter from employer, or current tax return (if self employed). New for 2012, for any household that reports zero income, only the applicant is required to sign a self certification form on behalf of the household. Earned income from a minor under 18 is excluded. Other exclusions apply as required by federal law.</p>			
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Please refer to CSD's website www.csd.ca.gov; link to the Verification and Eligibility Guide, Client File Documentation and Income Verification, pages 28-56.

PRIVACY-PROTECTION AND CONFIDENTIALITY

<p>Describe the financial and operating controls in place in FY 2012 that will continue in FY 2013 to protect client information against improper use or disclosure.</p>	<p>Please highlight any controls or strategies from your plan which will be newly implemented as of FY 2013.</p>	<p>If you don't have relevant physical or operational controls in place to ensure the security and confidentiality of private information disclosed by applicants, please explain why.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>Local administering agencies are contractually bound to maintain the confidentiality of all LIHEAP applicant and household information. CSD Field Representatives monitors verify confidentiality procedures during field visits. All CSD employees must sign and follow the Computer Security Policy.</p> <p>CSD considers all applicant information to be confidential. The applicant signs a statement on the intake form that provides permission for their information to be shared to other offices of the state and federal governments, their designated subcontractor, and utility company to determine and verify eligibility for assistance. Applicant information is shared with our local administering agencies, through our statewide database and utility companies through the direct payment process. Customer data may also be exchanged with utility companies when</p>	<p>No new policy anticipated for FY 2013</p>	<p>NA</p>	<p>Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.</p>

<p><i>resolving payment issues such as accounts not being credited or the reissue of a returned payment.</i></p>			
<p>Please refer to CSD's website www.csd.ca.gov; link to the Verification and Eligibility Guide, Confidentiality of Social Security Numbers page 19 and Client File Documentation page 28-30, also refer to Attachment 2, 3 and 6.</p>			

<p>LIHEAP BENEFITS POLICY</p>			
<p>Describe FY 2012 Grantee policies continuing in FY 2013 for protecting against fraud when making payments, or providing benefits to energy vendors on behalf of clients.</p>	<p>Please highlight any fraud prevention efforts relating to making payments or providing benefits which will be newly implemented in FY 2013.</p>	<p>If the Grantee doesn't have policy in place to protect against improper payments when making payments or providing benefits on behalf of clients, what supplementary steps is the Grantee taking to ensure program integrity.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p><i>CSD's database has validations for preventing duplicate service address, name, SSN, phone number and utility account number for the utility receiving the benefit. 97% of all benefits are directly sent to utility companies to be applied to customer accounts. Utility companies return benefits to CSD that could not be credited to the appropriate accounts. The remaining 3% of benefits are issued to individuals with utilities included in rent and customers of non-direct payment utilities in the form of a paper warrant, which is audited by the State Controller's Office.</i></p> <p><i>LIHEAP benefit amounts for fuel assistance are determined using multiple factors including household size, total gross monthly income, and the average cost of energy for the county in which the applicant resides. Using the federal poverty guidelines and the California state median income, four benefit levels are calculated per county. This ensures that the applicants with the lowest income receive the highest benefit amount.</i></p> <p><i>All applicants must complete an intake form and provide income verification for all adult members of the household. The intake form requires the entry of the number of adults in the household. The local administering agencies use this</i></p>	<p>CSD is in the process of developing a new data collection system. The Combined Outcome Reporting Engine (CORE) will assist in protecting against fraud and providing benefits to energy vendors on the behalf of clients by completing client application validations and ensuring accurate benefit amounts. CORE will further improve the overall integrity of the program by adding uniformed data collection standards, centralizing the collection of statewide data from local LIHEAP administrators, CSD's program monitoring and oversight, and provide efficiency to LIHEAP programmatic and fiscal reporting.</p>	<p>NA</p>	<p><i>Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients.</i></p>

<p>information to verify all household income is collected. By signing the intake form the applicant declares, under penalty of perjury, the information on the application is true and correct.</p>			
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PROCEDURES FOR UNREGULATED ENERGY VENDORS

<p>Describe the Grantee's FY 2012 procedures continuing in FY 2013 for averting fraud and improper payments when dealing with bulk fuel dealers of heating oil, propane, wood and other un-regulated energy utilities.</p>	<p>Please highlight any strategies policy in this area which will be newly implemented in FY 2013.</p>	<p>If you don't have a firm plan for averting fraud when dealing with unregulated energy vendors, please describe how the Grantee is ensuring program integrity.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p><i>CSD 416 Annual ECIP/HEAP Home Energy Supplier Assurance, completed by all non regulated vendors, assures that all non-regulated companies will follow the provisions as federally-mandated under the LIHEAP program in regard to energy fuels and related services provided to eligible households. CSD 415 Payment Request and Confirmation - completed by the vendor, confirms that the clients' account has been credited. Sub grantees are required to notify applicant of the benefit amount they will be receiving. CSD Field Representatives monitor to verify that the forms are completed and retained in the client file.</i></p>	<p>No changes anticipated for FY2013</p>	<p>NA</p>	<p><i>Participating vendors are thoroughly researched and inspected before benefits are issued.</i></p>

See Attachment 4 and 5

VERIFYING THE AUTHENTICITY OF ENERGY VENDORS

<p>Describe Grantee FY 2012 policies continuing in FY 2013 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the Grantee's procedure for averting fraud.</p>	<p>Please highlight any policies for verifying vendor authenticity which will be newly implemented in FY 2013.</p>	<p>If you don't have a system in place for verifying vendor authenticity, please describe how the Grantee can ensure that funds are being distributed through valid intermediaries?</p>	<p>Necessary outcomes from these systems and strategies</p>

<p><i>CSD documents authenticity of regulated energy vendors by collecting the Federal Employer ID number for gas and electric vendors</i></p>	<p>No changes anticipated for FY 2013</p>	<p>NA</p>	<p><i>An effective process that effectively confirms the existence of entities receiving federal funds.</i></p>
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<p>TRAINING AND TECHNICAL ASSISTANCE</p>			
<p>In regards to fraud prevention, please describe elements of your FY 2012 plan continuing in FY 2013 for training and providing technical assistance to (a) employees, (b) non-governmental staff involved in the eligibility process, (c) clients, and (d) energy vendors.</p>	<p>Please highlight specific elements of your training regimen and technical assistance resources from your plan which will represent newly implemented in FY 2013.</p>	<p>If you don't have a system in place for anti-fraud training or technical assistance for employees, clients or energy vendors, please describe your strategy for ensuring all employees understand what is expected of them and what tactics they are permitted to employ.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p><i>Mandatory fraud prevention training is provided to all CSD staff. All CSD staff must sign the Computer Security Policy accepting responsibilities regarding computer security.</i></p> <p><i>CSD conducts training and technical assistance to its local administering agencies and internal staff through a variety of methods: on-site training, webinars, regional training workshops, and periodic meetings. The training and technical assistance covers LIHEAP fuel assistance, crisis and weatherization program policy and requirements to ensure local administering agencies and internal staff are aware of implementation requirements to prevent instances of fraud.</i></p> <p><i>Training is provided at the beginning of a program year and throughout the year as requested by the local agency or CSD staff.</i></p>	<p>No changes anticipated for FY2013</p>	<p>NA</p>	<p><i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i></p>
<p>See Attachment 6</p>			

AUDITS OF LOCAL ADMINISTERING AGENCIES			
<p>Please describe the annual audit requirements in place for local administering agencies in FY 2012 that will continue into FY 2013.</p>	<p>Please describe new policies or strategies to be implemented in FY 2013.</p>	<p>If you don't have specific audit requirements for local administering agencies, please explain how the Grantee will ensure that LIHEAP funds are properly audited under the Single Audit Act requirements.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p><i>Single Audit Act</i> -Agencies are required to submit Single Audit Report(SAR) in accordance with the provisions of Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local - Governments, and Non-Profit Organizations," Subpart D, Section 400(d), published June 27, 2003. - Administering agencies are required to review the SAR within six months of receipt - Program specific audits are required for agencies falling below the OMB 133 threshold</p> <p>Audit findings reported in compliance with OMB A-133 are reviewed within six months of receipt of the single audit report. A management decision letter is issued for all audit findings relating to the department's programs. Agencies are required to respond to the management decision letter, if there are findings. Resolution of the findings, are subjective, require the expertise and knowledge of the CSD audit staff, consider the resolution provided by the A-133 independent auditor, the nature of the finding, and several other factors. Resolutions include corrective actions identified by the A-133 independent auditor, additional information or documentation provided by the agency, providing copies of all management decision letters to field staff to follow-up on during monitoring visits, escalation to CSD management, or conduct a field audit of the agency.</p>	<p>No changes anticipated for FY2013</p>	<p>NA</p>	<p><i>Reduce improper payments, maintain local agency integrity, and benefits awarded to eligible households.</i></p>

Additional Information

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

PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

Attachment 1

Recent Audit Findings

Prior Year Audit Finding Resolutions

4700 - Department of Community Services and Development

2011

Finding Number	Federal Program	Category of Finding	Finding Summary	Status of Corrective Action (Please mark the correct box. See legend below for definitions.)				
				Fully Corrected	Partially Corrected	Remains Uncorrected/ Disagree with finding	Corrective Action Plan (Provide details)	Date Fully Corrected (If applicable)
2011-5-6	93.568	Eligibility	CSD is not ensuring that subrecipients obtain the appropriate documentation to substantiate eligibility determination.		Activities outlined in our corrective action plan are currently in process.		CSD will contact subrecipients to advise of eligibility discrepancies identified through audit and provide training and technical assistance to ensure understanding. Additionally, CSD will host annual training workshops and webinars on eligibility, income, and intake requirements. CSD will also continue to verify client eligibility during monitoring reviews.	
2011-7-7	93.568	Earmarking	CSD lacks sufficient internal controls to ensure that it meets earmarking requirements. Specifically, CSD did not segregate administrative expenditures claimed by subrecipients nor did it segregate amounts spent for energy need reduction services.		Activities outlined in our corrective action plan are currently in process.		In January 2012, CSD implemented the automated tracking system for LIHEAP in the Expenditure Activity Reporting System.	
2011-12-7	93.568	Reporting	CSD lacks sufficient internal controls to ensure that it meets reporting requirements. Specifically, CSD has not reconciled the federal share of program outlays in its accounting system prior to July 2010. Additionally, CSD failed to report subawards to FFATA as required.	Accounting staff reconciled program outlays in financial status reports prior to July 2010. Additionally, CSD has fully implemented its corrective action plan related to FFATA. CSD now posts all awards greater than \$25,000 to FFATA.			CSD will reconcile the federal share of program outlays prior to July 2010.	31-May-12

2011-13-16	93.568	Subrecipient Monitoring	CSD did not ensure that its subrecipients obtained DUNS numbers before providing LIHEAP funds.	CSD has fully implemented its corrective action plan. CSD now collects DUNS numbers for all LIHEAP agencies.			CSD has included language in its 2012 LIHEAP contracts that the subrecipient shall provide to CSD its DUNS number. CSD now collects DUNS numbers for all LIHEAP subrecipients.	
2011-3-2	93.568, 81.042	Cash Management	CSD does not always follow its policies when advancing cash to subrecipients. For one of 16 cash advance payments, the same individual had approved all phases of the payment process. Additionally, CSD's controls over cash advances to subrecipients are not adequate to ensure compliance with federal requirements. Specifically, CSD does not verify that subrecipients deposit advances in interest-bearing accounts nor does it verify that subrecipients returned interest quarterly as required by federal regulations.	CSD has fully implemented its corrective action plan: 1) CSD implemented supervisory review of accounting processes; and 2) CSD implemented procedures in its monitoring tool to verify that advances are deposited into interest bearing accounts and that interest earned is accurately reported and returned.			CSD will remind accounting staff to adhere to the separation of duties policy and will implement a supervisory review of the cash advance payment process. Additionally, CSD will develop and implement procedures as part of its on site monitoring process to verify that subrecipients deposit cash advances in interest-bearing accounts and that any interest earned is returned as appropriate.	
2011-13-17	93.568, 81.042	Subrecipient Monitoring	CSD did not always follow its policies to ensure that subrecipients are expending the Weatherization and LIHEAP funds appropriately. Specifically, CSD failed to include a review of the Weatherization program in 4 of 18 assessments; one assessment was performed nine months late; and two of the assessments lacked evidence of supervisory review. Similarly, CSD failed to demonstrate that in 2 of 18 LIHEAP assessments that steps had been taken to work with subrecipients; and two other assessments lacked evidence of supervisory review.	CSD has fully implemented its corrective action plan. CSD has implemented a tracking system to ensure timely assessments, timely resolution of issues identified, and supervisory review.			CSD will develop and implement a tracking system to ensure assessments are conducted timely, issues are resolved timely, and include supervisory review.	

LEGEND FOR STATUS OF CORRECTIVE ACTION

FULLY CORRECTED: If audit findings were fully corrected and the recommendation(s) were implemented, explain what steps were taken to correct the finding.

PARTIALLY CORRECTED: If audit findings are partially corrected, describe the planned corrective action as well as any partial corrective action taken.

REMAINS UNCORRECTED/DISAGREE WITH FINDING: If you disagree with the finding, your comments should explain fully the reasons for disagreement. Where disagreement is based on interpretation of law, regulation, or the authority of officials to take or not take action, the response must include the legal basis.

REMAINS UNCORRECTED: No corrective action has been implemented or conducted.

Prior Year Audit Finding Resolutions
 4700 - Department of Community Services and Development
 2010

				Status of Corrective Action (Please mark the correct box. See legend below for definitions.)				
Finding Number	Federal Program	Category of Finding	Finding Summary	Fully Corrected	Partially Corrected	Remains Uncorrected/ Disagree with finding	Corrective Action Plan (Provide details)	Date Fully Corrected (If applicable)
2010-7-4	93.568	Earmarking	CSD lacks sufficient internal controls to ensure that it meets earmarking requirements. Community Services does not have a mechanism in place to track final expenditures related to earmarking requirements.				<p>1. Contracts and Accounting will set up the line-item budget detail in EARS/PARC and those dollars will be assigned an object code and tracked separately. The budget line item detail in EARS/PARC have yet to be modified by the IT Department.</p> <p>2. Once that is modified, Accounting will be able to track and reconcile final expenditures.</p>	Jul-11
2010-9-1	93.568	Procurement and Suspension and Debarment	CSD did not comply with the suspension and debarment requirements in the Administration for Children and Families grants' terms and conditions. CSD developed and implemented a process to consult the federal Excluded Parties List System (EPLA) to ensure the subrecipients are not suspended or debarred; because of the timing of its implementation <u>this control was in effect before CSD issued its fiscal year 2009-10 subawards or contracts</u>	CSD was credited by BSA for developing and implementing a new process; however, credit was not given for the 2009 year since the control was not in effect during the year BSA was testing.				
2010-12-2	93.568	Reporting	CSD lacks sufficient internal controls to ensure it meets proper federal reporting requirements. Specifically, CSD's written procedures do not include steps to reconcile the federal share of program outlays from spreadsheets to official accounting records.		Procedures have been updated to reconcile Calstars and Accounting Spreadsheets. Procedures for CSBG and Liheap have been written and adequately document this process. DOE procedres have been updated, but the written procedures are in still in process of being revised.		DOE written procedures are anticipated to be completed by mid July 2011.	
2010-13-4	93.568	Subrecipient Monitoring	CSD's audit services unit (ASU) did not always ensure it issued management decisions on audit findings within six months of receipt of subrecipients' U.S. Office of Management and Budget Circular A-133 reports. In our review of eight subrecipients' audit reports, in one case CSD did not issue a management decision within six months.	All audit reports have been reviewed and a management decision issued within six months.				

LEGEND FOR STATUS OF CORRECTIVE ACTION
FULLY CORRECTED: If audit findings were fully corrected and the recommendation(s) were implemented, explain what steps were taken to correct the finding.
PARTIALLY CORRECTED: If audit findings are partially corrected, describe the planned corrective action as well as any partial corrective action taken.
REMAINS UNCORRECTED/DISAGREE WITH FINDING: If you disagree with the finding, your comments should explain fully the reasons for disagreement. Where disagreement is based on interpretation of law, regulation, or the authority of officials to take or not take action, the response must include the legal basis.
REMAINS UNCORRECTED: No corrective action has been implemented or conducted.

Prior Year Audit Finding Resolutions

4700 - Department of Community Services and Development

2009

Finding Number	Federal Program	Category of Finding	Finding Summary	Status of Corrective Action (Please see legend below for definitions)						
				American Recovery & Reinvestment Act		Fully Corrected (√ only)	Partially Corrected (√ only)	Remains Uncorrected / Disagree with finding (√ only)	Corrective Action Plan (Provide details)	Date Fully Corrected
				Related?	Explanation					
2009-5-8	93.568	Eligibility	Local agencies did not always maintain sufficient documentation such as applicants' monthly income or citizenship status to substantiate their assistance eligibility determinations. Also, CSD allows flexibility when calculating monthly income amounts which could lead to local agencies inappropriately approving applicants whose monthly income would otherwise make them ineligible for assistance. Also, public local agencies did not always obtain sufficient citizenship documents for applicants.	No						
2009-7-13	93.568	Earmarking	Community Services lacks sufficient internal controls to ensure that it meets earmarking requirements. Community Services does not have a mechanism in place to track final expenditures related to earmarking requirements.	No						
2009-9-7	93.568	Procurement and Suspension and Debarment	Community Services did not comply with the suspension and debarment requirements in the Administration for Children and Families grants' terms and conditions. Community Services did not consult the federal Excluded Parties List System (EPLS) to ensure that the subrecipients were eligible for funding before it disbursed funds to them.	No						
2009-12-19	93.568	Reporting	Community Services lacks adequate internal controls to ensure that proper federal reporting requirements are met. Community Services' policies and written procedures do not include procedures to reconcile the federal share of program outlays from spreadsheets to official accounting records.	No						

2009-14-3	93.568	Subrecipient Monitoring	Community Services' audit services unit (ASU) did not always ensure that it issued management decisions on audit findings within six months of receipt of subrecipients' OMB Circular A-133 reports.	No			Partially Corrected		In May 2010, CSD entered into a contract with the Department of Finance to assist in meeting its obligation to review single audits within the required six months.
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LEGEND FOR STATUS OF CORRECTIVE ACTION

FULLY CORRECTED: If audit findings were fully corrected and the recommendation(s) were implemented, explain what steps were taken to correct the finding. If the finding is no longer valid, please describe the circumstances. If corrective action is significantly different from corrective action previously reported in the fiscal year 2008-09 Single Audit Report, then provide an explanation. If this category is not applicable, please such with N/A.

PARTIALLY CORRECTED: If audit findings are partially corrected, describe the planned corrective action as well as any partial corrective action taken. If corrective action is significantly different from corrective action previously reported in the fiscal year 2008-09 Single Audit Report, then provide an explanation. If this category is not applicable, please indicate such with N/A.

REMAINS UNCORRECTED/DISAGREE WITH FINDING: If you disagree with the finding, your comments should explain fully the reasons for disagreement. Where disagreement is based on interpretation of law, regulation, or the authority of officials to take or not take action, the response must include the legal basis. If this category is not applicable, please indicate such with N/A.

PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

Attachment 2

Privacy-Protection and Confidentiality

MANAGEMENT MEMO

SUBJECT: SAFEGUARDING AGAINST AND RESPONDING TO A BREACH OF SECURITY INVOLVING PERSONAL INFORMATION	NUMBER: MM 08-11
	DATE ISSUED: NOVEMBER 6, 2008
	EXPIRES: UNTIL RESCINDED
REFERENCES: CALIFORNIA INFORMATION PRACTICES ACT OF 1977 (CIVIL CODE SECTIONS 1798 ET. SEQ); STATE ADMINISTRATIVE MANUAL (SAM) SECTIONS 5100 AND 5300 THROUGH 5399	ISSUING AGENCY: OFFICE OF INFORMATION SECURITY AND PRIVACY PROTECTION

BACKGROUND AND PURPOSE

Government Code section 11549.3 charges the Office of Information Security and Privacy Protection (OISPP) with responsibility for the creation, updating, and publishing of information security and privacy policies, standards, and procedures directing state agencies to effectively manage security and risk for information and information technology (as defined).

The purpose of this Management Memo (Memo) is to announce a new policy requirement and procedural directive related to a state agency’s response to a breach of security involving personal information. It also serves to reinforce state agency responsibilities under existing law and state policy for safeguarding personal information collected, used, maintained, and/or held in custodianship in conjunction with the administration of state programs and services, and to clarify existing security incident management policies and procedures.

Safeguarding against and preventing security breaches involving personal information is essential to maintaining the public’s trust in government. Failure to protect personal information can place people in jeopardy in a variety of ways, including identity theft, damage to reputation, and physical injury.

While ultimate responsibility rests with agency heads, every employee plays a role in the protection of personal information. This Memo should receive the widest possible distribution within state agencies, and each organization and individual must understand their specific responsibilities for implementing and complying with information security and privacy requirements and procedures.

GENERAL POLICY

Longstanding policies articulated in State Administrative Manual (SAM) and law, including but not limited to SAM Sections 5100 and 5300 through 5399, and the California Information Practices Act (IPA) of 1977 (Civil Code sections 1798 et seq.), require all state agencies to establish:

- Ongoing data inventory and classification procedures for all records held by the agency. (SAM section 5320.5 and Chapter 1600).
- Administrative, technical, and physical safeguards to appropriately ensure the security (confidentiality, integrity, and availability) of those records and to protect against anticipated threats or hazards that could result in any injury. (SAM sections 5310 and 5325, and Civil Code section 1798.21).
- Rules of conduct for any person involved in the design, development, operation, use, disclosure, maintenance, and destruction of records

STATE ADMINISTRATIVE MANUAL

containing personal information. (Management Memo 06-12, SAM sections 5310 and 5325, and Civil Code section 1798.20).

- Ongoing training and instruction to any persons involved in the design, development, operation, use, disclosure, maintenance, and destruction of records containing personal information about the rules and consequences of noncompliance. (SAM section 5325 and Civil Code section 1798.20).
- Encryption of portable computing devices and media that contain confidential, personal and sensitive information. (SAM section 5345.2)
- Use of the American National Standards Institute (ANSI) management information standards and the Federal Information Processing Standards (FIPS) in their information management planning and operations. (SAM section 5100). The ANSI standards are national consensus standards that provide guidance on a variety of issues central to the public and industrial sectors. Under the Information Technology Management Reform Act (Public Law 104-106), the Secretary of Commerce approves standards and guidelines that are developed by the National Institute of Standards and Technology (NIST) for Federal computer systems. These standards and guidelines are issued by NIST as FIPS for use government-wide. NIST develops FIPS when there are compelling Federal government requirements such as for security and interoperability and there are no acceptable industry standards or solutions. Guidance documents and requirements for implementing these standards include, without limitation, those related to the [validation of cryptographic modules](#) found in encryption products used for the protection of confidential, personal, or sensitive information.
- A process to ensure individuals are notified when a security breach involving their personal information has occurred. (SAM section 5350.3 and Civil Code section 1798.29).

PERSONAL INFORMATION DEFINED

The IPA broadly defines personal information in Civil Code section 1798.3 as "any information that is maintained by the agency that identifies or describes an individual, including, but not limited to, his or her name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history. It includes statements made by or attributed to, the individual."

For purposes of both the legal and state policy breach notification requirements, the subset of personal information as defined in Civil Code section 1798.29, subsections (e) through (f) is used and hereinafter referred to as "notice-triggering" information.

EXISTING SAFEGUARD REQUIREMENTS

The following are particularly important requirements within the existing legal and policy framework that state agencies should already have implemented to safeguard personal information:

1. Rules and Controls Limiting Access. Agencies must ensure that their access control policies and practices support the principle of "least privilege" and appropriate segregation of duties. Least privilege refers to the granting of employee access to personal information or systems based

on a legitimate business need to access the information in the performance of their job duties (refer to [Chapter 16, of NIST SP-800-12, An Introduction to Computer Security](#)). Agencies must also implement controls to detect and deter misuse, unauthorized access, or access that exceeds the limits of an employee's authorized access. For example, an employee may, by virtue of his or her job-related duties, have access to all records in a particular database or system, including records that may be held by the agency about those personally known to him or her (e.g., friends, family members, neighbors, etc.). However, that employee should not access those records unless specifically assigned a job-related duty in support of the processing or handling of such records. Agencies must also employ, to the extent practical, technical controls to automate compliance with these requirements. (SAM sections 5100, 5335.1, 5335.2, 5340, and 20050).

2. Employee Training. **Before** permitting access to agency information and information systems, agencies must train all employees (including managers and contracted staff) about their privacy and security responsibilities. Supervisors must also be trained about their role and responsibilities for providing day-to-day instruction, training and supervision of staff regarding their obligation to safeguard personal information. Thereafter, agencies must train employees at least once annually to ensure employees continue to understand their responsibilities. Additional or advanced training should also be provided commensurate with increased responsibilities or changes in duties. Both initial and refresher training must cover acceptable rules of behavior and the consequences when rules are not followed. For agencies implementing telecommuting or telework, and other authorized remote access programs, training must include the rules of such programs. (SAM section 5325 and Civil Code section 1798.20).
3. Signed Acknowledgements. Agencies must ensure that all individuals with authorized access to personal information sign an acknowledgement at least once each year to demonstrate both their receipt of the rules and requisite training, as well as their understanding of the consequences for failure to follow the rules. (SAM section 5325).
4. Written Agreements with Third Parties. Agencies must ensure that when personal information is shared with third parties, it is either specifically permitted or required by law and that a written agreement is executed between the parties. The written agreement is to identify the applicable Federal and state laws, as well as all departmental policies, standards, procedures, and security controls that must be implemented and followed by the third party to adequately protect the information. The agreement must also require the third party, and any of its sub-contractors with whom they are authorized to share the data, to share only the minimum personal information necessary, to securely return or destroy the personal information upon expiration of the contract, and to provide immediate notification to the state agency, and to individuals when appropriate, whenever there is a breach of personal information. (SAM sections 5310 and 5320.3, and Civil Code section 1798.19).
5. Encryption. Agencies must encrypt all confidential, personal, or sensitive data on mobile devices or media whenever that type of information is

authorized for use on such devices or media, using only NIST certified cryptographic modules (FIPS 140-2 validated products). (SAM sections 5100 and 5345.2).

6. Review and Reduce Current Personal Information Holdings. Agencies must review current holdings of all records containing personal information and ensure to the maximum extent practical, such holdings are reduced to the minimum necessary for the proper performance of a documented agency function. (Civil Code section 1798.14).
7. Review Current Forms and Other Methods of Personal Information Collection. Agencies must review all current forms, paper, and any other methods (e.g., online or telephony) used to collect personal information, to ensure the specific authority or authorization to collect such information exists, and appropriate notice is included on or with any such forms. (Civil Code section 1798.17).
8. Eliminate Unnecessary Collection and Use. When in the course of such reviews, the collection of personal information is no longer necessary for an authorized business purpose, agencies shall ensure that its collection is discontinued, and that the forms or any other methods used to collect this information are properly retired, revised, or replaced. (Civil Code section 1798.14).
9. Explore Alternatives to the Use of Social Security Numbers. Many recently enacted privacy laws prohibit the use of Social Security numbers as personal identifiers in state systems, or specifically require truncation when they must be used. All state agencies should participate in government-wide efforts to explore alternatives to the use of Social Security numbers as a personal identifier for both recipients of state programs and services, and state employees. (Civil Code sections 1798.14 and 1798.85).
10. Review Internal Controls to Safeguard Personal Information. Agencies must ensure that their risk management practices and ongoing assessments and reviews include evaluations of the adequacy of controls implemented to safeguard personal information held by the agency, and its contractors, and its other custodians with whom data may be shared. Internal controls include "Information Technology" controls, as well as administrative controls. (SAM sections 5305 to 5305.2). Further, in accordance with the California Financial Integrity and State Manager's Accountability Act (FISMA) of 1983 (Government Code Sections 13400 through 13407), "internal accounting and administrative controls are the methods through which reasonable assurances can be given that measures adopted by state agency heads to safeguard assets, check accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies are being followed." To ensure the state FISMA requirements are fully complied with, the head of each state agency must conduct an internal review and report on the adequacy of its internal controls by December 31, of each odd numbered year to the Legislature, the State Auditor, the Governor, the Director of the Department of Finance, and the State Library. (SAM section 20060). An agency's review of personal information holdings, personal information collection methods, and internal controls to

safeguard personal information may be completed in conjunction with the agency's biennial FISMA review.

EXISTING INCIDENT MANAGEMENT AND BREACH RESPONSE REQUIREMENTS

Existing state law and state policy require agencies to carry out the following incident management and breach response responsibilities:

1. Promptly investigate incidents involving the improper dissemination of information, or the loss, damage, or misuse of information assets. Incident management includes the formulation and adoption of an incident management plan that provides for the timely assembly of appropriate staff and their response to, reporting on, and recovery from a variety of incidents. Incident management also includes the application of lessons learned, and the determination of, and implementation of appropriate corrective actions to prevent or mitigate the risk of similar occurrences. (SAM sections 5350 and 8643).
2. Immediately report any security incident, including any breach of personal information as defined by Civil Code Section 1798.3 (includes non notice-triggering personal information) to the California Highway Patrol's Emergency Notification and Tactical Alert Center (ENTAC) at (916) 657-8287. (SAM sections 5350.2 and 8643, and Government Code section 14613.7).
3. Notify individuals when a breach of their personal information was, or is reasonably believed to have been acquired by an unauthorized person. Civil Code section 1798.29, sub-sections (e) through (f) specifically require notification to individuals in breaches of unencrypted computerized personal information of a specified type (which is referred to as "notice-triggering" information). Notice-triggering information includes the first name or first initial and last name in combination with any one or more of the following data elements:
 - a. Social Security number.
 - b. Driver's license number or California Identification Card number.
 - c. Account number, credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual's financial account.
 - d. Medical information (as defined).
 - e. Health insurance information (as defined).

While Civil Code section 1798.29 focuses on computerized data elements, the current state policy requires notification when a breach of an individual's personal information involves these same "notice-triggering" data elements or otherwise exposes individuals to substantial risk of harm, regardless of the data medium. (SAM section 5350.3).

4. Prepare and submit a written follow-up Agency Security Incident Report (SIMM 65C form) to OISPP, within ten (10) business days from the date of initial reporting to ENTAC, that describes what occurred, what steps or actions were taken to mitigate the risk of recurrence, and the cost associated with both the incident and any corrective action. (SAM sections 5350.3 and 5360.1).

STATE ADMINISTRATIVE MANUAL

NEW BREACH RESPONSE REQUIREMENTS AND PROCEDURAL DIRECTIVE

Effective immediately, any breach notification issued by a state agency, or the agency's contractor or custodian, in conjunction with a breach of state owned information assets must be submitted to OISPP for review and approval prior to its dissemination or release to affected individual(s). This process will help ensure consistency and clarity of notifications, as well as the accuracy of the privacy protection procedures and instructions provided in the notification.

While the decision to notify individuals ultimately rests with agency heads; when a breach occurs, agencies must seek guidance from, and consult with, the OISPP, as well as the agency's Legal Office, Information Security Officer and Privacy Officer/Coordinator regarding the means by which individuals will be notified.

In support of this policy, and to ensure state agencies understand their responsibilities for making notification to individuals affected by a breach, OISPP has also issued a new State Information Management Manual (SIMM) document as a procedural directive, entitled *SIMM 65D-Personal Information Breach Notification: Requirements and Decision-Making Criteria for State Agencies*. This document outlines the current breach notification requirements; the requirements for developing a protocol for internal notifications; identifies decision making criteria that must be included in a decision making procedure; and, provides a comprehensive checklist and notification templates to assist state agencies with response to a breach of personal information.

ROLES AND RESPONSIBILITIES

All state agencies and their employees, including contractors, state data custodians, and volunteer service workers, are required to adhere to these policies. Furthermore, state agencies are required to acknowledge the extent to which they are meeting these requirements in their Agency Risk Management and Privacy Program Certification, submitted annually to the OISPP. (SAM sections 5300.3, 5315.1, 5320 through 5320.4, and 5360.1).

"Agencies" includes all state agencies, departments, offices, boards, commissions, institutions, and special organizational entities unless otherwise specifically exempted by law or state policy reference. (SAM section 5300.2).

SAM AND SIMM UPDATES

Changes to the SAM will be forthcoming and will appear in the next update of the SAM. To see the substance of this policy change, you may refer to the following described documents on the OISPP Web site at: www.infosecurity.ca.gov:

1. Advance Copy of Changes to State Administrative Manual sections 5320.2, 5320.3, 5320.5, 5350, and 5350.4
2. SIMM 65D-Security Breach Involving Personal Information: Requirements and Decision Making Criteria for State Agencies

QUESTIONS

Questions regarding this Memo and related documents may be directed to OISPP at (916) 445-5239 or by email at Security@oispp.ca.gov

SIGNATURE

Original signed by Michael Saragoza, Undersecretary
For Rosario Marin, Secretary

Rosario Marin, Secretary
State and Consumer Services Agency

PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

Attachment 3

Privacy-Protection and Confidentiality

BUDGET LETTER

	NUMBER: 04-35
SUBJECT: SAFEGUARDING ACCESS TO STATE DATA	DATE ISSUED: November 16, 2004
REFERENCES: STATE ADMINISTRATIVE MANUAL SECTIONS 4840.4, 4841.2 4841.3	SUPERSEDES:

TO: Agency Secretaries
Department Directors
Departmental Budget Officers
Departmental Chief Information Officers
Departmental Information Security Officers
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

Note: Budget Officers are requested to forward a copy of this Budget Letter (BL) to your department's Information Security Officers (ISOs) and department's Chief Information Officers (CIOs). The Finance State ISO Office will also distribute this BL separately to the ISOs and CIOs on the current contact list.

BACKGROUND

The Department of Finance (Finance) is responsible for establishing the framework for the State's information technology (IT) security policies and activities, and for IT security oversight. This BL expands upon and clarifies policy about protecting the State's information resources.

The State Administrative Manual (SAM) Section 4841.2, Information Integrity and Security, requires that each agency provide for the integrity and security of its automated files and databases. New policy in this section requires written agreements with vendors, consultants, or researchers before they are allowed access to State data.

Although some agencies already have practices in place that support these policies, it is critical that State data in all agencies be protected through good policy and practice.

POLICY

The following definition and policy are effective immediately. The changes will appear in the next update of the SAM. You may refer to Attachment I, "Advance Copy of Changes to State Administrative Manual Sections 4840.4 and 4841.2," to see the context of this policy change.

Definition:

Non-State Entity. A business, organization, or individual that is not a State entity, but requires access to State information assets in conducting business with the State. (This definition includes, but is not limited to, researchers, vendors, consultants, and their employees, and entities associated with federal and local government and other states.)

Policy:

Each agency must provide for the integrity and security of its information assets by ensuring that responsibility for each automated file or database is defined.

Every agency must establish appropriate policies and procedures for preserving the integrity and security of each automated file or database. This requirement includes the use of agreements with non-state entities, to cover, at a minimum, the following:

- Appropriate levels of confidentiality for the data, based on data classification (see SAM section 4841.3);
- Standards for transmission and storage of the data, if applicable;
- Agreement to comply with all State policy and law regarding use of information resources and data;
- Signed confidentiality statements;
- Agreement to apply security patches and upgrades, and keep virus software up-to-date on all systems on which the data may be used; and
- Agreement to notify the State data owners promptly if a security incident involving the data occurs.

CONTACTS AND QUESTIONS

You may call the State ISO Office at (916) 445-5239 if you have questions about this BL or about the practices.

/s/ Veronica Chung-Ng

Veronica Chung-Ng
Program Budget Manager

Attachment

Advance Copy of Changes to State Administrative Manual Sections 4840.4 and 4841.2

New text is in italics; nothing was deleted.

4840.4 DEFINITIONS

Confidential Information. Information maintained by state agencies that is exempt from disclosure under the provisions of the California Public Records Act (Government Code Sections 6250-6265) or other applicable state or federal laws. See SAM Section 4841.3.

Critical Application. An application that is so important to the agency that its loss or unavailability is unacceptable. With a critical application, even short-term unavailability of the information provided by the application would have a significant negative impact on the health and safety of the public or state workers; on the fiscal or legal integrity of state operations; or on the continuation of essential agency programs.

Custodian of Information. An employee or organizational unit (such as a data center or information processing facility) acting as a caretaker or an automated file or database.

Disaster. A condition in which an information asset is unavailable, as a result of a natural or man-made occurrence, that is of sufficient duration to cause significant disruption in the accomplishment of agency program objectives, as determined by agency management.

Hardening. A defense strategy to protect against attacks by removing vulnerable and unnecessary services, patching security holes, and securing access controls.

Information Assets. (1) All categories of automated information, including (but not limited to) records, files, and databases; and (2) information technology facilities, equipment (including personal computer systems), and software owned or leased by state agencies.

Information Integrity. The conditions in which information or programs are preserved for their intended purpose; including the accuracy and completeness of information systems and the data maintained within those systems.

Information Security. The protection of automated information from unauthorized access (accidental or intentional), modification, destruction, or disclosure.

Owner of Information. An organizational unit having responsibility for making classification and control decisions regarding an automated file or database.

Non-State Entity. *A business, organization, or individual that is not a State entity, but requires access to State information assets in conducting business with the State. (This definition includes, but is not limited to, researchers, vendors, consultants, and their employees, and entities associated with federal and local government and other states.)*

Physical Security. The protection of information processing equipment from damage, destruction or theft; information processing facilities from damage, destruction or unauthorized entry; and personnel from potentially harmful situations.

Advance Copy of Changes to State Administrative Manual Sections 4840.4 and 4841.2

Privacy. The right of individuals and organizations to control the collection, storage, and dissemination of information about themselves.

Public Information. Any information prepared, owned, used, or retained by a state agency and not specifically exempt from the disclosure requirements of the California Public Records Act (Government Code Sections 6250-6265) or other applicable state or federal laws.

Risk. The likelihood or probability that a loss of information assets or breach of security will occur.

Risk Analysis. The process of evaluating: (a) the vulnerability of information assets to various threats, (b) the costs or impact of potential losses, and (c) the alternative means of removing or limiting risks.

Risk Management. The process of taking actions to avoid risk or reduce risk to acceptable levels.

Sensitive Information. Information maintained by state agencies that requires special precautions to protect it from unauthorized modification, or deletion. See SAM Section 4841.3. Sensitive information may be either public or confidential (as defined above).

User of Information. An individual having specific limited authority from the owner of information to view, change, add to, disseminate or delete such information.

4841.2 INFORMATION INTEGRITY AND SECURITY

Each agency must provide for the integrity and security of its information assets by:

1. Identifying all automated files and databases for which the agency has ownership responsibility (see SAM Section 4841.4);
2. Ensuring that responsibility for each automated file or database is defined with respect to:
 - a. The designated owner of the information within the agency;
 - b. Custodians of information; and
 - c. Users of the information;
 - d. Ensuring that each automated file or database is identified as to its information class (SAM Section 4841.3) in accordance with law and administrative policy;
 - e. Establishing appropriate policies and procedures for preserving the integrity and security of each automated file or database including:
 1. *Agreements with non-state entities to cover, at a minimum, the following:*

Advance Copy of Changes to State Administrative Manual Sections 4840.4 and 4841.2

- e. Server hardening policy, which must cover all servers throughout the department, not only those that fall within the jurisdiction of the department's IT area. The policy must include the process for making changes based on newly published vulnerability information as it becomes available. Further, the policy must address, and be consistent with, the department's policy for making security upgrades and security patches.

Each state data center must carry out these responsibilities for those automated files and databases for which it has ownership responsibility. See SAM Sections 4841.4 and 4841.5.

Oversight responsibility at the agency level for ensuring the integrity and security of automated files and databases must be vested in the agency Information Security Officer.

The head of each agency is responsible for compliance with the policy described in this section. See SAM Section 4841.1.

PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

Attachment 4

Procedures for Unregulated Energy Vendors

**ECIP/HEAP PAYMENT REQUEST AND CONFIRMATION
 (NON-REGULATED UTILITY COMPANIES ONLY)**

To:	Utility Company's Name:	Attention:		
From:	Agency's Name:			Date of Request:
	Mailing Address:	City:	State:	Zip:
	Agency Contact Person:			Phone:

Instructions to non-regulated utility companies:

1. Once a client's account has been credited, enter the date in the "DATE CREDITED" column.
2. After all accounts have been credited, sign and date the form in the space provided below.
3. Return this form to the agency's contact person at the address identified above.

The following utility payments are being made on behalf of these clients:

	Name and Address of Client	Utility Account #	Payment Amount	Date Credited
1.			\$	
2.			\$	
3.			\$	
4.			\$	
5.			\$	
6.			\$	
7.			\$	
8.			\$	

UTILITY COMPANY CERTIFICATION

I hereby certify that the referenced accounts were credited in the amounts shown.

Name/Title	Signature of Approval	Date
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AGENCY USE ONLY

Total Payments	\$	Check Number	#
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ECIP/HEAP PAYMENT REQUEST AND CONFIRMATION
CSD 415 (Rev. 06/01/06)
Instructions

This form will be used by the agency and non-regulated utility company in compliance with Section 2605(b)(7), item (B) of the Low-Income Home Energy Assistance Act of 1981.

1. Agency completes the "To" section of the form entering the non-regulated utility company information.
2. Agency completes the "From" section of the form entering the agency's name, address, and contact person.
3. Agency enters the list of client information, including utility account # and amount of payment.
4. Agency enters "Total Payments" amount and the "Check Number" information which corresponds to data from Step 3.
5. Agency forwards form to identified non-regulated utility company for review and completion.
6. Upon return of form from utility company, Agency reviews and verifies the amount credited for each client.
7. Agency retains this form on file for monitoring purposes.

Contractor's equivalent form is allowed, but must be pre-approved by CSD.

PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

Attachment 5

Procedures for Unregulated Energy Vendors

**ANNUAL ECIP/HEAP HOME ENERGY SUPPLIER ASSURANCE
(NON-REGULATED UTILITY COMPANIES ONLY)**

The undersigned home energy supplier hereby agrees and assures to

Agency's Name

that it will comply with the following provisions as federally-mandated under the Low-Income Home Energy Assistance Program in regard to energy fuels and related services provided to eligible households:

1. No household receiving assistance under this program will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements;
2. Not to discriminate, either in the cost of the goods supplied or in the services provided, against the eligible household on whose behalf payments are made; and
3. To allow representatives of the agency referenced above, and/or the State, access to records relating to payments to households for the purpose of verification of compliance with these assurances.

Utility Company

Name and Title (Please Print)

Telephone Number

Authorized Signature

Date

**ANNUAL ECIP/HEAP HOME ENERGY SUPPLIER ASSURANCE
(NON-REGULATED UTILITY COMPANIES ONLY)
CSD 416 (Rev. 6/1/06)
Instructions**

Use this form to comply with Section 2605(b)(7), items (C) and (D) of the Low-Income Home Energy Assistance Act of 1981.

1. Enter the agency name on the line provided.
2. This form must be provided to the non-regulated utility company for signature.
3. Once the form is returned from the non-regulated utility company, ensure that the form is signed and dated.
4. Retain this form for up to one year from the date of signature.
5. This form must be submitted to the non-regulated utility company for signature on an annual basis.
6. Please refer to <http://www.acf.hhs.gov/programs/liheap/guidance/statute/statute.html#Sec2605> for the regulation.

PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

Attachment 6

Training and Technical Assistance

	NUMBER 07-02
DISTRIBUTION ALL CSD EMPLOYEES	DATE ISSUED March 17th, 2009
SUBJECT COMPUTER SECURITY POLICY	EXPIRES Until amended, superseded, or withdrawn
REFERENCES California Civil Code Section 1798.29 45 C.F.R. Section 160.103 STATE ADMIN. MANUAL (SAM) Section 5300-5399, 8643, 8650, & 8651 Budget Letter BL 05-08 & BL 05-032 Management Memo 06-12 Adm. Serv. Memo #01-06	SUPERSEDES 05-02
INQUIRIES SHOULD BE DIRECT TO: Ed Lee, Chief Information Officer to elee@csd.ca.gov or 916-341-4314	
SIGNATURE: Original is Signed	

This policy is a reference document for employees to be familiar with a number of computer use topics such as Computer Security, Security Training Program, and Computer Safety. Along with providing direction, this policy is intended to instruct managers, supervisors, and employees about their information security responsibilities. Information in this policy is based on security requirements contained in the State Administrative Manual (SAM) Section 5300-5399 on Information Technology.

Included in the Computer Security Policy under Section III is the Computer Security and Confidentiality Statement. When completed, this statement complies with SAM Section 5325, which requires that each employee sign an acknowledgement of their computer security responsibilities. Please complete the following steps:

- * All supervisors and employees will read the Computer Security Policy to understand the Department's computer security policies and practices.
- * All personnel will sign and date the Computer Security and Confidentiality Statement.
- * Supervisors will also sign each form to confirm that all personnel have read and understood the policy.

* All signed certifications will be maintained in the employee's personnel file in the Human Resources Office as documentation of compliance with the Department's policy and SAM Section 5325.

Departmental management is committed to keeping this policy as current as possible. Meeting this goal is a challenge since computer security is a rapidly changing field. If you have any questions or wish to discuss this guide in more detail, please contact the Department's Information Security Officer (ISO).

I. **COMPUTER SECURITY INTRODUCTION**

The Department of Community Services and Development (CSD) has established these policies and procedures to address computer access and data security. CSD employees should adhere to these policies and procedures when accessing automated information systems in their use of computers and related devices. Refer to the Information Technology Section of the State Administrative Manual (SAM) Section 5300-5399 for additional clarification of these security requirements.

A. **OWNERS, CUSTODIANS, AND USERS OF INFORMATION RESOURCES**

The protection of information assets, both paper and electronic format, requires the support and ongoing participation of all owners, custodians, and users of these records. The determination of the custodial and user responsibilities is specific to the information collected, retrieved and/or published for certain audience of viewers.

Owners

Ownership of electronic information resources generally rests with the Department's Information Technology Services Unit. Paper based records ownership falls to the organization originating the document and/or publishing the document. Ownership responsibility for specific data generally rests with the unit management that generates or employs the data. The classification of the information that is entered, processed or distributed is the responsibility of the data owner.

Information access authority should be reviewed on a regular basis, as well as whenever an employee transfers, promotes, separates, or is terminated from state service. Information access authority should be modified or terminated as appropriate.

Custodians

The Information Technology Services Unit staff are the custodians of the information systems and the electronic data for the department. The Local Area Network (LAN) Administrator manages and maintains the LAN environment. The responsibilities of the custodians of information include

the following:

- Comply with all applicable laws, SAM provisions, and CSD policies and procedures.
- Maintain a secure physical and operational environment for storing and processing data resources. Offer support services, information processing services, and technical capabilities, as applicable.
- Advise CSD staff of security vulnerabilities within the system and recommend safeguards.
- Assist in implementing appropriate security precautions.
- Notify the Information Security Officer (ISO) of any actual or attempted security violations and assist in preparing the Security Incident Report (SAM Section 5350) and follow procedures outlined in the CSD Administrative Memorandum 03-01.
- Review information access authority on a regular basis, as well as each time an employee transfers, promotes, separates, or is terminated from state service. Information access authority should be modified or terminated as appropriate.
- Follow appropriate backup and recovery procedures.

Users

Users of information are individuals and state agencies that utilize the information that is processed by automated information systems. Users have specific limited authority from the owner of information to view, change, and/or delete such information.

B. OFF-SITE USAGE

Employees who work from a remote location will exercise the same controls over state-owned electronic and paper data off-site as they do at the Department work site. State-owned data records are considered "confidential" or "sensitive" at the office maintains its classification and access-restrictions off-site. Employees will not permit others access or viewing privileges of such data. Confidential, sensitive and private data releases, which occur by an employee off-site, may result in disciplinary action.

Employees who take state-owned equipment, such as laptop computers LCD projectors off-site and wireless devices, will exercise the same controls over state-owned equipment as they do at the Department work site.

C. CSD INFORMATION SECURITY

The CSD Information Security Officer (ISO) oversees information policies and practices and evaluates the risk management program with respect to information and systems security.

The ISO's responsibilities include the following:

- Oversee agency compliance with policies and procedures regarding the security of information assets (SAM Section 5300.3);
- Review and approval of all Information Security Incident Reports and oversee corrective action to remedy the problem identified (SAM Section 5350);
- Monitor ongoing risk analysis of computer/network applications (SAM Section 5305.1);
- Oversee the development of the Department's Operational Recovery Plan (SAM Section 5355.1);

II. SECURITY TRAINING PROGRAM

The Department has established security measures that recognize requirements of SAM Section 5325. Good security practices are expected of each CSD employee. The following is an overview of good security practices, proprietary software, computer viruses, electronic mail, network information connections, and information security violations which each employee should be aware.

A. GOOD INFORMATION SECURITY PRACTICES

- CSD users accessing CSD information assets must use due care to preserve data integrity and confidentiality.
- Passwords should be treated as confidential information and must be changed on a regular basis so that security, in terms of access, is being maintained.
- CSD users accessing CSD data must take appropriate precautions to ensure the protection of that data from unauthorized access or destruction.
- CSD staff must take reasonable precautions to prevent virus contamination of CSD data files (see section B for further details).
- Use of CSD information assets and computer resources shall be for CSD BUSINESS PURPOSES ONLY.

- Access to the CSD Local Area Network (LAN) system shall be through assigned user identifiers (IDs) and passwords.

B. PROPRIETARY SOFTWARE

Software license agreements shall be strictly followed. Proprietary software cannot be duplicated, modified, or used on more than one machine, except as expressly provided for in the manufacturer's license agreement.

It is the policy of CSD to use commercial software packages for personal computers whenever practical, rather than undertake independent software development.

CSD users may not install freeware or software purchased by them unless the software is approved and added to CSD's supported software list. Unsupported software will be removed.

C. COMPUTER VIRUSES

CSD users must take reasonable precautions to prevent virus contamination of state systems. Caution should be utilized when importing free software from bulletin boards or the Internet. They can be a prime source of computer viruses. No personal or unlicensed software from home and/or from any other source is permitted to be installed in any CSD computer without permission from the Information Technology Services Unit (ITS). In addition, external data or other media files (e.g., jpg, mp3, wma, etc.) may not be used on a CSD computer unless it has been approved by ITSU.

CSD users that access CSD network resources remotely via the GoToMyPC, wireless connections, etc. are responsible for having anti-virus software for any employee owned computers. Users are also responsible for keeping the anti-virus software licensed and up to date.

D. ELECTRONIC MAIL (E-MAIL)

The Department of Community Services and Development (CSD) provides electronic mail (e-mail) services for all staff. This policy applies to all CSD employees and refers to all electronic mail accounts at CSD.

CSD employees who use electronic mail or remotely connects to a CSD email account consent to all of the provisions in this policy and agree to comply with all of its terms and conditions and with all applicable state and federal laws and regulations.

Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.

Privacy

CSD cannot guarantee the privacy or confidentiality of any electronic mail message or document. Users should be aware that these transmissions are not secure. Confidential information should not be exchanged via electronic mail without the use of additional security precautions (e.g., encryption, password protected files, etc.).

Proper Use

CSD provides electronic mail service to its employees to enhance their ability to quickly and conveniently send and receive written communications and documents for the purpose of conducting state business. Any use of this service that interferes with these functions is improper.

Employees who use the electronic mail service are expected to do so responsibly, to comply with state and federal laws, with policies and procedures of the department, and with normal standards of professional and personal courtesy and conduct. For example, an e-mail message that will be sent to all CSD staff or to Executive Staff should be reviewed and approved by the sender's supervisor/manager, as would a hard copy memo being sent to these recipients. The same reporting lines should apply as appropriate (from staff to supervisor, to manager, to deputy director, to chief deputy director, to director).

Other considerations should include the urgency of the message, the length of the message, and the nature of the message. E-mail messages normally involve short, concise, communications about very current or urgent business matters. Lengthy documents and purely informational material are better shared through the CSD Intranet or shared via regular internal office mail system. An exception would be a document being e-mailed to your supervisor for editing.

The nature of the message is also important. E-mail communications are not intended to take the place of interpersonal verbal communication that is necessary and appropriate to conduct business. CSD expects its employees to exercise good judgment in deciding which matters are communicated by e-mail rather than by telephone or in person. For example, sensitive personnel issues are not appropriately conducted or resolved by electronic communication. Questions about these distinctions should be directed to the employee's supervisor/manager or to the Deputy Director for Administrative Services.

As the owner of the electronic mail system, CSD reserves the right to monitor and inspect electronic mail transmissions for reasonable business purposes. *Electronic mail may only be used for legitimate state business purposes.*

Improper Use

Electronic mail transmission must not be used to contact others for commercial ventures, religious or political causes, or other non-business purposes such as "junk mail", jokes, or chain letters.

CSD strives to maintain a workplace free of harassment and sensitive to the diversity of its employees. Therefore, CSD prohibits the use of the electronic mail service in ways that are disruptive, offensive to others, harmful to morale, or discredit and/or reflect poorly on CSD in any way.

- *Example: The display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others.*

In general, policies and regulations that apply to other forms of communication at CSD also apply to electronic mail. For example, it is CSD's policy that personal information about an employee, such as illness or a death in the family, should not be shared with other staff or the entire staff until the employee has agreed with his/her supervisor to share the information. The employee's manager should issue any electronic mail messages about such personal matters.

In addition, the following specific actions and uses of electronic mail are improper:

- Concealment or misrepresentation of names or affiliations in electronic mail messages.
- Alteration of source or destination addresses of electronic mail.
- Use of electronic mail to aid in unlawful activities.
- Use of electronic mail for commercial or private business purposes.
- Use of electronic mail, which unreasonably interferes with or threatens other individuals.
- Use of electronic mail that degrades or demeans other individuals.

CSD electronic mail service shall not be used for purposes that could reasonably be expected to cause, directly or indirectly, excessive strain on any computing or networking facility, or unwarranted or unsolicited interference with others' use of electronic mail. These uses include but are not limited to:

- sending and/or forwarding chain letters;
- "letter bombs" or sending the same electronic mail message repeatedly to one or more recipients to interfere with the recipient's use of electronic mail; and

- to exploit list servers or similar broadcast systems for purposes beyond their intended scope to amplify the widespread distribution of unsolicited electronic mail.

Employees should notify their immediate supervisor, the Information Security Officer, or any other member of management upon learning of a violation of this policy.

Security

All users of electronic mail are advised to take necessary precautions to protect the confidentiality of electronic mail messages and documents or other records containing personal or confidential information encountered in the performance of their duties or otherwise. They should therefore utilize whatever means of protection, such as passwords, that are available to them to safeguard their electronic mail. Since such means of protection are not necessarily foolproof, the security and confidentiality of electronic mail cannot be guaranteed.

E. LOCAL AREA NETWORK

- Groups in the shared folders are established and maintained by the Network Administrator.
- To establish a new group or to modify an existing group requires a request to be submitted to the Product Specialist.
- Because shared files can only be opened by one person at a time, files should not be left open when you are going to be away from your computer for 15 minutes or longer (i.e., breaks, attending meetings, having lunch).
- The user will be responsible for "managing" the files stored in the user's network folder (i.e., removing inactive/duplicate files).
- The user will be responsible to logout of their network account each evening prior to departure from CSD nor will any employee maintain an active remote connection when not necessary.

F. INFORMATION SECURITY VIOLATIONS

The ISO, with full departmental support and authority, will treat violations of security policy with the utmost seriousness. In the course of enforcing this Department's information security policies and procedures, the ISO may recommend taking disciplinary action. The specific disciplinary action that will be taken depends upon the nature of the violation and the impact on the Department's information assets and/or facilities. Disciplinary action may include:

- A written letter of reprimand;
- Time off without pay;
- Reduction in pay;
- Demotion;
- Dismissal from state service;
- Criminal prosecution.

Follow-up and resolution of reported security incidents will be prompt. During the time when a suspected violation is under investigation, the suspected violator's access privileges may be revoked and/or other action may be taken to prevent harm to CSD's information assets. Depending on the infraction, a Security Incident Report may be required as described above.

III. COMPUTER SAFETY

Steps should be taken to protect computer equipment from theft and unauthorized use. Desktop systems should be kept in secure areas or should be physically attached to a desk or table. The following is an overview of the CSD computer safety policies and procedures.

A. BACKUP/RECOVERY PROCEDURES AND OFF-SITE STORAGE

To guard against the loss of data and programs and to ensure the availability and integrity of application software and data, the Information Technology Services Unit will maintain back-up copies of all programs and data on the LAN according to the following guidelines:

- A regular schedule for making backup copies of all data files shall be established by the Information Technology Services staff.
- Unit management, in coordination with the ISO, will ensure that backup procedures are carried out.
- Depending on the nature of the information, backup files may need to be stored at an off-site location.
- If software cannot be copied to make backups (because of copy protection or legal restrictions), enough information must be retained to allow an identical copy to be obtained if necessary.
- To ensure that data/documents are backed up, all files should be

saved on the LAN. Files saved on the local workstations are the responsibility of the end user.

B. PASSWORD PROTECTION (Securing the Data from Unauthorized Access)

CSD employees are responsible for the confidentiality and security of their passwords. **Shared passwords are prohibited.** To protect the Department's LAN resources, either password protect your screen saver or log off the computer when your workstation is unattended.

- Logon ID's are limited to 11 (eleven) characters, with no minimums.
- The first time a user logs on to their computer, the LAN administrator will assign the password. The user will then be prompted to change their password ID.
- Passwords must be at least six (6) characters long, and are case sensitive.
- If a password is forgotten, a request must be submitted to the Product Specialist.
- Passwords are good for 60 days. At the end of 60 days the password must be changed. The same password cannot be used twice.

C. FILE ENCRYPTION (Securing the Data from Accidental or Unauthorized Access)

Confidential data files should be protected from unauthorized access or modification through data encryption.

D. RISK MANAGEMENT PROGRAM - Operational Recovery Planning (ORP)

A risk management program includes a contingency plan that addresses what to do if, and when, your computer and/or the data files are violated, lost, damaged, or inaccessible. Other terms for contingency plan are Disaster Recovery Plan or Operational Recovery Plan (ORP). The ORP contains detailed procedures that will help assure continued agency operations in the event of a disaster (SAM Section 5355). The ORP is part of the Department's overall Business Recovery Plan. Responsibility for preparing and updating the ORP resides with the management of each program. The ORP is a tool to the program management to recover its information assets in the event of a major disaster.

COMPUTER SECURITY AND CONFIDENTIALITY STATEMENT

I have read the Computer Security Policy Guide and will comply with the security requirements indicated in the guide. Also, I understand the need to:

1. Exercise due care to preserve data integrity and confidentiality.
2. Treat passwords as confidential information and change them on a regular basis to help ensure that security is maintained.
3. Take reasonable precautions to ensure the protection of CSD data from unauthorized access or destruction.
4. Notify my supervisor and the CSD Information Security Officer when aware of a possible security violation including unauthorized access, loss or destruction of equipment, misuse, theft, possible virus, etc. (see Section 5350 of the State Administrative Manual).
5. Re-certify by completing this form annually.

CERTIFICATION

I understand that unauthorized access, attempted access, or use of any computer systems and/or data of the State of California is a violation of Section 502, of the California Penal Code, and is subject to prosecution.

_____	_____	_____
User name (print)	Division	Unit
_____	_____	_____
User signature	Date	Telephone number
_____	_____	_____
Supervisor signature	Date	Telephone number