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

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

ABBREVIATED MODEL PLAN
FISCAL YEAR (FY) 2011
October 1, 2010 – September 30, 2011

Submitted to:
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
OFFICE OF COMMUNITY SERVICES
WASHINGTON, DC 20447

ARNOLD SCHWARZENEGGER
Governor

VICKIE BRADSHAW
Cabinet Secretary, Governor's Office

KIMBERLY BELSHÉ
Secretary, California Health and Human Services Agency

CLIFF ALLENBY
Director, Department of Community Services and Development

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
P.O. Box 1947
Sacramento, CA 95812-1947
(916) 576-7109
(916) 263-1406 (FAX)
(916) 263-1402 (TDD)

August 31, 2010

Mr. Nick St. Angelo, Director
Division of Energy Assistance
Office of Community Services/ACF/HHS
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

Dear Mr. St. Angelo:

Enclosed is the State of California's Low-income Home Energy Assistance Program (LIHEAP) Abbreviated State Plan Application for Federal Fiscal Year 2011 and the LIHEAP Household Report for Federal Fiscal Year 2010.

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 sixteen federal assurances. A delegation letter from Governor Schwarzenegger is enclosed.

On August 18, 2010, CSD conducted a public hearing on the proposed LIHEAP Abbreviated State Plan Application, as required by federal law. No public testimony was presented.

Sincerely,

Cliff Allenby
Director

Enclosures

GOVERNOR ARNOLD SCHWARZENEGGER

September 7, 2006

Ms. Josephine B. Robinson
Director
Office of Community Services
Administration for Children and Families
U.S. Department of Health and Human Services
370 L'Enfant Promenade, SW
Washington, DC 20201

Dear Ms. Robinson,

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 Lloyd Throne, 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 (CSBG), which may include the Community Food and Nutrition Program (CFNP), and Low-Income Home Energy Assistance Program (LIHEAP).

Thank you for your attention to this matter.

Sincerely,

Arnold Schwarzenegger

STATE CAPITOL • SACRAMENTO, CALIFORNIA 95814 • (916) 445-2841

ATTACHMENT 4

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

ABBREVIATED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FISCAL YEAR (FY) 2011

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

EIN: 1-94-600001347-K4

ADDRESS: P.O. Box 1947

Sacramento, CA 95812-1947

2389 Gateway Oaks Drive, Suite 100

Sacramento, CA 95833

NAME OF LIHEAP COORDINATOR: Donald Williams

EMAIL: DWilliams@csd.ca.gov

TELEPHONE: 916-576-7109 FAX: 916-263-1651

LAST DETAILED MODEL PLAN FILED: FY 2010

PLEASE CHECK ONE: TRIBE _____ STATE X INSULAR AREA _____

Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, D.C. 20447

August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01
OMB Approval No. 0970-0075, Expiration Date: 09/30/2011

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 a grantee is not required to use the detailed model plan. Public reporting burden for this collection of information is estimated to average 20 minutes 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.

GRANTEE: **Department of Community Services and Development** **FFY: 2011**

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 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent 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 percent 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 vendored 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 percent of the funds payable to such State under this title for a fiscal year and not transferred pursuant to section 2604(f) for use under another block grant; 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 disbursal of 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. Territories with annual allotments of $200,000 or less and Indian tribes/tribal organizations are not subject to Assurance 15.**

(16) use up to 5 percent 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.

GRANTEE: **Department of Community Services and Development** **FFY: 2011**

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: Cliff Allenby

Cliff Allenby

Title: Director

Date: 8-30-10

*** 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.

GRANTEE: **Department of Community Services and Development** **FFY: 2011**

Modified LIHEAP FY 2010 Application

Please list all changes made from your most recent detailed plan.

Page	Subject	Modification
7	Heating Assistance	The detailed 2010 State Plan reflected 16.19% in heating assistance. The allocation for this state plan is estimated at 15.355%.
7	Cooling Assistance	The detailed 2010 State Plan reflected 16.19% in cooling assistance. The allocation for this state plan is estimated at 15.355%.
7	Crisis Assistance	The detailed 2010 State Plan reflected 32.54% in crisis assistance. The allocation for this state plan is estimated at 29.29%.
7	Administrative and Planning costs	The detailed 2010 State Plan reflected 5% in administrative and planning costs. The allocation for this state plan is estimated at 10%.
7	Leveraging Activities	The detailed 2010 State Plan reflected .08% to be used to develop and implement leveraging activities. The allocation for this state plan is estimated at 0%.

Please specify whether you are using calendar year 2010 poverty level **or** FY 2011 median income estimates in determining eligibility:

2010 poverty level _____%

OR

FY 2011 median income __60__ %

Please describe how you obtained public participation in the development of your 2011 plan. (For States, please also provide information on your public hearings.):

On August 6, 2010, notification was emailed to all LIHEAP service providers advising them of CSD's intent to post on the website on or before August 6, 2010, the draft 2011 Abbreviated LIHEAP State Plan Application. The accompanying cover letter announced the date, time and location of the public hearing. Public notices were published on August 6, 2010 in several newspapers in the north, central, and southern parts of the state. Publication of these notices were

posted at least ten days prior to August 18, 2010.

A public hearing was conducted on August 18, 2010 at 10:00am at the Department of Community Services and Development (CSD), 2389 Gateway Oaks Drive, Sinex Conference Room, Sacramento, CA 95833. The public had until 5:00pm on August 18, 2010 to submit written comments.

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

Date Carryover and Reallotment Report submitted: July 27, 2010

GRANTEE: **Department of Community Services and Development** **FFY: 2011**

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 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 reallotment 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.

GRANTEE: **Department of Community Services and Development** **FFY: 2011**

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

Dept Community Services & 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.

GRANTEE: **Department of Community Services and Development** **FFY: 2011**

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 pint 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

Public Notice posted in the following newspapers:

Redding Record Searchlight

Sacramento Bee

La Opinion

Department of Community Services and Development

CSD Home

Subscribe in a reader Subscribe via Email

Community Services & Development (CSD) is a state department of the California Health and Human Services Agency.

CSD administers federal programs to help low-income families achieve and maintain self-sufficiency, meet their home energy needs, and reside in housing free from the dangers of lead hazards. CSD works with a network of more than 100 agencies throughout California that provide services and programs directly in the community.

In accordance with the Governor's Executive Order, CSD will be closed August 20 and 27 for mandatory furloughs.

News reporters seeking comment may contact the CSD press office by emailing MCaudill@csd.ca.gov.

NEWS, DATES & DEADLINES

2011 LIHEAP State Plan DRAFT is now available for review. Written comments will be excepted until 5:00pm on August 18th. Mail to P.O. Box 1947 Sacramento, CA 95812-1947 Attn: Donald Williams or email at dwilliams@csd.ca.gov

CSD announces Solar for All California, an innovative program that will result in 1,000 solar systems installed on low-income homes throughout California.

GOOD THINGS TO KNOW

Protect yourself from extreme heat and other summer hazards. Read Tips to Stay Safe This Summer

Summer is here! Read Summertime Energy Saving Tips

Protect yourself, your family and your home: Be Prepared California

Without a bank account, the average worker will throw away more than $40,000 over a lifetime to cash checks and pay bills. Find out how to Open A Bank Account.

Help for California Homeowners: A Guide to Mortgage Resources

CLICK BELOW TO . . .

Get Help Paying Your Energy Bills

Save Money by Having Your Home Weatherized

Report Fraud and Abuse - Waste Watchers 1-877-49-CALL-CA

Learn More About the Hazards of Lead Paint

Learn Simple Tips for Saving Energy and Money

Find Help in Your Neighborhood

Department of
Community Services and Development

2011 LIHEAP State Plan

2011 LIHEAP State Plan - DRAFT (.pdf 27 pages)

Eligibility Guide

2010 LIHEAP Contract

Attachments:

1 - Audit Findings Matrix

2 - Death Match

3 - Safeguarding Personal Info MM 08-11

4 - Duplicate Checks

5 - Computer Security

6 - Budget Letter

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Department of Community Services and Development

Calendar: 2011 LIHEAP Draft Abrv State Plan Hearing

Export Event

TITLE	2011 LIHEAP Draft Abrv State Plan Hearing
LOCATION	CSD Headquarters, Sinex Room 2nd Floor
ADDRESS	2389 Gateway Oaks Drive Sacramento, CA 95833
START TIME	8/18/2010 10:00 AM
END TIME	8/18/2010 11:00 AM
DESCRIPTION	
REGISTRATION INFORMATION	STATE OF CALIFORNIA - DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT NOTICE OF PUBLIC HEARING- DRAFT ABBREVIATED LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) STATE PLAN APPLICATION for FISCAL YEAR (FFY) 2011 A public hearing to receive comments on the Draft Abbreviated LIHEAP State Plan Application for FFY 2011 is scheduled for Wednesday, August 18, 2010 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: Donald Williams, Program Manager, Energy and Environmental Services Division. Written comments will be accepted until 5:00 p.m., August 18, 2010. A copy of the Draft LIHEAP Abbreviated State Plan Application is available by accessing CSD's web site, http://www.csd.ca.gov, under "NEWS, DATES & DEADLINES". NOTICE: Americans with Disabilities Act - Individuals who, because of a disability, need special assistance to attend the public hearing, may request assistance by calling Carol Forrest at (916) 576-7112. Requests should be made at least five working days in advance.
CONTACT	Mary Rhine (916) 576-7109
ALL DAY EVENT	
RECURRENCE	
WORKSPACE	

Created at 8/16/2010 1:06 PM by Eastburn, Jeffrey
Last modified at 8/16/2010 1:06 PM by Eastburn, Jeffrey

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Department of Community Services and Development

CSD > Calendar

Calendar

Use the Calendar list to keep informed of upcoming meetings, deadlines, and other important events.

Actions

View: Calendar

August, 2010

Expand All Collapse All | Day Week **Month**

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18 10:00 AM **2011 LIHEAP Draft Abrv State Plan Hearing**	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4

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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 PUBLIC HEARI
6721816 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;

PUBLISHED ON: 08/06

FILED ON: 08/06/10

STATE OF CALIFORNIA - DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMEN
NOTICE OF PUBLIC HEARING- DRAFT ABBREVIATED LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) STATE PLAN APPLICATION
for FISCAL YEAR (FFY) 2011

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August 6, 2010 6721816

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

The Sacramento Bee

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

CA DEPT OF COMM. SERVICES
2389 GATEWAY OAKS #100
SACRAMENTO, CA 95833

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

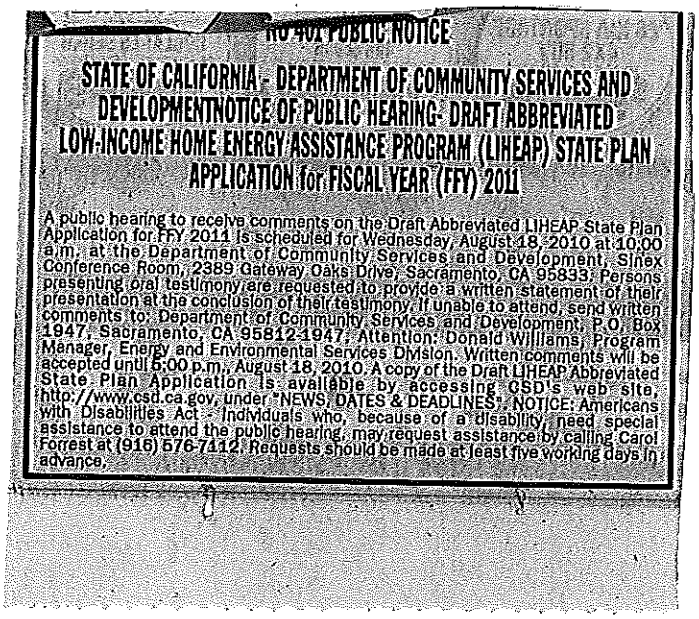
COUNTY OF SACRAMENTO
STATE OF CALIFORNIA

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 interest ed 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 6, 2010

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 6, 2010**

(Signature)



NO 402 PUBLIC NOTICE

STATE OF CALIFORNIA - DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENTNOTICE OF PUBLIC HEARING: DRAFT ABBREVIATED LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) STATE PLAN APPLICATION for FISCAL YEAR (FFY) 2011

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

La Opinión
The Leading Spanish Language Daily Newspaper
700 S. Flower St. • Los Angeles, CA 90017
Tel:(213) 896-2260 • Fax:(213) 896-2238
www.laopinion.com

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-entitle matter. I am the principal clerk of the printer of La Opinión a newspaper of general circulation, printed and published daily in the city of Los Angeles, County of Los Angeles, and which newpaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Los Angeles, State of California, under the date of July 28, 1969, Case Number: 950176; that the notice, of which the annexed is a printed copy, has been published in each regular and not in any supplement thereof on the following dates, to-wit:

AUG. 6

all in the year 20 10

I certify (or declare) under penalty of perjury that the foregoing is true and correct.
Dated at Los Angeles, California, this

9 day of AUG., 20 10

Signature

ADV #017 Controlled
Rev. 06/05

This space is for the County Clerk's filing Stamp

ESTADO DE CALIFORNIA – DEPARTAMENTO DE SERVICIOS Y DESARROLLO COMUNITARIOS AVISO DE AUDIENCIA PÚBLICA – BORRADOR ABREVIADO DEL PROGRAMA DE AYUDA DE ENERGÍA DOMÉSTICA PARA HOGARES DE BAJOS INGRESOS (LIHEAP) SOLICITUD DE PLAN ESTATAL para el AÑO FISCAL (FFY) 2011

Una audiencia pública para recibir comentarios sobre el Borrador Abreviado de la Solicitud del Plan Estatal LIHEAP para el año fiscal 2011 está programada para el miércoles 18 de agosto de 2010 a las 10:00 a.m. en el Departamento de Servicios y Desarrollo Comunitarios, Sala de Conferencias Sinex, 2389 Gateway Oaks Drive, Sacramento, CA 95833. Las personas que presentan testimonio oral se les solicita proveer una declaración escrita de su presentación al finalizar su testimonio. Si no puede asistir, por favor envíe los comentarios por escrito a: Department of Community Services and Development, P.O. Box 1947, Sacramento, CA 95812-1947, Attention: Donald Williams, Program Manager, Energy and Environmental Services Division. Los comentarios por escrito serán aceptados hasta las 5:00 p.m. del 18 de agosto de 2010. Una copia del Borrador Abreviado de la Solicitud del Plan Estatal LIHEAP está disponible accediendo a la página Web del CSD http://www.csd.ca.gov, en "NEWS, DATES Y DEADLINES".

AVISO: Ley para los Estadounidenses con Discapacidades – Los individuos que debido a su discapacidad, necesitan asistencia especial para asistir a la audiencia pública, pueden solicitar esa ayuda llamando a Carol Forrest al teléfono (916) 576-7112. Las solicitudes deben ser hechas con por lo menos cinco días hábiles de anticipación.

111-10026990

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AUG. 6

all in the year 20 10

I certify (or declare) under penalty of perjury that the foregoing is true and correct.
Dated at Los Angeles, California, this

9 day of AUG., 20 10

Signature

ADV #017 Controlled
Rev. 06/05

This space is for the County Clerk's filing Stamp

STATE OF CALIFORNIA - DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT NOTICE OF PUBLIC HEARING- DRAFT ABBREVIATED LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) STATE PLAN APPLICATION for FISCAL YEAR (FFY) 2011

A public hearing to receive comments on the Draft Abbreviated LIHEAP State Plan Application for FFY 2011 is scheduled for Wednesday, August 18, 2010 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: Donald Williams, Program Manager, Energy and Environmental Services Division. Written comments will be accepted until 5:00 p.m., August 18, 2010. A copy of the Draft LIHEAP Abbreviated State Plan Application is available by accessing CSD's web site, http://www.csd.ca.gov, under "NEWS, DATES & DEADLINES".

NOTICE: Americans with Disabilities Act - Individuals who, because of a disability, need special assistance to attend the public hearing, may request assistance by calling Carol Forrest at (916) 576-7112. Requests should be made at least five working days in advance.

111-10026992

Attachment Three: Hearing Transcript

California State Hearing Reporter

STATE OF CALIFORNIA

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

PUBLIC HEARING

2011 DRAFT ABBREVIATED LIHEAP STATE PLAN APPLICATION

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT OFFICES

2389 GATEWAY OAKS DRIVE

SECOND FLOOR

SINEX CONFERENCE ROOM

SACRAMENTO, CALIFORNIA

WEDNESDAY, AUGUST 18, 2010

10:05 A.M.

REPORTED BY: KATHRYN S. SWANK
CSR 13061

APPEARANCES

STAFF:

Jeff Eastburn, Hearing Officer

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PROCEEDINGS

HEARING OFFICER EASTBURN: So this is the public hearing for the 2011 Draft Abbreviated LIHEAP State Plan Application.

Good morning. I am Jeff Eastburn of the Department of Community Services and Development. I am the hearing officer for today's public hearing on the 2011 Draft Abbreviated LIHEAP State Plan Application.

Today is Wednesday August 18, 2010. The time is 10:05 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 2011 Abbreviated LIHEAP State Plan Application.

The hearing is being recorded by court reporter Kathryn Swank.

Is there anyone that has testimony at this time?

It appears that there are no further comments. This public hearing is considered closed. CSD will receive written testimony until 5:00 p.m. today, August 18, 2010. The time is now 10:06 a.m. Thank you.

(The public hearing concluded at 10:06 a.m.)

---o0o---

CERTIFICATE OF REPORTER

I, KATHRYN S. SWANK, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing Department of Community Services and Development Public Hearing was reported in shorthand by me, Kathryn S. Swank, a Certified Shorthand Reporter of the State of California, and thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing nor in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of August, 2010.

KATHRYN S. SWANK, CSR
Certified Shorthand Reporter
License No. 13061

Attachment Four: LIHEAP Household Report - Federal Fiscal Year 2010 - Long Format

Estimated Report completed 8/26/10

OMB Control No. 0970-0060

LIHEAP Household Report--Federal Fiscal Year 2010--Recommended Long Format

Expiration Date: 10/31/2011

Grantee Name: California CSD Contact Person: Jayson Wimbley, Manager Phone: (916) 576-7109 Date: 2010-August-26

The *LIHEAP Household Report--Long Format* is for use by the 50 States, District of Columbia, and the Commonwealth of Puerto Rico. This Federal Report provides data on both LIHEAP recipient and applicant households for Federal Fiscal Year (FFY) 2010, the period of October 1, 2009 - September 30, 2010. The Report consists of the following sections: (1) **Recommended Long Format for LIHEAP Assisted Households** and (2) **Recommended Format for LIHEAP Applicant Households.** Data on assisted households are included in the Department's annual *LIHEAP Report to Congress*. The data are also used in measuring targeting performance under the Government Performance and Results Act of 1993. As the reported data are aggregated, the information in this report is not considered to be confidential.

There are two types of data: (1) **required** data which must be reported under the LIHEAP statute and (2) **requested** data which are optional, in response to House Report 103-483 and Senate Report 103-251. Both the *LIHEAP Household Report--Long Format* (the Excel file name is *hhsrptst.xls)* and the instructions on completing the Report (the Word file name is hhrptins.doc) can be downloaded in the Forms sections of the Office of Community Services' LIHEAP web site at: www.acf.hhs.gov/programs/ocs/liheap/grantees/forms.html#household_report. The spreadsheet is page protected in order to keep the format uniform. The items requiring a response are not page protected. However, other areas of the spreadsheet cannot be modified. For example, the number of assisted and applicant households can not be entered. Each total will be calculated automatically for each type of assistance by a formula when the poverty level data are entered.

Do the data below include estimated figures? No [ ] Yes [X] Mark "X" in the second column below for each type of assistance that has at least one estimated data entry.

1. RECOMMENDED LONG FORMAT FOR LIHEAP ASSISTED HOUSEHOLDS

			REQUIRED DATA								REQUESTED DATA	
Type of assistance	Mark "X" to indicate estimated data	Number of assisted households	2009 HHS Poverty Guideline interval, based on gross income and household size					At least one member who is			At least one member who is	
			Under 75% poverty	75%-100% poverty	101%-125% poverty	126%-150% poverty	Over 150% poverty	60 years or older	Disabled	Age 5 years or under	Age 2 years or under	Age 3 years through 5 years
Heating	X	264,827	81,188	72,363	50,235	27,599	33,442	79,358	87,478	59,285	33,628	40,072
Cooling		0										
Winter/year round crisis	X	131,704	63,725	25,510	15,882	10,591	15,996	20,909	36,501	45,563	27,049	29,984
Summer crisis		0										
Other crisis (specify)		0										
Weatherization	X	22,004	6,248	4,229	3,874	2,613	5,040	6,509	4,677	5,356	3,036	3,727

2. RECOMMENDED FORMAT FOR LIHEAP APPLICANT HOUSEHOLDS (regardless of whether assisted)

			REQUIRED DATA					
Type of assistance	Mark "x" to indicate estimated data	Number of applicant households	2009 HHS Poverty Guideline interval, based on gross income and household size					
			Under 75% poverty	75%-100% poverty	101%-125% poverty	126%-150% poverty	Over 150% poverty	income data unavailable
Heating	X	264,827	81,188	72,363	50,235	27,599	33,442	
Cooling		0						
Winter/year round crisis	X	131,704	63,725	25,510	15,882	10,591	15,996	
Summer crisis		0						
Other crisis (specify)		0						
Weatherization	X	22,004	6,248	4,229	3,874	2,613	5,040	

Note: Section 1&2- Household data may contain some duplicate count due to data reporting system limitations.

Program Integrity Assessment Supplement

Program Integrity Assessment Supplement

1. Recent Audit Findings-Attachment I

Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY2010 or the prior three years, in annual audits, State 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 FY2011.	If there is no plan in place, please explain why not.	Necessary outcomes from these systems and strategies
Please refer to Attachment 1 for audit results	Please refer to Attachment 1 for audit resolution status	NA	The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.

2. Compliance Monitoring

Describe the State's FY2010 strategies that will continue in FY2011 for monitoring compliance with state and Federal LIHEAP policies and procedures by the State and local administering agencies.	Please highlight any strategies for compliance monitoring from you plan which will be newly implemented as of FY2011.	If you don't have a firm compliance monitoring system in place for FY2011, please describe how the State is verifying that LIHEAP policy and procedures are being followed.	Necessary outcomes from these systems and strategies
CSD performs on-site compliance monitoring on LIHEAP contracts every other year. During those monitoring visits, CSD staff conduct the following reviews: Program (client file review, record management, citizenship and eligibility verification, invoices, required documentation, etc.) Fiscal (validate reimbursement claims through general ledger, invoices, payroll, etc.) Subcontractor oversignt and procurement Administrative (Board membership, internal controls, separation of duties and conflict of interest)	No changes anticipated for FY2011	NA	A sound methodology with a schedule for regular monitoring and a more effective monitoring tool to gather information.

CSD performs in-house quarterly assessment monitoring to evaluate subgrantee's expenditure performance, report submission, and any other noted concern. CSD conducts special on-site monitoring to investigate Whistleblower complaints, to participate in enforcement actions, to deliver training and technical assistance, and for various other reasons as needed. CSD auditors perform annual reviews of subgrantees latest single-wide audits for comliance with A-133 OMB. Additionaly, CSD has entered into an agreement with the Department of Finance to assist in meeting its obligation to review single-wide audits.			
Please refer to CSD's website www.csd.ca.gov; link to 2010 LIHEAP Contract page D10			

3. Fraud Reporting Mechanisms

For FY2010 activities continuing in FY2011, please describe all 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	Please highlight any tools or mechanisms from your plan which will be newly implemented in FY 2011, and the timeline for that implementation.	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.	Necessary outcomes from these systems and strategies

California has a widely publicized Whistleblower hot line to report misuse of funds. CSD's website has direct link to the States Waste Watchers website and Reporting Transparency in Government website for the public to report misuse of funds. The Department operates a toll free line available to the public to receive information regarding possible fraud or other concerns with program services and/or administration.	Create an electronic form on CSD's website specifically to report possible instances of fraud and improper payments.	NA	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
Please refer to CSD's website www.csd.ca.gov			

4. Verifying Applicant Identities

Describe all FY 2010 State Policies continuing in FY 2011 for how identities of applicant and household members are verified.	Please highlight any policy or strategy from your plan which will be newly implemented in FY2011	If you don't have a system in place for verifying applicant's identities, please explain why and how the State is ensuring that only authentic and eligible applicants are receiving benefits	Necessary outcomes from these systems and strategies
Applicants are required to complete an intake form and provide documentation attesting to income eligibility, energy burden, and household demographics. In conformance with Personal Responsibility and Work Opportunity Reconciliation Act of 1996, public entities are required to collect information to verify the applicant's legal status for assistance. This same	CSD will research and determine the feasibility of requiring total household data	NA	Income and energy supplier data that allow program benefits to be provided to eligible individuals

information includes documentation that verifies the identity of the applicant. For the other public non-profit organizations, the department requires the subgrantee to request applicants to provide a social security number (SSN). In the event a client refuses to provide a SSN, the department has developed a procedure, whereby the applicant is to provide a picture ID. Names, SSN and date of birth are not required for all household members at the State level.			

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 9-11, Processing Applications without a Social Security Number, pages 20 and 21.

5. Social Security Number Requests

Describe all FY 2010 State Policies continuing in FY 2011 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 FY2011 or remaining the same	If the State 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
Intake and data entry occurs at the local level if the SSN is submitted by the client. CSD requires that subgrantees request the applicant to provide their SSN. If they refuse 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 CSD to be researched and entered into the database by CSD staff. If the SSN exists from prior records, it is added to the current application and entered into the database.	This is not a new policy and will continue into FY2011	NA	All valid household members are reported for correct benefit determination

Please refer to CSD's website www.csd.ca.gov; link to the LIHEAP Verification and Eligibility Guide, Processing Applications without a Social Security Number, page 20 and 21

6. Cross-checking Social Security Numbers Against Government Systems/Databases

Describe if and how the State used existing government systems and databases to verity applicant or household member identities in FY2010 and continuing in FY2011.(Social Security Administration Enumeration Verification System, prisoner databases, Government death records, etc.)	Please highlight which, if any policies or strategies for using existing government databases will be newly implemented in FY2011	If the State won't be cross checking SSNs and ID information with existing government databases, please describe how the State will supplement this fraud prevention strategy	Necessary outcomes from these systems and strategies
CSD's database uses deceased individual data from the SSA to perform system audit checks to prevent the issuance of LIHEAP benefits to deceased individuals. 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. The subgrantee must research to confirm whether the SSA deceased record match is correct, and if not the subgrantee must collect the needed information to resolve the error.	No changes for FY 2011	NA	Use of all available database systems to make sound eligibility determination.

Please refer to Attachment 2

7. Verifying Applicant Income

Describe how the State or designee used State Directories of new hires or similar systems to confirm income eligibility in FY2010 and continuing in FY2011.	Please highlight any policies or strategies for using new hire directories which will be newly implemented in FY2011	If the State won't be using new hire directories to verify applicant and household member incomes how will the State be verifying that information.	Necessary outcomes from these systems and strategies
Currently CSD does not use the State Directories for new hires to confirm income eligibility. Eligibility is based on the stated income amount and supporting verification submitted by the applicant.	CSD will explore the feasibility of interfacing with new hire directories for FY2011		Effective income determination achieved through coordination across program lines

Please refer to CSD's website www.csd.ca.gov; link to the LIHEAP Verification and Eligibility Guide, Client File Documentation and Income Verification, pages 22-44.

8. Privacy-Protection and Confidentiality

Describe the financial and operating controls in place in FY2010 that will continue in FY2011 to protect client information against improper use or disclosure	Please highlight any controls or strategies from your plan which will be newly implemented in FY2011	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.	Necessary outcomes from these systems and strategies
Subgrantees are contractually bound to maintain the confidentiality of all LIHEAP applicant and household information. CSD Field Representatives monitors subgrantee record management systems and processes to ensure the integrity and safeguarding of personal information. Internally, all CSD employees must sign and adhere to departmental computer/information security policies, and further, the department limits employee access to internal data collection/reporting systems.	No new policy for FY 2011	NA	Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.

Please refer to CSD's website www.csd.ca.gov; link to the LIHEAP Verification and Eligibility Guide, Confidentiality of Social Security Numbers and Client File Documentation page 22, link to 2010 LIHEAP contract page D1, also refer to Attachment 3, Attachment 5, and Attachment 6.

9. LIHEAP Benefit Policy

Describe FY 2010 State policies continuing in FY2011 for protecting against fraud when making payment or providing benefits to energy vendors on behalf of clients	Please highlight any fraud prevention efforts relating to making payments or providing benefits which will be newly implemented in FY2011	If the State 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 State taking to endure program integrity	Necessary outcomes from these systems and strategies

CSD's database systems perform an array of system audit validations to confirm the identity and eligibility for assistance, and prevention of issuance of duplicate benefits. In addition, CSD has contractual agreements with California utility companies where CSD provides direct payment of LIHEAP utility assistance benefits to utility companies for direct crediting to the applicant's utility account. The direct payment represents 97% of utility assistance provided. The remaining 3% of benefits are issued in the form of a paper warrant, which is audited by the State Controllers Office.	No new policy for FY 2011	NA	Authorized energy vendors are receiving payment on behalf of LIHEAP eligible clients.
Please refer to CSD's website www.csd.ca.gov; link to 2010 LIHEAP Contract pages B5, B9, F6, and F19, also refer to Attachment 4			

10. Procedures for Unregulated Energy Vendors

Describe the State's FY 2010 procedures continuing in FY2011 for averting fraud and improper payments when dealing with bulk fuel dealers of heating oil, propane, wood and other unregulated energy utilities	Please highlight any strategies policy in the area which will be newly implemented in FY2011	If you don't have a firm plan for averting fraud when dealing with unregulated energy vendors, please describe how the State is ensuring program integrity.	Necessary outcomes from these systems and strategies

CSD requires that form CSD 416 Annual ECIP/HEAP Home Energy Supplier Assurance, is completed by all non regulated vendors, it 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. Also, CSD requires that form CSD 415 Payment Request and Confirmation is completed by the vendor, confirming that the clients' account has been credited. Subgrantee's are required to notify applicant of the benefit amount they will be receiving.	Will request the business license number for all non-regulated vendors on form CSD 416	NA	Participating vendors are thoroughly research and inspected before benefits are issued.

Please refer to CSD's website www.csd.ca.gov;, link to 2010 LIHEAP Contract pages F20, F31, and to CSD Forms 415 and 416

11. Verifying the Authenticity of Energy Vendors

Describe State FY2010 policies continuing in FY2011 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the State's procedure for averting fraud.	Please highlight any strategies policy in the area which will be newly implemented in FY2011	If you don't have a system in place for verifying vendor authenticity, please describe how the State can ensure that funds are being distributed through valid intermediaries?	Necessary outcomes from these systems and strategies
CSD collects the Federal Employer Identification Number for gas and electric vendors.	No change for FY2011	NA	An effective process that effectively confirms the existence of entities receiving federal funds

12. Training and Technical Assistance

In regards to fraud prevention, please describe elements of your FY2010 plan continuing in FY2011 for training and providing technical assistance to (a) employees, (b) non-governmental staff involved in the eligibility process, (c) clients, and (d) energy vendors	Please highlight specific elements of your training regiment and technical assistance resources from your plan which will represent newly implemented in FY2011	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 al employees understand what is expected of them and what tactics they are permitted to employ	Necessary outcomes from these systems and strategies

CSD requires fraud prevention training for all CSD staff. All CSD staff must sign the Computer Security Policy accepting responsibilities regarding computer security. CSD hosts periodic webinars for subgrantees that address confidentiality of client information, safeguarding client files and proper disposal of documents.	Establish specific procedures for subgrantees and staff to prevent fraud	NA	The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit
Please refer to CSD's website www.csd.ca.gov; and Attachment 5			

13. Audits of Local Administering Agencies

Please describe the annual audit requirements in place for local administering agencies in FY2010 and continuing into FY 2011.	Please describe new policies or strategies to be implemented in FY2011.	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.	Necessary outcomes from these systems and strategies
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.	New planned changes include requiring program specific audits for agencies falling below the OMB 133 threshold	NA	Reduce improper payments, maintain local agency integrity and benefits awarded to eligible households
Please refer to CSD's website www.csd.ca.gov; link to 2010 LIHEAP Contract pages A2, and D5			

Attachment 1

07/08 and 08/09 State Fiscal Year Finding Bureau of State Audits Audit Finding

Finding Number	Federal Program	Category of Finding	Status	Expected Correction
2008-5-6 2009-5-8	93.568	Eligibility - CSD contracts with local agencies to make eligibility determinations and to provide assistance under LIHEAP to eligible participants residing in their service areas. However, local agencies did not always maintain sufficient documentation such as applicants' monthly income or citizenship status to substantiate their eligibility determinations.	Corrected	n/a
2008-7-12 2009-7-13	93.568	Earmarking - CSD lacks evidence of a review and approval process to ensure that its subgrantees do not exceed earmarks.	Partially Corrected: CSD will phase-in an enhancement to an application system (i.e., Expenditure Activity Reporting System) that will automatically monitor, track and report on the level of earmark usage per program, contract and program year.	2011
2008-12-13 2009-12-19	93.568	Reporting - CSD lacks adequate internal controls (formal policies and written procedures) to ensure that proper federal reporting requirements are met.	Partially Corrected: CSD has contracted with Cooperative Personnel Services (CPS) to develop Policies and Procedures for the Department. In addition, CPS will train CSD staff to maintain and update policies and procedures.	2011
2008-13-19 2009-14-3	93.568	Subrecipient Monitoring - CSD's contract review and approval process lacks internal controls to ensure the federal awarding agency and all laws and regulations are identified at the time of the award. CSD's audit services unit (ASU) lacks sufficient internal controls to ensure that it receives and follows up on all subgrantee audits timely.	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.	2011
2009-9-7	93.568	Suspension and Debarment - CSD did not comply with the suspension and debarment requirements in the Administration for Children and Families grants' terms and conditions. Specifically, although CSD includes language in its contracts with subrecipients requiring them to certify that they are not suspended or debarred, CSD 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. CSD indicated that it is developing a methodology to routinely check the subrecipients against the EPLS, which it plans to have in place before June 30, 2010.	Corrected	n/a

September 2009 Department of Health & Human Services Compliance Review

Issue	Category of Issue	Status	Expected Correction
1	Administrative Costs - Definition of administrative costs does not include other costs that are intrinsically administrative such as intake.	Corrected	n/a
2	Income- The State is to clarify whether Food Stamps are excluded as countable income in determining LIHEAP eligibility, except for the purpose of deterring categorical eligibility.	Corrected	n/a
3	Status of High-Risk Agency - Requested that the State provide an update of designated high-risk agencies.	Corrected	n/a
4	Eligibility - Concerned with subgrantee prioritization policy that restricts benefits to some clients every other year.	Corrected	n/a
5	Audit Findings - Requested a status of audit findings.	Corrected	n/a

Attachment 2

2. Business Rules

Section 2.6 Death Match Check

A death match check will be done to ensure that the social security number being used by an applicant does not belong to a deceased individual. The death match check will be done against the death match database which contains information about deceased individuals as provided by the Social Security Administration. The death match database will be updated on a monthly basis. The death match check will be done for all programs based on the social security number that is submitted in the DBT file. If the social security number that has been submitted is found to be that of a deceased individual the application will be rejected.

Attachment 3

STATE ADMINISTRATIVE MANUAL

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

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).

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

Attachment 4

2. Business Rules

Section 2.5 Duplication Checks

Duplications checks will be done to ensure that a family is only served once in a given program year. These checks will be done only for HEAP (HE) and Fast Track (FT) programs (all other programs allow families to be served more than one time in a given program year). The duplication checks that will be done are as follows:

- Place of service—the place of service will be checked to determine if a family has already received HEAP or Fast Track benefits at that address in the requested program year. If HEAP or Fast Track benefits have been received at that address, and movein / moveout has not been set to 'Y' the application will be rejected.

- Phone number—the phone number will be checked to determine if a family has already received HEAP or Fast Track benefits at that phone number. If HEAP or Fast Track benefits have been received at that phone number, and phone dup ok has not been set to 'Y' the application will be rejected.

- First and last name—the first and last name of the applicant will be checked to determine if a family with the same first and last name has already received HEAP or Fast Track benefits.

- Social security number—the social security number of the application will be checked to determine if it already exists in the system. If the social security number already exists in the system for a person other than the applicant (person with a different name) the application will be rejected.

- Utility company / account number—the utility company and account number will be checked to determine if a family has already received HEAP or Fast Track benefits for that utility account number.

Attachment 5

State of California
Department of Community Services and Development

Health and Human Services Agency

Administrative Services Memo

	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 there 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

Attachment 6

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:*

a. *Appropriate levels of confidentiality for the data based on data classification (see SAM Section 4841.3);*

b. *Standards for transmission and storage of the data, if applicable;*

c. *Agreement to comply with all State policy and law regarding use of information resources and data;*

d. *Signed confidentiality statements;*

e. *Agreement to apply security patches and upgrades, and keep virus software up-to-date on all systems on which data may be used; and*

f. *Agreement to notify the State data owners promptly if a security incident involving the data occurs.*

2. Identifying computing systems that allow dial-up communication or Internet access to sensitive or confidential information and information necessary for the support of agency critical applications;

3. Auditing usage of dial-up communications and Internet access for security violations;

4. Periodically changing dial-up access telephone numbers; and

5. Responding to losses, misuse, or improper dissemination of information.

3. Establishing appropriate departmental policies and procedures to protect and secure IT infrastructure, including:
   a. Technology upgrade policy, which includes, but is not limited to, operating system upgrades on servers, routers, and firewalls. The policy must address appropriate planning and testing of upgrades, in addition to departmental criteria for deciding which upgrades to apply.
   b. Security patches and security upgrade policy, which includes, but is not limited to, servers, routers, and firewalls. The policy must address application and testing of the patches and/or security upgrades, in addition to departmental criteria for deciding which patches and security upgrades must be applied, and how quickly.
   c. Firewall configuration policy, which must require creation and documentation of a baseline configuration for each firewall, updates of the documentation for all authorized changes, and periodic verification of the configuration to ensure that it has not changed during software modifications or rebooting of the equipment.
   d. Server configuration policy, which must clearly address all servers that have any interaction with Internet, extranet, or intranet traffic. The policy must require creation and documentation of a baseline configuration for each server, updates of the documentation for all authorized changes, and periodic checking of the configuration to ensure that it has not changed during software modifications or rebooting of the equipment.

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.

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Pages D1, D5 and D10

Pages F6, F19, F20 and F31

EXHIBIT A
(Standard Agreement)

4. INTERIM PROVISION

This Agreement is intended as an interim contract to enable Contractor to begin providing services under the standard LIHEAP program until such time as outstanding issues are resolved concerning the application of Davis-Bacon requirements to projects in which Low-Income Home Energy Assistance Program (LIHEAP) and American Recovery and Reinvestment Act of 2009 Department of Energy Weatherization Assistance Program (DOE ARRA) measures and activities are leveraged. Notwithstanding any other provision herein, and until such time as this Agreement is amended to resolve outstanding Davis-Bacon requirements, Contractor shall not leverage measures on projects in which DOE ARRA funds and activities are involved, and Contractor agrees that activities under each program shall be kept separate and distinct to avoid violation of ARRA Davis-Bacon requirements.

5. COMPLIANCE

All services and activities are to be provided in accordance with all applicable federal, state, and local laws and regulations, and as those laws and regulations may be amended from time to time, including but not limited to, pursuant to the following:

A. The Low-Income Home Energy Assistance Program Act of 1981, 42 U.S.C. §§ 8621 et seq., and 45 Code of Federal Regulation (CFR) Part 96;

B. The California Government Code §§ 16367.5 et seq., as amended, and Title 22, California Code of Regulations (CCR), §§ 100800 et seq.; and

C. The Single Audit Act, 31 U.S.C. §§ 7301 et seq., and Office of Management and Budget (OMB) Circular A-133 and its appendices and supplements.

6. REQUIREMENTS, STANDARDS, AND GUIDELINES

Even though the federal Low-Income Home Energy Assistance Program exempts Contractor and its subcontractors from many federal administrative requirements and standards to promote State and local efficiency, the federal government directs the State to establish fiscal control and fund accounting procedures regarding LIHEAP funds. Federal law also directs the State to ensure that the cost and accounting standards of the Office of Management Budget (OMB) apply to recipients of LIHEAP funds. Therefore, Contractor agrees to apply all of the requirements, standards, and guidelines contained in the following authorities, as they may be amended from time to time, to all of the procurement, administrative, and other costs claimed under this Agreement, including those costs under subcontracts to this Agreement, notwithstanding any language contained in the following authorities that might otherwise exempt Contractor from their applicability. To the extent that the requirements, standards, or guidelines directly conflict with any State law or regulation at Government Code §§ 16367.5 et seq. or

EXHIBIT B
(Standard Agreement)

B. Administrative

1) General

a. Administrative costs shall not exceed the amounts as set forth in EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachments I and II. Contractor shall not use funds provided under this Agreement to cover administrative costs incurred in the Community Services Block Grant (CSBG) in excess of the CSBG contractual limitations.

b. Administrative Costs shall mean actual costs for auxiliary functions such as salaries, wages, workers compensation, and fringe benefits for administrative staff, facilities, utilities, equipment, telephone, travel, accounting, auditing, monitoring assistance, office supplies, and like services necessary to sustain the direct effort involved in administering a grant program or an activity providing services to the grant program.

2) Local governments shall use 2 CFR Part 225 (OMB Circular A-87, Cost Principles for State and Local Governments) as a guide for determining administrative costs.

3) Private, nonprofit corporations shall use 2 CFR Part 230 (OMB Circular A-122, Cost Principles for Nonprofit Organizations) as a guide for determining administrative costs.

4) Assurance 16, ECIP, and HEAP

Administrative costs for Assurance 16, ECIP, and HEAP shall not exceed the amount as set forth on the funding information page attached to the face sheet of this Agreement and is contingent upon the expenditure of cumulative allowable expenditures for Assurance 16, ECIP and HEAP.

5) Weatherization

Weatherization administrative costs shall not exceed eight percent (8%) of the total Weatherization budget expenditures.

6) Travel

Travel and per diem costs related to the participation and attendance at policy advisory committees and work groups will be reimbursed by CSD as an administrative cost, upon submittal of an allowable claim to CSD.

2) Contractor may claim Assurance 16 costs for client education only once when LIHEAP and DOE funds and services are provided concurrently in the same unit.

3) Contractor may claim Assurance 16 costs for the occupants of each eligible unit not previously weatherized. Additionally, Contractor will be allowed to claim Assurance 16 costs when a safety check of combustion appliances reveals safety hazards that preclude tightening of the envelope.

4) Contractor shall not claim Assurance 16 costs for client education unless the dwelling was previously weatherized by nonfederal funds, i.e., regulated or nonregulated utility companies, private-sector funds, etc., or by a weatherization service provider not associated with the provisions of this Agreement. If such circumstances exist, Contractor shall conduct client education and shall claim Assurance 16 costs for the occupants of each eligible unit previously weatherized.

C. Wood, Propane, and Oil Assistance

1) HEAP WPO

Contractor may claim reimbursement for HEAP WPO expenditures and activities expenditures as required in accordance with the terms of this Agreement.

2) ECIP WPO

Contractor may claim reimbursement for ECIP WPO expenditures (excluding ECIP Fast Track) as required in accordance with the terms of this Agreement.

D. Weatherization and EHCS Specific

1) Contractor may claim reimbursement for Weatherization-related activities under the terms of this Agreement as documented on the Weatherization Building Assessment and Job Checklist (CSD 540) or Contractor's equivalent for each eligible household not previously weatherized.

2) Contractor shall ensure that duplicate billings for the same product or service do not occur.

3) Maximum Reimbursements

a. Contractor shall be entitled to obtain a maximum average reimbursement of $3,055 per dwelling unit weatherized for

EXHIBIT D
(Standard Agreement)

SPECIAL TERMS AND CONDITIONS

1. TRAVEL AND PER DIEM

   A. Contractor's employee travel costs and per diem reimbursement rates shall be reimbursed based on the Contractor's policies and procedures not to exceed federal per diem requirements and in compliance with all other provisions of this Agreement related to travel costs.

   B. In absence of a travel policy, Contractor shall defer to the rules and regulations established in the California Code of Regulations Sections 599.615 through 599.638 and be reimbursed in accordance with the definitions, terms, and provisions contained therein.

2. CERTIFICATIONS

   A. Contractors' signature affixed hereon shall constitute a certification that to the best of its ability and knowledge it will, unless exempted, comply with the provisions set forth in the following:

      1) Drug-Free Workplace Requirements, Contract Certification Clauses 307 (CCC-307)

      2) National Labor Relations Board Certification (CCC-307)

      3) Expatriate Corporations (CCC-307)

      4) Domestic Partners (CCC-307)

      5) Contractor Name Change (CCC-307)

      6) Resolution (CCC-307)

      7) Air or Water Pollution Violation (CCC-307)

      8) Information Integrity and Security (Department of Finance, Budget Letter 04-35)

      9) Safeguarding Against and Responding to a Breach of Security Involving Personal Information (Office of Information Security and Privacy Protection, Management Memo 08-11).

   B. The above documents are hereby incorporated by reference into this Agreement. To access these documents, please visit www.csd.ca.gov.

EXHIBIT D
(Standard Agreement)

6. AUDITING STANDARDS AND REPORTS

A. Auditing Standards

Contractor must follow all audit requirements as set forth in this Agreement, including but not limited to this EXHIBIT D, Sections 4 through 7, OMB Circular A-133, and the CSD Supplemental Audit Guide, which is attached to this Agreement as EXHIBIT D, ATTACHMENT I. The 2009 Supplemental Audit Guide may be accessed at www.csd.ca.gov.

B. Audit Reports

1) Funds provided under this Agreement shall be included in an audit conducted in accordance with the provisions of OMB Circular A-133 for nonprofit and public agencies, standards promulgated by the American Institute of Certified Public Accountants (AICPA), and those standards included in "Government Auditing Standards, 2007 Revision, as amended."

2) The financial and compliance audit report shall contain the following supplementary financial information: a combined statement of revenue and expenditures for each contract that presents, by budget line item, revenue and expenditures for the audit period and a description of the methodology used to allocate and claim indirect costs and any administrative cost pools.

3) The audit report must specifically mention that a review for compliance with OMB Circulars A-87 and A-122 was conducted.

4) Contractors shall submit to CSD one copy of the required audit report(s), and any management letter if issued by the accountant, within nine months of the end of the Contractor's fiscal year, accompanied by a copy of the signed, final engagement letter between Contractor and the independent auditor. Upon written request by the Contractor's independent auditor, which includes an explanation of why the audit cannot be submitted within nine months of the end of the Contractor's fiscal year, an extension may be granted by CSD Audit Services Unit for submittal of the audit report not to exceed an additional 30 calendar days from the original due date. The audit reports and supplementary financial information are to be submitted to the following address:

and $500,000 for each person and each accident for property damage. (Driving to and from work is not within the scope of employment.)

3) Contractor shall submit an applicable Certificate of Insurance (ACORD 25), designating CSD as an additional insured, to the State as evidence of compliance with said vehicle insurance requirements prior to issuance of an initial cash advance.

9. COMPLIANCE MONITORING

A. As the recipient of federal LIHEAP block grant funds under this Agreement, Contractor is responsible for substantiating that all costs claimed under this Agreement are allowable and allocable under all applicable federal and state laws, and for tracing all costs to the level of expenditure.

B. As the administrator of the LIHEAP block grant for the State, CSD is required to ensure the funds allocated to Contractor are expended for the purposes identified in federal and state LIHEAP law, and for allowable and allocable costs under the applicable rules of the Office of Management and Budget.

C. CSD is required to conduct onsite and follow-up monitoring of Contractor to ensure that Contractor meets the performance goals, administrative standards, financial management requirements, and other requirements of the federal and State LIHEAP program.

D. CSD shall provide Contractor reasonable advance notice in writing of on-site monitoring reviews of Contractor's program or fiscal performance.

E. Contractor shall cooperate with CSD program and audit staff and other representatives and provide access to all programs, records, documents, resources, personnel, inventory, and other things reasonably related to the administration and implementation of the services and activities funded directly or indirectly by this Agreement.

F. In the event that CSD determines that Contractor is in noncompliance of material or other legal requirements of this Agreement, CSD shall provide the observations, recommendations, or findings in writing, along with a specific action plan for correcting the noncompliance.

10. NONCOMPLIANCE WITH REQUIREMENTS OF THIS AGREEMENT

A. Consequences for Entities Not Meeting Terms of the Agreement

Contractor shall ensure that all requirements set forth in this Agreement are met, that all required documentation is submitted in a timely manner, and that any

Verification Guide. Contractor shall maintain appropriate documents in each applicant's file.

3) Contractor shall collect copies of all of the household's energy utility bills for the current month, and if applicable, receipt(s) for WPO to determine the client's energy burden.

B. Eligible households may receive only one ECIP Fast Track/WPO, or HEAP/WPO payment per program year. In addition to receiving one ECIP (Fast Track/WPO) or HEAP/WPO payment, eligible households may receive ECIP EHCS services and/or other weatherization services, if needed.

C. Contractor may establish a maximum benefit for WPO payments; such maximum shall be consistently applied.

D. Contractor must exercise due care to ensure that duplication of ECIP Fast Track/WPO or HEAP/WPO payments does not occur at any time during the term of this Agreement.

E. Once applicants meet the eligibility and prioritization criteria and funds are available, Contractor shall:

1) Contractor shall complete the ECIP Payment Confirmation (Non-Regulated Utility Companies Only) (CSD 415) or Contractor's equivalent.

2) Contractor shall make payments directly to energy vendors on behalf of clients whose energy sources are wood, propane, or oil.

3) CSD shall not make payments to clients for WPO assistance.

4) Before paying energy vendors, Contractor shall verify that charges for the services and goods provided are reasonable and within fair market value.

F. Contractor shall notify the applicant of the recipient household, in writing, when payments are made directly to an energy vendor for wood, propane, or oil on their behalf.

G. Unless a different, formal, or documented agreement exists to the contrary, Contractor shall forward payments for WPO on behalf of applicants to corresponding energy vendor within 60 calendar days from the date obligation was incurred.

a. Contractor shall ensure that the total ECIP Fast Track benefit amount (ECIP Fast Track base amount plus supplemental benefit amount) is limited to and does not exceed the total amount due (at the time of intake) to the utility company in energy charges, reconnection fees, and other assessed utility fees/surcharges to alleviate the crisis situation.

b. When only issuing a ECIP Fast Track base benefit amount (no supplemental payment), Contractor may exceed the total amount due to the utility company in energy charges, reconnection fees, delinquent utility bill establishing arrearages and/or past due balances, and other assessed utility fees/surcharges to alleviate the crisis situation.

c. Contractor shall ensure that the maximum total ECIP Fast Track benefit amount (ECIP Fast Track plus supplemental benefit amount) does not exceed $1,000.

d. Contractor shall provide full justification by documenting the client file(s) to include the amount of charges and verification by the utility company.

e. Contractor shall review, check for duplicates, and approve applications in accordance with Contractor's approved EXHIBIT H, 2010 AGENCY PRIORITY PLAN WEATHERIZATION AND ECIP-EHCS, and the LIHEAP Eligibility and Verification Guide.

4) ECIP Fast Track/WPO Payment Guidelines

a. Eligible households may receive only one ECIP Fast Track/WPO, or HEAP/WPO payment per program year. In addition to receiving one ECIP (Fast Track/WPO) or HEAP/WPO payment, eligible households may receive ECIP EHCS services and/or other weatherization services, if needed.

b. Contractor may establish a maximum benefit for WPO payments; such maximum shall be consistently applied.

c. Contractor must exercise due care to ensure that duplication of ECIP Fast Track/WPO or HEAP/WPO payments does not occur at any time during the term of this Agreement.

d. Once applicants meet the eligibility and prioritization criteria and funds are available, Contractor shall:

i. Not later than 48 hours after a household is determined to be eligible for ECIP, provide assistance in the form of a payment guarantee to the appropriate gas or electric vendor or a WPO payment that will resolve the energy crisis.

ii. Not later than 18 hours after a household applies is determined to be eligible for ECIP, provide assistance in the form of a payment guarantee to the appropriate gas or electric vendor or a WPO that will resolve the energy crisis if such household is in a life-threatening situation.

iii. When a HEAP payment or ECIP Fast Track payment has been made directly to an energy vendor, notification of payment(s) shall be sent to the client via an account credit letter from CSD or the utility company, or it shall be shown as a credit on the utility bill(s).

5) ECIP WPO Payment Guidelines Specific

a. Contractor shall complete the ECIP Payment Confirmation (Non-Regulated Utility Companies Only) (CSD 415) or Contractor's equivalent.

b. Contractor shall make payments directly to energy vendors on behalf of clients whose energy sources are wood, propane, or oil.

c. CSD shall not make payments to clients for WPO assistance.

d. Before paying energy vendors, Contractor shall verify that charges for the services and goods provided are reasonable and within fair market value.

e. Contractor shall notify the applicant of the recipient household, in writing, when payments are made directly to an energy vendor for wood, propane, or oil on their behalf.

f. Unless a different, formal, or documented agreement exists to the contrary, Contractor shall forward payments for WPO on behalf of applicants to corresponding energy vendor within 60 calendar days from the date obligation was incurred.

such information, Contractor shall at a minimum make reference to the leveraged activity within the weatherization and/or ECIP client file.

D. CSD ensures that this information will be utilized for the sole purpose of verifying the delivery of services. CSD also reserves the right to use a third-party inspector to review and verify that the leveraged-funded activities conform to applicable standards and practices. Contractor shall ensure that duplicate billings for the same product or service do not occur.

15. RECORD-KEEPING RESPONSIBILITIES

A. Contractor shall maintain client intake/needs assessment form(s) for Weatherization, HEAP, and ECIP, and appropriate supporting documentation and shall maintain separate client files containing supporting documents related to disqualifications, denials, and appeals for each applicant who is not certified as being eligible to receive assistance.

B. Contractor shall ensure that the ECIP Home Energy Supplier Assurance (CSD 416) or Contractor's equivalent is completed by each nonregulated utility company, e.g., propane suppliers, wood suppliers, etc., providing services to clients of this Agreement.

C. All Client Files – General Requirements

Contractor shall maintain a separate file for each applicant certified as eligible to receive assistance. Said files shall include at least the following documentation, if applicable:

1) For Public Agencies only: Statement of Citizenship, Alienage and Immigration Status for Public Benefits, (CSD 600) and supporting documents;

2) Energy Intake Form (CSD 43 or 44) or Contractor's equivalent. Priority points must be written in the designated space on the Intake Form;

3) Utility/energy bill(s) for all sources of energy used by qualified households;

4) Source documentation supporting eligibility; and

5) Client Education Confirmation of Receipt (CSD 321) or Contractor equivalent that substantiates that the client was provided services in accordance with Assurance 16 requirements.

LIHEAP Verification And Eligibility Guide

Pages 9-11

Pages 20-44

Citizenship and Alien Status for Public Agencies

Purpose

Federal law requires that all public agencies verify that all eligible household members are either a United States citizen or an alien in a qualified immigration status.

Citizen or naturalized citizen

An individual is a United States (U.S.) citizen if:

- Born in the U.S., regardless of the citizenship of his/her parents
- Born outside of the U.S. of U.S. citizen parents
- Born outside the U. S. of alien parents and has been naturalized as a U.S. citizen. A child born outside of the U.S. of alien parents automatically becomes a citizen after birth if his/her parents are naturalized before he becomes age 16.

Citizenship documentation

Acceptable proof of U.S. citizenship:

- U.S. birth certificate
- U.S. passport
- Naturalization certificate, N-550 or N-570. Certificate cannot be copied but agency should review, verify and document in the file that the "naturalized certificate was verified and valid"
- Report of birth abroad of a U.S. Citizen FS-240
- United States Citizen Identification Card, I-197
- Certificate of Citizenship, N-560 or N-561
- Statement provided by the U.S. consular officer certifying the individual is a U.S. citizen
- American Indian card with a classification code KIC

Qualified Alien

The following table lists acceptable status and corresponding documentation for qualified aliens

Status	Documentation
Lawful Permanent Resident	• INS form I-551 (Alien Registration Receipt Card, also called Resident Alien Card or 'green card"). This card contains a photo and fingerprint. It does not include the AI-551 form number. Older versions do not include a fingerprint. • An unexpired temporary I-551 stamp in a foreign passport or on a Form I-94

Continued on next page

Qualified Alien (continued)

Status	Documentation
Parolee	• INS Form I-94 with a stamp showing admission under Section 212(d)(5) of the INA. An expiration date of 1 year of more from the date the status was granted (or indefinite) will be noted on the I-94 and can be used to indicate a qualified alien's status • INS Forms I-688 coded 274a.12(c) (11) • Form I-766 coded C11, indicates parolee status
Conditional Entrant	• INS Form I-94 with a stamp showing admission under Section 203(a)(7) of the INA • INS Form I-688 coded 274a.12(a)(3) • Form I-766 coded A3, which indicates status as a condition entrant
Cuban/Haitian Entrant	• INS Form I-94 with a stamp showing parole as a Cuban/Haiti Entrant under Section 212(d)(5) of the INA • Form I-94 showing parole into the U.S. on or after October 10, 1980 and reasonable evidence that the parolee had been a national of Cuba or Haiti • Note: This guideline does not apply when the individual was paroled solely to testify as a witness in a judicial administrative, or legislative proceeding or when the parolee is in legal custody pending criminal prosecution
Deportation or Removal Withheld	• An immigration judge's order showing that deportation was withheld pursuant to Section 243(h) of the INA removal was withdrawn pursuant to Section 241(b)(3) of the INA and the date of the judge's order • An INS Form I-688 with the code of 274a.12(a)(10) • Form I-766 coded A10, which indicates deportation or removal withheld under Section 241(b)(3) or 243(h)
Battered Spouse	• The individual must have filed a petition with INS base on: Status as a spouse or child of a United States citizen or classification to immigrant status as a spouse or child of a lawful permanent resident or Suspension of deportation and adjustment to lawful permanent resident status based on battery or extreme cruelty by a spouse or parent who is a United States Citizen or lawful permanent resident • The individual must allege that he or she was subjected to battering or extreme cruelty; and the person responsible for the battery or extreme cruelty must no longer reside with the individual in question.

Continued on next page

Qualified Alien (continued)

Status	Documentation
Asylee-Alien granted asylum	• INS Form I-94 (Arrival Departure Record) with a stamp showing grant of asylum under Section 208 of the INA • A grant letter from the INS Asylum Office. • An order of an immigration judge. • INS Form I-688B (Employment Authorization Card) with the code 274a.12(a)(5) • Form I-766 (Employment Authorization Document) coded A5 that indicates status as an Asylee
Refugee	• INS Form I-94 with a stamp showing admission under Section 207 of the INA • INS Form I-688B with the code 274a.12(a)(3). • Form I-766 coded A3 that indicates status as a refugee.

Ineligible for public agencies

Persons ineligible to participate in LIHEAP programs with public agencies are:

- Individuals who hold an INS I-94 who are admitted as temporary entrants (such as students, visitors, tourists, diplomats, etc.)
- Aliens who have no other INS document
- Individuals possessing an Individual Taxpayer Identification Number (ITIN). An ITIN does not create an inference regarding the person's immigration status. An ITIN is issued by the U.S. Internal Revenue Service to individuals who are required to have a U.S. taxpayer identification number but who do not have, and are not eligible to obtain a Social Security Number issued by the Social Security Administration.

Calculating income

An individual is not counted towards the HEAP household member count if citizen or qualified alien criteria is not met. However, his /her income is counted in the household's total income.

Processing Applications without a Social Security Number

Background

CSD does not have the legal authority to require the collection of Social Security numbers (SSN) as a condition of eligibility. Agencies should continue to request an SSN to assist with client identification and to streamline applicant eligibility verification. However, an applicant cannot be denied services for refusing to provide their Social Security number.

Mail in applications

If an application is received in the mail without an SSN, the agency must follow up with the client to request the SSN. If the client refuses to submit the SSN the agency will follow the step by step procedure for processing an application without an SSN in the following section.

The attempt to obtain the SSN and the reason for not providing the SSN by the client must be documented in the client file.

Applications received in person

If during the initial intake process an application is submitted without an SSN and a verbal confirmation is received from the client that they refuse to provide their SSN, the agency will follow the step by step procedure for processing an application without an SSN in the following section.

The attempt to obtain the SSN and the reason for not providing the SSN by the client must be documented in the client file.

Requesting additional information

Note: Agencies that require documentation above the minimum requirements (a copy of Social Security card, copy of a driver's license, or name, ages and Social Security numbers for all household members) cannot deny a client for services for failure to provide this additional information.

Continued on next page

Processing Applications without a Social Security Number
Continued

Procedure

If a client does not have or refuses to provide their SSN:

Step	Action
1	Agency must confirm identity of client with any picture identification card. A copy of the picture identification used to confirm identity must be retained in the client file. Examples of acceptable forms of picture identification: • Drivers license • Employee ID card • School, library, bus pass etc.
2	After confirming the applicant's identity, perform a data base search using the following information to assure that the client has not been served in the current program year: 1. Last and first name 2. Service address 3. Phone number
3	If the client's record is located in a prior year with an SSN, agencies can enter the application and use the SSN from the prior year on the current application. The application should be processed in the standard manner and will not need to be submitted to CSD.
4	When the client is determined eligible (meets income guidelines, agency's priority plan and has not been served in the current year) agency will arrange for the handling of the application without an SSN, by completing a CSD fax coversheet, and submitting the cover sheet, a copy of the intake form and supporting documents to CSD's Help Desk, via fax. Supporting documents must include: 1. Utility bill or a landlord statement for utilities included in rent 2. Income verification
5	CSD's Help Desk staff will perform a secondary duplicate check to confirm eligibility for assistance If a positive match is found, CSD will not process the application and will be communicated to the agency for additional follow up to confirm eligibility.
6	If no match is found a unique filler number will be assigned by the Help Desk in lieu of an SSN.
7	Help Desk will enter the record into the database using the filler number; the record will be processed for payment on the next pay run.
8	Help Desk will confirm the processing of the application to the agency via return of the completed fax cover sheet.

Client File Documentation

Purpose

All factors of eligibility must be verified and documented in the client file.

HEAP requirements

HEAP client files must contain specific documents:

1. Completed and signed intake form. The applicant name and signature must be the same person. Note: The applicant does not need to be the customer on the utility bill.
2. Copy of the utility bill from the company that will receive the HEAP payment. It is important to collect bills from all sources of energy used in the household to determine the actual energy burden. However, copies of all sources are not required.
3. Proof of income documentation.
4. Verification of energy conservation education and budget counseling.
5. If the agency is required to verify citizenship, the file must contain proof as directed.

Fast Track requirements

Fast Track client files must contain all of the requirements listed in the HEAP Requirement section and proof of energy crisis documentation, such as:

- A shut off notice,
- Proof that services have been disconnected,
- Proof that the account is in arrears, or
- A deposit is needed to establish services

Not required by CSD

CSD does not require a copy of the applicant's

- Social Security card
- Drivers License
- Name, age, and social security number for all members of household

It is at the agency's discretion to include these documents in the client file.

Confidential

Agency personnel will be exposed to and have access to information which is of a confidential nature. All client records are considered to be confidential and are open only to State and local agency personnel carrying out eligibility and audit functions. Such information should not be shared with unauthorized personnel.

Retention

All HEAP and Fast Track client files must be retained for 3 years

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Income Verification

Introduction

The determination of income is based on all household income sources before any deductions. An applicant's total gross household income must be verified and copies retained in the client file.

Mandatory Income Calculation

Introduction

Determination of income eligibility is based on the total household monthly gross income before any deductions. Applicants are required to submit proof to cover one month's income.

Purpose

To create consistency in calculating income, agencies must calculate monthly income using the same method.

Criteria

- Proof of income must be current to within 6 weeks from the intake date (unless otherwise specified by the agency).
- Income must be the total gross income before deductions.
- Income document(s) should cover a one-month period unless applicant did not work a full month.
- Income cannot be annualized.
- Seasonal worker's income must be based on the actual current income at time of intake.

Total income submitted

When four weekly, two bi-weekly or two bi-monthly consecutive paystubs are submitted as proof, simply add the gross amount of all stubs to calculate monthly income.

Exceptions

On an exceptional basis when a client cannot provide a full month of income verification, a weekly, bi-weekly or bi-monthly paycheck stub can be used to equal one month income using the income formulas in the following section. However, income formulas cannot be used when the calculated monthly income does not reconcile (within reason) with client's statement of gross monthly income or if the client failed to provide a statement of their gross monthly income on the intake form. The applicant must first state the amount of their gross monthly income on the intake form; and then proceed to provide the proof.

Example A

Stated Income on Intake Form:	$800
Weekly Pay Stub:	$200
Income using formula ($200 X 4.333)	$866.60

Example A is an acceptable method for utilizing the income formula for determining monthly income as the monthly calculated income reconciles within reason with the client's statement of gross monthly income on intake form. In this example the total household income entered would be $866.66.

Example B

Stated Income on Intake Form:	$0
Weekly Pay Stub:	$200

Example B is an unacceptable situation to allow the utilization of the income formula for determining client's monthly income. ~~The client stated income~~ The proof of income provided does not reconcile against the income stated on the intake form. The applicant must declare their monthly income.

Income Formulas

How to calculate incomplete earned income documentation

- A weekly gross income must be multiplied by 4.333 to total one month's income.
  $550 weekly X 4.333 = $2,383.15 monthly income
- Bi-weekly gross income should be multiplied by 2.167 to calculate one month's income.
  $1,200 bi-weekly X 2.167 = $2,600.40 monthly income
- Bi-monthly gross income should be multiplied by 2
  $1,200 bi-monthly X 2 = $2,400.00 monthly income
- Quarterly gross income (including any interest and dividends) should be divided by 3 to arrive at a monthly average.
  $4,000 quarterly divided by 3 = $1333.33 monthly income

Zero Income

For clients claiming no source of income, verification must be certified by completing a self-certification statement. The statement must include the individual's name, date, signature, and attest to the fact that all statements are true and correct.

Statement of income

In all cases agencies should make every effort to obtain one month's income documentation from all income sources. The first step is to verify the amount of the household's gross monthly income, generally provided on the intake form, along with the provided acceptable forms of income verification to substantiate the amount indicated on the intake form.

If the client has not indicated the monthly amount and is available, simply ask them to enter it on the form. If an intake form is received by mail without the income box completed, a second attempt to obtain the information must be made, either by mail, phone call, fax, etc. In all cases, the attempt to obtain the monthly income amount and verification as well as any subsequent actions must be documented in the client file.

If it is determined that a hardship exists and the client is unable to provide verification after the agency has made an attempt to obtain documentation, it is then acceptable to process the application using the formulas for calculating incomplete earned income.

Public assistance, retirement, Social Security

Clients should be expected to provide appropriate verification for one entire month. The only exception would be when the request for additional documentation would cause undue hardship for the client and the income can be substantiated with a great deal of accuracy using an outdated form of documentation.

Example: Elderly woman, 80 years old, using public transportation to the agency, submits a copy of a Social Security check that is beyond the 6 week limit. It is reasonable, in this case, to assume that her income, Social Security, has not changed and it is acceptable to process the application with the income verification submitted. It would be an extreme hardship for the applicant to return with current documentation.

Note: The reason for accepting the outdated information must be documented in the file.

Unqualified alien

An individual that is not a citizen or a qualified alien is not counted in the HEAP household. However, his /her income is counted towards the household's total income.

Annual statements and bank deposits

For award or annual statements, DO NOT use the date the document was issued. You must use the dates covering benefits within the document to determine eligibility. These dates must be current.

Automatic Bank Deposit - the date of the deposit or the issue date of the statement can be used to determine if the document is current to within 6 weeks of intake date.

Public Assistance

Definition

Public assistance or welfare payments include cash public assistance payments low-income people receive, such as aid to families with dependent children (AFDC, ADC), temporary assistance to needy families (TANF), and general assistance.

Acceptable proof

Proof of income for these items must be current to within 6 weeks of the application intake date.

- Copy of current check
- Current Notice of Action
- Current verification from worker with amount of payment and date
- Food Stamp verification with current income amount listed
- Current aid printout summary
- Copy of bank statement showing direct deposit; the date of the deposit or the issue date of the statement can be used to determine if the document is current to within 6 weeks of intake date.

Unacceptable proof

- Outdated or altered information
- Medi-Cal cards
- Food Stamp verification with no income amount or date
- CW7 Report
- Notice of Action stating homeless aid

Countable income

Overpayment adjustments should not be deducted from the grant amount.

Non-countable income

A family's monthly Food Stamp allotment amount is not considered income.
Note: Do not include the Food Stamp amount when calculating income

Earned Income

Definition

Money, wage or salary income is the total income people receive for work performed as an employee during the income year. Includes wages, salary, armed forces pay, commissions, tips, piece-rate payments, and cash bonuses earned, before deductions are made for items such as taxes, bonds, pensions, and union dues.

Acceptable proof

Proof of income for these items must be current to within 6 weeks of the application intake date.

- Copy of check(s) showing gross amount.
- Current copy of pay stub(s) covering 1 month of gross income (using necessary formulas).
- Letter from employer with company name, address, phone number, the gross amount and current pay period.
- Notice of Action showing earned income.
- HUD statement from Department of Housing with annual income amount.

Unacceptable proof

- Outdated information
- Information without dates
- Copy of check(s) showing net amount only
- Federal and State Tax Forms (exception: self-employed)
- W2 Forms
- Non-consecutive pay stubs (If unable to determine monthly gross.)
- Employers' letter not showing gross income amount
- Food Stamp verification with no dollar amount listed
- Renter's Credit Form
- Copy of bank statement
- Military pay showing base pay only.

Social Security

Definition

Includes social security pensions and survivor's benefits and permanent disability insurance payments made by the SSA prior to deductions for medical insurance.

Acceptable proof

Proof of income for these items must be current to within 6 weeks of the application intake date.

- Copy of check
- Payee's (income recipient) letter of verification showing income amount
- Notice of planned action
- Copy of bank statement showing direct deposit - The date of the deposit or the issue date of the statement can be used to determine whether the document is current to within 6 weeks of intake date.

For the following items, DO NOT use the actual date the document was issued. You must use the dates covering benefits within the document to determine eligibility. These dates must be current.

- Annual benefit letter with current dates (i.e., date of letter is 12/08, but letter states applicant will receive $$ beginning 1/09).
- Computer printout or letter that states the current annual benefit amount.
- Form 2458 completed by Social Security Office.
- HUD statement from Department of Housing with a Social Security amount.

Unacceptable proof

- Outdated information
- Benefit letter with no income amount or date
- Payee's letter of verification not showing income amount
- Medicare cards

Countable income

Overpayment adjustments must not be deducted.

Continued on next page

Non-countable income	Medicare premiums are not considered income and must be deducted from the total gross amount.

Pensions or Retirement

Definition

Includes payments received from eight sources: companies or unions; federal government (Civil Service); military; state or local governments; railroad retirement; annuities or paid-up insurance policies; individual retirement accounts (IRAs), Keogh or 401 (k) payments; or other retirement income.

Acceptable proof

Proof of income for these items must be current to within 6 weeks of the application intake date.

- Copy of check.
- Copy of bank statement showing direct deposit - The date of the deposit or the issue date of the statement can be used to determine whether the document is current to within 6 weeks of intake date.

For award or annual statements, DO NOT use the date the document was issued. You must use the dates covering benefits within the document to determine eligibility. These dates must be current to within 6 weeks of the application intake date.

- Pension verification (i.e., letter or printout. Time frame of benefit must be current).
- Annual statement from pension plan.
- Form 1099. (Only acceptable if intake date is within the 6 week period following January 1, 2009.)

Unacceptable proof

- Outdated or altered information
- Benefit letter with no income amount or date

Interest

Definition

Interest includes payments received or have credited to accounts from bonds, treasury notes, IRAs, certificates of deposit, interest-bearing savings and checking accounts, and all other investments that pay interest. Only the interest used for household support is considered income, not the original deposit.

Acceptable proof

Proof of income for these items must be current to within 6 weeks of the application intake date.

- Current copy of check(s)
- Current statement(s) from financial institution(s)
- Current copy of financial statement(s) showing direct deposit - The date of the deposit or the issue date of the statement can be used to determine whether the document is current to within 6 weeks of intake date

Unacceptable proof

- Outdated information
- Information without a date
- Financial statement(s) without a dollar amount listed
- Federal and State Tax Forms

Dividends/Royalties

Definition	Dividends are returns on capital investments, such as stocks, bonds, or savings accounts. Royalties are compensation paid to the owner for the use of property, usually copyrighted material or natural resources such as mines, oil wells, or timber tracts. Royalty compensation maybe expressed as a percentage of receipts from using the property or as an amount per unit produced.
Acceptable proof	Proof of income for these items must be current to within 6 weeks of the application intake date. • Current copy of check(s) • Current statement(s) from financial institution(s) • Current copy of financial statement(s) showing direct deposit - The date of the deposit or the issue date of the statement can be used to determine whether the document is current to within 6 weeks of intake date.
Unacceptable proof	• Outdated information • Information without a date • Financial statement(s) without a dollar amount listed • Federal and State Tax Forms

Workers Compensation

Definition	Workers compensation includes payments people receive periodically from public or private insurance companies for injuries received at work.
Acceptable proof	Proof of income for these items must be current to within 6 weeks of the application intake date. • Copy of current check(s) • Current check stub(s) • Current printout • Current award letter
Unacceptable proof	• Outdated information • Information without a date • Award letter without income or date

Unemployment Compensation

Definition	Unemployment compensation includes payments received from government unemployment agencies or private companies during periods of unemployment, including any strike benefits from union funds.
Acceptable proof	Proof of income for these items must be current to within 6 weeks of the application intake date. • Copy of current check(s) • Current check stub(s) • Current printout • Current award letter
Unacceptable proof	• Outdated information • Information without a date • Award letter without income or date

Veterans Benefits

Definition	Includes payments to disabled members of the armed forces or survivors of deceased veterans receiving periodically from the Department of Veterans Affairs for education and on-the-job training, and means-tested assistance to veterans.
Acceptable proof	Proof of income for these items must be current to within 6 weeks of the application intake date. • Copy of current check(s) • Current check stub(s) • Current printout • Current award letter • Bank statement with automatic deposit - The date of the deposit or the issue date of the statement can be used to determine whether the document is current to within 6 weeks of intake date.
Unacceptable proof	• Outdated or altered information • Benefit letter with no income amount or date

Self Employment and Rental Income

Definition

Net earnings from self-employment are the gross income from any trade or operated business minus any allowable deductions for that trade or business. Net earnings also include the client's share of profit or loss in any partnership, as reported on Federal income tax returns.

Operational expenses for self employed

The following are operational expenses for self employed and are not considered income:

- Taxes required for operation of the business
- Licenses and permit fees
- Rent payments
- Insurance
- Labor costs
- Maintenance
- Products used to operate the business
- Interest on debts
- Actual food costs for self employed babysitters

Not included in operational expenses

Business expenses do not include:

- Payments on the principal of the purchase price of and loans for capital assets such as real property, equipment, machinery and other goods of durable nature
- The principal and interest on loans for capital improvement of real property
- Net losses from previous periods
- Federal, state, and local taxes
- Money set aside for retirement purposes
- Personal expenses, entertainment expenses, and personal transportation
- Depreciation on equipment, machinery, or other capital investments necessary to the self-employment enterprise

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Operational expenses for rentals

The following are operational expenses for rentals and are not considered income:

- Interest on debts
- Taxes
- Insurance
- Maintenance
- Utilities, if paid by applicant
- Real estate agent's fees

Acceptable proof

Tax Form 1040 is acceptable until the following year's filing date. The 2009 Income Tax Form is good until April 15, 2010.

- Current signed 1040 Federal Tax Form.
  Must show a dollar amount, either on line 12 or 17, to be valid income verification for self-employed. When using a 1040 Tax Form, calculate monthly gross income for self-employed by dividing the amount on line 22 by 12 months. If line 22 is zero or a negative amount, set the income amount on the application to zero (0).
- **Current copy of ledger or journal (Handwritten information is acceptable) - Proof of income for a copy of ledger or journal, or a self-employment statement must be current to within 6 weeks of the application intake date.**
- Signed self-employment statement showing ~~month,~~ gross receipts, gross expenses, and net income for a one month time period.

Unacceptable proof

- Outdated or altered information.
- Unsigned 1040 Federal Income Tax Form

Survivors Benefits

Definition	Survivors benefits include payments received from survivors' or widows' pensions, estates, trusts, annuities, or any other types of survivor benefits, from private companies or unions; federal government (Civil Service); military; state or local governments; rail road retirement; worker's compensation; black lung payments; estates and trusts; annuities or paid-up insurance policies; and other survivors benefits.
Acceptable proof	Proof of income for these items must be current to within 6 weeks of the application intake date. • Copy of current check(s) • Current check stub(s) • Current printout • Current award letter • Bank statement with automatic deposit - The date of the deposit or the issue date of the statement can be used to determine whether the document is current to within 6 weeks of intake date.
Unacceptable proof	• Outdated information • Information without a date • Award letter without income or date

SSI/SSP

Definition

Supplemental security income includes federal, state, and local welfare agency payments to low-income people who are 65 years of age and older or people of any age who are blind or disabled.

Acceptable proof

Proof of income for these items must be current to within 6 weeks of the application intake date.

- Copy of check
- Payee's (income recipient) letter of verification showing income amount
- Notice of Planned Action
- Copy of bank statement showing direct deposit - The date of the deposit or the issue date of the statement can be used to determine whether the document is current to within 6 weeks of intake date.

For the following items, DO NOT use the actual date the document was issued. You must use the dates covering benefits within the document to determine eligibility. These dates must be current.

- Annual benefit letter with current dates (i.e., date of letter is 12/08, but letter states applicant will receive $$ beginning 1/09).
- Computer printout or letter that states the current annual benefit amount.
- Form 2458 completed by Social Security Office.
- HUD statement from Department of Housing with a Social Security amount

Unacceptable proof

- Outdated information
- Benefit letter with no income amount or date
- Payee's letter of verification not showing income amount
- Medicare cards

Countable income

Over payment adjustments must not be deducted.

Non-countable income

Medicare premiums are not considered income and must be deducted from the total gross amount.

Excluded Income Sources

Policy change	Effective with the release of the DOE ARRA contracts, the criteria for countable and non-countable income is being updated to include the following exclusions.
Student Assistance	All student assistance is excluded. This includes Grants, Scholarships, Fellowships and Gifts/Pell Grants/Federal Perkins Loans, Federal Supplemental Education Opportunity Grants, Leveraging Educational Assistance Program (LEAP), Department of Education and Bureau of Indian Affairs (BIA), University Year for Action and work study.
Foster Care payments	Payments received for the care of foster children or foster adults, who are unable to live alone.
In home care provider	The income of a live-in aid* or amounts paid by a State agency (In Home Supportive Services) to a family or non family member to offset the cost of services and equipment needed to keep the family member at home will not be included in total household income. *Live-in aid means a person who resides with one or more elderly persons (at least 62 years old), or near elderly persons (at least 50 years old), or persons with disabilities, and who: 1. Is determined to be essential to the care and well-being of the person(s); 2. Is not obligated for the support of the person(s); and 3. Would not be living in the unit except to provide the necessary supportive services.
Income from a minor	Income from employment of children (including foster children) under the age of 18 years will be excluded from countable household income.

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Excluded Income Sources, Continued

Disaster assistance	Payments made by federal service providers under a presidential declaration of disaster including, but not limited to, individual family grants from the Federal Emergency Management Agency (FEMA).
Victims of crime payments	All reparation payments to victims of a crime.
Reparation payments	Payments to Aleut people and people of Japanese ancestry under Public Law 100-383.
Victims of Nazi persecution	Payments made to individuals because of their status as victims of Nazi persecution shall be disregarded in determining eligibility.
Older volunteers	Older Americans Volunteers Act of 1965 – Income paid to participants in programs carried out under the Community Service Employment Program (Title V of the Older Americans Act), including Green Thumb, Senior Health Aides, Senior Companions.
Domestic volunteers	Domestic Volunteer Service Act of 1973(P.L.93113) - Income paid to participants - Title I: Volunteers in Service to America (VISTA), Americorps, University Year for Action (UYA), Urban Crime Prevention Program. Title II: Retired Senior Volunteer Program (RSVP), Foster Grandparent Program, Older American Community Service Program (Senior Health Aides, Senior Companions). Title III: Service Corps of Retired Executives (ACE)
Vietnam veterans	Vietnam Agent Orange Benefits. Benefits **given** for the children of woman-Vietnam veterans who suffer from certain birth defects must not be considered as income in determining eligibility or benefits.

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Excluded Income Sources, Continued

Native American land	The value of land taken from and later added back to Indian reservations must not be considered income.
Native American judgments	Indian per capita judgment payments made to any tribe or group whose trust relationship with the federal government has been terminated and for which legislation was in effect before October 12, 1973 authorized the disposition of its judgment funds.
Non-cash	Any non-cash Federal or State Benefits.
WIA	Title I of the Workforce Investment Act of 1998: Supportive services to participants including assistance that enables people to participate in the program, such as transportation, health care, child care, handicapped assistance, meals, temporary shelter, counseling, and other reasonable expenses or participation in the program.
Nutrition programs	Benefits from Women, Infant, and Children (WIC) program, Agriculture Nutrition Act of 1949 Section 416: value of federally donated food acquired through price support operations for school lunch or other distribution to needy people. Child Nutrition Act: the value of assistance to children under this Act. National School lunch Act: the value of assistance to children under this Act. Meals for Older Americans, School breakfasts and lunches and milk programs.
Job related expenses	For non self-employed applicants that do not file income tax as self employed (a sales person or a truck driver/taxicab driver) and who pays business expenses and also receives a paycheck, deduct ~~those~~ business expenses from the household's total gross income.
Employer paid benefits	Most employers providing benefits make a contribution to the cost of the benefit, with any remaining cost to be paid by the employee through payroll deduction. The employer contribution is not income. The payroll deduction is income.

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Excluded Income Sources, Continued

Gifts and inheritances	One time lump sum inheritances or gifts. Such as gifts occasioned by a death, or gifts of domestic travel tickets.
Prizes and awards	A prize is generally something received in a contest, lottery or game of chance. An award is usually received as the result of a decision by a court, board of arbitration, or the like.
Food stamps	The value of the coupon allotment provided to any eligible household.
Medicare and medical	The value of medical expenses paid directly to a heath care provider on behalf of the household.
Medicare deductions	The deduction for Medicare from Social Security benefits.
Sale or exchange of property	Capital gains people received (or losses they incur) from the sale of property, including stocks, bonds, a house, or a car (unless the person was engaged in the business of selling such property, in which case count the net proceeds as income from self-employment)
Other exclusions	• Military combat pay • Child Support Payment contributions • Draw down from Reverse Mortgage • Tax Refunds • Loans • Withdrawal from Savings • Food or housing received in lieu of wages. • The value of food and fuel produced and consumed on farms • One-time Insurance Payments • Compensation for Injury