

State of Alaska FY2018 Governor's Operating Budget

Department of Health and Social Services Energy Assistance Program Component Budget Summary

Component: Energy Assistance Program

Contribution to Department's Mission

The Energy Assistance Program component helps to strengthen Alaska families by increasing the number of low-income families with warm homes.

Core Services

- Program staff makes timely and accurate eligibility determinations and issues heating assistance payments to the client's home energy vendor.
- Administrative support for federally-funded tribal heating assistance programs, including grant management and oversight for Tribal organizations operating regional Alaska Affordable Heating Assistance Programs.

Major Component Accomplishments in 2016

- The Program worked with Alaska Housing Finance Corporation and their weatherization subcontractors to replace 44 inoperable, unsafe or inefficient heating units. These replacements allowed residents to remain in their homes, increased safety, and conserved energy in the dwellings in which they were installed. Low Income Home Energy Assistance Program (LIHEAP) weatherization funds were also used to provide health and safety measures not covered by Department of Energy funding.

Key Component Challenges

- The volatility of fuel costs and generally high prices in many communities make it difficult to accurately project the number of households that will apply and qualify for heating assistance. This impacts the program's ability to project accurate benefit amounts since funding must cover all anticipated eligible households and to project staffing levels needed to process applications within timeframes.
- The uncertainty of the block grant funding for the federal Low Income Home Energy Assistance Program continues to create challenges in planning and administering the program each year. The funding allocation is frequently determined after benefit levels are set and seasonal program operations begin.
- The Program does not have regulations in place that allow them to prosecute fraud in a court of law. While the program does follow up on reports of fraud, and attempts to recoup overpayments due to fraud, they cannot take anyone to court until regulations are put in place.
- Manually collecting annual client heating and electric usage is an arduous task without a vendor portal or automation of this process. The Program must currently generate Microsoft Excel spreadsheets that need to be mailed via certified mail to their vendors and then key in all the information when the sheets are returned.
- Collection of client usage will help the state determine if benefits are in fact providing the highest benefit to the most vulnerable and needy households. The present determination formula does not always adequately meet the needs of some households and more than meets the needs of others.
- The current software program used to register applications, determine eligibility, generate payments, generate reports, and provide historical data is written in common business oriented language (COBOL). This system will need to be replaced in FY2017 because of the age of the system and the concern that it will not be supported when the state moves to Windows 10.

Significant Changes in Results to be Delivered in FY2018

- Continue implementation of federally-mandated performance measures for the Low Income Home Energy

Assistance Program.

- Federal funding will impact the number of households the program can serve under state statute and could require supplemental funding from the state.

Statutory and Regulatory Authority

| | |
|-------------------|-----------------------------------|
| Public Law 97-35 | L.I.H.E.A.P. Act of 1981 |
| AS 47.25.621-.626 | Alaska Affordable Heating Program |
| 7 AAC 44 | Heating Assistance Program |

| Contact Information |
|---|
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| Energy Assistance Program Personal Services Information | | | | |
|--|---|----------------------------------|--------------------------------|-----|
| Authorized Positions | | | Personal Services Costs | |
| | <u>FY2017</u> <u>Management</u> <u>Plan</u> | <u>FY2018</u> <u>Governor</u> | | |
| Full-time | 0 | 0 | Annual Salaries | 0 |
| Part-time | 0 | 0 | Premium Pay | 0 |
| Nonpermanent | 0 | 0 | Annual Benefits | 0 |
| | | | <i>Less % Vacancy Factor</i> | () |
| | | | Lump Sum Premium Pay | 0 |
| Totals | 0 | 0 | Total Personal Services | |

| Position Classification Summary | | | | | |
|---------------------------------|-----------|-----------|----------|----------|----------|
| Job Class Title | Anchorage | Fairbanks | Juneau | Others | Total |
| No personal services. | | | | | |
| Totals | 0 | 0 | 0 | 0 | 0 |

Component Detail All Funds
Department of Health and Social Services

Component: Energy Assistance Program (226)
RDU: Public Assistance (73)

Formula Component

| | FY2016 Actuals | FY2017 Conference Committee | FY2017 Authorized | FY2017 Management Plan | FY2018 Governor | FY2017 Management Plan vs FY2018 Governor | |
|-----------------------------------|-----------------|-----------------------------|-------------------|------------------------|-----------------|---|-------------|
| 71000 Personal Services | 1,077.1 | 1,211.5 | 1,211.5 | 0.0 | 0.0 | 0.0 | 0.0% |
| 72000 Travel | 3.2 | 28.6 | 28.6 | 0.0 | 0.0 | 0.0 | 0.0% |
| 73000 Services | 134.3 | 260.0 | 260.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| 74000 Commodities | 17.9 | 39.0 | 39.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| 75000 Capital Outlay | -0.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| 77000 Grants, Benefits | 16,282.4 | 12,638.2 | 12,638.2 | 12,638.2 | 12,638.2 | 0.0 | 0.0% |
| 78000 Miscellaneous | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Totals | 17,514.3 | 14,177.3 | 14,177.3 | 12,638.2 | 12,638.2 | 0.0 | 0.0% |
| Fund Sources: | | | | | | | |
| 1002Fed Rcpts (Fed) | 10,105.7 | 14,177.3 | 14,177.3 | 12,638.2 | 12,638.2 | 0.0 | 0.0% |
| 1004Gen Fund (UGF) | 7,408.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Unrestricted General (UGF) | 7,408.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Designated General (DGF) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Other Funds | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Federal Funds | 10,105.7 | 14,177.3 | 14,177.3 | 12,638.2 | 12,638.2 | 0.0 | 0.0% |
| Positions: | | | | | | | |
| Permanent Full Time | 8 | 8 | 8 | 0 | 0 | 0 | 0.0% |
| Permanent Part Time | 8 | 8 | 8 | 0 | 0 | 0 | 0.0% |
| Non Permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0.0% |

Change Record Detail - Multiple Scenarios with Descriptions
Department of Health and Social Services

Component: Energy Assistance Program (226)
RDU: Public Assistance (73)

| Scenario/Change Record Title | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions | | NP |
|--|------------|-----------------|-------------------|-------------|--------------|-------------|----------------|------------------|---------------|-----------|----------|----------|
| | | | | | | | | | | PFT | PPT | |
| ***** Changes From FY2017 Conference Committee To FY2017 Authorized ***** | | | | | | | | | | | | |
| FY2017 Conference Committee | ConfCom | 14,177.3 | 1,211.5 | 28.6 | 260.0 | 39.0 | 0.0 | 12,638.2 | 0.0 | 8 | 8 | 0 |
| 1002 Fed Rcpts | | 14,177.3 | | | | | | | | | | |
| Subtotal | | 14,177.3 | 1,211.5 | 28.6 | 260.0 | 39.0 | 0.0 | 12,638.2 | 0.0 | 8 | 8 | 0 |
| ***** Changes From FY2017 Authorized To FY2017 Management Plan ***** | | | | | | | | | | | | |
| Transfer Authority to Public Assistance Field Services | Trout | -1,319.8 | -992.2 | -28.6 | -260.0 | -39.0 | 0.0 | 0.0 | 0.0 | -6 | -8 | 0 |
| 1002 Fed Rcpts | | -1,319.8 | | | | | | | | | | |
| <p>The division is transferring Energy Assistance Program eligibility personnel, and related travel, services, and commodities authority to the Public Assistance Field Services component. Personnel will be cross-trained in other Public Assistance programs, improving efficiency and reducing administrative burden for eligibility determination.</p> <p>Full-time, range 13, Juneau, Eligibility Technician I (06-8140). Full-time, range 18, Juneau, Eligibility Office Manager I (06-8210). Full-time, range 13, Juneau, Eligibility Technician I (06-8212). Part-time, range 13, Juneau, Eligibility Technician I (06-8217). Part-time, range 13, Juneau, Eligibility Technician I (06-8219). Part-time, range 13, Juneau, Eligibility Technician I (06-8220). Full-time, range 10, Juneau, Office Assistant II (06-8243). Part-time, range 13, Juneau, Eligibility Technician I (06-8290). Part-time, range 13, Juneau, Eligibility Technician I (06-8291). Part-time, range 13, Juneau, Eligibility Technician I (06-8292). Part-time, range 13, Juneau, Eligibility Technician I (06-8293). Full-time, range 10, Juneau, Office Assistant II (06-8294). Part-time, range 13, Juneau, Eligibility Technician I (06-8455). Full-time, range 16, Juneau, Eligibility Technician III (06-8661)</p> | | | | | | | | | | | | |
| Transfer Accounting Technician I (06-8209) and Program Coordinator II (06-8211) to Public Assistance Administration | Trout | -219.3 | -219.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -2 | 0 | 0 |
| 1002 Fed Rcpts | | -219.3 | | | | | | | | | | |
| <p>The division is transferring Energy Assistance Program administrative personnel to the Public Assistance Administration component. Personnel will be cross-trained to support additional programs within the division.</p> <p>Full-time range 12 Juneau Accounting Technician I (06-8209). Full-time range 20 Juneau Program Coordinator II (06-8211).</p> | | | | | | | | | | | | |
| Subtotal | | 12,638.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 12,638.2 | 0.0 | 0 | 0 | 0 |

Change Record Detail - Multiple Scenarios with Descriptions
Department of Health and Social Services

Component: Energy Assistance Program (226)
RDU: Public Assistance (73)

| Scenario/Change Record Title | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions | | |
|--|---------------|-----------------|----------------------|------------|------------|-------------|----------------|------------------|---------------|-----------|----------|----------|
| | | | | | | | | | | PFT | PPT | NP |
| ***** Changes From FY2017 Management Plan To FY2018 Governor ***** | | | | | | | | | | | | |
| | Totals | 12,638.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 12,638.2 | 0.0 | 0 | 0 | 0 |

Line Item Detail (1676)
Department of Health and Social Services
Travel

Component: Energy Assistance Program (226)

| Line Number | Line Name | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
|----------------------------------|------------------------------|----------------|------------------------|-----------------|
| 2000 | Travel | 3.2 | 0.0 | 0.0 |
| Object Class | Servicing Agency | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
| 2000 Travel Detail Totals | | 3.2 | 0.0 | 0.0 |
| 2000 | In-State Employee Travel | 1.7 | 0.0 | 0.0 |
| 2002 | Out of State Employee Travel | 1.5 | 0.0 | 0.0 |

Line Item Detail (1676)
Department of Health and Social Services
Services

Component: Energy Assistance Program (226)

| Line Number | Line Name | | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
|------------------------------------|-------------------------------------|--|----------------|------------------------|-----------------|
| 3000 | Services | | 134.3 | 0.0 | 0.0 |
| Object Class | Servicing Agency | Explanation | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
| 3000 Services Detail Totals | | | 134.3 | 0.0 | 0.0 |
| 3000 | | Education Services | 4.0 | 0.0 | 0.0 |
| 3003 | | Information Technology | 4.9 | 0.0 | 0.0 |
| 3004 | | Telecommunications | 3.6 | 0.0 | 0.0 |
| 3006 | | Delivery Services | 9.9 | 0.0 | 0.0 |
| 3007 | | Advertising and Promotions | 0.3 | 0.0 | 0.0 |
| 3008 | | Utilities | 1.9 | 0.0 | 0.0 |
| 3009 | | Structure/Infrastructure/Land | 51.9 | 0.0 | 0.0 |
| 3010 | | Equipment/Machinery | 0.7 | 0.0 | 0.0 |
| 3011 | | Other Services | 28.3 | 0.0 | 0.0 |
| 3018 | Inter-Agency Information Technology | Admin - Department-wide Telecommunications | 9.1 | 0.0 | 0.0 |
| 3018 | Inter-Agency Information Technology | Law - Department-wide Telecommunications | 0.2 | 0.0 | 0.0 |
| 3018 | Inter-Agency Information Technology | Legis - Department-wide Telecommunications | 0.1 | 0.0 | 0.0 |
| 3021 | Inter-Agency Mail | Admin - Department-wide | 6.4 | 0.0 | 0.0 |
| 3025 | Inter-Agency Auditing | H&SS - Administrative Support Svcs (320) | 0.7 | 0.0 | 0.0 |
| 3026 | Inter-Agency Insurance | Admin - Department-wide | 0.7 | 0.0 | 0.0 |
| 3036 | Inter-Agency Safety | Admin - Department-wide | 0.6 | 0.0 | 0.0 |
| 3038 | Inter-Agency Management/Consulting | H&SS - Administrative Support Svcs (320) | 5.8 | 0.0 | 0.0 |
| 3038 | Inter-Agency | H&SS - Commissioner's Office (317) | 1.2 | 0.0 | 0.0 |

Line Item Detail (1676)
Department of Health and Social Services
Services

Component: Energy Assistance Program (226)

| Object Class | Servicing Agency | Explanation | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
|------------------------------------|---------------------------------------|--|----------------|---------------------------|-----------------|
| 3000 Services Detail Totals | | | 134.3 | 0.0 | 0.0 |
| | Management/Consulting | | | | |
| 3038 | Inter-Agency Management/Consulting | H&SS - Information Technology Services (2754) | 2.3 | 0.0 | 0.0 |
| 3038 | Inter-Agency Management/Consulting | H&SS - Public Affairs (2874) | 1.7 | 0.0 | 0.0 |

Line Item Detail (1676)
Department of Health and Social Services
Commodities

Component: Energy Assistance Program (226)

| Line Number | Line Name | | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
|--------------|-------------------------|---------------------------------------|----------------|------------------------|-----------------|
| 4000 | Commodities | | 17.9 | 0.0 | 0.0 |
| Object Class | Servicing Agency | Explanation | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
| | | 4000 Commodities Detail Totals | 17.9 | 0.0 | 0.0 |
| 4000 | Business | | 17.5 | 0.0 | 0.0 |
| 4002 | Household/Institutional | | 0.4 | 0.0 | 0.0 |

Line Item Detail (1676)
Department of Health and Social Services
Capital Outlay

Component: Energy Assistance Program (226)

| Line Number | Line Name | | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
|--------------|------------------|--|----------------|------------------------|-----------------|
| 5000 | Capital Outlay | | -0.6 | 0.0 | 0.0 |
| Object Class | Servicing Agency | Explanation | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
| | | 5000 Capital Outlay Detail Totals | -0.6 | 0.0 | 0.0 |
| 5004 | Equipment | | -0.6 | 0.0 | 0.0 |

Line Item Detail (1676)
Department of Health and Social Services
Grants, Benefits

Component: Energy Assistance Program (226)

| Line Number | Line Name | | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
|--------------|-----------------------------------|--|-----------------|------------------------|-----------------|
| 7000 | Grants, Benefits | | 16,282.4 | 12,638.2 | 12,638.2 |
| Object Class | Servicing Agency | Explanation | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
| | | 7000 Grants, Benefits Detail Totals | 16,282.4 | 12,638.2 | 12,638.2 |
| 7002 | Benefits | | 5,107.4 | 0.0 | 0.0 |
| 7003 | Sub-Recipient Pass-Through Grants | The federally funded Low Income Home Energy Assistance Program (LIHEAP) assists families with energy costs through benefit payments. | 11,175.0 | 12,638.2 | 12,638.2 |

Revenue Detail (1681)
Department of Health and Social Services

Component: Energy Assistance Program (226)

| Revenue Type (OMB Fund Code) Revenue Source | Component | Comment | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
|--|-----------|--|-----------------|---------------------------|-----------------|
| 5002 Fed Rcpts (1002 Fed Rcpts) | | | 10,370.2 | 12,638.2 | 12,638.2 |
| 5019 Federal - Miscellaneous Grants | | Low Income Home Energy Assistance Program (LIHEAP) block grant funding is dependent on federal agency grant appropriations. This is a 100% federally funded program. | 10,330.9 | 12,638.2 | 12,638.2 |
| 5021 Federal - Other Prior Year Reimbursement Recovery | | | 39.3 | 0.0 | 0.0 |
| 6004 Gen Fund (1004 Gen Fund) | | | 10.6 | 0.0 | 0.0 |
| 6046 General Fund - Prior Year Reimbursement Recovery | | | 5.4 | 0.0 | 0.0 |
| 6047 General Fund - Miscellaneous | | | 0.1 | 0.0 | 0.0 |
| 6049 General Fund - Transfers In Contributed Capital | | | 5.1 | 0.0 | 0.0 |

Inter-Agency Services (1682)
Department of Health and Social Services

Component: Energy Assistance Program (226)

| | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
|--|----------------|---------------------------|-----------------|
| Component Totals | 28.8 | 0.0 | 0.0 |
| With Department of Administration | 16.8 | 0.0 | 0.0 |
| With Department of Law | 0.2 | 0.0 | 0.0 |
| With Legislature | 0.1 | 0.0 | 0.0 |
| With Department of Health and Social Services | 11.7 | 0.0 | 0.0 |

| Object Class | Servicing Agency | Explanation | FY2016 Actuals | FY2017 Management Plan | FY2018 Governor |
|--------------|--|---|----------------|---------------------------|-----------------|
| 3018 | Inter-Agency Information Technology Telecommunications | Admin - Department-wide | 9.1 | 0.0 | 0.0 |
| 3018 | Inter-Agency Information Technology Telecommunications | Law - Department-wide | 0.2 | 0.0 | 0.0 |
| 3018 | Inter-Agency Information Technology Telecommunications | Legis - Department-wide | 0.1 | 0.0 | 0.0 |
| 3021 | Inter-Agency Mail | Admin - Department-wide | 6.4 | 0.0 | 0.0 |
| 3025 | Inter-Agency Auditing | H&SS - Administrative Support Svcs (320) | 0.7 | 0.0 | 0.0 |
| 3026 | Inter-Agency Insurance | Admin - Department-wide | 0.7 | 0.0 | 0.0 |
| 3036 | Inter-Agency Safety | Admin - Department-wide | 0.6 | 0.0 | 0.0 |
| 3038 | Inter-Agency Management/Consulting | H&SS - Administrative Support Svcs (320) | 5.8 | 0.0 | 0.0 |
| 3038 | Inter-Agency Management/Consulting | H&SS - Commissioner's Office (317) | 1.2 | 0.0 | 0.0 |
| 3038 | Inter-Agency Management/Consulting | H&SS - Information Technology Services (2754) | 2.3 | 0.0 | 0.0 |
| 3038 | Inter-Agency Management/Consulting | H&SS - Public Affairs (2874) | 1.7 | 0.0 | 0.0 |