

State of Alaska FY2019 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 2017

Assisted 7,725 households heat their homes.

Drafted regulation change to allow prosecution for fraud and update funding formula.

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.

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 FY2019

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.

Will seek a contractor to update the HAP system.

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

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Component Detail All Funds
Department of Health and Social Services

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

Formula Component

	FY2017 Actuals	FY2018 Conference Committee	FY2018 Authorized	FY2018 Management Plan	FY2019 Governor	FY2018 Management Plan vs FY2019 Governor	
71000 Personal Services	320.8	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.1	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	9.7	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	8.7	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	-0.7	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	6,812.1	12,638.2	12,638.2	12,622.9	12,622.9	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	7,150.7	12,638.2	12,638.2	12,622.9	12,622.9	0.0	0.0%
Fund Sources:							
1002Fed Rcpts (Fed)	7,150.7	12,638.2	12,638.2	12,622.9	12,622.9	0.0	0.0%
Unrestricted General (UGF)	0.0	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	7,150.7	12,638.2	12,638.2	12,622.9	12,622.9	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	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 FY2018 Conference Committee To FY2018 Authorized *****												
FY2018 Conference Committee												
ConfCom		12,638.2	0.0	0.0	0.0	0.0	0.0	12,638.2	0.0	0	0	0
1002 Fed Rcpts		12,638.2										
Subtotal		12,638.2	0.0	0.0	0.0	0.0	0.0	12,638.2	0.0	0	0	0
***** Changes From FY2018 Authorized To FY2018 Management Plan *****												
Transfer to Work Services for Personal Services												
Trout		-15.3	0.0	0.0	0.0	0.0	0.0	-15.3	0.0	0	0	0
1002 Fed Rcpts		-15.3										
Subtotal		12,622.9	0.0	0.0	0.0	0.0	0.0	12,622.9	0.0	0	0	0
***** Changes From FY2018 Management Plan To FY2019 Governor *****												
Totals		12,622.9	0.0	0.0	0.0	0.0	0.0	12,622.9	0.0	0	0	0

Transfer federal receipt authority from the Energy Assistance component to Work Services component in order to fully fund personal service's in the Work Services component. Excess authority exists because the most recent Low Income Home Energy Assistance Program award was smaller than budgeted federal authority.

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

Component: Energy Assistance Program (226)

Line Number	Line Name		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
2000	Travel		0.1	0.0	0.0
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
		2000 Travel Detail Totals	0.1	0.0	0.0
2006	Other Travel Costs		0.1	0.0	0.0

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

Component: Energy Assistance Program (226)

Line Number	Line Name		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
3000	Services		9.7	0.0	0.0
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
3000 Services Detail Totals			9.7	0.0	0.0
3000	Education Services		-24.3	0.0	0.0
3004	Telecommunications		0.1	0.0	0.0
3010	Equipment/Machinery		1.1	0.0	0.0
3011	Other Services		-1.2	0.0	0.0
3038	Inter-Agency Management/Consulting	H&SS - Administrative Support Svcs (320)	0.4	0.0	0.0
3038	Inter-Agency Management/Consulting	H&SS - Information Technology Services (2754)	2.2	0.0	0.0
3038	Inter-Agency Management/Consulting	H&SS - Public Affairs (2874)	0.4	0.0	0.0
3038	Inter-Agency Management/Consulting	H&SS - Public Assistance Field Svcs (236)	31.0	0.0	0.0

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

Component: Energy Assistance Program (226)

Line Number	Line Name		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
4000	Commodities		8.7	0.0	0.0
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
		4000 Commodities Detail Totals	8.7	0.0	0.0
4000	Business		-1.6	0.0	0.0
4021	Commodity Management Allocation		10.3	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		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
5000	Capital Outlay		-0.7	0.0	0.0
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
		5000 Capital Outlay Detail Totals	-0.7	0.0	0.0
5005	Equipment Management Allocation		-0.7	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		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
7000	Grants, Benefits		6,812.1	12,622.9	12,622.9
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
7000 Grants, Benefits Detail Totals			6,812.1	12,622.9	12,622.9
7001	Grants		2.0	0.0	0.0
7002	Benefits		6,513.0	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.	297.1	12,622.9	12,622.9

Revenue Detail (1681)
Department of Health and Social Services

Component: Energy Assistance Program (226)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
5002 Fed Rcpts (1002 Fed Rcpts)			7,277.5	12,622.9	12,622.9
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 percent federally funded program.	7,204.5	12,622.9	12,622.9
5021 Federal - Other Prior Year Reimbursement Recovery			73.0	0.0	0.0

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

Component: Energy Assistance Program (226)

			FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
Component Totals			34.0	0.0	0.0
With Department of Health and Social Services			34.0	0.0	0.0
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
3038	Inter-Agency Management/Consulting	H&SS - Administrative Support Svcs (320)	0.4	0.0	0.0
3038	Inter-Agency Management/Consulting	H&SS - Information Technology Services (2754)	2.2	0.0	0.0
3038	Inter-Agency Management/Consulting	H&SS - Public Affairs (2874)	0.4	0.0	0.0
3038	Inter-Agency Management/Consulting	H&SS - Public Assistance Field Svcs (236)	31.0	0.0	0.0