

Attachment 1

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM
Residential Energy Assistance Challenge Program (REACH)

Guidance and Policy

FY 2011 REACH PROGRAM
“A Plan to Promote Health and Safety”

1. REACH Program

Application – Must be postmarked no later than **June 1, 2011**

- The REACH Program provides funds for grantees to design and administer an innovative program that assists low income households to:
 - (1) Minimize health and safety risks that result from high energy burdens on low-income Americans;
 - (2) Reduce home energy vulnerability and prevent homelessness as a result of inability to pay energy bills;
 - (3) Increase the efficiency of energy usage by low-income families, helping them achieve energy self-sufficiency; and
 - (4) Target energy assistance to individuals who are most in need.
- The REACH statute provides additional funds for an Energy Efficiency Education Program. Grantees may design programs that help low income households learn about energy conservation techniques and staying safe during extreme weather conditions.
- To be considered, REACH plans must focus on **health and safety** initiatives for vulnerable households. The LIHEAP statute refers to “vulnerable populations” as including “very young children, individuals with disabilities, and frail older individuals.” Vulnerable households can face serious health and safety risks if their homes are too cold in the winter or too hot in the summer. Health risks can include life threatening illness or death from hypothermia or hyperthermia and increased susceptibility to other health conditions, including strokes and heart attacks. Safety risks can include the use of makeshift heating sources or inoperative/faulty heating or cooling equipment that can cause indoor fires or asphyxiation.
- REACH Plans must be **innovative** – proposed programs that show a reprise of past projects or that simply provide additional LIHEAP benefits (e.g.,

weatherizing more homes) will almost certainly not be approved.

- States, Tribes, Tribal Organizations and Insular Areas who are current LIHEAP grantees may apply for REACH funds. States and Puerto Rico must provide REACH services through community based organizations.
- Please note that while past REACH grantees are eligible to apply for FY 2008 funds, a strong preference will be given to those States, Tribes/Tribal Organizations and Insular Areas that have not received REACH grants in the past and that submit complete FY 2008 applications.

2. REACH Plans

The following information is required and must be provided to qualify for REACH funding. A model plan for you use is provided in Attachment 2.

Part I – Signature to the REACH assurances by the Governor or Tribal Chairman.

Part II -- Descriptions for REACH Assurances – No more than two paragraphs for each of the REACH assurances that are identified in the attached model plan, with the following exceptions:

- *Assurances C & F – a combined description may be 2 pages or less
- *Assurances I & J – a combined description may be 1 page or less

Part III – Funding Level Requested

Basic REACH Grant: Maximum \$350,000 for States and Puerto Rico and Maximum \$50,000 for Tribes/Tribal Organizations and Insular Areas.

For grantees opting to include an Energy Efficiency Education Services Plan (EEES): Maximum \$35,000 for States and Puerto Rico and Maximum \$10,000 for Tribes/Tribal Organizations and Insular Areas.

Part IV – Description of EEES – This description is only required for those choosing to implement EEES plans. EEES plans must focus on health and safety and are limited to one page to explain project and contact information.

Additional Requirements:

Please ensure that your responses do not exceed the limits identified above, or your application may not be considered.

All applications must be written in 12-point, Times New Roman font.

Please DO NOT attach any supporting documentation or other materials with your application that are not specifically requested in this Action Transmittal—this information will not be considered.

3. REACH Policy

- REACH funding will be granted for one fiscal year program. There are no longer three-year project periods.
- REACH funds are subject to the same obligation rules governing the Leveraging Incentive Program. REACH funds may be obligated in the year of award and/or the following fiscal year. Therefore, Fiscal Year (FY) 2008 REACH funds must be fully obligated prior to September 30, 2009.
- As with leveraging, REACH funds are not subject to the 10 percent carryover rule that governs regular LIHEAP block grant funds.
- Administrative costs for State grantees and Puerto Rico are limited to 10% of the grant.

Costs for providing services and benefits at the local level will not be considered administrative.

- REACH program benefits must be directed to LIHEAP-eligible households. Section 2605(b)(2) of the LIHEAP statute sets maximum eligibility at 150% poverty level or 60% state median income, or households receiving TANF, FS, SSI and some veterans benefits.

Applicants may target only a portion of the LIHEAP-eligible population for REACH services.

- The LIHEAP statute requires in Section 2609 that, “ Grants made under this title may not be used by the State, or by any other person with which the State makes arrangements to carry out the purposes of this title, for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility.”

4. Reports

EVALUATIONS - REACH grantees must complete an evaluation of their programs and submit a report to the U.S. Department of Health and Human Services (HHS) no later than six months following the end of the grant period (September 30, 2009.) Evaluation reports are due no later than March 30, 2010. If a grantee does not submit the evaluation by this date, he will not be eligible for future REACH grants until it is submitted. **An independent evaluator is not required.** However, the grantee should provide a

professional report that is objective, balanced and discusses the successes as well as the shortfalls of their completed REACH program. If the grantee also implements an EEES program, the evaluation should review the EEES activities as well.

STANDARD FORM 269A – The SF 269A is due 90 days after the end of the grant period.

5. Important Information for REACH Grantees issued REACH grants before FY 2007

- Three-year REACH projects for States and two-year REACH projects for tribes will be operated according to prior year rules governing REACH. HHS will issue sufficient funds – for States that request them – to cover administrative costs for REACH awards received by States in FY 2006 (up to 2.5 percent of States' original grant amounts for the third year of their three-year projects).
- FY 2006 State REACH grantees **must submit a written request to the Office of Community Services (OCS)** for administrative funds by June 1, 2008. Requests for administrative funds will not be honored after this date (no exceptions). You may email your request to cabney@acf.hhs.gov. Please include with your request your REACH grant document number.

6. Award Information

- Limited funds will be available under REACH in FY 2008. Funds not issued in FY 2008 REACH awards will be redirected into the Leveraging Incentive Program. We expect to set aside no more than \$1.5 million for REACH awards to two States and four Tribes/Tribal Organizations or Insular Areas.
- As FY 2008 REACH programs are set for one year, the amount of funding is reduced from levels awarded in previous years. States and Puerto Rico will receive up to \$350,000; Tribes/Tribal Organizations and Insular Areas will receive up to \$50,000. Applicants must specify the amount of their request, not to exceed these dollar limits, when filing their REACH applications.
- FY 2008 REACH awardees that have chosen to integrate EEES on health and safety, as part of their FY 2008 REACH plan, may receive up to the following additional amounts — States and Puerto Rico -- \$35,000; Tribes/Tribal Organizations and Insular Areas -- \$10,000.

7. Plan Review and Final Awards

- As with LIHEAP block grant plans, Division of Energy Assistance (DEA) staff will review REACH plans for completeness, and will follow up with applicants if additional information is needed in order to complete the application.

- Final award decisions will be made by the DEA Director, following review and recommendations made by DEA staff, in order to award limited REACH dollars to innovative programs best designed to provide “a plan to promote health and safety.”