

Low Income Home Energy Assistance Program (LIHEAP) Quarterly Performance and Management Reports

**OMB Information Collection Request
0970 - 0589**

Supporting Statement Part A - Justification

Updated- October 2022

Submitted By:
Office of Community Services
Administration for Children and Families
U.S. Department of Health and Human Services

Summary

The Administration for Children and Families Office of Community Services (OCS) sought and received emergency clearance for the Low Income Home Energy Assistance Program (LIHEAP) Quarterly Performance and Management Reports in accordance with [44 U.S.C. 3507](#)(subsection j). OCS is now seeking to extend approval of the data collection, with minor revisions to the instructions¹ regarding submission details and reporting deadlines in future fiscal years², under the normal Paperwork Reduction Act clearance process. Section 8 of this supporting statement provides an overview of the comments and OCS responses to the comments, and Appendix 1 includes a table that outlines the comments received and the OCS response to each comment.

1. Circumstances Making the Collection of Information Necessary

As part of the response to the COVID-19 public health emergency, Congress authorized two separate supplemental appropriations for LIHEAP. The Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law 116-136) appropriated \$900 million, and the American Rescue Plan (ARP) Act (Public Law 117-2) appropriated an additional \$4.5 billion.

On May 8, 2020, the Office of Community Services (OCS) awarded 100% of the [LIHEAP CARES Act funding](#), or \$900 million, to grant recipients. All 50 states, the District of Columbia, five U.S territories, and more than 140 Native American tribes and tribal organizations received a supplemental award. States and the District of Columbia received \$884,987,516, Territories received \$4,526,642, and Tribes received 10,485,842. Per the CARES Act legislation, funds needed to be obligated by September 30, 2021. LIHEAP issued guidance that grant recipients had at least 90 days following the end of FY21 to draw down previously obligated LIHEAP CARES Act funds from the federal Payment Management System (PMS).

In the summer of 2021, OCS noticed that grant recipients were slowly obligating and making drawdowns of the CARES Act funds in PMS. The initial unobligated balances among States, Tribes, and Territories were \$241,685,025, \$5,424,862, and \$4,020,237, respectively. OCS responded with an intensive technical assistance and training (T/TA) strategy to help grant recipients reduce the amount of unobligated LIHEAP CARES Act funds at risk of being returned to the Treasury. As a result of these efforts, the total unobligated balance was reduced to \$8,832,566 based on grantee reporting (this represents approximately 1.00% unobligated).

While the intensive T/TA strategy was able to significantly reduce the amount of unobligated CARES Act funds returned to the Treasury, some funding remained unobligated and therefore did not reach low-income households that could have benefited from additional assistance. On May 4th, 2021, OCS released 100% of the [LIHEAP ARP funding](#), or \$4.5 billion, to grant recipients. Given that the ARP appropriation is significantly larger than the CARES appropriation, consistent and proactive spenddown monitoring will be critical to ensuring unobligated funds are minimized to the greatest extent possible.

The ARP Act stipulates that supplemental funding must be obligated by September 30, 2022. In addition to the supplemental ARP funds, OCS also released the normal LIHEAP Block Grant funding for FY22, nearly \$3.37 billion, on October 29, 2021. In response, OCS implemented a quarterly report to help monitor grant recipient progress on spending ARP and regular appropriation funds to ensure they are used efficiently and effectively to maximize assistance to low-income households. While monitoring obligation in FY22 is particularly important given the historic level of funding available, being able to monitor obligation in future fiscal years remains crucial to ensuring all available funding reaches eligible households.

OCS implemented LIHEAP quarterly reporting helps strengthen the program and improve our ability to highlight the impact LIHEAP is having on households across the program. The quarterly reports help OCS track key information in near real time. Previously, OCS did not receive comprehensive performance and management data until approximately three months after the end of each federal fiscal year. The LIHEAP Quarterly Report assists OCS in receiving data and information about LIHEAP during the federal fiscal year. This almost real time data is particularly important this year as LIHEAP grant recipients both administer historical levels of LIHEAP funding and develop and implement plans to reach

¹ OCS has updated the instructions to indicate that in FY2022, states and territories should upload their submissions to Basecamp and Tribes should submit the report to LIHEAP@acf.hhs.gov rather than emailing their respective Program Specialist. OCS has also updated the instructions to indicate that in future fiscal years, OCS plans to collect the quarterly reports via the On-Line Data Collection System (OLDC).

² As noted later in this document, in FY 2023 and beyond, OCS will collect Quarter 1 and Quarter 2 data separately. The reports for all four quarters will be due approximately 30 days following the end of each respective quarter.

the most vulnerable households amidst ongoing energy price increases. Now and in future years, these reports are critical in helping us address challenges in a timely manner including unmet T/TA needs, approaching obligation deadlines, and challenges related to outreach and intake such as reaching newly eligible populations.

OCS is submitting this extension request to continue using quarterly reports, as the information collected is incredibly helpful in our administration and oversight of LIHEAP.

For FY 2022, OCS is proposing to collect quarterly reports covering the following timeframes:

- Quarter 1 & 2: October 2, 2021 – March 31, 2022 (Report due on April 29, 2022)
- Quarter 3: April 1, 2022 – June 30, 2022 (Report due on July 29, 2022)
- Quarter 4: July 1, 2022 – September 30, 2022 (Report due on October 31, 2022)

In FY 2023 and beyond, OCS will collect Quarter 1 and Quarter 2 data separately. The reports for all four quarters will be due approximately 30 days following the end of each respective quarter.

For each FY (October 1, - September 30) reporting periods:

- Quarter 1 October 1, - December 31 (Report due January 31)
- Quarter 2 January 1 – March 31 (Report due April 30)
- Quarter 3 April 1 – June 30 (Report due July 31)
- Quarter 4 July 1 – September 30 (Report due October 31)

2. Purpose and Use of the Information Collection

Below is a summary of the types of information that OCS is seeking authorization to collect, the purpose in collecting these data, and how these data will be used.

The Quarterly Report requires LIHEAP most grant recipients to report on data in multiple sections including: I) total households assisted (and the total number of households assisted during the same quarter of the previous FY for comparison), II) the number of occurrences that LIHEAP prevented the loss of home energy/the number of occurrences that LIHEAP restored home energy, III) estimated use of LIHEAP funds by LIHEAP funding source, IV) LIHEAP Program Implementation and Support information (e.g., training and technical assistance needs, changes to program policies, collaboration with other federal utility assistance programs, etc.). Section V directs recipients to enter any explanation needed regarding the reliability and/or validity of the responses in prior sections. The entire report is required for all state and territory grant recipients, as well Tribal grant recipients with regular annual block grant funds over \$50,000. For Tribal grant recipients with regular annual block grant funds under \$50,000, only Sections I, V, VI (total households assisted, remarks, and certification) are required, the remaining sections of the report are optional. While optional, Tribal grant recipients with awards under \$50,000 are encouraged to complete all sections if possible; as completing all sections will also allow OCS to include more Tribal data in the LIHEAP Dashboard (the LIHEAP Dashboard will be a Geographic Information System (GIS) tool highlighting key program data at both the individual grant recipient and aggregate levels).

Grant recipients have been asked to submit this information in an Excel template. The quarterly report is not an abbreviated version of the LIHEAP Annual Report or Performance Data Form, it is a different form that was designed to focus on how states are leveraging LIHEAP during the current fiscal year to meet the needs of LIHEAP households. These data is being used by OCS to inform where we should target additional T/TA. The data will also be used to respond to inquiries from the Congress, HHS, OMB, White House, and other interested parties in a timely and accurate manner.

3. Use of Improved Information Technology and Burden Reduction

Every effort will be made to minimize the burden of this data collection by providing recipients with resources for efficient data collection, data processing, and data reporting.

- Data Collection – OCS has provided recipients with multiple resources to assist with collecting the necessary data to complete the *LIHEAP Quarterly Performance and Management Report* including instructions and training webinars reviewing data collection procedures. OCS will also furnish one-on-one training and technical assistance to recipients and make such assistance available each quarter.

- Data Processing – OCS has developed guidance documents to assist recipients with data processing. In addition, the excel file provided calculates some of the data fields, rather than requiring the recipient to do so.
- Data Reporting – The *LIHEAP Quarterly Performance and Management Report* has been collected by OCS using Excel files. As this is the first year LIHEAP grant recipients will be asked to submit quarterly reports, this was determined to be the most appropriate technology for immediate use. This technology was familiar and easily accessible to grantees and allowed us to expedite the process by not requiring new system development. Additionally, Excel data can be easily aggregated by OCS for additional analysis. For FY23, OCS plans to collect the quarterly report in the On-Line Data Collection System (OLDC) where other LIHEAP reports are collected.

OCS modeled these quarterly reports after the recently approved Low Income Household Water Assistance Program (LIHWAP) Quarterly Performance and Management Report. Given the substantial overlap in LIHWAP and LIHEAP grant recipients, OCS believes this alignment will further reduce burden for respondents. OCS has consolidated quarters 1 and 2 in FY22 to reduce burden and to provide grantees more time to get used to reporting on this information.

4. Efforts to Identify Duplication and Use of Similar Information

OCS investigation has revealed no duplicate sources of the grantee-level data elements required for the LIHEAP Quarterly Performance and Management Report.

5. Impact on Small Businesses or Other Small Entities

There are three sources of the data sought through this information collection – LIHEAP recipients, LIHEAP sub-recipients (i.e., local agencies), and utility vendors. LIHEAP sub-recipients are often small community-based organizations. Plus, some utility vendors are small businesses.

LIHEAP grant recipients consist of states, including the District of Columbia; territories; and Indian tribes and tribal organizations. None of those entities is a small business.

While LIHEAP grant recipients are responsible for completing the quarterly report, they may coordinate with LIHEAP sub-recipients to compile this data. LIHEAP sub-recipients often consist of small, community-based organizations. OCS expects LIHEAP sub-recipients, in their normal course of business, to track LIHEAP funds by federal fiscal year, source, and use.

Certain utility vendors consist of small businesses. OCS has minimized burden for these grantees by not requiring them to report directly. LIHEAP primary recipients and LIHEAP sub-recipients may collaborate with them to track LIHEAP funds by federal fiscal year, source, and use based on vendor agreements. For example, under section II (Performance Management) in reference to prevention and restoration of home energy, some grant recipients may have to ask utility companies to provide documentation either through disconnection notice, or phone call. Grant recipients may collect this information at the time of application, but they also may gather it while processing the application directly from the utility company.

6. Consequences of Collecting the Information Less Frequently

Given the significant anticipated increases in energy prices and the historic levels of LIHEAP program funding available discussed in greater detail in Section 1, OCS has determined that quarterly progress updates are essential this fiscal year to ensure that available federal funds are leveraged to maximize assistance to households with energy needs this winter. Moreover, as we learned from our experience with spending down CARES Act funds, timely access to grant recipient program data significantly improved our ability to provide targeted T/TA to those grant recipients that needed it the most. Having an established data collection process will streamline our office's efforts to monitor grant recipient progress and provide additional T/TA when necessary. We believe the use of quarterly reports will help reduce the amount of unobligated ARP funds that will be returned to the Treasury this year and increase the number of households served by LIHEAP. In future years, quarterly reports will enhance OCS' ability to provide targeted T/TA. The data will also significantly enhance our ability to respond to inquiries from the Congress, HHS, OMB, White House, and other interested parties in a timely and accurate manner.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

No special circumstances apply to this data collection.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104-13) and Office of Management and Budget (OMB) regulations at 5 CFR Part 1320 (60 FR 44978, August 29, 1995), ACF published a notice in the Federal Register announcing the agency's intention to request an expedited OMB review of this information collection activity. This notice alerted the public to a request for emergency approval for six months of data collection and provided a sixty-day comment period related to the full request that will be submitted to continue data collection beyond six months.

In conjunction with the publication of Federal Register Notice (87 FR 8843), OCS published the proposed Quarterly Report and Report instructions for public comment. In response to this publication and opportunity for comment, OCS received two sets of comments from our Tribal grant recipients.

Both letters expressed concerns with the additional burden entailed by the quarterly reports and encouraged OCS to use or modify existing reporting structures rather than implementing an additional report. OCS has responded to all comments in Appendix 1. In summation, OCS recognizes that quarterly reports add to grant recipients' reporting burden and also that quarterly reports are necessary for our administration and oversight of the program. In addition to minimizing the quarterly reporting burden to the greatest extent possible while drafting the requirements, OCS will only require that Tribes with regular annual block grant funds under \$50,000 submit Section I, V, VI (total households assisted, remarks, and certification), all other report sections will be optional. OCS has taken this action to reduce the reporting burden on tribal grant recipients with the smallest awards. OCS is also committed to working with any grant recipient that needs T/TA to collect and report the required data as efficiently as possible.

9. Explanation of Any Payment or Gift to Respondents

No payments or gifts of any kind will be provided to respondents.

10. Assurance of Confidentiality Provided to Respondents

OCS will not be collecting Personal Identifiable Information (PII). Grantees and subgrantees may collect PII and the confidentiality of this data would be subject to their own state/tribal/territory privacy laws.

11. Justification for Sensitive Questions

No sensitive questions are asked in this data collection.

12. Estimates of Annualized Burden Hours and Costs

Estimates for the Quarterly reports below are based on the expertise of OCS staff with professional experience administering LIHEAP at the state level and their knowledge of the reporting capabilities and IT systems of grant recipients. The estimated burden hours associated with the data collection are shown in the table below.

The cost to respondents was calculated using the Bureau of Labor Statistics (BLS) job code for social and community service managers [11-9151] and wage data from May 2021, which is \$36.92 per hour. To account for fringe benefits and overhead the rate was multiplied by two which is \$73.84. <https://www.bls.gov/oes/current/oes119151.htm>

QUARTERLY PERFORMANCE AND MANAGEMENT REPORT

	Number of Respondents	Number of Responses Per Quarter	Average Hour Burden Per Year*	Total Annual Burden Hours	Average Hourly Wage	Total Annual Cost
Quarterly						
State Recipients	51	1	36	1,836	\$73.84	\$135,570.24
Territory Recipients	5	1	36	180	\$73.84	\$13,291.20
Tribal Recipients	150	1	36**	5,400	\$73.84	\$398,736
Total Annual Burden Hours and Costs				7,416	\$73.84	\$547,597.44

*Note: this is an average total hour burden estimate for completing the quarterly reports per year. OCS anticipates that collecting the data for the first two quarters may take longer than subsequent quarters and that on average recipients will spend 36 hours per year on the quarterly reports. OCS anticipates that in future fiscal years the average hours burden will remain the same at 36 hours per year when Quarters 1 and 2 are separated due to data collecting and reporting efficiencies gained from the first year of reporting.

** Note: while tribal grant recipients that receive regular annual block grant funds under \$50,000 are not required to complete all sections of the report, they may complete and submit the entire report. As such, OCS has retained the same estimated time per response for all Tribal grant recipients. Based on data submissions over the next three years, OCS will have better estimates for the next information collection request for this report.

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers/Capital Costs

The data collection procedures should not require any capital expenditures by recipients, sub-recipients, or utility vendors that are not covered under the allowable 10% administrative portion of the LIHEAP grant and the intake/eligibility assessment costs allowed under the grant.

14. Annualized Cost to the Federal Government

Federal Government Staff tasks associated with the collection of these data include:

1. Recipient Communications – Notifying recipients of the reporting requirement and conducting follow-up with recipients.
2. Report Review – Reviewing submitted reports and working with recipients to furnish reliable data.
3. Analysis and Reporting – Conducting analysis of the reported data and reporting as needed.

The table below furnishes information on the estimated Federal Staff hours and costs associated with each task.

Annual Federal Staff Hours and Costs

Task	Number of Hours	Rate	Total Cost
Grantee Communications & Training	150	\$111.50/hour	\$16,725
Grantee Report Review	200	\$111.50/hour	\$22,300
Analysis and Reporting	200	\$111.50/hour	\$22,300
Subtotal:			\$61,325

The table below furnishes information on the estimated Federal Contractor Staff hours and costs associated with each task:

Annual Federal Contractor Staff Hours and Costs

Task	Number of Hours	Average Rate	Total Cost
Grantee Report Review	150	\$63.65	\$9,548
Analysis and Reporting	125	\$63.65	\$7,956
Technical Assistance	160	\$84.87	\$13,579
Subtotal:			\$31,083

Total annual federal government costs are **\$92,408**

15. Explanation for Program Changes or Adjustments

This request is for an extension with no changes to the reports or instructions, other than timing (in FY 2023 and beyond, Quarter 1 and Quarter 2 data will be submitted separately). The timing changes do no impact burden estimates. As explained above, the significant investment from ARP and the recent energy price increases necessitate that OCS closely monitor grant recipient activity to ensure funds are leveraged in an efficient and timely manner to ensure that the increased needs of households are met. In future fiscal years, quarterly reporting is necessary to strengthen our provision of T/TA, monitor obligation, and respond to stakeholder inquiries in a timely fashion.

16. Plans for Tabulation and Publication and Project Time Schedule

The Quarterly report will be used primarily for internal analysis and internal administration progress updates. OCS will also use data from the quarterly reports to respond to requests for information from the Congress, HHS, and the White House. OCS will also be developing additional plans to make the data available to the general public.

Activity	Weeks Following Report Submission Deadline
Analysis of Quarterly Report and preparation of any necessary follow-up with grantees	4 Weeks
Synthesis of data into aggregated results and performance outcomes	6 Weeks
Drafting and completion of reports for public sharing or Congressional committees on an as needed basis	8 Weeks

** Publication is dependent upon the Department's clearance process of the data*

17. Reason(s) Display of OMB Expiration Date is Inappropriate

The Quarterly report will display the OMB expiration date.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

None.

