TO:       Local District Commissioners

SUBJECT:  HEAP Allocations:  1997-98

ATTACHMENTS: List of Allocations ("Reference #2")
              (available on line)

This is to provide you with information regarding 1997-98 HEAP funding. As you know, modifications to the HEAP allocation/advance process were made, last year, to address local district concerns regarding the timely provision of HEAP funding. Most districts have indicated that our modified approach was, generally, successful. As such, it will be continued during the 1997-98 program year.

At this point, a distinction must be made between the terms, allocation, and, cash advance. Allocations are established for the following components: Administration; Application; Emergency; Automatic Payments; and, Weatherization Packaging. An allocation is the Department's guarantee that authorization/expenditures up to the established allocation will be fully covered. Cash advances are made to cover local district authorizations and expenditures up to their allocation ceilings. During the 1997-98 HEAP program year, we intend to make a January, a February, and a March cash advance to cover Application, Emergency, and Automatic Payment
expenditures. It is expected that these three advances will provide sufficient funding to cover anticipated authorizations.

The attached schedule, labeled, "Reference #2," provides each district's current allocation for the HEAP Automatic Payment, Application, and Emergency components. Your district's January 1998 advance is included in the column, marked "This Advance." A Year-To-Date (YTD) cumulative cash advance total is provided, also. A February 1998 advance schedule will be developed based upon authorization statistics as of January 30, 1998.

The January 1998 advances were transmitted on January 16, 1998. If you have any questions, please contact your regional liaison contact person.

Patricia A. Stevens
Deputy Commissioner
Division of Temporary Assistance