



**INDIANA HOME ENERGY CONSERVATION PROGRAM  
POLICY FOR AGENCY SELECTION  
May 2009**

**BACKGROUND**

The Indiana Home Energy Conservation Program (HEC) is a federal weatherization assistance program that funds energy conservation services to reduce heating and cooling costs for low-income families, the elderly, individuals with disabilities and families with children. HEC is funded through the U.S. Department of Energy (“DOE”) pursuant to the American Recovery and Reinvestment Act of 2009 (“ARRA”), to increase residential energy efficiency while ensuring the health and safety of families. The State of Indiana will receive an allocation of ARRA program funds to administer the HEC program through the Indiana Housing and Community Development Authority (IHCDA).

IHCDA enters into Agreements with local service providers to administer the HEC program. A service provider may be a community action agency, a private nonprofit agency, or a public nonprofit agency. All nongovernmental agencies must be qualified to do business in Indiana. The Agreement provides for an allocation of funds for each Program Year beginning April 1 or as soon as funds are available from DOE, and ending on March 31. The Agreement also sets forth the conditions under which funds may be expended, as well as program compliance requirements referenced in the Weatherization Program Operations Manual.

**THE FUNDING PROCESS**

Typically, HEC funds are allocated to local agencies based on poverty guidelines as established by the U.S. Office of Management and Budget (OMB), and poverty concentration information as reflected in statistics from the U.S. Census Bureau. However, the 2009 ARRA funds will be awarded to public and private nonprofit agencies via a competitive process. Submission requirements are distributed to all interested persons and agencies and published on IHCDA’s website. The request for proposals (RFP) informs interested applicants of the minimum qualifications, the scope of services, the technical proposal format, and the procedures for evaluating and awarding agreements. An RFP and all relevant information for responding to the RFP are made available on the IHCDA website at <http://www.in.gov/ihcda>.

## **PROPOSAL SUBMISSIONS**

Proposals for the HEC program are accepted and reviewed during the scheduled competitive selection period, and in keeping with this policy. The Authority provides notice of the competition, including a schedule of the proposal process and the deadline dates. Only applicants that meet the threshold requirements and have submitted complete proposals no later than the proposal deadline are rated and ranked in the competitive process. Applicants may apply for ARRA funding to support activities in more than one county.

## **THRESHOLD REVIEW**

The threshold review is intended to eliminate applicants that do not meet the basic program guidelines. Pursuant to federal regulation 10 CFR 440.15, agencies must be a private or public non-profit entity as recognized by federal and State laws. Preference will be given to non-profit agencies that have administered, or currently administer, an effective Home Energy Conservation Program.

When evaluating new awardees, IHCDA considers the organization's experience in housing rehabilitation, construction and/or building trades. Non-profit organizations must have an active Board of Directors and be organized in accordance with applicable laws of the State of Indiana. IHCDA staff review proposals and supporting documentation to determine compliance with State and federal criteria. If all threshold criteria are satisfied, the proposal is further evaluated against the selection criteria.

## **PROPOSAL EVALUATION PROCESS**

Proposals are evaluated by an internal Departmental Review committee of at least three persons. In accordance with federal regulations, agencies will be selected based on qualifications relating to experience in the administration of weatherization programs and/or experience in housing renovation. The proposals are reviewed for completeness, organizational capacity, and strength of the program plan. Agencies must demonstrate an ability to provide oversight of local production, inventory and outreach. Agencies must also demonstrate a capacity to work with private HVAC contractors to service, repair, retrofit, or replace heating appliances. The experience and education of assigned personnel will be considered, along with demonstrated understanding of weatherization procedures and the scope and nature of the work to be performed. Finally, the proposal must also demonstrate economic benefit to the State of Indiana.

Following the Departmental Review, proposals are forwarded to the Agency Evaluation Committee for a second review. The Evaluation Committee is comprised of the IHCDA executive director, chief operations officer, and at least two additional IHCDA staff. Once program ratings and rankings have been established by the Departmental Review Committee and the Evaluation Committee, additional factors are considered, such as the applicant's creative or innovative plan for delivering services, its general reputation in the industry, IHCDA's prior

experience with the applicant, and/or the proposed use of volunteers, training participants, public service employment workers or other Federal or state training programs.

## **CRITERIA FOR SELECTION AND AWARD**

The Evaluation Committee will use the following criteria to evaluate proposals. Points will be awarded in each of the areas listed below: agency qualifications and experience, service capability and delivery, administrative capacity and experience, and financial accountability.

### **Agency Qualifications and Experience**

*(40 Points Maximum)*

- Executive summary
- Experience with weatherization or housing renovation activities
- Service delivery
- Organizational Structure

### **Service Capability and Delivery**

*(90 Points Maximum)*

- Demonstrates a Readiness to Proceed
- Service Delivery Methods
- Program Completeness and Soundness of Plan
- Management Staff and Qualifications
- Client Outreach
- Customer Education
- Production Oversight and Resource Management
- Contingency Plan
- In-House Monitoring and Evaluation
- Ability to meet production goals, produce quality work, maintain production standards
- Training and Technical Assistance Plan
- Overall Historical Capacity

### **Administrative Capacity and Experience**

*(50 Points Maximum)*

- Organizational Certifications
- Client Intake Processes
- Administrative Procedures and Policies
- Utilization of Current Weatherization Funding
- Compliance with Federal and State Program and Administrative Requirements

### **Financial Accountability**

*(15 Points Maximum)*

- Accounting Processes
- Financial Statements
- Indirect Cost Allocation Method

Where two or more agencies requested funding for the same county, preference is given to applicants that demonstrate the capacity to provide effective HEC services to the entire county. If another agency is selected to cover part of a current weatherization agency's service area, IHCDA is working on a process to enable the current agency to pre-screen the list of eligible households and thereby avoid duplication of services.

## **APPROVAL**

After evaluation and ranking, recommendations for funding are submitted to the IHCDA Board of Directors for approval at its next regularly scheduled Board meeting. A public hearing may be held as described in the federal regulations, 10 CFR §440.15(d), to receive comments on the Program plan, new sub-grantees' selection, or other items of interest.

Upon approval of the Indiana State Plan by the U.S. Department of Energy, IHCDA can issue an Agreement setting forth the terms and conditions for HEC program participation. The Agreement must be executed and returned to IHCDA for its signature. The agency may begin program operations upon receipt of the fully executed agreement.

## **DECLINED PROPOSALS**

Proposals will be declined if an applicant fails to provide all required information, or if one or more of the proposal components does not provide substantive evidence of the organization's capacity to succeed. Because the ARRA funds must be expended within a short time period, IHCDA gives added weight to evidence that a former or current service provider was unable to expend all of its program funds within one or more program years.

If a proposal is declined, the applicant will be notified of the action in writing, detailing the reason(s) for the decision, and be given a copy of the program appeals process. The applicant may, however, still submit another proposal for subsequent rounds of HEC funding. The appeals process will be posted to the website on Friday, May 29, 2009.

## **IHCDA ADMINISTRATION**

The HEC Program Administrator will be responsible for coordinating the award of HEC funds, distributing proposals, and handling all correspondence. Please forward all inquiries to Paul Krievins via email, [iwx@ihcda.in.gov](mailto:iwx@ihcda.in.gov), phone, 317-233-5372, or at the address listed below.

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