

**State Fiscal Year 2027 Request for Proposal
Low Income Home Energy Assistance Program and
Universal Service Fund**

PROGRAM PURPOSE

The **Low-Income Home Energy Assistance Program (LIHEAP)** provides targeted financial assistance to low-income households to reduce the burden of heating and cooling costs. The program aims to increase household energy security, prevent service shutoffs, and ensure timely access to benefits for New Jersey's most vulnerable residents.

The **Universal Service Fund (USF)** provides financial assistance to keep electric and gas costs to an affordable percentage of household income for low-to moderate income households.

AVAILABLE FUNDING

LIHEAP funding is provided by the U.S. Department of Health and Human Services (DHHS) through Congressional appropriation.

USF funding is provided by the New Jersey Board of Public Utilities (NJBPU) from its Societal Benefits Charge, a surcharge on natural gas and electric bills.

ELIGIBLE APPLICANTS

- Community Based Organizations (CBOs) with IRS 501(c)(3) status
- Units of Local Government (ULGs)
- Nonprofit organizations with IRS 501(c)(3) status

AWARD STRUCTURE

Grant awards will be performance based and determined by:

- Prior year application volume (for returning agencies)
- Prior year volume of applications by first-time utility (applicants who have not participated in the program before), demonstrating ability to engage underserved populations
- Projected capacity to process applications for households at or below 60% of State Median Income
- Demonstrated ability to meet or exceed production benchmarks

Advances

- Three advances of 30% each, released upon documented expenditures (Currently 35%)
- Final 10% reimbursed upon completion of all reporting and compliance requirements

PROGRAM PARTICIPANT ELIGIBILITY

LIHEAP households must:

- Have gross income at or below [60% of State Median Income](#), and
- Be directly responsible for heating/cooling costs or have such costs included in rent

USF households must have:

- Gross income at or below [60% of State Median Income](#), and
- An active residential gas or electric account in a household member's name.

Eligible income households receiving benefits from the Supplemental Nutritional Assistance Program or the Lifeline Utility Assistance Program are categorically eligible for USF and LIHEAP.

ELIGIBLE ACTIVITIES

- One-time annual LIHEAP heating benefit (electric, natural gas, oil, deliverable fuels)
- Medically necessary cooling benefits
- LIHEAP Emergency benefits
- Universal Service Fund (USF) monthly energy credits based on income to energy burden ratio

GRANT TERM

- LIHEAP: October 1 – September 30 (Federal Fiscal Year)
- USF: July 1 – June 30 (State Fiscal Year)

QUALIFICATIONS

Applicants must demonstrate:

Program Expertise

- Strong understanding of the NJ LIHEAP Model Plan and USF eligibility criteria
- Proven ability to determine USF and LIHEAP eligibility accurately and efficiently
- Past participation in all required training courses, meetings and conferences (for current agencies)

Operational Capacity

- Ability to manage high volume client intake expeditiously with sufficient staffing resources.
- Infrastructure to support timely processing and reporting.
- Demonstrated commitment to community outreach and local partnerships to serve vulnerable populations, and to engage eligible applicants who have not been served by the program before.

Customer Centered Performance

- Skills to communicate and interact respectfully and effectively across cultures
- Demonstrated success serving diverse and high need populations

APPLICATION PROCESS

Applicants must submit all required components in SAGE. One submission per organization, even if applying for multiple counties (the number of counties that one agency can apply for is four **(4)**).

Budget Requirements

Budgets must demonstrate:

- Fiscal soundness (3 years of audits)
- Compliance with the 10% administrative cost cap
- Clear justification for all expenses

Allowable Cost Categories

Category	Requirements
Administrative Costs	<p>Must fall within 10% cap</p> <p>The following costs should be covered by admin and should not be included in other cost categories:</p> <ul style="list-style-type: none">• Salaries and fringes for staff not considered direct program staff - (e.g. executive director, bookkeeper, payroll services unless provided by outside firm, fiscal officer, etc.)• Program supplies• Travel/Mileage• General liability• Directors and Officers insurance charges• Postage and mailing• Training• Advertising (including promotional and educational materials)• Printing• Telephone and Internet charges• Subscriptions and dues• Background checks

Category	Requirements
Consultants/Professionals	<p>Must include scope of work and rate</p> <p>Includes:</p> <ul style="list-style-type: none"> • Auditors • Accountants • Lawyers • IT Consultants • If payroll is handled by outside company, it can be listed here, otherwise it is covered by 10% admin
Occupancy & Equipment	<p>Must include detailed justification:</p> <p>Occupancy costs are usually allocated based upon square footage and usage by the program. Utilizing headcount or FTEs in most cases is not appropriate. Occupancy costs include:</p> <ul style="list-style-type: none"> • Rent expenses • Utilities • Property insurance • Property taxes • Security services • Building maintenance (Including personnel and supplies for this purpose i.e. a janitor/handyman's supplies, salary and fringe would be included in this category. • Cost share for owned buildings
Salaries (Operational Staff)	Supported by personnel activity reports. Only direct program staff should be included.
Fringe	<ul style="list-style-type: none"> • Allocated proportionally to salary expense by person. • Includes payroll taxes • Benefit plans, including insurances, retirement and other • Fringe benefit rates must be supported by actual costs and allocation methodology • Seasonal, temporary or part-time employees should be at a lesser fringe rate to account for the fact that they don't receive benefits. Fringe for these employees would include costs such as worker's comp, FICA, SUI, disability and unemployment

THRESHOLD REQUIREMENTS

Applications missing any of the following will not be reviewed:

1. Application Cover Sheet
2. IRS 501(c)(3) Determination Letter (nonprofits)
3. Certificate of Incorporation & By Laws (nonprofits)
4. List of Officers & Board of Directors
5. Debarment/Suspension Certification
6. Lobbying Certification
7. Organizational Chart
8. SAMS/DUNS Number
9. Hours of Operation
10. Staff list with names and roles
11. Director/Supervisor resumes
12. Percentage of time dedicated to LIHEAP/USF
13. List of outreach activities attended to date during the current program year (current agencies only). Must include host organization, location, and date.

Attachments that cannot be uploaded must be emailed to:

- Rosaura.collazo@dca.nj.gov
- fidel.ekhelar@dca.nj.gov

PERFORMANCE MEASURES (OUTCOMES-BASED)

Grantees will be evaluated on their ability to deliver timely, accurate, and effective LIHEAP services. Performance expectations include, but are not limited to, the following measures:

1. Increase in first-time utility-assistance applicants generated through targeted outreach activities

- The program will track the number of first-time utility-assistance applicants who apply as a direct result of documented outreach efforts. This metric reflects how effectively outreach efforts are identifying and engaging households that were previously unserved or underserved.

2. Number of Eligible Applications Paid

- Performance will be measured by the number of eligible households approved and paid within the program period, *relative to statewide totals*.
- This metric reflects both operational capacity and the grantee's effectiveness in converting applications into completed payments.

3. Minimum 75% Approval Rate for Processed Applications

- A minimum approval rate of 75% is required, demonstrating effective applicant screening, eligibility assessment, and adherence to program rules.
- Approval rates falling below this threshold may indicate issues with outreach targeting, documentation support, or application quality.

4. Timely Submission of All Required Reports

- All programmatic, fiscal, and performance reports must be submitted by their designated deadlines.
- Evaluation will consider timeliness, completeness, accuracy, and responsiveness to follow-up requests.

5. Low Error Rates and Minimal Processing Delays

- Grantees are expected to maintain strong quality -control practices that result in low error rates in application processing, data entry, and eligibility determinations. (IBM/CRM)
- Processing timelines will be monitored to ensure applications move efficiently from intake to payment without avoidable delays.

6. Complaint Volume and Resolution Quality

- The number and nature of complaints received will be tracked, along with the timeliness and quality of resolutions.
- Strong performance will be demonstrated through high quality customer service, clear communication, and effective problem- solving.

7. Execution of Outreach Plan Commitments (Outreach log from DCA staff)

- Grantees must demonstrate active implementation of their approved outreach strategies over the past year, including documentation of community engagement, partnerships, and targeted communication efforts.
- Evaluation will consider both the quantity and effectiveness of outreach activities, particularly those aimed at underserved or hard to reach populations.

DEADLINE

This is a competitive RFP open to all eligible New Jersey CBOs and nonprofit agencies. Selected applicants will be notified upon completion of the review process. The RFP will be available on SAGE on Monday, June 29, 2026, and will close by 11:59pm on Friday, July 10, 2026.

TECHNICAL ASSISTANCE SESSION

A virtual Technical Assistance Session will take place on Thursday, June 25, 2026, at 10:00am via Teams, using the Microsoft Teams meeting information below:

Join: <https://teams.microsoft.com/meet/237392868176644?p=va6SniqGgpf522vgA8>

Meeting ID: 237 392 868 176 644

Passcode: E9SZ98ee

Dial in by phone

+1 856-338-7074

Phone conference ID: 943 119 910#

RUBRIC

1. Agency Capacity — 25 Points

Score	Criteria
15	Staffing and Organizational Structure: Staffing levels fully align with projected caseloads, including peak periods. Roles and responsibilities are clearly defined and consistently executed. Supervisory oversight is robust and timely. Junior adjudicator cases are reliably reviewed by senior adjudicators without delay. The organization demonstrates a strong ability to scale effectively during high-demand periods.
10	Staffing generally meets projected caseloads, including moderate peak demand. Roles and responsibilities are clear and followed. Supervisory oversight is timely and dependable. Senior adjudicator review of junior adjudicator work is consistent, with only occasional delays.
5	Staffing is sufficient for typical caseloads but becomes strained during peak periods. Roles and responsibilities are defined but not always applied consistently. Supervisory oversight occurs but may lack timeliness. Senior review of junior adjudicator cases may be delayed.
2	Staffing is frequently insufficient for caseload demands, resulting in routine backlogs. Roles and responsibilities are poorly defined or inconsistently understood. Supervisory oversight is minimal or significantly delayed. Senior review of junior adjudicator cases is inconsistent or substantially delayed. The organization struggles to scale during peak demand.
0	Staffing does not meet caseload needs, leading to chronic backlogs and operational breakdowns. Roles and responsibilities are unclear or absent. Supervisory oversight is lacking or nonexistent. Junior adjudicator cases are rarely or not at all reviewed by senior adjudicators in a timely manner. No capacity to scale during peak demand is demonstrated.
10	Financial and Administrative Controls: Financial systems are strong and well-documented. The organization has a consistent history of clean audits. All federal and state requirements are met. Processes for managing advances and reimbursements are reliable and efficient. A detailed budget narrative and line-item justification are provided and fully aligned with project needs.
8	Audits are clean or nearly clean, with only minor findings that have been fully resolved. The organization remains compliant with federal and state requirements. Advance and reimbursement processes are dependable. The budget narrative and justification are complete, coherent, and aligned with project objectives.

Score	Criteria
5	Audits show minor recurring findings, though corrective actions are underway. Compliance is generally maintained. Advance and reimbursement processes function but may lack consistency or efficiency. The budget narrative and justification are present but may be incomplete or insufficiently detailed.
2	Audits reveal significant findings or ongoing compliance issues. Advance and reimbursement processes are unreliable or poorly documented. The budget narrative and justification are incomplete, insufficient, or missing key components.
0	Audits show major findings or are absent. The organization is non-compliant with federal or state requirements and lacks the capacity to manage advances or reimbursements. The budget narrative and justification are missing or unusable.

Total: 25 Points

2. Viability of Partnerships — 5 Points

Score	Criteria
5	Strength of Partnerships Letters of Intent or MOUs; clearly defined partner roles; partners have proven, documented reach into target populations.
3	Letters of Intent or MOUs are present but may lack detail; partner roles are defined but not deeply integrated; partners have some reach into target populations but limited evidence of impact.
1	Letters of Intent or MOUs are missing or vague; partner roles are unclear; limited or unproven reach into target populations; coordination is minimal.

Total: 5 Points

3. Target Population and Outreach Strategy — 25 Points

Score	Criteria
10	Comprehensively data-driven plan that fully integrates demographic data, caseload trends, and geographic analysis; high-need areas are precisely identified; outreach strategies directly tied to data findings; includes measurable targets and a continuous improvement process.
8	Uses demographic, caseload, and mapping data effectively. High-need areas are clearly defined. Outreach strategies align with data, with only minor gaps in depth or integration.
5	Adequate data use with basic demographic and caseload analysis; geographic targeting present but limited; outreach strategies generally reflect data but lack precision or measurable goals.

Score	Criteria
2	Minimal use of data; demographic or caseload information outdated or insufficient; little to no geographic analysis; outreach strategies generic rather than data-informed.
0	No demographic, caseload, or geographic analysis. No identification of high-need areas. Outreach plan is unsupported by evidence.
10	Priority Populations: Highly targeted strategies for elderly households, disabled individuals, multi-dwelling unit residents, and first-time applicants; outreach methods are tailored to each group; measurable targets included for every population; strong evidence of partnerships and proven reach.
8	Specific planning with clear strategies for all priority groups; measurable goals included; outreach methods appropriate and feasible; minor gaps in depth or specificity.
5	Adequate strategies for most priority groups; some measurable targets provided; outreach methods somewhat tailored but not deeply developed; limited evidence of targeted partnerships.
2	Minimal planning; priority groups acknowledged but strategies unclear, generic, or not actionable; no measurable goals; limited understanding of population needs.
0	No strategies for priority populations; no measurable targets; no tailored outreach methods; priority groups not addressed
5	New vs. Recertifying Applicants Balanced plan to retain eligible returning households while expanding outreach to new applicants.
3	Basic plan addressing both groups but lacking depth, measurable targets, or clear balance; some emphasis on one group over the other.
1	Weak or unclear plan; focuses heavily on either new or returning applicants at the expense of the other; no measurable goals; strategies vague or generic.

Total: 25 Points

4. Management and Training Plan — 10 Points

Score	Criteria
3	Recruitment and retention strategy. Demonstrates clear ability to maintain adequate staffing ratios; includes concrete strategies to reduce turnover; staffing plan aligns with production needs and projected caseload; evidence of stable workforce or successful retention practices.

Score	Criteria
2	Adequate staffing approach; generally able to maintain staffing levels but may experience periodic gaps; some strategies to reduce turnover are present but limited; alignment with production needs is acceptable but not fully optimized.
1	Weak or incomplete staffing strategy; difficulty maintaining adequate staffing; minimal or unclear turnover-reduction strategies; staffing plan does not clearly align with production needs or caseload demands.
2	Training Needs Assessment. Clear identification of training needs; specific staff skill gaps are documented; training priorities are well-defined and aligned with program requirements; assessment demonstrates understanding of workforce capacity and development needs.
1	Basic or incomplete assessment; some skill gaps identified but analysis is limited or lacks detail; training priorities are mentioned but not clearly justified or aligned with program needs.
3	Training Curriculum & Delivery. Comprehensive training curriculum with detailed modules, clear learning objectives, and defined competencies; training is delivered at an appropriate frequency; curriculum is explicitly aligned with error-reduction, quality assurance, and customer service improvement goals.
2	Adequate curriculum and delivery; curriculum covers essential topics but lacks depth or full alignment with error-reduction and customer service goals; training frequency is acceptable but not optimized; delivery methods are present but inconsistently applied.
1	Weak or incomplete curriculum; curriculum is vague, outdated, or missing key components; training frequency unclear or insufficient; little to no alignment with error-reduction or customer service goals; delivery methods not well defined.
2	Performance Evaluation & Quality Assurance Systems. Comprehensive performance and QA system with structured processes for monitoring staff performance and service quality; includes regular reporting and follow-up on caseloads, processing times, and individual adjudicator error rates; demonstrates clear accountability mechanisms and continuous improvement practices.
1	Basic or incomplete monitoring system; some performance tracking occurs (e.g., caseload or processing time), but reporting is inconsistent or lacks follow-up; error rate monitoring may be limited; quality assurance processes are present but not fully developed

Total: 10 Points

5. Achievement of Monthly Production Goals, Including the Number of First-time Applicants – 15 points

Score	Criteria
15	Consistently meets or exceeds monthly targets; demonstrates strong capacity during peak demand; minimal fluctuations.
10	Meets monthly targets in most months; occasional shortfalls with reasonable justification and corrective action.
5	Frequent shortfalls; inconsistent workload management; corrective actions insufficient or delayed.
2	Regularly fails to meet targets; demonstrates inability to manage caseload or respond to demand.
0	Fails to complete essential responsibilities; does not meet targets in any month.

6. Minimum 75% Approval Rate for Processed Applications - 5 points

Score	Criteria
5	Approval rate \geq 85%; strong applicant screening and documentation support; low rate of incomplete or ineligible submissions.
4	Approval rate 75–84%; generally effective screening with some areas for improvement.
2	Approval rate 60–74%; indicates issues with outreach targeting, documentation, or application quality.
1	Approval rate $<$ 60%; significant systemic issues in intake, screening, or eligibility determination.

7. Timely Submission of All Required Reports - 2 points

Score	Criteria
2	All reports submitted on time, complete, accurate, and responsive to follow up.
1	One or two late submissions OR minor accuracy issues.
0	Multiple late submissions OR recurring accuracy/completeness issues.

8. Low Error Rates & Minimal Processing Delays - 5 points

Score	Criteria
5	Error rates $<$ 3%; processing timelines consistently efficient; strong quality control systems in place.
4	Error rates 3–6%; occasional delays but generally timely processing.
2	Error rates 7–10%; recurring delays; quality control practices need improvement.
1	Error rates $>$ 10%; frequent delays; inadequate quality control practices.

9. Number of Eligible Applications Paid - 5 points

Score	Criteria
5	Exceeds expected volume relative to statewide totals; demonstrates strong operational capacity and conversion of applications to payments.
4	Meets expected volume; consistent performance.
2	Below expected volume; indicates workflow or capacity challenges.
1	Significantly below expected volume; persistent inability to convert approvals into payments.

10. Complaint Volume & Resolution Quality - 5 points

Score	Criteria
5	Low complaint volume: resolutions are timely, thorough, and well documented; strong customer service.
4	Moderate complaint volume; timely resolutions with minor issues.
2	Higher complaint volume OR slow/incomplete resolutions.
1	Frequent complaints; poor resolution quality; customer service concerns.

11. Execution of Outreach Plan Commitments - 3 points

Score	Criteria
3	Outreach plan fully implemented; strong community engagement; effective targeting of underserved populations including first-time applicants.
2	Most outreach commitments met; reasonable effectiveness.
1	Partial implementation: outreach activities limited or inconsistent.
0	Outreach plan largely unfulfilled; minimal engagement or ineffective strategies.

Total: 30 Points

REVIEWER'S GUIDANCE

Exceptional (90–105 Points)

- Applicants demonstrate superior capacity, strong infrastructure, and a proven track record of high volume, accurate, and timely- performance.
- Outreach and management plans include measurable goals and clear accountability structures.
- Applicants are positioned to exceed performance metrics

Strong (75–89 Points)

- Applicants meet most requirements with solid capacity and reasonable performance history.
- Plans are clear and achievable, though some areas may lack detail or measurable targets.

Adequate (70–74 Points)

- Applicants meet minimum requirements but show gaps in staffing, outreach, or performance history.
- Plans lack measurable outcomes or operational detail.

Weak (Below 70 Points)

- Applicants lack sufficient capacity, performance history, or operational readiness.
- Plans are vague, incomplete, or not aligned with LIHEAP performance expectations.
- Applicant not recommended for funding

Estimated county-level allocations based on a total of \$8.56 million in LIHEAP funds and \$6.78 million in USF funds available for grantees			
County	Estimated Number of Households at or below 60% of State Median Income (\$50,005)	Percentage of Households in State	Allocation Based on \$15.3 million
Atlantic	35,966	4.20%	\$645,036
Bergen	69,520	8.12%	\$1,246,814
Burlington	36,120	4.22%	\$647,798
Camden	58,939	6.89%	\$1,057,048
Cape May	12,036	1.41%	\$215,861
Cumberland	19,915	2.33%	\$357,168
Essex	106,122	12.40%	\$1,903,256
Gloucester	24,381	2.85%	\$437,264
Hudson	85,249	9.96%	\$1,528,907
Hunterdon	7,578	0.89%	\$135,908
Mercer	38,035	4.44%	\$682,143
Middlesex	65,135	7.61%	\$1,168,171
Monmouth	50,800	5.94%	\$911,078
Morris	30,132	3.52%	\$540,406
Ocean	66,031	7.72%	\$1,184,240
Passaic	53,743	6.28%	\$963,859
Salem	7,896	0.92%	\$141,612
Somerset	20,023	2.34%	\$359,105
Sussex	10,080	1.18%	\$180,781
Union	47,499	5.55%	\$851,876
Warren	10,646	1.24%	\$190,932
Total	855,846	100.00%	\$15,349,260

The data is from the 2024 American Community Survey (ACS) 5-year estimates