

## FISCAL YEAR ALLOCATION

\$2.5 million

## AWARD ANNOUNCEMENT DATE

August 11, 2022

The Iowa Energy Center Grant Program's administrative rules can be found in Iowa Administrative Code section 261.404. You may also request a copy of the administrative rules by sending an email to [iecgrants@iowaeda.com](mailto:iecgrants@iowaeda.com).

## OVERVIEW

The Iowa Energy Center (IEC) Grant Program provides grants to eligible applicants on a competitive basis. The program is funded by an assessment on the intrastate revenues of Iowa's gas and electric utilities.

The Iowa Economic Development Authority (IEDA), in consultation with the Iowa Energy Center Board, administers the IEC Grant Program. Administrative rules were adopted in early 2019 to the Iowa Administrative Code 261.404.

The IEC Board has a designated grant committee comprised of board members involved with review and recommendation of both pre-applications and applications. The IEC Board will make funding announcements at least once per fiscal year. Grants will be made by IEDA directly to recipients, who will submit claims to IEDA on a reimbursement basis.

This guide provides the vision, policies, and administrative procedures for management of the IEC Grant Program. This document will be reviewed and approved by the IEC Board at least once per year. This guide does not replace Administrative Rules regarding the grant program. If a conflict between the two exists, the Administrative Rules will prevail.

## PURPOSE

The IEC Competitive Grant Program is funded by Iowa utility ratepayers. Funds will be used for projects that aid in the implementation of the seven key focus areas of the Iowa Energy Plan and provide a benefit to the Iowa ratepayers. For the purposes of this program, a ratepayer is defined as a customer who pays for an electric or natural gas utility service in the State of Iowa.

The seven key focus areas of the Iowa Energy Plan are:

- Energy workforce development
- Technology-based energy research and development
- Biomass conversion
- Natural gas expansion in underserved areas
- Support for rural and underserved areas
- Electric grid modernization
- Alternative fuel vehicles



## ELIGIBLE APPLICANTS

Iowa businesses, colleges and universities, and private nonprofit agencies and foundations are eligible to apply for IEC grant funds.

- Any eligible applicant may submit an application that includes one or more sub-recipients.
- An eligible applicant may apply individually or jointly with another eligible or other eligible applicants.
- A principal investigator will be allowed to submit one application per funding announcement. An applicant who has applied as the principal investigator for a funding announcement may also be named as a co-investigator on additional applications submitted but may not be named as a principal investigator on additional applications.
- An eligible applicant may apply jointly with ineligible applicants, but the applicant cannot act solely as a passthrough to the ineligible entity.
- A business will be considered an Iowa Business if the business is incorporated in the State of Iowa or authorized to do business in the state of Iowa.
  - A business that is authorized to do business in the state of Iowa must provide a certificate of authority during the full application phase.
  - Applicant must have an office physically located in Iowa.

## PROJECT PARTNERS

- Applications with project partners are preferred by the review committee.
- If project partners are named in the pre-application or full application, a letter of support must be provided.

## ELIGIBILITY REQUIREMENTS

Requirements for IEC grant awards include, but are not limited to, the following:

- Applicants shall demonstrate a benefit for ratepayers.

- Applicants shall demonstrate that they are eligible candidates.
- Applicants shall demonstrate the capacity for grants administration.
- Applicants who have previously received IEC awards shall have demonstrated acceptable past performance, including the timely expenditure of funds.
- Applications shall demonstrate the feasibility of completing the proposed activities with the funds requested.
- Applications shall identify and describe any other sources of funding for the proposed activities.

## INELIGIBLE PROJECTS

The following projects are ineligible for funding:

- Relocation of a business
- Expansion of a business
- Funding for existing training programs
- Private asset development
  - Examples of private asset development include:
    - Installation of solar array on a building only to benefit the owners/occupants of that building.
    - Installation of equipment to benefit only one community or neighborhood with no opportunity for replicability outside of the applicant organization (i.e., community solar array or community LED light installation).
    - Research and development used to primarily enable the manufacturing of a product solely for the profit of the applicant.
- Pipeline, transmission line, and distribution line construction
- First generation ethanol
- Cellulosic ethanol

## ELIGIBLE EXPENSES

Only expenditures directly related to the implementation of the funded grant activity will be reimbursed. Examples of eligible expenses include, but are not limited to:

- Salaries/wages
- Supplies and materials
- Domestic travel
- Tuition
- Equipment purchases, which must be approved by the board at the time the award is made
- Vehicle purchases, which are eligible only when the purchase of the vehicle is an integral part of the funded grant activity and must be approved by the board at the time the award is made

## INELIGIBLE EXPENSES

Ineligible expenses include, but are not limited to:

- Purchase or rental of buildings
- Office equipment
- Furniture and fixtures
- Intangible assets
- International travel
- Insurance
- Phone expenses

## OTHER BUDGETARY REQUIREMENTS

Other budget requirements include the following:

- Indirect costs shall not exceed more than 20 percent of the IEC grant award request.
- IEC grant funds shall not be used as cost share to a federal grant award.
- Vehicle purchases or other vehicle-related expenses are not eligible if the purchase or expense supports the proposed grant activity but is not an integral part of the proposed grant activity. If a vehicle purchase is an integral part of a grant activity but a recipient fails to obtain board approval prior to the purchase, then the vehicle purchase is ineligible.
- The final application award request cannot increase more than 5% from the award request identified in the pre-application, unless a more substantial deviation is requested by the grant committee during the pre-application review.

## COST SHARE

- Cost share is required to apply for Iowa Energy Grant Funds
  - Minimum cost-share 5%
  - In-kind donations can be used as cost share.
  - Cost share for Iowa based business applicants must include a monetary cost share contribution if supplies, materials or equipment are included in the budget (10% of these line items).

- Example: Applicant includes the purchase/ installation of batteries in their project budget under the equipment line item, at a cost of \$20,000. The total IEC grant award request is \$200,000. The applicant would be required to provide a total of \$10,000 in cost share (5% of \$200,000), of which, \$2,000 must be a monetary cost share contribution (10% of the \$20,000 equipment line item).
- If cost share requirements are not met, the pre-application will be disqualified.
- Applicants do have the opportunity to obtain extra points if they provide or secure additional cost share.
- Unrecovered indirect costs cannot be used as cost share. However, matching indirect costs can be counted as cost share (not to exceed 20% of the total project budget).
- Cost share must be accounted for at the pre-application phase.
  - If an applicant obtains additional cost share after being selected for a full application, they must receive approval from the grant committee to include the additional cost share in the budget in the final application.
- Points awarded for cost share will be based on the total grant award request. (5.1%-20.1%)
  - Grant program manager
  - Other Iowa Energy Office program managers
  - Team leader
  - Legal counsel
  - Financial manager
- The grant committee will then review the pre-applications and select which will move forward in the application process. The grant committee will evaluate and record the collective answers on a single review sheet with a numerical score and comments. The grant program manager, on behalf of the grant committee, will invite selected applicants to submit a full application.
  - This invitation will be sent to the point of contact as provided in the pre-application.

### ***Pre-Application Screening Criteria***

- Applicant is an eligible candidate
- Funding request meets eligible project and expense requirements
- Request is for no less than \$10,000 and no more than \$1,000,000
- Initial grant duration does not exceed three years
- Application is complete and submitted through IowaGrants
- Applicants must indicate if they have obtained cost share in the pre-application phase
- Principal investigator/applicant is not named as principal investigator/applicant on any other applications – they can, however, be named as co-investigators or sub-recipients on additional applications
- Signature from the applicant organization's legally responsible official on the application approval document, which will be uploaded to IowaGrants by the applicant
- Application approval document/certification has been signed and uploaded

## **PRE-APPLICATION REVIEW CRITERIA**

### ***Pre-Application Process***

- IEDA will release an open call for grants on their website and via email to stakeholders.
- The pre-application will be completed via IowaGrants.
- Once the pre-application window has closed, all pre-applications received will be reviewed by the program manager for eligibility and completeness. Internal IEDA staff will then review the pre-applications and prepare recommendations for the committee. Internal IEDA staff included in the review may include:

## Pre-application Review Sheet

Applicant must achieve a minimum score of 30 out of 37 to move on to the full application round.

Evaluation Criteria	Total Points
Does the proposal demonstrate how the project meets one of the seven key focus areas of the Iowa Energy Plan?	4
Does the proposal demonstrate how the project provides a benefit to Iowa ratepayers?	7
Does the proposal differentiate itself from previously funded IEC projects?	5
Does the proposal clearly describe the project goals?	5
If the applicant has received previous IEC awards, did they demonstrate acceptable past performance?	2
Is the applicant collaborating with any other relevant partners?	5
Is the budget proposal complete and does it appear to appropriately support the grant activities as described?	3
Does the proposal describe a dissemination or post-grant activity plan?	3
Does the proposal demonstrate that the applicant has obtained cost share?	3

## FULL APPLICATION PROCESS

- The grant committee will invite selected applicants to submit a full application, which will be completed via IowaGrants. The program manager will communicate the application submission deadlines and other application details to selected applicants via the email address provided during the pre-application process. The program manager will be responsible for all communications to selected applicants and will serve as the point of contact for applicants.
- Once the submission deadline has closed, the program manager will review the applications for eligibility and completeness.
- Internal IEDA staff will then review the applications and prepare recommendations for the committee. Internal IEDA staff included in the review may include:
  - Grant program manager
  - Other Iowa Energy Office program managers
  - Team leader
  - Legal counsel
  - Financial manager
  - An outside technical review panel may be utilized for application reviews when IEDA staff and/or grant committee members feel it is necessary. This may delay the published timeline.
- IEDA staff will prepare a recommendation for the grant committee. The grant committee will then review all the applications and make a recommendation to the full board. The committee will score the applications together and provide one scoring sheet for each application.

- The program manager will summarize the applications and grant committee recommendations for the IEC Board.
- The board will then review all applications and the recommendations from the grant committee and vote on each application.
- Applicants selected to receive grant funds will be notified in writing within 15 days of the board’s decision. Applicants not selected will receive a denial letter.

## FULL APPLICATION REVIEW CRITERIA

### ***Full Application Screening Criteria***

Includes all of the pre-application requirements, plus:

- Indirect cost request does not exceed 20% of the total award request
- For projects where a co-investigator or sub-recipient is named, a minimum of 51% of grant funds must be directed to activities performed by the recipient organization
- Application identifies any other sources of funding for proposed activities
- Award request cannot increase more than 5% from the award request identified in the pre-application, unless a more substantial deviation is requested by the grant committee
- Applicants must account for all cost share in the pre-application phase unless permission is granted by the grant committee
- Certificate of Authority has been provided if necessary
- If subrecipients or project partners are named in the application, a letter of support or commitment must be provided.

## FULL APPLICATION SCORING SHEET

Applicants must achieve a minimum score of 150 out of 188 to be considered for funding.

Criteria	Evaluation Criteria	Total Points
Focus Area and Ratepayer Benefit	Does the proposal explain the benefit it will provide to Iowa ratepayers?	5
	Does the benefit appear to be sound and reasonable?	15
	Does the proposal meet at least one of the seven key focus areas? Key Focus Areas: <ul style="list-style-type: none"> <li>• Technology-based energy research and development</li> <li>• Natural gas expansion in underserved areas</li> <li>• Support for rural and underserved areas</li> <li>• Energy workforce development</li> <li>• Biomass conversion</li> <li>• Electric grid modernization</li> <li>• Alternative fuel vehicles</li> </ul>	5
	Does the fulfillment of the key focus area seem sound and reasonable?	10

Criteria	Evaluation Criteria	Total Points
Programmatic Capabilities	Does the proposal provide information regarding organizational experience, staff qualifications, and procedures and controls for ensuring that awarded grant funds will be used in a timely and efficient manner in order to successfully complete proposed activities?	5
	Has the applicant received previous Iowa Energy Center awards? If no, applicant will receive 5 pts. If yes, did applicant expend grant funds in a timely manner and comply with reporting requirements? If yes, applicant will receive up to 5 pts based on past performance.	5
Project Approach, Outcomes and Deliverables	Does the proposal describe the applicant's project goals to be reached by project end?	5
	Are the project goals described in clear, easy to understand language?	10
	Do the project goals appear reasonable?	10
	Does the proposal describe the timeline, project tasks and milestones of the project (in chronological order)?	5
	Do the project tasks appear reasonable? Are there an appropriate number of tasks relative to the length and cost of the project?	10
	Does the proposal define the qualitative and/or quantitative measures the applicant will use to document the achievement of the goals of the project? Do the measures appear to be reasonable?	8
	Does the proposal satisfy a need or a problem?	10
	Does the proposal demonstrate a new or novel approach to a need or a problem?	5
	Does the proposal differentiate itself from previously funded Iowa Energy Center projects?	7
Budget and Budget Narrative	Does the proposal demonstrate that the project is feasible within the resources requested?	10
	Is the budget narrative complete, reasonable and sound?	10
Dissemination and Replication	Does the proposal provide a clear dissemination or post-grant plan that is relevant to the goals of the project? Is the dissemination plan appropriate for the post-grant period?	5
	Does proposal demonstrate that the benefits of the project can be replicated by outside entities post grant completion?	10

Criteria	Evaluation Criteria	Total Points
Cost Share	Does the proposal indicate that the project has received either cost share funding match or external funding? This score will be calculated based on the total project budget.	15
	5.1% – 10%    2 pts 10.1% – 15%   5pts 15.1 – 20%    10 pts 20.1% +        15 pts	
	Does the proposal indicate that the project has received external cost share from a project partner?	5
Collaboration	Does the proposal demonstrate they are collaborating with other relevant partner organizations?	10
	Does the proposal demonstrate they are collaborating with another relevant eligible applicant(s)?	5

## ADMINISTRATION

### Agreement

The IEDA will notify successful applicants in writing of an approved request for funding. IEDA will, at the same time, issue an agreement, which will be between the recipient and IEDA. The recipient must return the agreement to IEDA within 45 days of the transmittal of the agreement from IEDA. Failure to return the agreement may be cause for the IEC Board to terminate the award.

### Amendments

Any substantive change to a funded IEC project, including time extensions, budget revisions, and alterations to proposed activities, will be considered an agreement amendment. The recipient shall request an amendment in writing. No amendment will be valid until approved by the board, except the following (with written confirmation from IEDA):

- Staff may approve one no-cost extension provided that the extension does not cause the duration of the grant to exceed five years. Additional no-cost extensions will require board approval.
  - A typical no-cost extension will not exceed one year.
  - The first no cost extension request must be submitted for one year.

- A no-cost extension request must be submitted at least 45 days prior to project end date as listed in the agreement or amendments.

- Staff may approve budget modifications that are not substantial. For purposes of this program, “substantial modification” means a budget modification of either \$10,000 or 10 percent of the total grant award, whichever is less.
  - The creation of a new budget line item will be considered a substantial modification, regardless of the amount of the modification.

To request a contract amendment (including all rebudget requests and revisions), the recipient shall initiate the amendment process in writing, through the correspondence section of IowaGrants. If the recipient organization has a sponsored programs office, the amendment request must be approved by the appropriate legally responsible official. Once the amendment request is received, staff will review and determine if the request requires board approval. If it does, staff will place the amendment request on the agenda for the next scheduled board meeting. If staff determines the request can be approved without board approval, staff shall initiate the amendment approval process.

## ***Disbursement of Funds/Claims***

- Disbursements will be made on a reimbursement basis. No advance disbursements will be allowed. Disbursement claims must be for an amount equal to or greater than \$500 per request, except for the final draw of funds. All claims must be made through IowaGrants and must be submitted quarterly. If no funds will be requested, the recipient will still file a monthly report. When submitting a claim, the following items will be required:
  - An invoice on the submitting organization's letterhead, as well as:
    - A detailed description of the expenditures and their corresponding amounts
    - Product invoices and proof of payment for any equipment
    - Invoices and receipts for any supplies or materials purchased over \$500
    - Receipts for any domestic travel expenses over \$50
    - Invoices and proof of payment for any subcontractor payments
    - Invoices and proof of payment for any co-investigator payments
    - IEDA may request additional documentation as needed
  - A General Account Expenditures (GAX) form with a vendor code
  - A status report for the claim period; status reports must be received once a month
    - If no funds are requested, recipients should still file a status report via IowaGrants
- Final claim must be received within 120 days of project completion as defined in the project agreement.
  - IEDA will withhold 5% of award funds until the final report is received and approved by the program manager.

- Any funds not claimed within 120 days of project completion will be considered deobligated.
- If claims are not submitted quarterly, the project will be considered out of compliance.

## **STATUS REPORT REQUIREMENTS**

### ***Recipient Reports***

#### **Monthly Status Reports**

- In the final application, the applicant shall provide a timeline and the goals and objectives by which to measure the success of the project. The timeline should provide the start date (by month) and end date (by month) of each goal/objective. The recipients' success will be measured based on the progress towards the completion of each goal or objective as outlined in the final application timeline.
- By the 15th day of each month, the recipient must provide an update on the percentage towards completion of each goal or objective and a narrative of the activities that have taken place in support of the goal or objective. This should be in table format and include information for each individual goal or objective, as well as a narrative for each goal or objective.

## Reporting Table Format

Project Task	Deliverable	Verification Model	Target Completion Date	Percentage Complete	Brief Narrative Describing Monthly Grant Activities

- Recipients shall also provide a narrative description of any deviations from the proposed timeline, tasks, and objectives during the reporting period. If the reported deviations will have an impact on the remainder of the project or the dissemination plan, the recipient also notifies the program manager via email.
- If the monthly report has not been received by the 30th day of the month, the grant will be considered out of compliance.

### Final Report

- The final report will be submitted via IowaGrants within 120 days of the project completion date.
- IEDA will withhold 5% of award funds until the final report is received and approved by the program manager.
- The final report shall contain the following information:
  - Executive summary
  - Timeline of the completion of each goal or objective
  - Narrative description of grant activities undertaken to support the project
  - Narrative description of the achievements of the project
  - The benefit the end product provides or will provide to Iowa ratepayers
- Budget narrative, detailing how funds were spent in support of the project
- Narrative description of any deviation from the original budget, timeline or any grant activities
- Dissemination plan/post grant activities timeline. Please include any deviations to originally proposed dissemination plan.
  - Examples may include, but are not limited to:
    - > Conference presentations
    - > Speaking engagements
    - > Publishing white papers

## **Staff Reports**

### **Annual Reports**

Annual reports will be comprised of the prior 12 months of monthly status reports. Recipients will not need to submit additional reports unless documented in the tasks/objectives section of their application.

### **Monitoring**

IEDA will use the following process to monitor the IEC grant activities:

#### **Desktop monitoring**

- IEDA will review the claims and status reports in IOWA Grants.
- IEDA will review the progress of the project through monthly status reports uploaded to IOWA Grants by the recipient.
- IEDA will review timely expenditure of funds by the recipient through monthly claims via IOWA Grants.
- IEDA will identify performance and expenditure issues and will contact the recipient to address any concerns over either.
- If the program manager feels that milestones are not being met, the program manager will contact the recipient and attempt to obtain a written explanation.
- IEDA will notify the grant committee and/or IEC Board of any ongoing performance and/or reporting issues.

#### **Onsite Monitoring**

- IEDA staff will routinely complete one site visit per year. Staff retains the right to increase the number of site visits if necessary.
- The IEDA program manager will notify the recipient at least three days in advance of a site visit.
- IEDA staff will complete monitoring visit information in IOWA Grants.
- If any additional information is requested during the site visit, the recipient will upload that information into IOWA Grants.

## **Closeout Procedures**

- Final report will be submitted by grant recipient within 120 days of project completion via IOWA Grants.
- Final payment will be made after the program manager has determined milestones have been met and project goals have been completed.
- IEDA will provide a final closeout document stating that contracted funds have been spent in accordance with the agreement and the agreed upon deliverables have been achieved.
- If a balance remains after the final claim has been received and payment has been made, the unused funds shall be deobligated.

## **Noncompliance**

At any time during the project, the IEC may, for cause, find that a recipient is not in compliance with the requirements of the program. At the board's discretion, remedies may include penalties up to and including the return of grant funds to the IEC. Noncompliance may include, but are not limited to, the following:

- Use of IEC funds for activities not described in the application
- Failure to complete approved activities in a timely manner
- Failure to comply with any applicable state or federal rules, regulations or laws
- Lack of a continuing capacity of the recipient to carry out the approved project in a timely manner

