

CSBG Data Corner

by Tabitha Beck

Under the HHS CSBG ARRA Implementation Plan released last year, several performance measures and targets were set by the federal Office of Community Services to gauge the following outcomes: the number of conditions of poverty reduced or eliminated for all CAA participants, and the number of individuals served specifically with CSBG ARRA. For the former, this will be evaluated once all data from the FY 09 CSBG IS Survey is completed.

For the latter, as you know, OCS released a “Dear Colleague” letter asking States to voluntarily report this data, and NASCSP facilitated the collection of CSBG ARRA data, including the number of individuals served. In the HHS CSBG ARRA Implementation Plan, the target for FY 2009 is 810,000, and for FY 2010 it is 1.6 million individuals served with CSBG ARRA. The first round of voluntary reporting, which asked for CSBG ARRA data through March 31, 2010, was submitted

by 42 States, representing slightly more than half of eligible entities in the Network. NASCSP is in the process of reviewing all the data and the numbers look strong. We will release the results once we finalize the review process.

We know States are operating this billion-dollar program without any administrative dollars, and we appreciate your participation. We look forward to collecting the cumulative CSBG ARRA data on November 1, 2010, to better demonstrate the work of the Network, the impact to low-income families, and the outcomes across the country. It is vitally important that you report this data if you have the ability to, as congress wants more information about the \$1 billion in CSBG ARRA than just the number of jobs reported on the Federal 1512 quarterly report.

WAP Corner:

Maintaining WAP Capacity After ARRA - Weatherization For Profit?

by Robert Scott

The American Recovery and Reinvestment Act (ARRA) provided the Weatherization Assistance Program (WAP) network the opportunity to expand its capacity far beyond what anyone envisioned throughout the program’s 30+ year history. Most WAP Grantees and local agencies have overcome the initial obstacles that confronted the program at the onset of ARRA and are now at production levels originally anticipated when the WAP was awarded \$5 billion to stimulate the nation’s economy and become a leader in the further evolution of the green retrofit market. WAP managers have been so busy with the huge challenges of ARRA that they have barely had time to focus on the inevitable question: what will be the future of the program after the conclusion of ARRA in March 2012?

In the initial ramp up of the WAP network to meet ARRA goals, WAP operators were aware of the potential issues involved with hiring many new staff, purchasing vehicles and equipment, and increasing capacity for a two or three year program. What would become of that increased capacity, and particularly the newly hired people, afterwards? Would future WAP funding be increased so the supersized program could be maintained?

Even the most optimistic proponents do not believe that future regular WAP appropriations will maintain the growth of the network. While there are some possible long-term pieces of legislation, initiatives to increase leveraged funds, and other potential WAP related

proposals, many operators are considering more proactive responses to this dilemma, mainly taking steps to help insure their own organizations are in the best position to move ahead even if Federal funding is greatly reduced.

There are many examples of WAP non-profit agencies, mainly CAA's, seeking additional funds to not just maintain their services when there is a threat of reduction in government funds, but also to increase new services and opportunities. These progressive agencies understand that Federal grants are subject to political forces, usually finite in nature, and highly competitive, and therefore they should not be totally dependent on these grants for long-term financial sustainability. Income generation is an option that many non-profits have considered, and many more undoubtedly will consider in the near future.

Income generation is nothing new to non-profits, as a large percentage have at least explored some degree of fund raising efforts, such as bake sales and thrift shops. Many Weatherization agencies have realized that the low-income weatherization services they provide are not largely replicated in the private market, and there may be an opportunity to perform energy auditing and even whole house weatherization to a non low-income market that would pay for the services.

Is this something WAP agencies should consider? Don't most businesses fail in their first year of operation? How can an agency find time to develop a for-profit weatherization business? Is it even legal for a non-profit to go into a for profit endeavor?

First of all, yes, it is legal for a non-profit organization to make a profit. There are specific rules on how the venture must be set up, what can be done with the earnings, and if taxes have to be paid. But if the organization plays by the rules, they can have a for profit arm to help secure their own future.

Perhaps a bigger question is whether the organization is truly ready and prepared to take such a step. The mindset that, as a social service agency, profit making may be inappropriate has to be addressed. This is often the first step – making sure the Board of Directors and key agency personnel are all committed to a venture into a for-profit business to maintain and enhance the programs related to the agency's mission.

A lot of planning and discussion with key players are needed. It is not realistic to think that just because a Weatherization Program Director has the skills to operate a low-income Weatherization Program that those abilities translate to being able to set up a for-profit arm for the agency. Most Weatherization managers do not know how to develop a business plan and then take the steps to establish the venture. That may also be true for the majority of agency Executive Directors. Outside expertise from an attorney and/or CPA is highly recommended before getting very deep into the planning.

WAP providers need to consider the future of their program after ARRA. While nobody can accurately predict exactly what is in store after March 2012, some things do seem near certain:

- Federal funding, whether regular low-income WAP funds or any that may evolve from related energy efficiency initiatives, will not maintain at the increased capacity level of the WAP network after the conclusion of ARRA;
- There is an emerging green residential energy efficiency market for middle and higher income dwellings;
- WAP providers have the expertise and technical ability to be a key player as this field expands.

NASCSP believes there will be a lot of discussion in the next several months concerning the status of the WAP network after ARRA. It is definitely not too soon to consider how your state or local agency will be

positioned to maintain its capacity to serve low-income families and to be a player in the green retrofit market. Moving into a for profit venture may not be the best path for all non-profits, and for some there may be better alternatives than considering a weatherization

for profit enterprise, but WAP providers do have unique and marketable skills that may provide an opportunity to help sustain the program services and the capacity of some WAP agencies when ARRA concludes.

WAPTAC Re-Launched on June 30



A new and improved WAPTAC.org re-launched on June, 30, featuring a new interface, a fresh look and feel, and intuitive and expanded facilities for researching and finding the information you need to perform your job better and to do it faster. Please spend some time exploring the improved [Document Library](#) and [Photo Gallery](#), as well as [video](#) and [audio](#) to browse and view. Take some time to leave a comment on your favorite video and submit a question to one of our “Experts” in the “[Ask the Expert](#)” feature. Subscribe to the new [WAPTAC Blog](#) to get updates sent directly to your inbox. You spoke and we listened: downloading documents and searching the site has never

been faster or easier.

To provide more front and center exposure to the [System for Identifying & Reviewing Technologies & Techniques \(SIRTT\)](#) program, we have merged the WAPSIRTT website into [WAPTAC.org](#), which provides a one-stop shop for cutting-edge weatherization technologies and techniques.

We thank our partners at the Department of Energy and the WAPTAC Committee for helping guide the vision for the new site. Please stop by www.waptac.org and let us know what you think!

WAP Recovery Act Success Story: New Mexico

by Leann Holt, MFA Communications Manager, edited by Rebecca Stewart

This is the ninth in a series of articles which will take a closer look at some state and local programs which have excelled in rolling out American Recovery and Reinvestment (ARRA) funds and rapidly ramped up their programs to meet the Obama Administration’s goals. States already highlighted: Ohio, Colorado, Idaho, Washington, Mississippi, Massachusetts, Nevada, and North Dakota.

For decades, Juan DeLeon and his wife lived in a small South Valley home, surrounded by family and lifelong friends. But their home was poorly insulated and cold air poured in through door jambs and windows in the winter and leaked cooler air in the summer. Unbeknownst to Mr. DeLeon, his wife applied

for weatherization services. By the time local agency employees came to the house a few weeks later, Mrs. DeLeon had passed away. After a new furnace, refrigerator, doors and windows were installed, Mr. DeLeon said, “It’s like my wife is still taking care of me from the grave.” Mr. DeLeon said he was looking forward to having his family come to his renovated home for a warm holiday meal.

This is just one example of how the New Mexico Mortgage Finance Authority (MFA), which operates the Weatherization Assistance Program (WAP) in the state, makes a difference every day. New Mexico has been in the spotlight because of their successful program and especially since the infusion of \$26,855,604 in ARRA funding that MFA will