

**STATE OF NEVADA
ADVISORY COUNCIL ON FEDERAL ASSISTANCE**

MEETING ACTION MINUTES

DATE: February 17th, 2016

LOCATION: 209 E. Musser, Blasdel Building, Carson City; Grant Sawyer Building, Suite 1400 Las Vegas

CHAIRMAN: John Ritter, FOCUS Property Group

SECRETARY: Sheila Lambert, Chief, Office of Grant Procurement, Coordination, and Management (State Grants Office)

IN ATTENDANCE: John Ritter, Chairman and CEO, FOCUS Property Group
Derek Armstrong, Assemblyman
Pete Goicoechea, Senator
Tim Burch, Director, Clark County Social Services
Jim Wells, Director, Governor's Finance Office
Sheila Lambert, Chief, State Grants Office
Zanny Marsh, Executive Director, American Red Cross Northern NV Chapter

OTHERS IN ATTENDANCE: Patrick Cates, Director of Administration
Shane Chesney, Deputy Attorney General
Eric Mager, State Grants Office
Connie Lucido, State Grants Office
Erin Hasty, State Grants Office
Charise Witt, Department of Public Safety
Elaina Mule, United Way of Southern Nevada

1. CALL TO ORDER -

a. Chairman Ritter called the meeting to order at 9:00 a.m.

2. ROLL CALL AND INTRODUCTION OF COUNCIL MEMBERS -

a. Sheila Lambert called roll and all members were present except for Jim Wells, Director of the Governor's Finance Office, who was present at 11:00 a.m.

3. PUBLIC COMMENT-

None.

4. FOR POSSIBLE ACTION- APPROVAL OF MINUTES OF PREVIOUS MEETING

- a. Assemblyman Armstrong noted on page two (2), he was referred to as “Chairman.”
- b. Chairman Ritter stated he wanted it reflected stronger in the record that IFC approval on awarded grants can take between 4-6 months, resulting in work not being performed on the grant until it is approved and causing delays, making the state less competitive and putting future funding in question.
- c. A motion was made by Chairman Ritter to approve the minutes with the suggested changes. Ms. Marsh seconded. Motion was passed unanimously.

5. FOR POSSIBLE ACTION- APPROVAL OF BY-LAWS –

- a. Changes were proposed to:
 - i. Article II, Section 1 (3) (a)- strikeout “process” and replace with “NRS and/or NAC”, and add the term “activities of state offices.”
 - ii. Article II, Section 1 (3) (e)- begin the sentence with “Establish.”
 - iii. Article IV, Section 4 (3) (c)- remove this section since the Secretary is a non-voting member.
 - iv. Article IV, Section 8- add “recommended for” removal by the Chair for inactivity or conflict of interest.
 - v. Article V, Section 2- change from four to three for quorum.
- b. Discussion was centered on whether the Council could directly submit BDRs, but it was ultimately decided, per SB214, that it can only make recommendations for legislative action or forward a request to a partner who could submit a BDR on its behalf. Chairman Ritter suggested developing recommendations to Governor and Legislature.
- c. Discussion centered on whether attendance should be a mandatory requirement. Chairman Ritter stated he would like for all members to make a firm commitment to the Council, because the topic is so important. Ms. Lambert stated there was language in the original draft to that effect, but it was cut because the Council could only recommend removal to the Governor or to the Assembly or Senate Leader since these are the appointing bodies. Chairman Ritter stated he would like it in the record that he expects this Council to be action based to make changes, and therefore expects regular attendance at meetings.
- d. Tim Burch made a motion to approve the by-laws with the suggested changes. Zanny Marsh seconded. Motion was passed unanimously.

6. FOR POSSIBLE ACTION- DISCUSSION OF ITEMS TO BE PROPOSED TO LEGISLATURE –

- a. Item A- Provide recommended revisions for Legislature on current practices in obtaining authority for federal grant awards.

- i. Ms. Lambert explained current NRS allowed for some flexibility in hastening the process of awarded grants appearing before the IFC. Ms. Lambert said it could be possible to assign the Governor's Finance Office (GFO) a certain time period to submit complete work programs to IFC, instead of the current practice GFO does of batching the work programs, rather than sending them individually. She stated this would be low-hanging fruit, and could be implemented right away. Brief discussion occurred, and Ms. Lambert clarified if it was the Council's request for Ms. Lambert to work with Mr. Wells on setting a timeline for GFO to submit complete work programs to the IFC. Chairman Ritter agreed.
 - ii. Discussion also centered on the likelihood of approval of state agencies only appearing once before the IFC per each funding opportunity if no changes were made to state general fund. Ms. Lambert stated that currently, each fiscal year, a grant has to go before the IFC for approval, even if there are no changes made to state general fund. She stated about 80% of the work programs are for this purpose, resulting in duplicative work. The Council thought it could be possible to engage in discussions to change policy to exempt approved grants if there were no changes.
 - iii. Ms. Lambert presented a report on what other states have done in allowing grant authority. She stated all of the states had more flexibility: some were allowed to let the Governor approve the funding if the legislature was off. Discussion centered on the idea of having a subcommittee of the IFC, who could meet once a month to hear applications from state agencies. Ms. Lambert said the State Grant Office could draft a sample of this change.
 - iv. Ms. Lambert suggested a three pronged approach: 45 day timeline; draft language for carryover (no cost grants); and change NRS.
 - v. Ms. Lambert made a motion to utilize three pronged approach. Ms. Marsh made a motion to instruct the State Grants Office to work with GFO to create an internal procedure to speed up utilizing the three pronged approach. Senator Goicoechea seconded the motion. Motion passed unanimously.
- b. Item B- Provide overview of other state practices relating to budgeting matching fund requirements for federal discretionary grants.
- i. Ms. Lambert presented research the State Grant Office had found in examining what other states have done in contributing matching funds. Ms. Lambert stated Oregon had some of their lottery earnings go toward matching funds, some states pulled 5% from every state agency and some had revolving accounts. The Council asked for more specific information and Ms. Lambert said the State Grant Office could pull together a report of about 10 state programs to provide to Council members within 10 days.

- ii. Senator Goicoechea asked Ms. Lambert if she could provide a general report on what the state currently spends in match. Mr. Wells said the GFO is requiring state agencies to provide these numbers in their budget requests and reports, and by September, he could have a report to the penny of how much is spent. Ms. Lambert stated the Grants Office could provide a rough estimate by next meeting.
 - iii. Chairman Ritter made a motion to have grants office provide a list of ten states and how they fund matching requirements along with an analysis of current match funds by the state and what we need to spend in order to be competitive and Mr. Burch seconded. Motion was passed unanimously.
 - c. Item C- Provide overview of the Request for Information and Technology Investment Request (TIR) for statewide grant management system.
 - i. Ms. Lambert presented a draft of the TIR in soliciting information for a statewide grants management system, which would streamline communication and alleviate duplication. Ms. Lambert stated it would hopefully allow counties and other partners to view the database so all partners were informed. Ms. Lambert stated that the development of a grant management system could save the state 15% due to the ability to process funds more timely, so savings justifies the cost of the system. The Council asked if it would be brought back to the next meeting for approval. Ms. Lambert asked if the State Grants Office could have permission to move forward, with the promise of soliciting comments from further partners, since the next meeting was two months away, and the proposal was close to being finished. Ms. Lambert stated she would continue engaging with partners, and hoped to have the proposal out within 30 days. The Council agreed they were excited by this proposal because it could allow for increased revenue and increased communication.
 - ii. A motion was made by Mr. Burch and seconded by Ms. Marsh to move forward with getting community feedback and finalizing RF. Motion was passed unanimously.

7. FOR POSSIBLE ACTION- FUTURE MEETING DATES AND AGENDA ITEMS

- a. Chairman Ritter stated he would like to discuss a vision plan of where the state would like to be in five (5) years he can share this with the members of the community when he tries to earn their support. Ms. Lambert said the Grants Office has a Strategic Plan and will be happy to bring it to the next meeting for discussion.
- b. Discussion and recommendation of other state budgets in matching funds.
- c. Discussion of high-level funding numbers of what Nevada is providing in match contributions currently.

d. Discussion of drafted procedure for grant authority- long term and short term fixes.

e. A future meeting date of April 13, 2016, was agreed upon.

8. PUBLIC COMMENT-

None.

9. FOR POSSIBLE ACTION- ADJOURNMENT

DRAFT

10 State Practices Relating to Match Requirements

- 1) Oklahoma - has quite a few revolving funds (e.g., capital improvement, university system, military, agriculture, attorney general, health, mines, etc.).
 - a. In Oklahoma, most revolving funds cannot be spent by the Legislature, and balances of the fund carry over from one year to the next for the same purpose. Most revolving funds are created by laws. Expenditures from revolving funds may be limited to purposes defined by the law.
- 2) ConnectOregon Fund (transportation) – is a lottery bond based grant initiative to invest in air, rail, marine, and transit, bicycle and pedestrian infrastructure.
- 3) West Virginia HB 2016: from appropriations made to spending unit of the state, upon Governor approval may be transferred to special account to match federal funds under any federal act.
- 4) South Dakota – Each agency is responsible for funding the match through the agency departmental budget or other resources.
- 5) Kansas - Each agency is responsible for funding the match through their departmental budget or other resources.
- 6) Michigan – each agency presents and enacts budgets in anticipation of grant funding, therefore the funds appropriated include the match – match funds for anticipated federal monies in transportation would be in the transportation bill, etc.
- 7) Montana - Each agency is responsible for funding the match through their departmental budget or other resources.
- 8) Missouri - Each agency is responsible for funding the match through their departmental budget or other resources.
- 9) Utah - Each agency presents and enacts budgets in anticipation of grant funding, therefore the funds appropriated include the match.
- 10) Washington – The state of Washington does not have a centralized grants management office. Each individual state agency applies and manages their federal grants and has their own processes in place, to include funding match requirements.

45-day: Internal Policy for Federal Grant Award at IFC

Upon receiving notification that a state agency will receive a new grant award, within six weeks of an IFC meeting, it may submit a work plan, along with the letter to the Governor's Office of Finance for submittal before the IFC. As soon as the completed work plan and letter are received, the GFO shall send over to the IFC. If the Notice of Grant Award is not received three weeks before the meeting is to occur, the item will be pulled.

Renewals and Continuations

The Governor's Finance Office, working with the Grants Office, will explore exemptions (similar to those that occur in Wildlife) for renewals and continuations to be included in existing work programs and not need to return to IFC for approval.

Bill Draft Request – concept paper submitted

NRS reference:

ACCEPTANCE OR ALLOCATION OF GIFT OR GRANT

NRS 353.335 Procedure for acceptance of gift or grant of property or services.

Issue

The 45-day requirement is not a true statement of the length of time it takes for a grant to receive approval from IFC. Permission to accept a grant award is done through the process of obtaining authority under the processes of a work program. Work programs are completed at the agency level and provided to the Governor's Finance Office (GFO) for review and approval. Once approved, the GFO places the work program (and subsequent grant award) on the IFC agenda for approval. Currently, a work program cannot be submitted until a Notice of Grant Award (NOGA) is received. The primary problem with this process is that expenditures under a grant cannot start until at least 60-90 days after the official NOGA. This delays implementation and slows the expenditure of discretionary grant funds that typically operate on a 12-month project period.

Requested Change

The requested change will create a process in which an agency may submit a request for IFC approval to obtain a provisional work program after a grant application has been submitted. Upon Notice of Grant Award (NOGA), the work program will have already been completed and will move from provisional status by submitting the NOGA to the Governor's Finance Office.

STRATEGIC PLAN

ADVISORY COUNCIL ON FEDERAL ASSISTANCE

Vision:

To enhance Nevada's ability to significantly and strategically procure and use Federal grant funding.

Mission:

To provide the State of Nevada and its agencies with the coordinated policies and resources to successfully identify, procure and manage grants and to strategically grow state grants.

Goal 1: Assist and advise the State in increasing and maximizing Federal grant funds

1. Expedite grant funding processes within the state by eliminating procedural and structural incompatibilities that slow and/or inhibit grant procurement and administration.
 - a. Identify current barriers to the grant funding process and recommend policy/statutory changes to expedite grant funding process.
 - b. Make recommendations for bill draft requests as appropriate.
2. Address the real and perceived lack of match funding available for grants.
 - a. Identify "better practices" for increasing the availability of matching funds for agencies
 - b. Provide a forum to increase match resources, identify challenges, design and vet solutions, support implementation, and increase participation and accountability statewide.
3. Develop a grant management system to effectively and efficiently manage all statewide grants and provide overall cost savings to the State.

Goal 2: Provide State and Grants Office with access to invaluable partnerships and insight from grant-making philanthropy, local government and private business

1. Expand contacts with representatives and subject matter experts from local government, private business, and non-profits to collaborate on applying for federal grants.
2. Outline key partnerships and alignments with key private businesses to establish beneficial/financial relationships to assist the state with better opportunities for federal grants.

3. Establish and maintain stronger communication and relationships with federal funding agency representatives, Nevada's Congressional delegation, and other sources to obtain advance notice of grant opportunities.

Goal 3: Provide continuity and continuous push for progress

1. Standardize processes for state grant management to increase federal grant funding for the state.
2. Establish and maintain stronger communication and relationships with federal funding agency representatives, Nevada's Congressional delegation, and other sources to obtain advance notice of grant opportunities.
3. Ensure sufficient personnel and technical expertise in state and local governments and nonprofit organizations.
4. Develop and expand opportunities to work with nonprofit organizations.
5. Develop centralized grant management guidance to ensure compliance with state and federal regulations and promote fewer audit findings.
6. Develop standards for balancing the cost of obtaining and maximizing Federal grant funds.
7. Develop recommendations on how to improve budget process so as to not "penalize" agencies that procure federal funding thus having a decrease in departmental budgets.

Quantitative Measures:

1. Federal Funds Information for States (excluding Medicaid mandatory programs):
 - i. Dollar amount of federal grants awarded
 - ii. Dollar amount of federal grants awarded for Health and Human Services, Energy and Economic Development
2. Annual Survey:
 - i. Dollar amount of grant applications
 - ii. Percent of grant applications awarded
 - iii. Amount of matching funds spent by each agency
 - iv. Average time for approving expenditures of grant funding
3. Dollars saved by developing grant management system