

HF354 - 0 - "Beyond Opioids Public TV Grant Approp"

Chief Author: **Lyndon Carlson Sr.**
 Committee: **State Government Finance Division**
 Date Completed: **02/15/2019**
 Agency: **Administration Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	1,600	-	-	-	-
Total	-	1,600	-	-	-	-
Biennial Total			1,600			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	.75	-	-	-
Total	-	.75	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Shawn Kremer Date: 2/15/2019 1:02:51 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2019	FY2020	FY2021	FY2022	FY2023	
General Fund	-	1,600	-	-	-	-
Total	-	1,600	-	-	-	-
	Biennial Total		1,600			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	1,600	-	-	-	-
Total	-	1,600	-	-	-	-
	Biennial Total		1,600			-
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-			-

Bill Description

\$1,600,000 in fiscal year 2020 is appropriated from the general fund to the commissioner of administration for grants to Twin Cities Public Television and to the Association of Minnesota Public Educational Radio Stations (AMPERS) to produce the Beyond Opioids Project in collaboration with the stations of the Minnesota Public Television Association. Seventy percent of this funding shall go to Twin Cities Public Television and 30 percent to the Association of Minnesota Public Educational Radio Stations. The bills provides that the commissioner of administration may use up to 5% of the appropriation to administer these grants.

Assumptions

Admin assumes \$1,600,000 in fiscal year 2020 will be appropriated the purpose of providing grants. Admin’s Office of Grants Management (OGM) will administer the grants. Adequate staffing will be required to effectively comply with 13 statewide grants policies and procedures. These procedures include issuing and managing the grant application process, reviewing and verifying grantee eligibility and grantee audits, drafting and executing grant agreements, processing grantee payment requests in a timely manner per MN Stat. 16A.124, subdivision 3, collecting, tracking, and reviewing grantee reports, conducting monitoring and financial reconciliation, and conducting grant close-out requirements. OGM will demonstrate best practices in grants administration, monitoring, and oversight in order to protect the state’s investment in this new grant program.

OGM needs a .75 FTE Grants Specialist Senior as of July 1, 2019 to administer and manage this grant. In order to recruit the appropriate staff person, the position is funded at step 1 of the Grants Specialist Senior level. Additional nonsalary costs are needed and include adding to Admin’s current on-line grant management system subscription and staff development.

The bill contains an appropriation of \$1,600,000 for FY20. The 0.75 FTE assumes a total of 19 grants, Twin Cities Public Television, AMPERS, and 17 AMPERS stations. Given the time needed to recruit a grant specialist, we assume that the earliest the position could be filled is approximately July 1, 2019. Admin assumes that all grant monitoring will conclude in FY20 even though Minn. Stat. 16A.28 subdivision 6 allows grants to be certified for an additional year. If that cannot occur, Admin would need authority to carry forward funds in order to complete monitoring and closeout of these grants in FY21.

Admin would establish a budget based on expected costs to administer these grants up to the 5%. If Admin projects its costs to be lower than 5%, any excess appropriation would be distributed to grantees based on the percentages provided for in the bill.

The bill states that “Prior to this grant distribution, the commissioner may use up to five percent of the total appropriation for administrative costs.” We interpret this to mean up to five percent is available to Admin without limitations on whether these expenses occur before or after grants are distributed.

Expenditure and/or Revenue Formula

The following identifies the amount of time to administer a new grant program consisting of 19 grants.

Approximately 1,586 hrs for fiscal year 2020:

- Staff orientation and training - 40 hours

- Grantee training - 10 hours

- Develop application for new grant program - 16 hours

- Pre-award financial review - 2 hours/grant x 19 grants = 38 hours

- Manage grant agreement execution and potential amendment process - 5 hours/grant x 19 grants = 95 hours

- Process grant payments - 18 hours per grant x 19 grants = 342 hours

- Review and track grantee reporting - 10 hours/grant x 19 grants = 190 hours

- Grant monitoring - 35 hours/grant x 19 grants = 665 hours

- Grant closeout - 10 hours/grant x 19 grants = 190 hours

Estimated Grants Administration Expenses:

• 0.75 FTE Grant Specialist Senior in FY20	\$63,021
• Rent	3,036
• Furniture	7,000
• Computer/Telephone Equipment	825
• Communications and IT support/maintenance	2,064
• Travel in-state	1,500
• Supplies	1,200

• Other (staff training, grants system subscription)	<u>1,500</u>
• Total	\$80,146

Long-Term Fiscal Considerations

N/A

Local Fiscal Impact

N/A

References/Sources

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