



State Funded Grants to Non-Profit Organizations OLA program evaluation

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Actions Implemented

- Financial Reviews and Reconciliations
 - MDE is fully documenting reviews including financial documents reviewed
 - MDE is ensuring legislatively named grants are administered in the same manner as all grants
- Reporting Requirements
 - MDE has updated their payment approval procedures to ensure all reporting requirements are completed prior to making any payments
- Progress Reports and Monitoring
 - MDE has implemented 1-1 grantee visits
 - MDE has improved the documentation of monitoring reviews

MDE has an intranet site which includes a Grant Management page that provides overview information for grant processes. It includes:

- Definitions
- Grant process information for
 - Competitive grants
 - Sole Source or Targeted grants
 - Grant Awards
 - Amendments Financial Reporting Form (FRF)
- Links to training
- Contact information

- MDE has implemented training for persons responsible for managing grants covering:
 - Roles and responsibilities
 - Reporting and monitoring requirements
 - Close out procedures
 - Where to go for assistance
- 100 staff have participated in the training thus far
- All grant managers will be required to complete these trainings
- The next two slides show the topics covered in these two trainings

Training Part 1 - Overview

- Roles

- Authorized Representative
- Grant Coordinator
- Grant Specialist

- Types of Grants

- Single Source
- Legislatively Named
- Competitive

- Grant Application to Award Process (RFP)

- Application Development, Review and Award
- Budget Review/Approval
- Official Grant Award Notification (OGAN) Development/Approval

During the Grant

- Budget and Work Plan Revisions
- Financial Report Form (FRF) Approval
- Interim/Final Program Report(s)
- Reporting to Legislature or Federal Awarding Agency
- Closeout

Training Part 2 – Deeper Dive

Grant Start Up

- Single Source and Targeted
- Legislatively Named

Grant Award

- Application and budget development and review
- Pre Award Risk Assessment
- Budget Verification Request Form
- Official Grant Award Notification (OGAN)

Life of the Grant

- Interim Progress Reports
- Financial Reporting Forms
- Desk Review
- Final Report
- Closeout Evaluation

Planned Actions

- Developing agency specific policies / procedures
 - Grants management manual
 - Grant manager tool kit and templates
 - Grant management checklists
 - Sample reporting and monitoring templates
- Continuous Improvement Project
 - Fiscal year end close out process
- Goal of completion: July 2023

Policies / Procedures (continued)

MDE will expand the Intranet site to include

- The newly developed policies/procedures
- Links to the newly established Centralized Grant files and Authorized Representative (AR) toolkit,
- Links to Department of Administration - Office of Grant Management (OGM) policies
- Goal of Completion: July 2023

Technology Systems

- In December, 2021, MDE, in partnership with MN.IT@MDE released an RFP to replace the current grants management and payment processing system
- The new system will provide complete support of the grant management process by integrating data throughout all workflow phases including allocation of funds, the application, budgeting, review and approval, payments, reporting, and closeout
- This will help ensure MDE can meet federal and state requirements
- Goal of Phase I completion: Start of the 2023-24 school year

MDE has started to develop a centralized, electronic grant file system

- Shifting from a paper based system to electronic to ensure that all appropriate grant documents can be easily accessed by everyone involved in the grant management process
- Supports internal grants oversight activities
- Goal of Completion: March, 2023

Legislative Proposals

- The program evaluation highlights the need for an appropriate level of resources to support grant management including internal oversight and monitoring
- Agencies do not always receive funding for these purposes
- For all grant activities, MDE requests up to 5% of the funding for grant administration and technical assistance
- Legislation for legislatively named grants typically fails to identify grantee outcomes/measures or provide funding for grant administration and oversight making management and oversight of these grants more difficult

Enterprise Oversight and Accountability

- The recently released Governor's budget contains funding to strengthen statewide oversight and monitoring activities
 - Expand and strengthen enterprise grants management
 - Enhance resources for internal controls and oversight
 - Target additional resources at key agencies and programs
 - Seek Federal changes

MDE Oversight and Accountability

The recently released Governor's budget funds two proposals to strengthen oversight and monitoring activities at MDE

- **MDE Office of Inspector General** (\$2 million annually)
 - Conduct routine monitoring of all MDE programs to uncover risks for potential fraud or other wrongdoing, with an emphasis on programs with large budgets and those programs that provide funding to non-governmental entities
 - Conduct in-depth investigations, if needed
 - Work in partnership with state, local, and federal law enforcement agencies as well as the Minnesota Attorney General's Office and the Office of the United States Attorney

MDE Oversight and Accountability (continued)

The Governor's budget also includes funding for

- **Audit and Internal Control Resources** (\$800,000 annually)
 - To expand school audit activities, risk assessment and mitigation activities, and internal audit
 - Conduct more frequent and expand the scope of school audits
 - Increase risk mitigation activities including testing of controls
 - Implement an internal audit program

- Governor's Budget Proposals related to Office of Grants Management
 - Expand the Office of Grants Management
 - Establish the Office of Equity in Grants
 - Funding an Enterprise Grants Management System Study
 - Allow State Agencies To Retain A Percentage Of Grant Funds For Administration

Thank You