



Environment and Natural Resources Trust Fund (ENRTF)

M.L. 2019 ENRTF Work Plan (Main Document)

Today's Date: March 17, 2019

Date of Next Status Update Report: March 31, 2020

Date of Work Plan Approval:

Project Completion Date: June 30, 2021

Does this submission include an amendment request? ___

PROJECT TITLE: Contract Agreement Reimbursement

Project Manager: Katherine Sherman-Hoehn

Organization: Minnesota Department of Natural Resources

College/Department/Division: Office of Management and Budget

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Location: Statewide

Total Project Budget: \$135,000

Amount Spent: \$0

Balance: \$135,000

Legal Citation: M.L. 2019, Chp. xx, Sec. xx, Subd. xx

Appropriation Language:

I. PROJECT STATEMENT: The DNR Grants Unit will use this appropriation to provide continued contract management services to pass-through recipients of Environment and Natural Resource Trust Fund dollars appropriated to the Commissioner of Natural Resources.

Contract management ensures oversight of reimbursement for project deliverables and meets the requirements of the Department of Administration’s Grants Management procedures as well as the recommendations of the Legislative Auditor. It aids recipients with financial compliance and ensures project consistency with appropriation law, state statute, grants policies and approved work plans.

The goal of the DNR Grants Unit is to provide grantees with one consistent point of contact for their agreements and excellent customer service.

II. OVERALL PROJECT STATUS UPDATES:

First Update March 1, 2020

Second Update September 1, 2021

Third Update March 1, 2021

Fourth Update September 1, 2022

Fifth Update March 1, 2022

Final Report between project end (June 30) and August 15, 2022

III. PROJECT ACTIVITIES AND OUTCOMES:

ACTIVITY 1: Contract Management

Description: The DNR Grants Unit will continue to balance the needs of appropriation recipients and the intended conservation work outcomes with financial integrity and fiduciary responsibility in order to ensure funds are expended in compliance with appropriation law, state statute, grants policies, and approved work plans.

Services to be provided under this appropriation include the following:

1. Contract Management
 - a. Prepare grant agreements and amendments.
 - b. Contract related policy and procedure development.
 - c. Process improvements that improve efficiency and ease for grantees while ensuring fiscal integrity.
 - d. Contract management documentation, including file management.
2. Training and Communications
 - a. Communicate regularly, informally and formally, with LCCMR staff and grant recipients (including website updates and newsletter).
 - b. Train recipients on state grant requirements, including reporting procedures, proper documentation of expenses, and the Department of Administration’s grants management policies, to ensure grantees follow state law and grants management policies set forth by the state.
 - c. Work with recipients to ensure grantees understand the state’s reimbursement procedures and requirements.

- d. Provide ongoing technical assistance/guidance to recipients.
 - e. Provide ongoing technical assistance/guidance to the LCCMR as requested.
 - f. Participate in grants governance committees and meetings.
 - g. Consultation with subject matter experts on land acquisition.
3. Reimbursement
- a. Review reimbursement requests to ensure claimed reimbursements include sufficient documentation and comply with state and session laws, the LCCMR approved work plan, and the Office of Grants Management (OGM) grants policies.
 - b. Consult with grantees on documentation submitted.
 - c. Arrange for prompt payment once grantee has submitted a completed reimbursement request and expenses have been determined to be eligible for reimbursement.
4. Fiscal and Close-out
- a. Encumber/Unencumber Funds.
 - b. Detailed accounting by pass-through appropriation for each grant recipient.
 - c. Electronically transfer funds for land acquisition.
 - d. Execute Use of Funds Agreements.
 - e. Financial reconciliation.
 - f. Financial reporting.
 - g. Contract management reporting (fund balance/expenditures).
 - h. Examine records of recipients.
 - i. Work with recipients to successfully close out grants.
 - j. Work closely with and respond to requests from the Office of the Legislative Auditor.
 - k. Pre-award financial review of all non-governmental organizations in compliance with OGM policy.
 - l. Grant fiscal monitoring in compliance with OGM policy.
 - m. Provide/confirm information to assist with grantee audits.
 - n. Process returned grant funds.

The DNR Grants Unit works in cooperation with LCCMR staff to ensure that ENRTF funds are spent appropriately and reimbursed expediently in order to facilitate recommended project work.

This appropriation funds contract management services that are billed using a professional services rate. The rate for FY19 is \$64/hr. If the rate changes for FY20 or subsequent fiscal years, the project manager will inform LCCMR staff immediately and request an amendment to the work plan. The professional services hourly rate includes salary and fringe for grants management staff, supervisory time, travel costs, supplies, allocated administrative costs including rent and printing, as well as other related costs necessary to carry out the pass-through grant management program. Multiple staff with a variety of grants, financial or other responsibilities provide contract management services to ENRTF as well as the Outdoor Heritage Fund (OHF). Cost coding is used to record and differentiate time spent on ENRTF and OHF pass-through grant management. The DNR will not bill for services not received or provided.

The Professional Services Rate is calculated as follows:

Table 1: Professional Services Rate Calculation

	FY 19	FY 18	FY 17
Full Time Equivalents (FTE)	3.45	2.45	2.75
Salary and Fringe	\$336,592	\$235,037	\$233,200
Related Non-Salary Costs as Detailed in Table 2	\$7,500	\$6,600	\$25,921
Total Grant Unit Cost	\$344,095	\$241,637	\$259,121

Estimated billable hours (75% of staff time)	5382	3822	4716
Professional Services Hourly Rate (Total Cost/Billable Hours)	\$64.00	\$63.00	\$62.00

Table 2: Related Non-Salary Costs

	FY19*	FY18*	FY17
Other Employee Costs (severance, worker’s comp, unemployment)	\$0	\$0	\$574
Rent (allocated by average per FTE)	\$100	\$3,000	\$6,711
In-state Travel and Employee Development	\$2,000	\$500	\$1,152
Supplies/ Non-Capital Equip/Communications/Computer/Fleet (allocated by average per FTE)	\$5,300	\$3,100	\$5,746
**Agency Direct, Statewide, and Other Operating Costs (allocated by average per FTE)	\$100	\$0	\$11,737
Total	\$7,500	\$6,600	\$25,921

*In FY18 and FY19, the DNR has been recalibrating non-salary cost budgets towards direct services and spending for increased travel and expenses for monitoring with increased staff

** Agency Direct, Statewide, and Other Operating Costs: Agency Direct costs are DNR Business Service, primarily DNR Contracting and DNR Accounts Payable; Statewide costs are charges from MMB, Admin, and MNIT for SWIFT; Other Operating Costs are purchased services such as document destruction.

ACTIVITY 1 ENRTF BUDGET: \$

Outcome	Completion Date
1. Administration of Environment and Natural Resources Trust Fund pass-through contracts and reimbursements.	June 30, 2020

First Update March 1, 2020

Second Update September 1, 2021

Third Update March 1, 2021

Fourth Update September 1, 2022

Fifth Update March 1, 2022

Final Report between project end (June 30) and August 15, 2022

IV. DISSEMINATION:

Description: Minnesota Department of Natural Resources Grants Unit staff are in frequent contact with ENRTF pass-through appropriation recipients through phone calls, emails, letters, training, surveys, quarterly newsletters, and manuals. In addition, a website with grantee resources can be found here:

<http://www.dnr.state.mn.us/grants/passthrough/index.html>

First Update March 1, 2020

Second Update September 1, 2021

Third Update March 1, 2021

Fourth Update September 1, 2022

Fifth Update March 1, 2022

Final Report between project end (June 30) and August 15, 2022

V. ADDITIONAL BUDGET INFORMATION:

A. Personnel and Capital Expenditures

Explanation of Capital Expenditures Greater Than \$5,000:

Explanation of Use of Classified Staff: Classified staff receive funds from this appropriation through the professional services rate included. The DNR Grants Unit is staffed as a professional services unit providing contract management; these positions did not exist prior to ongoing ENRTF and OHF appropriations for contract management.

Total Number of Full-time Equivalent (FTE) Directly Funded with this ENRTF Appropriation:

Enter Total Estimated Personnel Hours for entire duration of project: 3444	Divide total personnel hours by 2,080 hours in 1 yr = TOTAL FTE: 1.66
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The DNR Grants unit supports 3.45 FTE and bills only for hours worked. ENRTF contract management is a portion of the total contract management work. Total hours estimated here are based on past years of funding and proportion of open grants.

Enter Total Estimated Contract Personnel Hours for entire duration of project:	Divide total contract hours by 2,080 hours in 1 yr = TOTAL FTE:
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VI. PROJECT PARTNERS:

A. Partners outside of project manager’s organization receiving ENRTF funding

Becca Nash Director LCCMR DNR manages contracts for ENRTF recipients

B. Partners outside of project manager’s organization NOT receiving ENRTF funding

VII. LONG-TERM- IMPLEMENTATION AND FUNDING:

Centralized administration of ENRTF pass-through appropriations to the commissioner of natural resources results in more efficient and consistent management of these funds and better communication among the project team/partners. Ongoing contract management efforts will be funded through future ENRTF appropriations.

VIII. REPORTING REQUIREMENTS:

- Project status update reports will be submitted March 1 and September 1 each year of the project
- A final report and associated products will be submitted between June 30 and August 15, 2022

IX. SEE ADDITIONAL WORK PLAN COMPONENTS:

A. Budget Spreadsheet

Attachment A:
 Environment and Natural Resources Trust Fund
 M.L. 2019 Budget Spreadsheet



Legal Citation:
 Project Manager: Katherine Sherman-Hoehn
 Organization: Minnesota Department of Natural Resources
 College/Department/Division: Office of Management and Budget Services
 M.L. 2019 ENRTF Appropriation: \$135,000
 Project Length and Completion Date 2 years, June 30 2021
 Today's Date: March 17, 2019

ENVIRONMENT AND NATURAL RESOURCES TRUST FUND BUDGET	Budget	Amount Spent	Balance
BUDGET ITEM			
Other			
Professional Services This appropriation funds contract management services billed using a professional services rate (\$64/hr for FY19). The professional services hourly rate includes salary and fringe for grants management staff, supervisory time, travel costs, supplies, allocated administrative costs including rent and printing, as well as other related costs necessary to carry out the pass-through grant management program. Multiple staff with a variety of grants, financial or other responsibilities provide contract management services to ENRTF and OHF. Cost coding is used to record and differentiate time spent on ENRTF and OHF pass-through grant management. Services not received or provided will not be billed.	\$ 135,000	\$ -	\$ 135,000
COLUMN TOTAL	\$ 135,000	\$ -	\$ 135,000

PAST AND CURRENT ENRTF APPROPRIATIONS	Amount legally obligated but not yet spent	Budget	Spent	Balance
Current appropriation:	\$ 135,000	\$ 135,000	\$ -	\$ 135,000
Past appropriations:	\$ 135,000	\$ 135,000	\$ 155	\$ 134,845