



Environment and Natural Resources Trust Fund (ENRTF)

M.L. 2016 Work Plan

Date of Report: June 2, 2016

Date of Next Status Update Report: January 31, 2017

Date of Work Plan Approval: June 7, 2016

Project Completion Date: June 30, 2018

Does this submission include an amendment request?

PROJECT TITLE: Contract Agreement Reimbursement

Project Manager: Katherine Sherman-Hoehn

Organization: Minnesota Department of Natural Resources

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Location: Statewide

Total ENRTF Project Budget:

ENRTF Appropriation: \$135,000

Amount Spent: \$0

Balance: \$135,000

Legal Citation: M.L. 2016, Chp. 186, Sec. 2, Subd. 10a

Appropriation Language:

\$135,000 the second year is from the trust fund to the commissioner of natural resources, at the direction of the Legislative-Citizen Commission on Minnesota Resources, for expenses incurred for contract agreement reimbursement for the agreements specified in this section. The commissioner shall provide documentation to the Legislative-Citizen Commission on Minnesota Resources on the expenditure of these funds.

I. PROJECT TITLE: Contract Agreement Reimbursement

II. PROJECT STATEMENT: This appropriation will be used 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.

III. OVERALL PROJECT STATUS UPDATES:

Project Status as of *January 31, 2017*:

Project Status as of *August 31, 2017*:

Project Status as of *January 31, 2018*:

Overall Project Outcomes and Results:

IV. 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. Participate in grants governance committees and meetings.

- f. 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. Grant fiscal monitoring in compliance with OGM policy.
 - l. Provide/confirm information to assist with grantee audits.
 - m. 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 billed using a professional services rate. The rate for FY17 is \$62/hr. If the rate were to change for FY18, LCCMR staff would be informed immediately and an amendment to the work plan would be requested. 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 provides 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. Services not received or provided will not be billed.

The Professional Services Rate is calculated as follows:

Table 1: Professional Services Rate Calculation

	FY 17	FY 16	FY15
Full Time Equivalents (FTE)	2.75	3.12	2.78
Salary and Fringe	\$ 233,200	\$ 244,049	\$ 215,497
Related Non-Salary Costs as Detailed in Table 2	\$ 25,921	\$ 36,292	\$ 21,948
Total Grant Unit Cost	\$ 259,121	\$ 280,341	\$ 237,445
Estimated billable hours (75% of staff time)	4150	4716	4170
Professional Services Hourly Rate (Total Cost/Billable Hours)	\$ 62.00	\$ 59.00	\$ 56.94

Table 2: Related Non-Salary Costs

	FY 17	FY 16	*FY15
Other Employee Costs (severance, worker's comp, unemployment)	\$ 574	\$ 2,575	
Rent (allocated by average per FTE)	\$ 6,711	\$ 14,904	
In-state Travel and Employee Development	\$ 1,152	\$ 1,104	
Supplies/ Non-Capital Equip/Communications/Computer/Fleet (allocated by average per FTE)	\$ 5,746	\$ 4,846	
**Agency Direct, Statewide, and Other Operating Costs (allocated by average per FTE)	\$ 11,737	\$ 12,863	
Total	\$ 25,921	\$ 36,292	\$21,948

*FY15 calculation underreported related non-salary costs; this column reflects the total costs as corrected in FY16

** 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.

Summary Budget Information for Activity 1:

ENRTF Budget: \$ 135,000
Amount Spent: \$ 0
Balance: \$ 135,000

Outcome	Completion Date
1. Administration of Environment and Natural Resources Trust Fund pass-through contracts and reimbursements.	June 30, 2018

Activity Status as of January 31, 2017:

Activity Status as of August 31, 2017:

Activity Status as of January 31, 2018:

Final Report Summary:

V. 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>

Status as of January 31, 2017:

Status as of August 31, 2017:

Status as of January 31, 2017:

Final Report Summary:

VI. PROJECT BUDGET SUMMARY:

A. ENRTF Budget Overview:

Budget Category	\$ Amount	Overview Explanation
Personnel:	\$ 135,000	This appropriation funds contract management services billed using a professional services rate (\$62 for FY17). 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.
TOTAL ENRTF BUDGET: \$135,000		

Explanation of Use of Classified Staff: Classified staff receive funds from this appropriation through the professional services rate included.

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

Number of Full-time Equivalents (FTE) Directly Funded with this ENRTF Appropriation: 2

Number of Full-time Equivalents (FTE) Estimated to Be Funded through Contracts with this ENRTF Appropriation: N/A

B. Other Funds: N/A

VII. PROJECT STRATEGY:

A. Project Partners:

Appropriation recipients, LCCMR staff, Office of Grants Management staff, DNR Grants Unit and other staff, and other agency and legislative staff will be carrying out the proposed activities.

B. Project Impact and Long-term Strategy:

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.

C. Timeline Requirements

The proposed Contract Management would occur during State Fiscal Year 17.

VIII. FEE TITLE ACQUISITION/CONSERVATION EASEMENT/RESTORATION REQUIREMENTS:

A. Parcel List: N/A

B. Acquisition/Restoration Information: N/A

IX. VISUAL COMPONENT or MAP(S): The most recent edition of our quarterly newsletter is attached.

X. RESEARCH ADDENDUM: N/A

XI. REPORTING REQUIREMENTS:

Periodic work plan status update reports will be submitted no later than January 31, 2017, August 31, 2017, and January 31, 2018. A final report and associated products will be submitted between June 30 and August 15, 2018.

Environment and Natural Resources Trust Fund

M.L. 2016 Project Budget



Project Title: Minnesota Point Pine Forest SNA Addition

Legal Citation: M.L. 2016, Chp. 186, Sec. 2, Subd. 10a

Project Manager: Margaret (Peggy) Booth

Organization: MnDNR

M.L. 2016 ENRTF Appropriation: \$500,000

Project Length and Completion Date: 2 Years, June 30, 2019

Date of Report: June 2, 2016

ENVIRONMENT AND NATURAL RESOURCES TRUST FUND BUDGET	Activity 1 Budget	Amount Spent	Activity 1 Balance	TOTAL BUDGET	TOTAL BALANCE
BUDGET ITEM	Acquisition, Designation & Initial Site Dev.				
Personnel (Wages and Benefits) - for activities directly related to land acquisition Coordinator/Specialist/Naturalist (.03 FTE/2 yrs)	\$4,500		\$4,500	\$4,500	\$4,500
Position Type 1: Coordinator/Specialist (.03 FTE/2 yrs)					
Fee Title Acquisition - 3 parcels totalling about 10 acres to be owned in fee by DNR	\$470,000		\$470,000	\$470,000	\$470,000
Professional Services for Acquisition Includes real estate transaction costs & LAM billings; appraisal & review; property survey (if needed); attorney general; closing costs; recording fees & deed tax; etc.	\$25,000		\$25,000	\$25,000	\$25,000
Travel expenses in Minnesota Fleet charges for trucks or cars , mileage, & meals needed for acquisition-related travel as per state contracts	\$500		\$500	\$500	\$500
COLUMN TOTAL	\$500,000	\$0	\$500,000	\$500,000	\$500,000

