



STATE OF WASHINGTON

OFFICE OF THE INTERAGENCY COMMITTEE
1111 Washington Street SE
PO Box 40917
Olympia, WA 98504-0917

November 2, 2006

**TOPIC #9: NONHIGHWAY AND OFF-ROAD VEHICLE ACTIVITIES (NOVA)
PROGRAM, EDUCATION-ENFORCEMENT (E&E) CATEGORY ISSUES**

Prepared and Presented By:
Greg Lovelady, Manager, Applied Planning

Approved by the Director: *LEJ*

Proposed Action: Briefing, Discussion

Summary:

From fall 2005 and continuing through this year, IAC's NOVA Advisory Committee and IAC staff have been analyzing policy questions related to the NOVA E&E category:

1. Should the way E&E funding caps are applied be changed?
2. Should more importance be placed on providing E&E matching funds?
3. Should IAC try to evaluate the effectiveness of individual E&E projects?

Staff Recommendation:

Based on these discussions, staff has drafted the following proposals for feedback from interested parties and possible adoption by the IAC board at its February 2007 meeting: (1) change the way in which E&E caps are applied *and* implement this by establishing a cap of \$200,000 and (2) increase the amount of matching value required to receive evaluation points. A third proposal to address development of a way to reward effective E&E projects will be postponed until after performance measures are established for the NOVA Program.

Background:

1. *Funding Cap.* Currently, IAC has E&E caps (the maximum amount that will be reimbursed) only on the amounts provided for employees (FTEs - \$54,000/year) and equipment (\$30,000/project). Feedback from interested people have called for revising this policy in favor of a blanket per-project cap, like that used in other IAC grant programs.
2. *Recalibrate Emphasis On Matching Funds.* Though IAC has always encouraged matching funds in the NOVA Program, matches have never been required. However, through the years, the amount of matching value provided by project sponsors, as a percentage of total project cost, has been increasing. Last year, for example, among all applicants, the average match was about 34 percent.



Analysis:

1. *Funding Cap.* Adopting a per-project cap would eliminate the relative complexity¹ of the current policy and discourage large requests that can reduce the total number of projects funded. This would allow applicants the ability to scope their projects without imposed limits to specific eligible elements like personnel and equipment.

Setting a maximum per project grant of \$200,000 is an estimate of what many feel will work best.

Points to consider:

- Since 2001, the median² E&E grant has been about \$58,000. The average request has been about \$81,000. Just four sponsors have requested and been awarded more than \$200,000. In total, these four (Chelan, Grant, and Yakima Counties; Cle Elum Ranger District) have submitted 10 projects.
- For years, IAC has encouraged joint applications, such as when two or more entities, like the Forest Service and a County Sheriff, combine forces to submit a single application. The advantage is in the economies of scale realized. The disadvantage is that it has always meant a larger, more expensive project.
- A \$200,000 per project cap in the fall 2005 grants cycle: (1) Might have freed up about \$295,000, potentially allowing funding of an additional four projects; (2) Would have heavily cut two joint projects that were funded at \$328,764 and \$315,114; (3) Likely would have led to the division of these large projects into smaller projects, requiring more time for project review and evaluation, but also allowing for more IAC board control in determining which elements of a project should be funded³.

2. *Recalibrate Emphasis On Matching Funds.* The issue is that IAC's policy of encouraging matches by awarding evaluation points has not kept pace with the increasing amount of value offered by applicants. An applicant may have opted to provide more match to either score higher or as a means of meeting increased personnel costs (an inherent cost of doing business). Last year, for example, most applicants received the maximum number of evaluation points for this question, thus essentially eliminating the question's value in helping to rank projects.

To remedy this, we propose that IAC increase the amount of match required to be awarded evaluation points for E&E question 6 at each level. That is, to receive *minimum* evaluation credit, require that at least 10 percent of a project's value be provided by the sponsor, rather than the current 6 percent. To receive *maximum* evaluation credit, require that at least 50 percent of the project's value be provided, rather than the current 30 percent. Interim point values would be adjusted appropriately. The proposed modifications to the evaluation question are shown in Attachment 1.

¹ The current policy becomes somewhat complicated when applicants seek funding for multiple FTEs, each of which plan to work a different number of hours annually at different hourly rates.

² The point midway between all grant amounts.

³ In other words, when IAC is asked to fund a large, expensive E&E project it normally has only two options: fund it or do not fund it. Typically, the board does not fund only the portion of the project that may be deemed the higher priority. However, if large project are divided and submitted as two proposals that are evaluated separately, then this prioritization can occur more easily.

Further, staff is currently drafting a second "matching funds" question that would follow the above match question. This second question focuses solely on rewarding matches that originate from non-governmental sources. This question would also be shared with interested persons for comment.

Next Steps:

Over the next few weeks, IAC staff will work with the NOVA Advisory Committee to solicit comments on the above proposal from interested parties. Following this public comment period, staff will make its final recommendation at the February 2007 board meeting.

Attachments:

- Attachment #1 ~ Draft revision of Education-Enforcement evaluation question #6, "Matching Shares"

SCORED BY IAC STAFF

6) Matching Shares. What percentage of the total project cost is the applicant contributing?

NOVA Plan Policies A-1, B-4.

IAC staff scores this question based on information provided in the application. Only elements considered reimbursable are eligible for use as an applicant's match. (Manual #13) No additional information is required.

- a. 0 to 10 percent of the project's value will be contributed(0 points) Deleted: 6
- b. 10.01 to 20 percent of the project's value will be contributed..... (1 point) Deleted: 6
- c. 20.01 to 30 percent of the project's value will be contributed.....(2 points) Deleted: 1
Deleted: 12
- d. 30.01 to 40 percent of the project's value will be contributed.....(3 points) Deleted: 18
Deleted: 18.
- e. 40.01 to 50 percent of the project's value will be contributed.....(4 points) Deleted: 2
Deleted: 24
- f. Over 50 percent of the project's value will be contributed.....(5 points) Deleted: 3
Deleted: 3

IAC project staff will award from 0 to 5 points; the multiplier is one.

Last revised 2007 Deleted: 4