



## PRI Study Implementation Status as of April 2014

### Connecticut's Efforts at Maximizing Federal Revenues (December 2012)

#### Background

In April 2012, the Legislative Program Review and Investigations Committee began a study of how the state pursues alternative funding and how successful its efforts have been.

Overall, Connecticut ranked 18<sup>th</sup> among states in per capita federal grants received, slightly above average. In FFY 10, the state received \$8.3 billion; more than \$6 billion went to state government, with the rest divided among local governments, higher education and nonprofits. Of note, eighty percent of the grants to the state are based on formulas, typically using factors like population, income, and region over which the state has little control.

In late June 2012, PRI staff presented preliminary information to the committee, which held an informational public hearing on the study topic. Several major state agencies, including the governor's office and the state budget office, provided testimony regarding their efforts to procure federal funding.

In December 2012, the committee approved a final report, which including a recommendation to create an Office for Maximizing Alternative Revenues (OMAR) within OPM to improve the state's efforts. The PRI bill to implement the study recommendations was amended in another committee after consultation with PRI and the governor's office. The amendment, due to budget constraints, deleted establishing OMAR as a separate office and assigned what would have been its responsibilities to OPM, within available resources. That legislation successfully passed both chambers and became law (P.A. 13-294).

#### Organizational Structure for Seeking Federal Funding

##### Main Findings

- *The decentralized nature in which Connecticut pursues federal funding is necessary given differences in federal programs, eligibility, application and plan submissions, and reporting requirements.*
- *But the decentralized structure has shortcomings and deficiencies, including no formal or centralized tracking system of what funding is available, what applications have been submitted, and what the results have been.*

##### Key Recommendation: Establish Dedicated Office to Improve State Efforts

⇒ Creation of the Office for Maximizing Alternative Revenues (OMAR) within the Office of Policy and Management (OPM), to include federal grants and foundation or other philanthropic funding.

##### Implementation Status

During the 2013 legislative session, PRI bill HB 6515 was amended to remove the creation of the separate office due to budget constraints. Instead the Office of Policy and Management was given responsibility for developing a system to improve tracking and oversight of federal funding, within OPM's available resources, which became law (P.A. 13-294).

#### Tracking System

##### Main Findings

- *State government lacks an overall tracking system that can inform policymakers and the public about what funding is available, what the state has applied for, if the state has been successful, and if not, probable reasons.*
- *Connecticut does not have clearly designated staff in each agency to deal with federal funding efforts. In 2009, the state had established a key agency contact list to respond to federal ARRA funding, which is no longer current.*

##### Key Recommendations: Statewide Tracking System

⇒ The newly created OMAR be responsible for developing a high-level tracking system

⇒ Each agency identify a single contact person for information that would be critical to the system.

##### Implementation Status

Since OMAR was not created, development of a tracking system is an OPM responsibility per P.A. 13-294. OPM reports as of March 2014, the development of the tracking system is ahead of schedule and should go live soon. The system should allow OPM and others to track the entire grant process.

OPM also indicates that the governor's office has begun this tracking process through monthly phone meetings with all state agencies and the governor's Washington D.C. office to review every competitive (not formula) grant submission and its disposition. OPM indicates that agencies have designated at least one liaison to participate with OPM in the monthly phone meetings.

## Reporting on Efforts and Results

### Main Findings

- *No information was being reported to the legislature about the state's overall efforts and success in procuring federal funding.*

### Key Recommendations: Consistent Reporting to Legislature

⇒ The newly created OMAR be responsible to report to the legislature.

### Implementation Status

As cited, P.A. 13-294 did not implement the PRI study recommendation to create a separate office. Instead, though, P.A. 13-294 requires that beginning November 15, 2014, the Office of Policy and Management submit a report annually on the state's efforts to maximize alternative revenues to the following legislative committees: Appropriations; Finance, Revenue and Bonding; and Program Review and Investigations. The act also required OPM to post the information on its website.

OPM reports in March 2014 that given its progress on the development of the tracking system, and its anticipated roll-out beginning in FY 15, the information will be ready for reporting by November 15, 2014.

## Best Practices

### Main Findings

- *Responses to a PRI survey of state agencies during the study indicated that many agencies lacked staff, resources, and technical ability to optimize federal revenue opportunities.*
- *There was a wide variation in state agencies exercising "best practices" in optimizing funding opportunities.*

### Key Recommendations: Sharing Best Practices

- ⇒ The newly created office (OMAR) carry out such functions as providing technical assistance to agencies regarding grants and grant applications
- ⇒ Several "best practices" identified for OMAR to assist in developing these practices in and to help facilitate their implementation in state agencies

### Implementation Status

As noted, P.A. 13-294 did not establish the separate office, and the responsibility for implementation of best practices was not addressed in the bill. However, OPM indicates in March 2014 that the informal monthly phone meetings mentioned above about the tracking system have resulted in better sharing of information and awareness of new grant opportunities and best practices, and that each month, the process is getting better.

**Link to PRI Office study page for more information: [http://www.cga.ct.gov/pri/2012\\_ctmax.asp](http://www.cga.ct.gov/pri/2012_ctmax.asp)**