

LEGISLATIVE REPORT

SUBJECT: Federal grants search, development, and application revolving fund

REFERENCE: §302A-1405, Hawaii Revised Statutes

ACTION REQUESTED: The department shall prepare and submit an annual report on the status of the federal grants search, development, and application revolving fund to the legislature. The annual report shall include but not be limited to a list of the grant applications to the federal agencies and the grant awards received.

DOE REPORT:
INTRODUCTION: The revolving fund revenues are derived from indirect costs reimbursements from federal discretionary grants. \$247,746 in Special funds were allocated as “T” funds to the System Planning and Improvement Section. The following fiscal table shows the breakdown of allocations and expenditures for Fiscal Year 2010-2011:

Funds	Allocation	Expenditures*
A (Personnel Services)	\$147,800	\$97,920
A1 (Other Personnel Services)	\$62,900	\$34,339
B (Other Current Expenses)	\$37,046	\$10,751
C (Equipment)	\$0	\$0
TOTAL*	\$247,746	\$143,010

*Figures were rounded to the nearest dollar.

**The difference between allocation and expenditures totals was due to separate vacancies in the Grant Writer and Grant Resource Developer positions.

“A” and “A1” funds were used for three temporary positions (i.e., Grant Writer, Grant Resource Developer, Clerk Typist) to build capacity in the Department to seek, secure, monitor and report on grant funds. The positions coordinated the following grant search and development initiatives:

(1) DOE Grants website:

The purpose of the website is to provide vetted funding opportunities and other grant writing resources to increase the Department's capacity to seek and secure grant funds. The Website provides current and relevant grant information, documentation, tutorials, and links updated daily as new opportunities become available. The website was visited by 4,044 individuals, with a total of 20,439 page views. We are in the process of moving the website to the Department's SharePoint platform to provide greater security and accessibility.

(2) Grant Management System

The Grant Management System (GMS), currently under development and scheduled for final completion by Spring 2013, will track all DOE discretionary grants, serving as the Department's single point of contact for Federal and nonfederal grant submissions.

(3) Direct Assistance with Grant Applications

Direct assistance is provided by DOE staff in the areas of grant writing, editing, and submission on the school, complex, complex area, and system wide levels, as workload permits. Some of the assisted projects included the:

1. Nanakuli-Waianae Complex – USDOE Native Hawaiian Education Program, awarded \$456,777
2. HIDOE School Facilities and Support Services in cooperation with UH - Environmental Protection Agency (EPA) Pollution Prevention Grant Program, awarded \$120,000
3. Office of Hawaii Child Nutrition Programs - USDA Administrative Review and Training Grants – ART II Grant, awarded \$1,500,000

(4) Capacity Building Grant Program

The purpose of the Capacity Building Grant Program is to support grant writing efforts by teachers and administrators in the school system. Grant awards up to \$1,000 are allocated to school level grant writers by competitive application, and may be used to defray grant

writing costs, i.e., hiring substitute teachers, printing, postage, travel, hiring consultants, coordination of a writing team, or grant writer training, and must culminate in a written and submitted grant proposal that has been accepted by the funder. Three schools were funded under the program, Anuenue, Lanai High, and Waialua High each received a \$1,000 grant to cover grant writing costs.

FINDINGS:

The Board of Education Committee on Budget and Fiscal Accountability continues to closely monitor federal grant funds administered by the Department.

The Department has identified the need to monitor compliance to all grant provisions by recipients of grant monies. Currently, such monitoring is unfunded.

The revolving fund initiatives have effectively increased grant search and development efforts.

The Department has identified the need to strengthen communication, coordination, administration, allocation, fiscal reporting and compliance monitoring of federal grant funds.

The Department plans to utilize the revolving fund positions and resources to:

- Enhance the federal funds monitoring tools and fiscal reports.
- Develop a system to track discretionary grant applications and the subsequent grant awards received.
- Develop tools and provide technical assistance to increase the Department's capacity to seek, secure, monitor and administer grant funds.
- Develop tools and provide training for staff to enhance appropriate and timely expenditure of federal funds, maximize resources, minimize lapsed funds, and ensure programmatic and fiscal compliance.
- Increase awareness of:
 - external grant opportunities available (grants website & supplemental list)
 - DOE Grants Team, along with tools, resources, and information available
- Gather feedback and suggestions from school-level personnel on what types of information, guidance, and resources would be most helpful.

- Implement a capacity building grant program to provide monetary subsidies for grant writing efforts.

RECOMMENDATIONS: The Department recommends that these funds continue to be used for the intended purpose, to search for discretionary grants and develop program applications to secure additional revenues for the department. In addition, the Department shall continue efforts to build capacity to effectively administer and report on grant funds. The Department shall monitor the revolving fund deposits to ensure there are sufficient funds available to support these initiatives.