

STATE COST SHARE RULE AND PROGRAM MANUAL WORKPLAN

Revised – August 10, 2010

Background

1977: Cost Share Program is established.

1982: Legislative amendments to the cost share program require targeting.

1985: Soil and Water Conservation Board revised rules and guidelines to incorporate legislatively mandated targeting concepts; established the allocation formula.

1995: Revised rules and guidelines to improve clarity; integrate with Comprehensive Local Water Plans, update approved practices, increase local administrative authority.

Rule needs to reflect legislative priorities (ex: water quantity problems due to altered hydrology) in statute.

The State's Cost Share Program has remained virtually the same since its inception in 1977. The conservation resource management landscape has dramatically changed making the program's administration and implementation a struggle. Streamlining of the administration and implementation will enable greater efficiencies at both at the state and local levels.

The ability to accommodate greater use of other BMP's than the "Approved Practice List" of the C-S manual (without requesting the use of "Other Recognized Technical Practices") will enable the Cost-Share Program to respond to evolving resource management strategies.

The advent of the Clean Water Legacy program and more recently passage of the Clean Water Amendment has identified the need for consistent requirements and processes for all "cost-share like" programs and projects. Having a single rule that could apply to Cost Share and Clean Water Fund (CWF) activities would provide simplicity for BWSR staff and all LGUs that implement projects under these multiple funding programs.

To ensure the needs of the Cost Share Program are met, and that applying a rule to CWF and other BWSR programs is appropriate, the Work Group will undertake a three step process in the development of rule amendments. First, the Work Group will develop rule and policy changes to address the needs of the Cost Share Program. Second, the applicability of the draft Cost Share Rule will be reviewed in relation to the needs of the CWF and other programs, and changes made as necessary to ensure the rule includes the flexibility to apply to programs. Third, the Cost Share Manual will be discontinued in its present form, and be re-engineered to be applicable to all BWSR grant programs.

Scope

- BWSR oversight/administrative.
- Local oversight/administrative.
- Eligible practices.
- Technical approval authority – separate group from Cost Share Work Group.
- Explore including Incentives.
- **Allocation formula is not on the table.**

Objectives and Guiding Principles

The objectives of this project are to:

- Reduce the role the rule plays in prescribing BWSR's responsibilities in Cost Share Program management;
 - Evaluate and as appropriate provide flexibility so that the rule processes and requirements apply to CWF and other programs; and
 - Coordinate all rule changes that are to be made to Minnesota Rules Chapter 8420, including the Reinvest in Minnesota Rules (8420.2900-8420.3870).
- A. Program has the ability to use other **sources** of funding (structure suitable for lots of funding sources) - Leverage other funds (federal, local, private and/or ngo's).
- B. Enables base funding, emergencies funding and/or competitive funding opportunities (allocation)
- C. Continue/strengthen local/state/federal partnership of conservation delivery system.
- D. Maintain local public transparency and determination of what soil and water resources
- E. Minimized administrative oversight.
- F. Acknowledge the benefits of shovel ready projects and improve local targeting of project to NRE benefits (tied to local plans).
- G. Reward performance/Prioritized based on outcomes.
- H. Ensure reporting system and grants programs are designed to allow effective and efficient reporting of activities and measureable outcomes.
- I. Street ready July 1, 2011 (FY 2012 funds).
- J. Be consistent with the State of Minnesota Grants Management Policies.

Cost Share Work Group Members: Chris Hughes, Brian Dwight, David Weirens, Jeff Nielsen, Melissa Lewis, Pete Waller & Wayne Zellmer. The Work Group may add members as needed to address/complete the objectives.

Staff/Work Group Roles.

The Work Group will develop proposals and recommendations regarding rule, policy and manual changes. These changes will be reviewed by the Program and Grants Team, and SMT in turn. In addition, the Board Grants and Program Committee will review and make recommendations on major products for Board consideration.

Discussions by the Work Group in July led to the recommendation that the Cost Share Manual should be discontinued in its current form, and be re-engineered to be applicable to all BWSR grant programs. More detail and a schedule for this product are provided after the Cost Share Rule Schedule.

Cost Share Rule Schedule

(Minnesota Rules Chapter 8400)

April 29, 2009 Board Conservationist Meeting - Review Draft Workplan

May 12, 2009 Senior Management Team - Review Draft Workplan

May 20, 2009	Cost Share Work Group – First Rule Development Meeting (Will meet monthly throughout rule development process)
May 27, 2009	Board Grants Program and Policy Committee Reviews Workplan (meet periodically throughout rule process)
December 16, 2009	Board Grants Program and Policy Committee Review Workplan and Recommend proceeding with Rulemaking
January 28, 2009	Board Requested to Authorize Rulemaking
June 2010	Publish Request for Comments in State Register
September 2010	Grants Program and Policy Committee Reviews Draft Rule and Policy
October 2010	Board Adopts Draft Rules
November 2010	Submit Rule to Office of the Revisor of Statutes and Governor’s Office
December 2010	Submit Request to Office of Administrative Hearings to Publish Notice in State Register
January 2011	Publish Notice in State Register, Notify Legislature and Interested Persons
February 2011	Comment period closes
March 2011	Administrative law judge (ALJ) Completes Report on the Proposed Adoption of the Rules
April 2011	BWSR Reviews ALJ Report, Consider and/or Makes Changes Based on Comments and/or ALJ report
April 2011	Submit Rules to Chief ALJ
May 2011	Board Adopts final rule
May/June 2011	Rule Training Sessions
June 2011	Office of Administrative Hearings Files Approved Rules with Secretary of State Revisor Prepares a Notice of Adoption Submit Notice of Adoption to State Register
June 2011	Rule Published in the State Register
July 1, 2011	Rule Becomes Effective

Statewide Program Manual

The increasing number of grant programs administered by BWSR has resulted in increasing questions regarding how these programs should be managed and the desirability of standardizing program management processes and procedures. The Grant Monitoring Work Group is another effort underway with similar goals. The Cost Share Work Group will be developing a Statewide Program Manual that will be suitable for all grant programs. The proposal is for the Manual to be organized in two main sections:

- (1) Procedures and guidance for all grant programs; and
- (2) Procedures and guidance specific to individual grant programs based on appropriations and Board policy. This section will contain as many program specific subsections or addendum that are necessary to accommodate BWSR grant programs.

Proposed Schedule.

July 2010	Begin development of general provisions of Manual, including identifying provisions that will become part of Cost Share specific addendum.
August 2010	Review concept with SMT and Exec Team.
September 2010	Review Manual concept and organization at Field Staff Meeting.
February 2011	Complete Draft Statewide Program Manual and Cost Share specific addendum.
March 2011	Review Final Manual at Field Staff Meeting and Cost Share specific addendum.
May/June 2011	Rule and Manual training sessions.