

Summary of Program Administration Issues Discussed To Date Carl Moyer Program

The Program Administration Work Group is focusing on streamlining and simplifying program administrative requirements while maintaining program effectiveness and integrity. A list of process improvement issues from the California Air Pollution Control Officers Association (CAPCOA), a 2006 Department of Finance (DoF) program evaluation, and a 2007 Bureau of State Audit (BSA) report provide starting points for the work group's discussion. To date, the ARB-district subgroup has discussed the following concepts:

- Cumulative Progress Tracking: Cumulative progress tracking would compare the total funds spent by the expenditure deadline, regardless of the funding year, with the amount required to be expended at that deadline. This mechanism provides districts flexibility to take credit for funds expended early while ensuring anticipated emission reductions are cumulatively achieved by the required deadline.
- District Applications for Annual Funding: The work group has discussed how to reduce documentation needed (of previous years' fund expenditure and obligation) when applying for annual funding allocations from ARB.
- Report Streamlining: The work group has discussed mechanisms to streamline reporting requirements for the Policies and Procedures Manual, initial report, status report, and annual report. The guidelines should also provide additional time for districts to submit their annual and final reports to ARB since June 30th coincides with the close of fiscal year (when some data is just being received).
- Policies and Procedures Manual: Policies and Procedures Manuals would be submitted each year but would only be required to update any changes from previous practice
- Funding Year "Close Out": To minimize duplicative reporting, ARB should "close out" each new funding year once a district has submitted all required reports and demonstrated full expenditure of that year's funds. For years in which ARB has already received all required completed reports, the APCO, CFO, and Moyer program manager could sign (certify) close-out forms.
- Fiscal Issues: The DoF 2006 report on the Carl Moyer Program recommends that the program guidelines include general costs and principles for earned interest, indirect costs, outreach/admin funds, and travel and per diem rates. Districts' Policies and Procedures manuals should reference the document which governs the districts' practices for these items (or define their calculation methodologies and/or minimum requirements).
- Best Practices: The Guidelines would include a "Best Practices" chapter, which would highlight recommended program practices.

Other concepts:

- Two-Tiered Approach for District Fund Application and Reporting Requirements: ARB is evaluating a risk-based approach to district application, fund receipt and reporting requirements, such that districts that require less oversight (based on historical performance) could be subject to reduced administrative requirements.

Issues

- Should the bar be set low to provide moderate relief to all districts that consistently obligate and spend their funds on time, or should a high standard be set for a few districts to run their programs with significant autonomy?
- Allocation of Funds to Air Districts: The working group is evaluating ways to streamline the process by which air districts receive their initial and subsequent funding allocations from ARB.

Issues

- The DoF has indicated that, at a minimum, air districts must demonstrate a need for project funds before receiving program funding. Given this DoF concern, what are the options for streamlining how districts receive their annual funding allocation from ARB?