Making Nevada More Competitive For Federal Funding

Presenters:
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Dr. Christopher Stream, Director UNLV School of Environmental and Public Affairs

Event PowerPoint Slides & Resources:
goo.gl/q83eLG
Public and Private partners are coming together across the state to make Nevada more competitive for federal funding.

We are working to advance a solutions oriented dialogue across the state to advance quality of life, build communities and improve our states ability to compete and to bring back Nevada’s “fair share” of tax dollars to our State.

“Lies, damned lies and statistics”
- Data only reveal so much
- how we mobilize around the information will decide how we position ourselves nationally
Competing for Federal Dollars in Nevada

Strategic Progress, LLC
Cyndy Ortiz Gustafson, CEO with
Lead Analyst Jennifer Oullette

February 2013
• This research was undertaken in 2013 to better understand how state and local leaders were working to address federal funding challenges
  – how much money Nevada was “leaving on the table” and what could be done about it
• This data should be viewed as a starting point
  – along with Nevada Office of Grant Procurement data, Brookings Institution data, Accelerate Nevada data, SEPA, and Lincy Institute data.
  – More information can be found on each of these sites.
• We interviewed State Department directors, non profit directors, philanthropists, and community leaders to understand
  – what barriers they faced when competing for federal grants in NV
  – what assets we had in play, and
  – what solutions we should highlight in this discussion.

Nevada receives approximately 65 cents in federal spending for every dollar paid in taxes.

Had Nevada received the same per capita amount of federal grant funding as its regional neighbors, the state would have generated an additional $529 million in 2012 from the following agencies (excludes Medicaid).
• We know we are near the bottom among US state competing for federal grant funding
  – but this issue is complicated, and the reasons we are behind are many.
  – The state has been working to address this issue for 34 years - but what has changed?
• The data tell us that we are not as effective as we may want to be
  – However, what can’t it tell us?
Limitations exist around data systems, the definition of data, how it is acquired, how to share data between partners, and how and where to store it.

- Nevada has an overall lack of understanding that collecting data is an investment with a payoff.

- We can’t do anything unless we can measure and understand baseline data;
  - we don’t have the capacity to evaluate how the actions we are taking are impacting social outcomes.

- Our inability to provide accurate and sophisticated data is an incredible problem, spanning the individual non-profit agencies, convening agencies, and state and local government agencies.

- We need to have a shared understanding of the issues if we want to begin to mobilize around shared notions of change and progress.

Source: Strategic Progress interviews, conducted January through March 2013
What the numbers can’t tell us

• This is a tough nut to crack- we must dig into the data to find solutions

• Overall there is a gaping hole in the reporting of intergovernmental fiscal flows

• The data we present today shows estimates of per capita federal funding grants that flow to state and local government

• The 2013 data we present covers about 90% of all federal grant funding to the states
  – Both studies largely examine formula funding
What the numbers can’t tell us

- Based on our 2010 results, Alaska received the most federal grant funding per capita ($4879)
- Nevada received the least ($1371)
- This same ranking holds true when you look at 2013 data
  - Alaska $3637
  - Nevada $1187
### Per Capita Federal Spending on Selected Grants, FY 2013

<table>
<thead>
<tr>
<th>State</th>
<th>Federal Funds Information for States</th>
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<tbody>
<tr>
<td>District of Columbia</td>
<td>$4,815</td>
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<td>Alaska</td>
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<td>Wyoming</td>
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<tr>
<td>New York</td>
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<td>New Mexico</td>
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<td>Mississippi</td>
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<td>West Virginia</td>
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<td>Rhode Island</td>
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<td>Louisiana</td>
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<td>Alabama</td>
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<td>South Dakota</td>
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<tr>
<td>Pennsylvania</td>
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<td>U.S. Average</td>
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<td>Idaho</td>
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<td>Oklahoma</td>
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<td>New Hampshire</td>
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<td>Nevada</td>
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What the numbers can’t tell us

• The District of Columbia receives the most federal grant funding each and every year.
  – In 2013 it was $4815

• This makes sense given the “special relationship” between DC and the federal government
  – Responsibilities that would be shared with states are instead shared by the federal government

• Also, DC receives a favorable Medicaid matching rate
  – More on this point later
So, why does Nevada rank low?

• NV low ranking illustrates (by omission) a maxim of federal aid
  – States that do well tend to fall in one of 3 categories
    • They are low income
    • They run costly Medicaid programs
    • They contain large swaths of federal lands from which natural resources are extracted

• Each of the top-ranked states has at least one of these characteristics.
  – Nevada has none of them
So, why does Nevada rank low?

- Another feature is that low-population states tend to do better than high-population states
  - Note Florida and California
- This is the presence of the “small state minimum”
  - For many federal grant programs low population states are guaranteed a larger share of total funding than they would qualify for based on the formula alone
Medicaid Matters – it really, really matters!

- Please note – These figures do not include Medicaid
  - By far this is the LARGEST grant program in the Universe!
    - In 2013 Medicaid alone accounted for more than 45% of all federal grants
    - If you include all “health” related grants you approach 49%
    - Income security and social services account for 27%
- So, the importance of Medicaid cannot be dismissed
- However, even studies that include 2013 Medicaid spending, Nevada still ranks last
  - Because of the previous mentioned maxim
Medicaid Matters – it really matters!
But so do Natural Resources!

- But let’s take the 800 lb gorilla out of the equation.
- In 2010 that places Nevada at 53$^{rd}$ on the list
- In 2013 that places Nevada at 49$^{th}$ on the list
- Why are Alaska, North Dakota and Wyoming excelling at the game?
- This underscores the importance of transportation, natural resources and minerals management alluded to in the maxim
- In fact, many high ranking states in this report are geographically large with small populations
  - Such as North Dakota and Montana
What the numbers can’t tell us

• Low ranking states are just harder to stereotype
  – They have an absence of characteristics rather than the presence of a particular characteristic
  – Low ranking states lack:
    • Low personal income
    • Large federal land holdings
    • Abundant natural resources
  – These states include Virginia, Florida, Colorado, and Nevada
More work to do

• The Competing for Federal Grant Dollars in Nevada and other studies only scratch the surface of the issue
  – They are good summaries and overviews
• But our report does not delve into the complexities and importance of the state-federal fiscal relationship
• Understanding the “per capita” relationship described here only shows us the “average”
More work to do

• The “average” is a good starting point
  – But it only tells us so much
• More work is needed – we must drill down further into the data in order to make sense of Nevada’s circumstances
• Also, if we may want to maximize competitive external funds
• The Competing for Federal Grant Dollars in Nevada report doesn’t spend a lot of timing focusing on the competitive grants that may be available
  – Competitive grants may be where we are likely to discover complementary funding and are able to leverage private investments
  – Accelerate Nevada and others are working on this issue
Key Recommendations

- *Translate lost dollars into found dollars* by knowing the market place of federal competitive funding, auditing Nevada federal grant funds and comparing them to comparable states, and positioning Nevada to better compete for them, (sometimes by simply filling out the paperwork to be eligible to receive the funds).

- Formula funds rely on strong data, and are impacted by match, population, demographics and other factors. Other states similar to ours are doing better with formula funds than Nevada- what can we do to increase our share of formula funding?

- *Address key structural, match and capacity issues at the state and local government levels*, prioritize based on return on investment and impact.

- Be more strategic about how we budget and cut funds- instead of cutting programs across the board use models like other states do that cut strategically and look at which programs leverage federal match before we cut, maintaining our formula funds where possible and appropriate.
Key Recommendations

• Improve our ability to compete for competitive federal grants as a state through increased training and education within state departments and for non-profits
• Improve capacity to administer and manage federal grants and to report outcomes and evaluate grants
• Decrease the time between award of federal grants and the time they “hit the street”, improving our relationship with the Feds
• Engage private business and philanthropy with the message that to compete we must invest in a knowledge economy around this issue - there is no higher use of resources at this time. “Give me a nickel and I will find you a dollar”. And we will. Millions of them.
• Be willing to engage is discourse and dialogue with system partners, even if we disagree about data, programs, or projects, to achieve our shared goal of making Nevada more productive and competitive - be open to ideas and innovation
What can Nonprofits Do?

• Work with State Grant Offices, Departments and Congressional offices to coordinate opportunities
• Build grants and programs on evidence based practices
• Broad, meaningful, well documented collaborations
• Professional 3\textsuperscript{rd} party evaluations
• Performance measurement and outcomes
• Leveraging private dollars – match existing assets – be able to document sustainability
• Support legislative change around these issues
Accelerate Nevada and SEPA are advocating for the creation of a nonprofit “grants accelerator” with the primary goals of managing and maximizing federal grant funds.

- In our view, the benefits of a grants accelerator extend beyond dollar-driven missions.

For those working with federal grants, there will be a place to turn when federal and state auditors ask compliance questions related to federal grants.

- Compliance rules are complicated, and in 2014 all administrative circulars are being replaced by new guidance. Even experts will have to update their grants management skills.

A grants accelerator can give local governments and nonprofits a single place to go to collaborate around grant opportunities from all funding sources, not just those that flow through the state, and to receive technical assistance.

Local governments, nonprofits, and others can work with a grants expert in each state agency who can provide subject-specific advice, and connect with the Grants Procurement Office through the Accelerator.

- They can also identify people in their own communities already working in the grants field who are potential partners or resources for technical assistance.
A local grants accelerator can provide free training for anyone, not just staff in state agencies, on how to find, win, and manage grants. By providing this training, peer interaction will increase across agency and jurisdictional lines, further improving the odds of program success.

Congressional staff can benefit by having a place to direct constituents seeking advice on where to look for funding in their own communities.

A grants accelerator creates a pool of experts across the state to tap when a new priority requires significant grant writing, and local expertise and relationships—e.g., Affordable Care Act [ACA]) or grants management services e.g., American Recovery and Reinvestment Act [ARRA]).

A grants accelerator can be part of a system for reviewing requests for letters of intent and support on grant applications. The accelerator could also review grants prior to submission, in collaboration with the Grants Procurement Office.

More information found at www.acceleratenevada.com
Contact Info

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www.acceleratenevada.com
Q&A

PowerPoint Slides & Replay Video: goo.gl/q83eLG
• Thurs, July 10 – 9am – Webinar: Funder Interview w/ Thom Reilly, Executive Director, Caesars Foundation