

Maryland Efficient Grants Application Council Meeting Minutes

Date: 10/30/2024, 4:00 pm - 5:21 pm

Location: Google MeetVideo Conferencing

Meeting Recording Link Presentation link: [Maryland Efficient Grants Application Council Meeting – 2024/10/30 15:53 EDT – Recording](#)

Link to Presentations: [Meeting Agenda](#), [Meeting PowerPoint](#)

Members Present: *Chair* - Secretary Helene Grady

Dept. of Budget & Management - Raquel Coombs, Dana Phillips, Mike Morello, Joan Peacock

Department of General Services/Chief Procurement - Chichi Nyagah-Nash, Yasin Mohammed

Comptroller's Office - Laura Gutierrez, Jasmine Clemons, Ben Seigel

Office of the State Treasurer - Megan Schutz

Department of Health - Amalie Brandenburg

Department of Human Services - Gloria Brown

Department of Housing & Community Development - Bryan Holtzapple

Department of Natural Resources - Lauren Buckmaster, Kamil Williams

Department of Agriculture - Bonnie Brady

Maryland Energy Administration - Emily Soontornsaratool

Maryland Higher Education Commission - Geoff Newman

*Dept of Information Technology** - Erik Lyon

*Member added by the Chair

Representatives and Appointee Members Present:

Maryland Municipal League - Jesse Buggs

Governor NonProfit Representative Appointees - Nancy Easterling

Senate Appointee - Irene Tai

Additional Attendees:

Senator Cheryl Kagan

Rachel Robin, Senator Kagan's Chief of Staff

Henry Bogdan, Policy Director, Maryland Nonprofits

Sandy Washington Executive Director, Lifestyles of Maryland

Members Absent:

Attorney General Office - Beverly Pivec

Department of Environment - Cia Cook

Maryland State Department of Education - Donna Gunning

Governor's Office of Crime Prevention and Policy - Mary Abraham

Maryland Association of Counties - Diane L. Fouche

House Appointee - John Brothers

Call to Order/Opening Remarks: Secretary Helene Grady, Chair, called the Maryland Efficient Grants Application Council meeting to order at 4:00 pm via Google Meets. Staff noted

the meeting was being recorded. The Chair welcomed the Council members and facilitated member introductions.

Old Business: None. Previous work included a December 2021 report outlining initial recommendations.

New Business:

Chair - Council Overview: The Chair shared the Council's mission and the work previously done by the Council. It was noted that the Council's previous efforts were summarized in the Council's 2021 report, indicating efforts going forward will leverage this as a starting point. The Chair emphasized the importance of the work of the Council, as well as acknowledged the Council fits well and aligns with several of the Governor's initiatives and priorities. Secretary Grady acknowledged that the Council has significant work to do to accomplish its mission but believes the Council will be able to accomplish much in breaking down goals into smaller tasks and projects and using a phased approach. The presentation included an agenda overview and discussed the proposed workgroup structure. The Chair then introduced and opened the floor up to Senator Kagan.

Presentation from Senator Kagan: Senator Kagan shared background on the non-profit sector and the MEGA Council mission. The Senator discussed successful similar efforts in Illinois that have saved their State millions of dollars. Illinois created a centralized system allowing organizations to upload grant and application information to a portal that essentially streamlines and creates efficiencies that are similar to the concept of the "common app" used for college admissions.

The Senator highlighted challenges nonprofits face, including the availability of capital. The Senator shared that the Nimble program, which provides funding up to \$250,000, helps with cash flow for nonprofits to be able to meet short-term costs until grant funds are available.

The Senator mentioned two bills she planned to introduce during the upcoming legislative session that she felt were of importance to the Council members. One is related to indirect costs for nonprofits that enter into grants and contracts with State agencies. There is an existing statute that sets a minimum rate of 10% that nonprofits are permitted to charge on State grants and contracts. This original 10% was based on the federal de minimus rate set in the OMB Uniform Guidance. As of October 1, 2024, this rate was increased to 15%. The new bill would update the language to align the rate to be set at what is stated as the de minimus rate in the federal Uniform Guidance. The second legislation the Senator planned to introduce during the upcoming legislative session relates to establishing a State ombudsperson position in the Department of Commerce that would provide services similar to the State's Small Business Ombudsperson.

Overview of Council Overall Goals and Grant Life Cycle: Joan Peacock, Director of the Audit and Financial Compliance Unit within DBM, presented on the grant life cycle and identified the goals set forth in statute for the work to be accomplished by the Council, referencing Chapters 484 and 485 of 2020 that established the MEGA Council. She outlined goals, including creating uniform grant application materials, implementing financial controls and reporting regulations,

and addressing SB459's requirements for studying the feasibility of a state grants ombudsperson. Finally, it was noted that the 2021 Council report was used as the basis for developing the Workgroups and related goals.

Council Workgroups: Dana Phillips then presented an overview of the Council's proposed five workgroups: Budget, Monitoring and Reporting, Applications, Customer Service, and Ombudsperson. This presentation included the potential goals established for each Workgroup. It was emphasized that goals were pulled from comments and observations in the 2021 Council report. Secretary Grady shared that the identified goals can be changed and adjusted.

Secretary Grady mentioned that there are no defined requirements for how often the Workgroups are required to meet; however, the goal would be that each Workgroup is prepared to provide updates at the quarterly Council meetings along with (eventually) items for the Council to discuss and consider.

General Discussion from Council Members:

Nancy E. mentioned that many different types of organizations do business with the State and recommended that, to the extent possible, these differences should be considered by the Workgroups and Council when proposing Statewide guidelines and standardization. In particular, she mentioned that grants funded with federal dollars pose some difficulties for smaller nonprofits. Thus, when considering adopting portions of the OMB Uniform Guidance, small nonprofits should be asked to provide comments and feedback.

As related to goals mentioned for the Customer Services Workgroup, Lauren B mentioned the Maryland Info Portal, administered by the Department of Planning, should be considered. This portal provides listings and contact information for State Grant funding opportunities.

Bonnie B mentioned that there should be some consideration of the costs and resource needs that will be required by State agencies to implement many of the recommendations of the Council. Bonnie also mentioned that the Council may want to consider or research to determine if there are any federal grants that might help provide funds to support these efforts.

It was also mentioned and discussed that, as the federal Uniform Guidance periodically is updated, the Council should consider and factor into any standardized processes the flexibility to allow for such future changes.

Bonnie B further mentioned that she was aware that Oracle will no longer be available as a grants management platform in the near future. Her question was whether the Council should consider what agencies are using this product and if there are any cost efficiencies or whether the funds (originally used to support the cost of Oracle) could be used toward a centralized system. Secretary Grady used this as the opportunity to share with the Council that the previous efforts to implement a Statewide Grants Management System were put on pause for various reasons and that, while not an immediate goal, this is something that should be discussed and considered by the Council. Certain steps should be taken toward this, such as understanding what systems each state agency is using today. There is also the consideration of whether a grants management system fits into the project to modernize the State's financial systems. Secretary Grady

cautioned that we do not want the discussion of a centralized grants system to take over Council discussions as there is other work to be accomplished prior to considering the implementation of a centralized grants system. ChiChi supported this thought by mentioning that the upfront work in identifying the key elements and process improvements recommended by the Council will support and put us in a better position when it's time for a centralized grants system. Henry B also supported this position.

Bonnie B raised a question as to whether grants to 'for-profit' entities should be included in Council discussions or if the Council is to focus only on State grants to nonprofits. No one had a definite answer. Secretary Grady mentioned this is something we will need to follow up on.

Senator Kagan asked whether the Workgroups would be subject to the Open Meetings Act. Dana mentioned that this is not required for the Workgroups. Senator Kagan mentioned that posting general meeting minutes and dates for Workgroup meeting dates might be beneficial but that recording the Workgroup meetings might hinder open communication. It was agreed that Workgroup meetings will not be recorded. Secretary Grady mentioned we may only want to share Workgroup minutes and meeting dates among Council members vs posting on the website.

Henry B mentioned that he spoke to the State Ethics Office and found out that non-Council members are not considered State officials and, thus, could be involved in Workgroups as the statute does not restrict Workgroups to only Council members. Secretary Grady cautioned that large numbers on a Workgroup may be prohibitive to effective and efficient discussion.

There was a question on whether we have contacted the OAG and involved them in the Council work. Secretary Grady mentioned that OAG is a member of the Council. However, related to the concerns identified, she mentioned that the Council may want to ensure the right experts, including contract experts, are included and get to weigh in on proposed Council recommendations. If needed, it was mentioned that we may be able to obtain support from DBM's AAG.

Council Reporting Requirement: Dana mentioned the Council reporting requirements, including the upcoming Council report due December 31, 2024, that summarizes the Council's activity during the past calendar year. Dana mentioned that a draft report would be shared with the Council members for comment before finalizing.

Next Virtual Meeting Dates: Dana shared the upcoming Council meeting dates:

- Wednesday, January 29th, 2025, 4pm
- Wednesday, April 30th, 2025, 4pm

Closing Discussion: The Chair asked for volunteers to sign up for Workgroups and shared that meeting material would be shared following the meeting.

Adjournment: The meeting adjourned at 5:21 pm.