

Lessard-Sams Outdoor Heritage Council

MEMO: **Agenda Item #8**
DATE: May 24, 2023
SUBJECT: Discussion/Action: Appropriation Extensions for Availability of Funds and
 Personnel/DSS Budget Amendment Process
PRESENTER: LSOHC staff, Chair, & Vice-Chair

Suggested Motion:

Motion by Member XX, that the Council approve the following chair/vice-chair/staff recommended procedural adoptions:

1. Appropriation extension requests will only be considered with delineated extraordinary circumstances related to weather or unforeseen last-minute circumstances.
2. Appropriation extension requests must be submitted for Council review no later than the Council's November meeting to provide necessary time for Council consideration and potential bill language inclusion.
3. Extension requests must be accompanied by a well-defined plan toward project completion that provides the Council with confidence in project success.
4. Appropriation extension amendments should not include an increase in personnel or DSS.
5. The Council will hear all amendments for Personnel and/or DSS budget line-item increases in instances where that appropriation's cumulative Personnel and/or DSS budget line(s) have/will exceeded 10% of the originally approved respective budget lines. Such amendments should not be approved if they exceed 10% unless the shift is to enable of shift of work to/from a contractor instead of employees for the same work. It is the Council's presumption that proposals it reviews are well vetted and will be carried out according to the budget and work plan upon which the Council recommended/approved the proposal.

Background:

At the Council meeting on January 27, 2023, due to an increasing number of appropriation extension requests, members asked for a dedicated discussion regarding the degree to which the Council should consider approving or disapproving future extension requests. By statute, Council approval of extensions of Availability of Funds are forwarded to the legislature as recommendations and require legislative approval.

The attached Extension Summary, provided by LSOHC staff, lists requests for extensions that have received Council recommendation in the past. In recent years the frequency of extension requests and approvals has increased significantly. Considering this trend, the Council should review and discuss current and future policy regarding extension requests.

Locked within the "extensions" discussion is a similar trend of increasing "Personnel" and "Direct Services Support" (DSS) budget lines. This may be due to a variety of reasons, but it too deserves attention within this overall discussion. The attached DSS & Personnel Summary from LSOHC staff provides related detail. Current LSOHC procedures allow for accomplishment plan budget overruns of

less than 10% of a budget line item without pre-approval by staff. However, with overruns of 10% or more pre-approval is required before Grants Management will fulfill reimbursement requests.

Important Considerations.

1. Council expectations when making funding recommendations are that appropriations are reasonably ready for implementation and / or are “shovel ready.”
2. The council’s expectations are that appropriations are to be completed within the approved time and budgets to ensure the funds appropriated are in the ground quickly. If they do not happen in the allotted time, it would have been better to deploy the funds elsewhere where they could be implemented for habitat protection, enhancement, and restoration for the benefit of wildlife and people quickly.
3. Appropriations that can’t meet timing and budget obligations, and thus require extensions, may inadvertently be removing opportunities for more efficient appropriations with higher urgency.
4. While situations may arise justifying some extensions, these instances should be exceptions and not the rule and, for the most part, be due to uncontrollable weather-related issues.
5. When an appropriation ends without spending all available funds, the funds automatically revert to the Outdoor Heritage Fund for future appropriations. Not completely spending available funds is not necessarily a mark of failure by a fund recipient and may even indicate efficiency. When a fund recipient knows it will not be able to fully spend an appropriation, it is hoped they will acknowledge that early so the funds can be reappropriated quickly.

Attachments:

- Extension Summary
- DSS & Personnel Summary
- OHF Program Spending / Completion by Appropriation Year