## LSC Project Approval Process

### Purpose

This document is intended to be supplemental to the WBIF Project Process Graphic, and provide a detailed overview of the LSC’s Project Approval Process. This document is intended to be reviewed each December to evaluate its effectiveness in relation to Comprehensive Plan implementation, and determine what modifications to improve process, address gaps, or to better align with other policies or procedures should be made.

The process laid out below is an aggregation of the following documents:

* Appendix to the 2022 Annual Plan of Work: Lower St. Croix Project Approval Process Policy
* Appendix to the 2022-23 Annual Plan of Work: Lower St. Croix Fast Track Project Policy
* September 26th, 2022 – LSC Policy Committee Meeting Minutes
* WBIF Project Process Graphic

### Project Review Schedule:

*Request for Projects and Submission Deadlines*

* Requests for projects will be sent out to all partners 60 days in advance of a scheduled Steering or Policy Committee review of projects by an appointed LSC member. December will serve as a call for proposals for both projects under (reviewed in February) and exceeding $50,000 (reviewed in March).
* Submission deadlines will occur 2 weeks prior to the scheduled meeting to provide adequate time to assemble meeting packets.
* The 2023 Submission Deadlines, and Meeting Schedule is shown in **2023 LSC Project Process Calendar** (Attachment 1)

*Reviews*

Projects will be reviewed and considered by the Steering Committee according to Project Type, on the following schedule:

* Projects under $50,000
  + February, May, and August.
* Projects exceeding $50,000
  + March

Projects exceeding $50,000 that have been advanced to the Policy Committee by the Steering Committee will be reviewed in April.

### Project Types:

The projects reviewed and considered by the Steering and/or Policy Committee will fall into 1 of 2 broad categories.

1. Projects exceeding $50,000
2. Projects under $50,000

The primary difference in these categories is the review schedule/frequency, and the review audience. Both categories will generally follow the same core process. The primary differences between the Project Types are outlined below.

* Projects Exceeding $50,000
  + Schedule:
    - Reviewed 1x annually (March – Steering Committee; April – Policy Committee)
  + Audience:
    - Projects must be reviewed by the Steering Committee who provide a recommendation for approval/denial to the Policy Committee.
    - Projects must be reviewed by the Policy Committee, who provides a recommendation for approval/denial to the Fiscal Agent.
      * Note: projects do not require approval by the LSC local partner boards unless they require a grant agreement amendment or work plan revision exceeding $50,000.
* Projects Under $50,000
  + Schedule: Reviewed 3x annually, in February, May, and August
  + Audience: Projects must be reviewed by the Steering Committee, who provide a recommendation for approval/denial to the Fiscal Agent.

### Process:

Step 1: A LSC Partner fills out a project request form plus appropriate attachments (see attachments listed on project request form) and self-evaluates the project.

***Application Criteria****: the following are* ***required*** *for a project to qualify for WBIF funds.*

1. The Partner Agency has investigated/exhausted funding options from other sources.
2. Submission of an [Funding Request Form](https://clflwd.org/documents/LSCProjectRequestForm_TEMPLATE.docx) and any necessary attachments/self-evaluation forms.
3. [Funding Request Form](https://clflwd.org/documents/LSCProjectRequestForm_TEMPLATE.docx) has been submitted at least two weeks in advance of the Steering Committee meeting to the LSC Meeting Facilitator.
4. The project is indicated as a priority in the Lower St. Croix 10-year Comprehensive Watershed Management Plan.
5. The project is in alignment with the LSC WBIF grant work plan.
6. The project meets all of the [Gatekeeper Criteria](https://static1.squarespace.com/static/5b0dadc59772aeb1df30d0d8/t/5f9aea83cfd1f030c1d3bb17/1603988135744/Final+Lower+St+Croix+Comp+Plan+OCT+2020.pdf) (pg 95)
7. [OPTIONAL] All funds must be received prior to designating funds toward a project (no bridging years)
8. [OPTIONAL] Future dollars may not be set aside for a partner/project.
9. [OPTIONAL] The project must take place in the current grant cycle.

Step 2: The Steering Committee evaluates the project.

***Application Considerations****: projects meeting these criteria will be weighted higher than those that do not.*

1. The project is able to utilize funds on the cusp of expiration.
2. How the project scores:
   1. [CWMP Scoring Matrix](https://clflwd.org/documents/Attach3_CWMPAppendixCProjectScoringMatrix.docx)
   2. [Wetland Restoration](https://clflwd.org/documents/Attach4_WetlandRestoratiohttps:/clflwd.org/documents/Attach4_WetlandRestorationScoringMatrix.docxnScoringMatrix.docx)
   3. [Internal Loading Analyses](https://www.clflwd.org/documents/Attach5_InternalAnalysisRequestforFunding.docx)
   4. [Targeting Analyses](https://www.clflwd.org/documents/Attach7_TargetingEligibilityCriteria.docx)

Step 3: The Steering Committee makes a recommendation. If the recommendation is for approval, the following are applicable.

***Recommendations***

* Recommendations of approval from the Steering Committee, whether the request exceeds or is under $50,000, require a simple majority vote (50% + 1)
  + If the Project Request exceeds $50,000, it must be heard by the Policy Committee. See **Step 4**.
  + If the Project Request is under $50,000, and has been recommended for approval by the Steering Committee, move to **Step 5.**
* If the project was not selected for funding, a Partner may pursue an [Appeal](#_Appeals:).

***Rank and Prioritization***

* A designated member of the Steering Committee will keep an ongoing List of Projects that have been approved/recommended.
* Each project will receive a Ranking/Priority based on merit, as determined by the Steering Committee (and/or Policy Committee).
* If there isn’t enough funding in the current cycle, the project goes onto the next year’s list. Projects deferred to the next year’s list are still compared against new projects, and priority is determined by merit.

Step 4: The Policy Committee considers the project.

***Conflict of Interest***

* Prior to making any recommendations, the Policy Committee will review the **[Conflict of Interest Policy](#_Conflict_of_Interest)**, as part of the agenda, requesting members to disclose any actual, potential, or perceived conflicts.

If the Policy Committee recommendation is for approval, the following are applicable.

***Recommendations***

* Recommendations of approval from the Policy Committee require a super majority vote (2/3 or 66%)
  + A recommendation for approval advances the project to **Step 5**.
* The Policy Committee will make a decision on projects rankings, based on merit, either choosing to uphold Steering Committee recommendations, or modify it based on its own analysis.

***Approval by Partner Boards*** ***(If Applicable)***

* Local partner board approval is not required under most circumstances. However, if a project approval necessitates a grant agreement amendment or a grant work plan revision exceeding $50,000, then the action to approve the grant amendment/revision must be approved by local boards. In this case, 2/3 or 66% of Partner Boards must agree to uphold the Policy Committee’s recommendation. Approvals must be received within XX days of the Policy Committee’s recommendation.
  + It is the responsibility of the project proposer to assemble a draft memo that partners are able to utilize as a template for their Boards.

Step 5: The Fiscal Agent approves the project for funding, and executes a subcontract with the Partner

* All agreements established by the Fiscal Agent will include protective language, covering the LSC in the event funds are not available.

Step 6: Post Project Administrative Steps

* Upon completion of the project, the Partner fills out the [Invoice Template](https://clflwd.org/documents/InvoiceTemplateJune72021.xlsx), and submits it to the Fiscal Agent.
* The Fiscal Agent and LSC Reporter review the Project Invoice and work through any remaining items with the Project Partner.
* Reimbursement for the Partner’s project is processed at the Fiscal Agent’s next regularly scheduled meeting.

### Appeals:

The LSC Policy Committee expressed a desire to include an appeals process into the evaluation process. Below are 2 potential options:

* Option 1: All projects reviewed by the Steering Committee will be advanced to the Policy Committee with their recommendation as a written report. Proposals that have not been recommended for funding may not necessarily be heard or discussed by the Policy Committee, unless a Policy Committee member specifically requests additional information.
* Option 2: A project/proposal that has not been recommended for funding may appeal directly to the Policy Committee, if the project proposer so chooses. The project proposer requesting the appeal will be expected to:
  + Describe and demonstrate, quantitatively:
    - The value or merit of the project comparable to other projects selected for funding; or,
    - Why the project should be prioritized if no other projects have been selected for funding.

### Exceptions and Additional Requirements:

* Non-structural Agricultural Projects: these projects are not subject to review by the Steering Committee at pre-determined evaluation meetings (February, May, August).
  + Projects will be reviewed against Prioritization Criteria, and a decision will be made by:
    - the Agronomy Outreach Specialist,
    - the Local LSC Partner(s) governing the project area, and
    - the fiscal agent within the funding already allocated to each SWCD under the approved non-structural ag practices policy.
* Urban Non-structural Street Sweeping: incentive funding will only be available to communities with approved enhanced street sweeping plans.
* Fast-Track Applications: Local partners may request that their projects be reviewed at the next scheduled monthly steering committee meeting. Projects will only be fast-tracked if the requesting partner demonstrates that:
  + They cannot wait until the next scheduled review meeting
  + Their benefit significantly outweighs that of future projects to be considered.
  + It is not an ‘emergency project’ (the LSC does not have authority to make that distinction).
* The process for Fast-Track Applications will be identical to the process outlined above, however, it will be advanced to the nearest Steering Committee/Policy Committee meeting, instead of waiting for the thrice annual evaluation meetings (February, May, August).

#### Conflict of Interest Policy

Definition:

A conflict of interest, whether actual, potential, or perceived occurs “when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper or illegal act results from it.” (Office of Grants Management, Policy 08-01).

According to the Office of Grants Management Policy 08-01:

* ACTUAL CONFLICT OF INTEREST: An actual conflict of interest occurs when a decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict.
* POTENTIAL CONFLICT OF INTEREST: A potential conflict of interest may exist if a grant reviewer has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests.
* PERCEIVED CONFLICT OF INTEREST: A perceived conflict of interest is any situation in which a reasonable third party would conclude that conflicting duties or loyalties exist.

Application:

No LSC member or representative shall participate personally through decisions, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise in any proceeding, application, request for a ruling or other determination, contract, award, cooperative agreement, claim, controversy, or other particular matter in which award funds (including program income or other funds generated by federally-funded activities) are used, where to his/her knowledge, he/she or his/her immediate families, partners, organization other than a public agency in which he/she is serving as an officer, director, trustee, partner, or employee, or any person or organization with whom he/she is negotiating or has any arrangement concerning prospective employment has a financial interest of less than an arms-length transaction.

In the use of agency project funds, personnel and other officials shall avoid any action which might result in, or create the appearance of:

* Using his or her official position for private gain.
* Giving preferential treatment to any person.
* Losing complete independence or impartiality.
* Making an official decision outside of official channels.
* Affecting adversely the confidence of the public in the integrity of the government or the program.”

Implementation:

During a Policy Committee meeting, and prior to the Policy Committee’s review or discussion of any items that involves a grant or funding decision/recommendation, an agenda item will be included to identify and/or disclose actual or perceived conflicts of interest. During this agenda item, the Policy Committee Chair will review the *Definition* of a Conflict of Interest, and request that meeting participants disclose any actual, potential, or perceived conflicts. It is the participant’s obligation to be familiar with the LSC’s Conflict of Interest Policy, and to disclose any conflicts of interest. A disclosure does not automatically result in a participant being removed from the meeting or process, only that the conflict has been identified.

#### Additional Comments that need to be discussed:

* Should the LSC designate a set amount of funds for 10yr cost share projects vs 25 year CIP?
* How will longer range planning be conducted?

**From Jamie**: An overarching thought is that we may want the numbered steps in the Word document to correspond with a numbered flow chart summary.  The group is so used to the flow chart, and switching to something that doesn’t have that element may cause confusion.

Additionally, I think this is going to take careful formatting of the steps and keeping it as simple as possible.  Perhaps consider a table like this:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Projects <$50K | Projects >$50K | Projects <$1K |
| Application Timing | Call for proposals each Feb, May, Aug  Requests due each Mar, June, Sept on \_\_ day. |  |  |
| Application materials req’d |  |  |  |
| Step 1 – Application |  |  |  |
| Step 2 - SC review |  |  |  |
| Step 3 - PC review |  |  |  |
| Etc… |  |  |  |
| Invoicing |  |  |  |
| Reporting |  |  |  |

Outside of the table, simple policies can be condensed into one list that applies to all project types.