



**Date:** October 26, 2020

**To:** Legislative Advisory Commission Members

Senator Paul Gazelka  
Senate Majority Leader

Senator Julie Rosen, Chair  
Senate Finance Committee

Senator Michelle Benson, Chair  
Health and Human Services Finance and Policy  
Committee

Representative Melissa Hortman  
Speaker of the House

Representative Lyndon Carlson, Sr., Chair  
Ways and Means Committee

Representative Tina Liebling, Chair  
Health and Human Services Finance Division

**From:** Jim Schowalter, Secretary Legislative Advisory Commission 

**Subject:** Urgent Review of Federal Funds

We are requesting your review and response on federal awards received by the Minnesota Department of Human Services so that these federal funds can be distributed as soon as possible to support community needs in order to avoid waiting ten days for distribution.

The Coronavirus Aid, Relief and Economic Security Act (CARES Act), as well as other coronavirus related federal legislation, included several specific grant increases and new grant programs that will be distributed through state government agencies. As state agencies receive notice of these awards, we would like to deploy these resources to support the community as quickly as possible.

These grants are separate from and in addition to the \$1.87 billion state award for the Coronavirus Relief Fund.

Today I am submitting two requests to the Legislative Advisory Commission (LAC) for federal review under the provisions of Minnesota Statute 3.3005, subdivisions 4 and 5. I have attached to this email for summary purposes a descriptive list of the two requests and the federal funds review request forms for each grant award.

<b>Agency</b>	<b>Federal Grant Award</b>	<b>FY 2021</b>
Human Services	Crisis Counseling Regular Services Program (RSP)	\$1,826,991
Human Services	Disaster Response State Grant Program – Public Health Service Act	\$3,000,000

The LAC review form provides information about the amount of the federal award, the timeline for spending, the proposed uses of the funds and the requirements associated with accepting the funding.

Procedure for LAC review: LAC members have until Thursday, November 5, to provide a recommendation. To expedite the LAC review process, LAC members may respond to this review request directly by email, recommending their approval or request for further review. Please identify the requests to which you are submitting your recommendation and if you are submitting your recommendation for all requests, please note that in your recommendation. If all LAC review recommendations are received immediately, we may proceed with the distribution instead of waiting the 10-day period.

cc: Bill Marx, House Chief Fiscal Analyst  
Eric Nauman, Senate Lead Fiscal Analyst  
Nancy Conley, Committee Administrator, House Ways and Means  
Jessica Young, Committee Administrator, Senate Finance

## Federal Funds for Legislative Advisory Commission (LAC) Review October 26, 2020

### Human Services

#### Crisis Counseling Regular Services Program (RSP)

**Amount:** FY 2021 = \$1,826,991

**Urgency:** Funds must be spent quickly to provide mental health services. Funds are provided for 9 months.

**Flexibility:** Funds must be spent on mental health services distributed to identified grantees

**Summary:** Minnesota applied for and received funds from FEMA and the Central for Mental Health Services for the Regular Services Program (RSP). The RSP grant provides funding for 9 months after the end of the Immediate Services Program (ISP) funding ends in October. Minnesota will use these funds to make grants to 11 community-based organizations. This program provides funding for outreach, crisis counseling, referrals, and short-term intervention counseling for mental health problems caused or aggravated by COVID-19.

#### 2020 Disaster Response State Grant Program – Public Health Service Act

**Amount:** FY 2021 - \$3,000,000, FY 2022 - \$1,000,000

**Urgency:** Urgent to provide mental health services to school-aged children and youth impacted by severe flooding on four American Indian reservations and 51 counties.

Funds must be expended within 12-months of award notice (October 2021). Waiting until February 2021 for legislative approval places significant risk to funding given the shorten timeframe.

**Flexibility:** State must spend award on mental health services for school-aged children, youth and their families impacted by this declared natural disaster (FEMA-442-DR)

**Summary:** This new award will direct federal funding toward mental health services for school-aged children, youth and their families impacted by severe flooding on four American Indian reservations and in 51 counties. Specific interventions involve evidenced-based, culturally and linguistically competent, and developmentally appropriate school and community-based mental health services. The interventions will address prolonged and severe stress, anxiety, depression, post-traumatic stress disorder (PTSD), and substance use disorder (SUD) as a result of this declared natural disaster. Goals for this funding are to train 60 mental health and SUD providers and serve 5,000 school-aged children for one year.

## Part One – Basic Federal Award Information

**Review Request Type:**       Fall 20-Day Review       20-Day Session Review       Urgent 10-Day Review

**State Agency:** Minnesota Department of Human Services

**State Legal Authority:** MS 4.07, subd. 3

**Federal Agency:** FEMA-SAMHSA

**CFDA#:** 97.032

**Federal Award Title:**

Crisis Counseling Regular Services Program (RSP)

**Federal Legislation Authorizing the Grant:**

FEMA-4531-DR-MN, Mental Health Disaster Assistance and Emergency Mental Health Crisis Counseling Program.

**Application Status:**       Pre-Application       Application       Negotiation       Award

**Start Date:** 10/03/2020      **End Date:** 07/03/2021      **Total Federal Award Amount:** \$ 1,826,991

## Part Two – Award Type Information

**New Award**

Amount requiring approval in the current biennium:

**State FY:** 2020      **Amt:** \$ \_\_\_\_\_

**State FY:** 2021      **Amt:** \$ 1,826,991

Anticipated federal grant expenditures in the planning years (next biennium)

**State FY:** \_\_\_\_\_ **Amt:** \$ \_\_\_\_\_

**State FY:** \_\_\_\_\_ **Amt:** \$ \_\_\_\_\_

**Increase in Award Amount (includes continuation and increase in award amount)**

Date the current biennium amount was originally approved?

Incremental amount requiring approval in the current biennium

**State FY:** \_\_\_\_\_ **Amt:** \$ \_\_\_\_\_

**State FY:** \_\_\_\_\_ **Amt:** \$ \_\_\_\_\_

Anticipated federal grant expenditures in the planning years (next biennium):

**State FY:** \_\_\_\_\_ **Amt:** \$ \_\_\_\_\_

**State FY:** \_\_\_\_\_ **Amt:** \$ \_\_\_\_\_

Amount originally approved + Incremental amount requested = New total current biennium amount  
 \_\_\_\_\_ + \_\_\_\_\_ = \$ 0

**Change in Fiscal Years Spending Authority Only**

Date the current biennium amount was originally approved?

Incremental amount requiring approval in the current biennium

**State FY:** \_\_\_\_\_ **Amt:** \$ \_\_\_\_\_

**State FY:** \_\_\_\_\_ **Amt:** \$ \_\_\_\_\_

Anticipated federal grant expenditures in the planning years (next biennium):

**State FY:** \_\_\_\_\_ **Amt:** \$ \_\_\_\_\_

**State FY:** \_\_\_\_\_ **Amt:** \$ \_\_\_\_\_

Amount originally approved + Incremental amount requested = New total current biennium amount  
 \_\_\_\_\_ + \_\_\_\_\_ = \$ 0

### **Part Three – Grant Description**

#### **Narrative Description of the Federal Award**

Minnesota applied and is receiving from Federal Emergency Management Agency (FEMA) and the Center for Mental Health Services (CMHS) within the Substance Abuse and Mental Health Services Administration (SAMHSA) a grant for Crisis Counseling Regular Services Program (RSP). This fund is a continuation of the Immediate Services Program fund received to provide crisis counseling services to those affected by COVID-19 for which the President declared a major disaster on April 7, 2020. This declaration, designated FEMA-4531-DR-MN, on May 4, 2020 to authorize the Crisis Counseling Program. The RSP grant provides funding for additional 9 months after the end of the 60 days Presidential major disaster declarations.

Minnesota will use this fund and contracts with 11 community based organizations for outreach, crisis counseling and referral services and short-term intervention counseling for mental health problems caused or aggravated by the COVID-19 disaster. The RSP grant will begin after the 60-days ISP program ends on October 3, 2020.

**10-Day Urgent Request – Describe the nature of the urgency.**

This is a time limited grant related to the COVID-19 pandemic for Crisis Mental Health Services.

**20-Day Review - Describe any implications if the spending authorization is delayed.**

**Part Four – Short and Long-Term Commitments**

**Provide a narrative description of the short and long-term commitments.**

We will be contracting with 13 providers to provide Crisis services related to the COVID-19 pandemic

**Maintenance of Effort (MOE)**

Does the award contain a maintenance of effort requirement?  Yes  No

If yes, please provide the following:

FY	FUND	AppropID	FinDeptID	Amount

Narrative description of MOE including the program and budget activity from where cash originates, **length of MOE, and** consequences if MOE is not met

**Match requirement:**

Is a hard (cash contributions) or soft (in-kind contributions) match required?  Yes  No

If yes, please provide the following:

1. An estimate of the total project amount by state fiscal year for each year of the award; also indicate what amount is cash contributions (hard match) and what amount is in-kind contributions (soft match). If the award runs longer than two years, include information for each additional year.

State FY	Federal portion	Hard match	Soft match	Total project amount
				\$ 0
				\$ 0
				\$ 0
				\$ 0

2. Account information: FY \_\_\_\_\_ FUND \_\_\_\_\_ AppropID \_\_\_\_\_ FinDeptID \_\_\_\_\_  
 FY \_\_\_\_\_ FUND \_\_\_\_\_ AppropID \_\_\_\_\_ FinDeptID \_\_\_\_\_  
 FY \_\_\_\_\_ FUND \_\_\_\_\_ AppropID \_\_\_\_\_ FinDeptID \_\_\_\_\_

3. Description of the program and budget activity from where cash contributions will originate.

**FTE**

How many FTE(s) are needed to carry out this project/proposal? \_\_\_\_\_ New <sup>7</sup> \_\_\_\_\_ Existing

Is the continuation of positions a condition of receiving the federal award?  Yes  No  
 If yes, please describe.

We plan to contract with someone to manage the execution of this grant. The costs associated with grant execution was approved within the grant award.

**Indirect Costs**

Are indirect costs included in the proposal?  Yes  No

1. If yes, indicate the rate. If this rate is different from the agency's approved rate, explain why.
2. If no, provide justification and supporting documentation for not including it.
3. To what base is the indirect cost rate applied?
4. How much of the grant is indirect costs?

Please use the space below to respond to the questions above as they apply to your proposal.

A condition of this grant is that Indirect Costs were unallowable costs.

**Part-Five – Signatures**


**David Greeman** Digitally signed by David Greeman  
 Date: 2020.10.08 14:37:41 -05'00'

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Agency Finance Director's Signature

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Date

 Digitally signed by Ahna Minge  
 Date: 2020.10.08 19:11:51 -05'00'

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Department Head's Signature

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Date

**Josh Riesen** Digitally signed by Josh Riesen  
 Date: 2020.10.14 11:00:17 -05'00'

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Executive Budget Officer's Signature

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Date

## Part One – Basic Federal Award Information

Review Request Type:  Fall 20-Day Review  20-Day Session Review  Urgent 10-Day Review

State Agency: Human Services

State Legal Authority: MS 4.07, Subd. 3

Federal Agency: Health and Human Services, Substance Abuse and Mental Health Services Administration

CFDA#: 93.982

Federal Award Title:

FY 2020 Disaster Response State Grant Program - Minnesota

Federal Legislation Authorizing the Grant:

This award is pursuant to the authority of section 319(a) of the Public Health Service Act

Application Status:  Pre-Application  Application  Negotiation  Award

Start Date: 09/30/2020 End Date: 09/29/2021 Total Federal Award Amount: \$ 4,000,000

## Part Two – Award Type Information

### New Award

Amount requiring approval in the current biennium:  
4,000,000

State FY: 2020 Amt: \$ 0

State FY: 2021 Amt: \$ 3,000,000

Anticipated federal grant expenditures in the  
planning years (next biennium)

State FY: 2022 Amt: \$ 1,000,000

State FY: 2023 Amt: \$ 0

### Increase in Award Amount (includes continuation and increase in award amount)

Date the current biennium amount was originally approved?

Incremental amount requiring approval in the current biennium

State FY: \_\_\_\_\_ Amt: \$ \_\_\_\_\_

State FY: \_\_\_\_\_ Amt: \$ \_\_\_\_\_

Anticipated federal grant expenditures in the  
planning years (next biennium):

State FY: \_\_\_\_\_ Amt: \$ \_\_\_\_\_

State FY: \_\_\_\_\_ Amt: \$ \_\_\_\_\_

Amount originally approved + Incremental amount requested = New total current  
for the current biennium biennium amount  
\$ 0

### Change in Fiscal Years Spending Authority Only

Date the current biennium amount was originally approved?

Incremental amount requiring approval in the current biennium

State FY: \_\_\_\_\_ Amt: \$ \_\_\_\_\_

State FY: \_\_\_\_\_ Amt: \$ \_\_\_\_\_

Anticipated federal grant expenditures in the  
planning years (next biennium):

State FY: \_\_\_\_\_ Amt: \$ \_\_\_\_\_

State FY: \_\_\_\_\_ Amt: \$ \_\_\_\_\_

Amount originally approved + Incremental amount requested = New total current  
for the current biennium biennium amount  
\$ 0



## Part Three – Grant Description

### Narrative Description of the Federal Award

The Behavioral Health Division, Minnesota Department of Human Services, will focus the 2020 Disaster Response Grant Program from SAMHSA on school-aged children and youth (K-12) and their families, who have been impacted by severe flooding on four American Indian reservations and in 51 counties, including in Ramsey County, the seat of Minnesota’s capital, St. Paul.

On 06/12/2019, FEMA declared the severe weather incident a natural disaster, FEMA-4442-DR. School-aged children and youth (K-12) and their families (“population of focus”) who have been impacted by this declared natural disaster, FEMA-4442-DR, present with trauma- and stressor-related clinical symptoms, indicating prolonged and severe stress, anxiety, depression, Post-traumatic Stress Disorder (PTSD), and Substance Use Disorder (SUD) which call for specific interventions, including counseling services. In addition, traumatized children and youth show a marked decrease in social functioning and academic performance, further exacerbating their clinical symptoms. The demographic makeup of the population of focus is: 51.5% male and 48.5% female; 36.9% American Indian and Students of Color; 38% are students with a reduced/free school lunch; 16.6% are students in special education; 10% are English language learners; and less than 1% are homeless.

The main intervention strategy involves the provision of evidence-based, culturally and linguistically competent, and developmentally appropriate school-based and community-based mental health services across all 51 counties and on four American Indian reservations impacted by the declared natural disaster, FEMA-4442-DR. Mental health services include, but are not limited to, the initial screening and assessment of the client, the referral to a provider, followed by service delivery and counseling. All services provided to the client adhere to the National CLAS Standards. The infrastructure for the implementation of this strategy already exists in form of the school-linked mental health resources and multi-tiered systems of support (MTSS) in Minnesota’s schools, and services related to this declared natural disaster will build on this infrastructure to ensure high efficiency. The respective program goals are: a) train 60 mental health and SUD providers; and b) serve 5000 school-aged children and youth (K-12) and their families in one year.

**10-Day Urgent Request – Describe the nature of the urgency.**

Delay in approving spending authorization would delay the start-up planning and implementation process which could lead to noncompliance with the terms and conditions of the award.

**20-Day Review - Describe any implications if the spending authorization is delayed.**

**Part Four – Short and Long-Term Commitments**

**Provide a narrative description of the short and long-term commitments.**

The short term commitment is to provide the services to the target population as described in the narrative description of the federal awards above. There are no long term commitments after the period of funding concludes.

**Maintenance of Effort (MOE)**

Does the award contain a maintenance of effort requirement?  Yes  No

If yes, please provide the following:

FY	FUND	AppropID	FinDeptID	Amount

Narrative description of MOE including the program and budget activity from where cash originates, **length of MOE, and** consequences if MOE is not met

**Match requirement:**

Is a hard (cash contributions) or soft (in-kind contributions) match required?  Yes  No

If yes, please provide the following:

1. An estimate of the total project amount by state fiscal year for each year of the award; also indicate what amount is cash contributions (hard match) and what amount is in-kind contributions (soft match). If the award runs longer than two years, include information for each additional year.

State FY	Federal portion	Hard match	Soft match	Total project amount
				\$ 0
				\$ 0
				\$ 0
				\$ 0

2. Account information: FY \_\_\_\_\_ FUND \_\_\_\_\_ AppropID \_\_\_\_\_ FinDeptID \_\_\_\_\_  
 FY \_\_\_\_\_ FUND \_\_\_\_\_ AppropID \_\_\_\_\_ FinDeptID \_\_\_\_\_  
 FY \_\_\_\_\_ FUND \_\_\_\_\_ AppropID \_\_\_\_\_ FinDeptID \_\_\_\_\_

3. Description of the program and budget activity from where cash contributions will originate.

**FTE**

How many FTE(s) are needed to carry out this project/proposal? \_\_\_\_\_ New 3.9 Existing

Is the continuation of positions a condition of receiving the federal award?  Yes  No  
 If yes, please describe.

**Indirect Costs**

Are indirect costs included in the proposal?  Yes  No

1. If yes, indicate the rate. If this rate is different from the agency's approved rate, explain why.
2. If no, provide justification and supporting documentation for not including it.
3. To what base is the indirect cost rate applied?
4. How much of the grant is indirect costs?

Please use the space below to respond to the questions above as they apply to your proposal.

DHS indirect costs charged to federal grants are determined through a federally approved cost allocation methodology. For non-entitlement programs such as this one, state indirect costs are capped at 10% of administrative expenditures from the grant.

**Part-Five – Signatures**

**David Greeman** Digitally signed by David Greeman  
Date: 2020.10.09 11:00:33 -05'00'

Agency Finance Director's Signature

Date

 Digitally signed by Ahna Minge  
Date: 2020.10.09 15:08:43 -05'00'

Department Head's Signature

Date

 Digitally signed by Travis L. Bunch  
Date: 2020.10.26 09:29:25 -05'00'

Executive Budget Officer's Signature

Date