

NC Human Trafficking Commission: Appropriation Committee Meeting

April 18, 2022



Important Updates SFRF / ARPA Funds:

- AOC / HTC does not have this funding yet and has not signed an agreement yet to receive the funding.
- State reclassified all our SFRF / ARPA funding as revenue replacement. (these grants will now be “Provisions of government services”)
- Still waiting guidance on how the reclassification affects compliance / monitoring of the spending.



Important Updates SFRF / ARPA funds:

- Submitted a draft budget for the 10% administrative allowance.
- Submitted draft job summaries for time-limited positions.
 - Grant Administrator (1)
 - Grant Managers (4)
 - Data / Reporting (1)
 - Small Contracts related to training
 - Potential bid to be discussed for housing certification
- State Grant Manager Guidance NCPRO
 - Recipient agencies can also use administrative cost, following the language in the federal guidelines
 - Conducting a risk assessment is allowed and good practice
 - Committee can scale assistance given, based on the risk assessment
 - Committee can use an “allowable / unallowable” list and this can be based on our ability to monitor funds or conduct sound fiscal management
 - Committee can mandate goals / objectives or can approve goals that applicants submit

AOC Discussion on the MOU

Joseph Kyzer



Section 16.22 Facility Improvement Grants:

FACILITY IMPROVEMENT GRANTS FOR ORGANIZATIONS:

Section 16.22(a) Of the funds appropriated in this act to the Administrative Office of the Courts, Human Trafficking Commission, for the 2022-2023 fiscal year, the sum of \$4.8 million shall be used to establish a grant program to provide funds to qualifying domestic violence and sexual assault agencies for the purpose of making one-time facility upgrades or undertaking construction projects. The following criteria shall apply to the grant program:

1. Only organizations qualifying under NCCWYI are eligible to apply
2. Maximum amount of each grant shall be \$45,000
3. Based on availability of funds, a second round can be issued
4. Commission shall establish policies and procedures for distribution



Section 16.22 Facility Improvement Grants:

Notes:

Administrative Code applies (NGOs and a couple local government)

Seeking internal guidance on details

Considering forms and contract used by AOC directed grants

Creating a specific email for the applications and forms

Description:

“Facility upgrades” is broader than capital asset or construction project in that it contemplates improving the use of the building.

“One-time facility upgrades” is broader than brick-and-mortar capital improvements only. Allowable expenses could include furniture, assets like a washer/dryer, and structural improvements like security cameras.

If the one-time facility upgrade were technology, the asset should be affixed to the facility, such that it improves the use of that facility space, like an informational monitor. A laptop, iPad, or desktop would not qualify.

These funds also can’t be used for a lease for additional space, because that is an ongoing contractual obligation.

The section also specifically distinguishes between “facility upgrades” and “construction projects,” indicating that expenditures that qualify for the former need not include the latter.

We read the “one-time” requirement in front of facility upgrade in this section as not binding to actual construction, rather it refers to expenditures that would be long-term and not made repeatedly. The language of the section does not require the “facility upgrades” be a “fixture,” for example, a common delineation of capital improvements. These allowable expenses for facility upgrades would also include painting and replacing carpets. New beds for a shelter, and furniture for a lobby or staff office, would upgrade the facility and qualify.

Many of the qualifying agencies will not own their own facilities or be able to commit to fixed asset improvements, and Section 16.22 does not require that they do, further indicating that facility upgrades can include purchases and improvements that benefit the use of the space as allowable grant expenses in this section.



Section 16.22 Facility Improvement Grants:

Committee Decisions:

- Dates for proposal submissions
- Disqualify those without the correct application / forms or negotiate with them?
- Approve these as they come in or after deadline ends?
- Do we want to open second round applications at the time of first round or wait to see if funding is left?
- If yes, then we need a maximum amount established for the 2nd round awards.