

<b>Activity:</b>	<b>State Conservation Grants Administration</b>
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**Activity Summary**

Program Component	2003 Enacted	2004 Estimate	FY 2005			Change From 2004 (+/-)
			Uncontr/ Related Changes	Program Changes (+/-)	Budget Request	
State Conservation Grants Administration	2,981	2,469	0	0	2,469	0
<b>Total Requirements</b>	<b>2,981</b>	<b>2,469</b>	<b>0</b>	<b>0</b>	<b>2,469</b>	<b>0</b>

**Authorization**

16 U.S.C. 460l et.seq. Land and Water Conservation Fund (LWCF) Act of 1965, as amended

**DOI Outcome Goals Applicable to State Conservation Grants and Administration****Recreation**

**3.1 Provide for a quality recreation experience, including access and enjoyment of natural and cultural resources**

State Conservation Grants Activities support this goal by providing and managing grants to States, improving their capacities to provide access for recreation and promoting recreation opportunities.

**FY 2005 Base Program Overview**

The **State Conservation Grants Administration** activity administers previously awarded and new grant projects in cooperation with State partners so as to ensure continuing accountability and compliance with applicable mandates. Tasks also include providing technical assistance to States in updating and/or developing their new Statewide outdoor recreation plans, training NPS and State staff, and conducting onsite reviews of potential recreation sites for compliance with program requirements. The overall grant workload is largely determined by whether new grant funds are appropriated and the size of such appropriation, as well as the number of grants that remain active at any given time.

Proactive fiduciary activities are conducted and include: inspecting or certifying project sites, negotiating and resolving ongoing conversion issues, closeout of active grants, processing grant billings, and the resolution of audit exceptions.

**Use of the Program Assessment Rating Tool (PART)**

PART reviews were conducted on the following NPS program areas for the FY 2005 Budget Request:

<b>Reviewed Program Area</b>	<b>FY 2005 PART Score</b>
<b>Land and Water Conservation Fund (LWCF) State Grants</b>	<b>25% (first review)</b>

Part evaluations and recommendations continue to inform both budget formulation and program management decisions. In FY 2005 request for grants administration of the LWCF State assistance program is the same level of funding as FY 2004. The PART review identified several areas where improvements with respect to measuring performance and showing results should be made, and funding will remain level for this program until results are demonstrated.

The PART review also revealed that States apply an indirect cost rate to State Grant apportionments ranging from 0 to 20 percent or more. Because NPS is directed by the PART review to work more closely with individual States to develop more outcome-oriented performance measures for the program, there

may be additional grants administration costs. In recognition of this directive, and in an effort to adopt a more uniform and systematic approach to overhead allocation practices, States will be eligible for administration grants not to exceed 5 percent of their respective grants programs. States will have the opportunity to take advantage of this option or to not use LWCF grant money for administration at all. This will ensure that States have a reasonable amount of funding to administer grants and collect meaningful performance data, while also ensuring that the vast majority of programs dollars will be spent on conservation projects based on Congress's original intent in enacting the State grants assistance program.

Recognizing that some States have been relying financially on high indirect cost rates, and that States fiscal years do not always coincide with the Federal fiscal year, FY 2005 will be a transition year. States will have the option in FY 2005 of the giving up indirect cost rates in favor of administration grants. Beginning in FY 2006, indirect cost rates will be unavailable to all States, and administrative grants will be the only financial mechanism available to States to help them cover administrative expense related to this program.

*Performance summary tables are found at the end of this Appropriation.*

### **FY 2003 Program Performance Accomplishments**

Among the more significant accomplishments in the area of grant administration during FY 2003 are the following:

- Provided technical assistance to States in updating and developing new plans, and continue training NPS and State staff.
- Conducted onsite reviews of 20 recreation sites to ensure compliance with program requirements, and monitored on-site inspection of 1,364 recreation projects.
- Resolved five audit exceptions.
- Negotiated and resolved approximately 275 conversion issues.
- Closed out 200 active grants.

### **FY 2004 Planned Program Performance**

Expectations for the grants administration program in Fiscal Year 2004 include:

- Providing technical assistance to States in updating and developing new plans, and continue training NPS and State staff.
- Conducting onsite reviews of potential recreation sites to ensure compliance with program requirements, including monitoring on-site inspection of 5,000 recreation sites.
- Resolving approximately five audit exceptions.
- Negotiating and resolving approximately 300 conversion issues.
- Close out 1,550 active grants.
- Developing new outcome-oriented performance measures to better demonstrate results for implementation at the beginning of FY 2005.

### **Justification of FY 2005 Budget Request: State Conservation Grants Administration**

<b>Request Component</b>	<b>Amount</b>
FY 2004 Budget Estimate	2,469
<b>TOTAL, Program Changes</b>	<b>No Change</b>
Uncontrollable changes	No Change
<b>FY 2005 Budget Request</b>	<b>2,469</b>
Net change	No Change

**State Conservation Grants Administration Workload Factors**

<b>Performance Measures</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Estimate</b>	<b>FY 2005 Estimate</b>
Sites inspected and certified operational	1,364	2,500 <sup>1</sup>	5,000 <sup>1</sup>
Sites threatened	275	300	300
Active grants completed and closed out	200	2550	610
New grants awarded	575	550	550

<sup>1</sup>LWCF sites are to be inspected every five years. With over 35,000 sites funded under this program, the target for inspections by NPS staff and State partners is approximately 7,000 per year. The actual number depends upon the ability of State staff, within budget and staffing restrictions, to conduct on-site inspections and to process self-certification reports by individual project sponsors. Increases in site inspections and certifying operations are anticipated in FY 2004 and FY 2005, as more states gear up to administer LWCF program responsibilities.