

New Start Grant Program Pre-Proposal Conference

Maryland Department of Labor

Division of Workforce Development and Adult Learning (DWDAL)

Friday, April 21, 2023

10:00am



Agenda

- I. Welcome and Opening Remarks
- II. Housekeeping Items
- III. Overview of The Maryland New Start Act of 2022 & Definitions
- IV. Key Components of the Solicitation
- V. Program Evaluation and Performance Targets
- VI. Proposal Format and Submission
- VII. Awards and Timeline
- VIII. Reporting Requirements
- IX. Monitoring
- X. Questions

Housekeeping Items

- Please keep yourself muted until we are ready to take questions
- If you joined by phone, please include your name and organization in the chat
- Type any questions into the chat- they will be answered at the end of the presentation
- All questions and answers received during this conference will be posted on the New Start website by the end of next week: www.labor.maryland.gov/employment/newstart/
- If your organization decides to move forward with developing a proposal, please submit an Intent to Apply notification to Casey Tiefenwerth- an informal email is fine
- If you choose not to submit a proposal and want to provide feedback as to your decision for the purposes of improvement toward future grant opportunities developed by Labor, please email Casey Tiefenwerth
- This presentation will be shared with attendees

Maryland New Start Act of 2022

- Maryland General Assembly enacted House Bill 158, The Maryland New Star Act, establishing the:
 - New Start Grant Program (MD Labor)
 - New Start Microloan Program (Maryland Department of Commerce)
- Purpose: provide entrepreneurship development opportunities for *certain covered individuals* through training, programming, and direct access to small business financing
- Annual allotment of \$200,000 through FY28 to MD Labor to administer and disburse awards for the New Star Grant Program
 - MD Labor will consider up to \$60,000 per project per program year

Definitions

The Act defines a covered individual as one who:

- Has been convicted of a criminal offense;
- Has completed a term of imprisonment in federal prison, or a State or local correctional facilities; or
- Is approved for release by a correctional facility for the purpose of participating in a training program; and,
- Meets the offense eligibility requirements put forth by the US Small Business Administration (SBA) for the Federal Microloan Program

Definitions

- SBA Offense Eligibility Requirements for Federal Microloans¹
 - Effective July 15, 2015, businesses with an associate on parole or probation are eligible to receive SBA microloans **except** if the offense:
 - a) Involved fraud or dishonesty; or
 - b) In the case of a childcare business, involve an offense against a child.
 - Offenses involving fraud or dishonestly include, for example, larceny, theft, embezzlement, wrongful abstraction, conversation, counterfeiting, willful misapplications or anything other fraudulent or dishonest acts resulting in financial loss.

¹<https://www.sba.gov/sites/default/files/2018-05/Microloan%20SOP%2052%2000%20B.pdf>

Key Component: Curriculum

- Nationally Recognized Model, or a model based on nationally recognized standards of entrepreneurship education, may be included as Appendix
- Business Plan Competition for Currently Incarcerated Participants
- Executive Mentoring with business/executive leaders

Key Component: Program Requirements

- Reentry Services
- Access to business financing for covered individuals
- At least two letters of support or memoranda of understanding from partners to be included as Appendix
 - 1) Agency, organization, or institution that can speak to the applicant's capacity to serve incarcerated or previously incarcerated individuals
 - 2) At least one local business or employer that is committed to partnering

Letters of Support and/or MOUs

- One must be from an agency, organization or institution that can speak to the applicant's capacity to serve incarcerated and previously incarcerated individuals.
 - For MD Correctional Institutions, requests for Letters of Support or MOUs must be made three (3) weeks in advance and must be approved by DPSCS, Office of Program, Treatment, and ReEntry Services
 - POC: Danielle Cox, Director of Education for DPSCS, danielle.cox1@maryland.gov
 - Federal facilities: Letters of Support and MOUs must be signed by the facility Warden or Executive Director
- A second must be from at least one local business or employer that is committed to partnering on the proposed program

Key Component: Eligible Applicants

In addition to being able to feasibly implement the curriculum and program design for the target population, eligible applicants should be able to:

- Meet all reporting and monitoring requirements outlined in the CGP
- Contribute at least 25% of the award amount from new or existing non-State Sources, including indirect costs and in-kind contributions
- Are in good standing with the Comptroller of Maryland and MD Labor

Program Evaluation and Performance Targets

1. Number of participants expected to be enrolled in ongoing entrepreneurship development programming, annually.
2. Number of participants expected to graduate/complete entrepreneurship programming, annually.
3. Number of participants expected to be prepared to pursue small business or entrepreneurial financing, annually.
4. Expected average attendance rate for programming (percentage).

Program Evaluation and Performance Targets

5. Target recidivism rate for participants and program completers/graduates (percentage).
6. Number of participants expected to earn a credential or course credit, annually. (if applicable)
7. Number of participants expected to be served through wraparound, reentry, or job readiness services, annually.
8. Target participant satisfaction rate, based on participants' evaluation of the program.

Proposal Format and Submission

- **Maryland New Start Grant Program Application for Initial Grant Funding (Attachment A)**
 - Applicants should respond thoroughly to each prompt
 - For ease of review, do not remove the prompts from the document
 - Two letters of support and/or MOUs should be included as an Appendix to Attachment A
- Optional documents such as additional letters of support/MOUs, sample program curriculum, and program promotional materials should be included as an Appendix to Attachment A

Proposal Format and Submission

- **Maryland New Start Program Budget (Attachment B)**
 - Requests for funding should not exceed \$60,000
 - Non-State committed funds should be greater than 25% of the total grant amount requested
 - The total amount requested should equal the amount entered in Question 23A of Attachment A
 - The total amount of non-State funds committed should equal the amount entered in Question 23C of Attachment A
 - Program Budgets should be submitted as an Excel sheet
- Completed applications should be submitted to Casey Tiefenwerth at casey.tiefenwerth1@maryland.gov and include all required documents in a **single email**.

Awards and Timeline

Event	Date(s)
Solicitation Released	April 3, 2023
Pre-Proposal Conference	April 21, 2023
Proposals due to MD Labor	July 21, 2023
Review Process	July-August 2023
Awards Announced	September 2023
Grant Start	October 2, 2023
Period of Performance	October 2, 2023-September 30, 2024

Reporting Requirements

- Grantees will be required to track the ongoing progress of all proposed program evaluation and performance targets previously outlined
- Grantees must provide narrative descriptions of:
 - Key activities and services
 - Outreach activities
 - Updates on the timeline/work plan, including challenges or areas of concern
 - Promising approaches, innovative processes, lessons learned, milestones
 - Participant-level accomplishments
- Grantees must submit programmatic (narrative) and fiscal reports together as a single email on a **quarterly** basis

Annual Reporting Requirements

- A quarterly report is not required for Quarter 4, as Quarter 4 should be provided in the annual report
- Grantees must submit a cumulative annual report that details information gathered through the program year
- The annual report includes five sections comprised of 39 data points
 1. Participant Demographic Information
 2. Program Entrance Profile
 3. Program Enrollment Profile
 4. Program Exit Profile
 5. Participant Business Profile



Overview of Fiscal and Monitoring Requirements

Dorothee Schlotterbeck, Fiscal Manager
Tanya Washington, Monitoring Manager



Who We Are

- The Fiscal Unit is responsible for oversight of the agency's finances. As part of its oversight, they review and approves invoices and submit to Office of Administration for payment. In addition, we review budget expenditures; prepare funding allocations and financial reports; provide federal and state financial information and serve as a resource to grantees.
- The Monitoring unit annually ensures the integrity of the DWDAL programmatic and fiscal systems using the federal and state laws and regulations as its guide. It determine whether grantees are following the terms and conditions of their approved award.

Fiscal and Monitoring Collaboration

We ensure all checks and balances are being performed by all Grantees per your signed award agreement.

Working Together

Monitoring Team

- ★ The Monitoring and Compliance (M&C) Unit is primarily responsible for managing the Division of Workforce Development and Adult Learning's compliance as a whole.



Fiscal Team

- ★ Determining that expenditures have been made against the cost categories and within the cost limitations specified in the Agreement and Regulations.

The Fiscal and Program Monitoring unit collaborate with the goal to provide more effective data sharing between the two units. In addition, as a team we ensure the financial integrity of the programs that fall under the Division of Workforce Development and Adult Learning.

Grant Administration

Under Financial Standards, Grantees must adhere to the Big 7

1. Financial Management
2. Accounting records & reporting
3. Internal controls
4. Budget controls
5. Allowable costs
6. Source documentation
7. Cash management



Financial Management

- The financial management system of each grantee/sub-recipient shall provide federal and state required records and reports that are uniform in definition, accessible to authorized Federal and State staff, and verifiable for monitoring, reporting, audit, program management, and evaluation purposes per 2 CFR 200. Grantees shall ensure that their financial systems provide fiscal control and accounting procedures that are in accordance with applicable generally accepted accounting principles (GAAP).
- **Compliance:** The State of Maryland's DWDAL Fiscal Monitors can review the adequacy of the financial management system of any grantee/sub-recipient as part of a pre-award review or at any time subsequent to award. The Fiscal Monitors will review business protocols for tracking activities.
 - Matching available resources to planned activities (track budgeted line items).
- **REMEMBER:** It is better to align all budget cost with documentation.

Grants Allowable Costs

Three types of Costs

- Allowable
- Unallowable
- Allowable with Conditions

Cost must...

- Must be necessary for the performance or administration of the grant
- Must follow sound business practices
- Act with prudence under the circumstances
- No significant deviation from established scope

Internal Control

- **What is an Internal Control System?**
- **Grantees should see Internal Controls as an important part of operation.**
 - Impact every aspect of a business: people, processes, and physical structures;
 - A basic & necessary element;
 - Provides reasonable assurances;
 - Provides Checks and Balances (have protocols in place);
 - **Ensures** compliance with laws, regulations and policies

(CFR 200.61 and CFR 200.303) The Uniform Guidance places strong emphasis on internal controls to reduce the risk of waste, fraud, and abuse in the stewardship of federal funding. This includes state funds.

Accounting Records

For Reporting, your Accounting Records Must:

- Financial management systems must provide records that identify source & application of funds for state & federally-funded activities.
- Must contain information pertaining to:
 - State awards
 - Authorizations
 - Obligations
 - Unobligated balances
 - Expenditures
 - Must be supported by source documentation
 - **Compliance:** State Fiscal Monitors will look for your back-up documentation and approval process to confirm the expenditure



Check it Off!

Please follow all current and future guidance, instructional materials and direct agreements in place.

- Award Terms of Grant followed YES____NO____
- Quarterly Financial Reports turned in? YES____ NO____
- Quarterly Progress Reports turned in? YES____ NO____
- Budget Modification Request needs documented YES____ NO____
- Are all Invoices available? YES____ NO____
- Is there Additional Funding (leverage-federal)? YES ____ NO ____
- Do financial records match invoices? YES ____ NO ____

Maintaining Quality Controls

- Grantees should have a financial management system with written procedures that are regularly reviewed and updated.
- Grantees should enter into transactions with supporting documentation such as original receipts, invoices, POs, and internal approval documents (e.g., requisitions, travel authorization forms).
- Grantees should manage an entire transaction with checks and balances (cross-checking by another person).
- Grantees should thoroughly review requests for approval and financial reports as received and to ask about any variances between the budget or prior reports and the current requests or reports.
- Grantees must track the state of physical assets such as vehicles or major equipment.
- Grantees must monitor their activities and finances.

Monitoring 101

The purpose of the Monitoring and Compliance Unit is to ensure the “**Integrity**” of the State’s workforce development system as well as other program areas, and assess compliance with applicable laws and regulations,



Monitoring Notification

The Monitor will provide email notice to each grantee at least ten business (10) days prior to the review.



Monitoring Methods

Onsite Monitoring – Onsite Monitoring consist of the scheduling of grantee visits based on two things: primarily risk factor and geographic location in respects to other program in same areas that require monitoring. Scheduling of site visits are conducted annually and are based on fiscal year.

Desk Monitoring - Desk Monitoring consist of reviewing State of MD DOL grant agreements, Memorandum of Understanding, Partner agreements, policies and procedures, DWDAL quarterly fiscal reports and other pertinent reports in house. It may consist of a review of program and financial reports for accuracy. A comparison of the cumulative count of clients and units delivered against those projected are reviewed.

Focused Monitoring – Review of any problems that occurred during the preceding year, or when requested by State leadership.

Monitoring Methods

Monitoring – We Ask Questions

The review is intended to ask questions regarding a grantee's operations, outcomes and challenges.

Evidence of Benefit to constituents

Identify Financial Compliance – Timely Reporting

Is Ongoing Technical Assistance Needed?

Monitoring Review Expectations

Monitoring: What you can expect from us:

- Assistance with regulations & requirements
- On-site and remote technical assistance with fiscal & programmatic issues

Our Expectations of You:

- A program that meets the requirements of Federal and State laws, regulations and grant terms and conditions
- A program that is designed to focus on customer needs and that addresses those needs
- Sound Financial Management system
- Documentation – Written Policies and Procedures; Support for all costs charged to the grant; Organized files for each participant with required signatures; Backup documentation for tracking specific activities.

What's Next?

***After Desk Reviews –
We take our working
papers to develop a
report highlighting the
area observations.***

The Monitoring Report:

- Describes the goals, scope, and standards of the monitoring process
- Defines specific concerns, observations or findings
- Specifies the expected response or corrective action needed from the grantee



Source Documentation

- Documentation is necessary to support grant funding.
- Local Areas and grantees must verify and confirm that participants are eligible to participate in the program services and other special programs through an examination of documents.
- Documentation may be stored electronically, however documentation must be available to program, fiscal monitors, and auditors for monitoring purposes.
- Grantees must retain records for a period of at least three (3) years after the submittal of the final closeout expenditure report for that funding period.



We are here to help you follow the terms and conditions



Resources

- [PI 2019-04, Privacy and Data Security - March 28, 2019](#)
- [PI 2019-07, Monitoring - July 17, 2019](#)
- [Fiscal Administration Handbook](#)
- [Executed Grant Agreements](#)



Thank You

We are always looking for new ways to improve our work.

For More Information, please contact:

Tanya Washington, Monitoring & Compliance Manager

tanya.washington@maryland.gov

Dorothee Schlotterbeck, Fiscal Manager

dorothee.schlotterbeck@maryland.gov

Contact Information

Questions about the New Start Grant Solicitation will be accepted via email through
Friday, May 19th, 2023

Casey Tiefenwerth

Special Grants Program Manager

casey.tiefenwerth1@maryland.gov

All questions will be posted to the New Start Grant website

www.labor.maryland.gov/employment/newstart/

Questions?