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NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 274
DEPARTMENT OF VETERANS' AFFAIRS

FILED
11/30/2020 9:23 AM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Veteran Services Grant

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 01/07/2021 9:00 AM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

A public rulemaking hearing may be requested in writing by 10 or more people, or by a group with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date the Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

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Filed By:
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NEED FOR THE RULE(S):

The 2017 Oregon State Legislature passed House Bill 2891 establishing the Oregon Department of Veterans' Affairs Veteran Services Grant Fund, and allocated \$1,070,900 for Grant Funds. The individual grant awards range from \$25,000 to no more than \$250,000. Grants must be used and reimbursed by December 31, 2021. The legislation directs the Oregon Department of Veterans' Affairs (Department) to develop and implement the grant program and award multiple one-time grants on a competitive basis. The purpose of these rules is to describe the Grant Program requirements and processes.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

HB 2891; OLIS

FISCAL AND ECONOMIC IMPACT:

No fiscal or economic impact.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

These rules are not expected to have an effect on small businesses or the public.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Small businesses are not likely to be impacted and were not explicitly involved in the development of these rules.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

The agency reached out to multiple stakeholders and organizations for input.

RULES PROPOSED:

274-038-0100, 274-038-0200, 274-038-0300, 274-038-0400, 274-038-0500, 274-038-0600, 274-038-0700, 274-038-0800, 274-038-0900, 274-038-0950

ADOPT: 274-038-0100

RULE SUMMARY: Provides the definitions for the rule.

CHANGES TO RULE:

274-038-0100

Definitions

As used in OAR chapter 274, division 37, unless the context of the rule requires otherwise, the following definitions apply:¶

- (1) "Agreement" means a legally binding grant agreement between the Department and the applicant that contains the terms and conditions under which the Department is providing grant funds from the Request for Grant Proposals (RFGP).¶
- (2) "Applicant" means an organization that has submitted a proposal to the Department.¶
- (3) "Asset" means non-capital assets tangible or intangible property used in organization operations having a useful life beyond a single year and an initial cost (inclusive of ancillary charges) of less than \$5,000.¶
- (4) "Authorized Representative" means a person authorized by the applicant to make all representations, attestations, and certifications required in the grant proposal and to submit a proposal on behalf of the applicant.¶
- (5) "Capital Assets" means tangible and intangible property that have initial estimated useful life beyond a single year and have an initial cost of at least \$5,000 and does not include items below \$5,000. ¶
- (6) "Capital Improvement" means an action that increases the useful life of a capital asset or adapts a capital asset to a new use.¶
- (7) "Department" OR "ODVA" means the Oregon Department of Veterans' Affairs.¶
- (8) "Evaluation Committee" means a committee selected by the Department to evaluate and score eligible grant proposals and make recommendations to the Department director for approval. ¶
- (9) "Grant Program" means the Veteran Service Grant Program.¶
- (10) "Policy" means specific guidelines used by the Department in the decision-making process.¶
- (11) "Proposal" means a grant proposal submitted to the Department in response to the Request for Grant Proposal (RFGP).¶
- (12) "Quasi-Public Agency" means a publicly chartered body that provides a public service and is controlled by a government appointed board. ¶
- (13) "Recipient" means an applicant that was selected as a recipient of grant funds by the Department and that enters into a written agreement with the Department to receive funds from the grant program.¶
- (14) "Supplant funds" means to use grant funds to replace funds that were previously appropriated by another entity for the same purpose.¶
- (15) "Veteran" has the meaning given in ORS 408.225

Statutory/Other Authority: ORS 406.030,, ORS 406.050

Statutes/Other Implemented: ORS 406.142 (2017 HB 2891)

ADOPT: 274-038-0200

RULE SUMMARY: Provides the eligibility requirements for the program.

CHANGES TO RULE:

274-038-0200

Eligibility Requirements

The following are eligible organizations and entities:

(1) Tribal, regional or local governments; or other state agencies under programs established under state or federal law;

(2) Oregon quasi-public agencies;

(3) Oregon intergovernmental entities formed under ORS 190; and

(4) Private non-profit organizations designated as a 501(c)(3), 501(c)(19) or 501(c)(23) tax exempt organizations that demonstrate in their grant proposal proof of:

(a) Current (active) business registration with Oregon Secretary of State Corporation Division;

(b) Registration with the Charitable Activities Section of the Oregon Department of Justice Oregon and the most recent Oregon Form CT-12 report filed with the Department of Justice; and

(c) At least a one-year operational history.

Statutory/Other Authority: ORS 406.030, ORS 406.050

Statutes/Other Implemented: ORS 406.142 (2017 HB 2891)

ADOPT: 274-038-0300

RULE SUMMARY: Provides the purposes for which grant funds may be uses.

CHANGES TO RULE:

274-038-0300

Purposes of Grant Funds ¶

Grant funds may be used only for purposes set forth in ORS 406.142(2).

Statutory/Other Authority: ORS 406.030, ORS 406.050

Statutes/Other Implemented: ORS 406.142 (2017 HB 2891)

ADOPT: 274-038-0400

RULE SUMMARY: Provides requirements for grant proposals.

CHANGES TO RULE:

274-038-0400

Grant Proposal Requirements

- (1) The Department shall announce deadlines and RFGP requirements for grant program funding. RFGPs submitted after the deadline set by the Department may only be reviewed at the discretion of the Department.¶
- (2) Applicants interested in receiving funds under the grant program must submit a proposal to the Department in a format prescribed by the Department that includes:¶
- (a) Proof that the applicant meets the eligibility requirements;¶
 - (b) Measurable goals and outcomes;¶
 - (c) The estimated completion date for each goal's objective; ¶
 - (d) A detailed budget of projected funding needs;¶
 - (e) Demonstrated capacity to address and improve equity, diversity and inclusion in their services to veterans; and ¶
 - (f) Demonstrated capacity to administer any funds awarded under this section in compliance with the requirements of this grant and all applicable federal and state laws; and ¶
 - (g) Demonstrated capacity to complete the proposed work by the specified date in the agreement.

Statutory/Other Authority: ORS 406.030, ORS 406.050

Statutes/Other Implemented: ORS 406.142 (2017 HB 2891)

ADOPT: 274-038-0500

RULE SUMMARY: Provides funding information for grant program.

CHANGES TO RULE:

274-038-0500

Minimum/Maximum Amounts and Funding Criteria

(1) Applicants may not apply for grant amounts below the minimum of \$25,000 or above the maximum of \$250,000 allowed for this grant program.

(2) ODVA may award a grant amount in part or in full of the proposal budget.

(3) Specific funding dates will be specified in the Request for Grant Proposal.

(4) When determining which grant proposals to fund, the Department shall make funds available statewide.

(5) ODVA may:

(a) Award funds to the highest ranked Proposals.

(b) Consider the total amount of available grant funds and the total dollar amount requested in all grant proposals, when making the determination about a grant award amount.

Statutory/Other Authority: ORS 406.030, ORS 406.050

Statutes/Other Implemented: ORS 406.142 (2017 HB 2891)

ADOPT: 274-038-0600

RULE SUMMARY: Provides details for the application review and scoring process.

CHANGES TO RULE:

274-038-0600

Evaluation Committee, Grant Review and Scoring Process

(1) The Department will select an evaluation committee. ¶

(2) Each applicant's proposal shall be reviewed and scored by members of the evaluation committee. ¶

(3) The evaluation committee will score each proposal based on the rubric designed by the Department. The rubric shall be provided with the grant RFGP. ¶

(4) Grant funds may be awarded to the highest ranked proposals, in priority order until all funds are exhausted. ¶

(5) The evaluation committee will make recommendations to the Director of ODVA. The Director will have final approval of awards.

Statutory/Other Authority: ORS 406.030, ORS 406.050

Statutes/Other Implemented: ORS 406.142 (2017 HB 2891)

ADOPT: 274-038-0700

RULE SUMMARY: Provides information on grant administration.

CHANGES TO RULE:

274-038-0700

Grant Administration

The Department shall administer the grant program.¶

(1) The Department and recipient shall execute a written agreement, prior to the disbursement of funds.¶

(2) The Department will prepare the agreement.

Statutory/Other Authority: ORS 406.030, ORS 406.050

Statutes/Other Implemented: ORS 406.142 (2017 HB 2891)

ADOPT: 274-038-0800

RULE SUMMARY: Provides details for distribution of grant funds.

CHANGES TO RULE:

274-038-0800

Disbursement of Grant Funds

(1) An agreement must be fully executed before funds may be disbursed.¶¶

(2) The Department will disburse funds on a reimbursement basis, after substantiation of allowable costs and expenses.¶¶

(3) The Department will provide guidelines for proper documentation of allowable costs and expenses.¶¶

(4) The Department may hold a percentage not to exceed five percent of the total award until all final project reports are submitted to the Department.¶¶

(5) The Department may require recipients to hold a percentage of their grant award in reserve for a period of time during the grant period, based on the Department's availability of funding, or other budgetary factors.

Statutory/Other Authority: ORS 406.030, ORS 406.050

Statutes/Other Implemented: ORS 406.142 (2017 HB 2891)

ADOPT: 274-038-0900

RULE SUMMARY: Provides requirements for grant record keeping and reporting.

CHANGES TO RULE:

274-038-0900

Record Keeping and Reporting Requirements

(1) A Quarterly report is due within 30-days after the end of each quarter, each recipient shall provide a program report to the Department containing the information required by the agreement as well as data on measurable outcomes as stated in the proposal and identified in the agreement. ¶

(2) A final report is due within 60-days after the end of the grant period. Each recipient shall provide a final program report to the Department containing the information in ORS 406.530(8) as well as final data on measurable outcomes as stated in the proposal, and a final budget report as identified in the agreement. ¶

(3) Recipients must separately account for all moneys received from the Veteran Services Grant Program in project accounts in accordance with Generally Accepted Accounting Principles. ¶

(4) Recipients must keep an inventory log of all assets purchased with grant funds. The log shall include the serial number of any electronic item, (e.g. cell phone, printer, etc.). ¶

(5) The Department shall provide templates for the quarterly, final and budget reports. ¶

(6) Recipients must keep all original documentation on file for at least five-years after the grant project period has closed.

Statutory/Other Authority: ORS 406.030, ORS 406.050

Statutes/Other Implemented: ORS 406.142 (2017 HB 2891)

ADOPT: 274-038-0950

RULE SUMMARY: Provides requirements for the retention and disposal of assets acquired with grant funds.

CHANGES TO RULE:

274-038-0950

Retention and Disposal of Assets

(1) Any asset purchased under this grant shall remain an asset in service to veterans by recipient for at least three years.¶

(2) Any capital asset purchased under this grant shall remain an asset in service to veterans by recipient for at least five years.¶

(3) If the recipient should discontinue providing services to veterans prior to the above retention schedule, then the recipient must notify the Oregon Department of Veterans Affairs in writing at least 30 days in advance. ODVA will determine the disposition of assets purchased with grant funds in consultation with the recipient.

Statutory/Other Authority: ORS 406.030, ORS 406.050

Statutes/Other Implemented: ORS 406.142 (2017 HB 2891)