

State of Illinois
J.B. Pritzker, Governor
Illinois Department of Natural Resources



Grant Fees Efficacy Report



**Reporting Period: July 1, 2019 –
June 30, 2020**





Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271
www.dnr.illinois.gov

JB Pritzker, Governor
Colleen Callahan, Director

January 15, 2021

Dear Governor Pritzker & General Assembly Members:

The Department of Natural Resources is pleased to present the Grant Fee Efficacy Annual Report for fiscal year 2020 as required under 17 IL Admin Code 3000.80.

The Department's recreational grant programs have done much to enable local agencies, individually and cooperatively, to commit to large scale, long-term recreation, and open space and natural resource preservation initiatives oftentimes transcending jurisdictional boundaries with projects such as bike trails and snowmobile trails.

Since 2013, eight of the Department's recreational grant programs have been authorized to collect application fees and grant award fees. Across these programs in FY 2020 a total of 203 applications were received from local governments and other applicants throughout Illinois for consideration, requesting just over \$171 million in funding assistance. Of those, a total of 99 projects were awarded funding totaling over \$52.4 million. Fees collected at the time of application and award of these programs covered approximately 38% of the Department's administrative cost for these programs.

Your support of these grant programs has improved the quality of life in many Illinois communities by providing family recreation, ensuring safe and accessible indoor recreation facilities, securing perpetual open space for future generations, and increasing the benefits on citizen's health through exercise. The Department is committed to the continued effective administration of these programs in a manner responsive to the changing indoor and outdoor recreational needs of local partners throughout the state.

Sincerely,

A handwritten signature in blue ink that reads "Lisa A. Cotner".

Lisa Cotner
Chief Accountability Officer
Illinois Department of Natural Resources

Illinois Department of Natural Resources
Grant Fees Efficacy Report
Reporting Period: July 1, 2019 – June 30, 2020

Introduction

Under 17 IL Admin Code 3000.80, the Illinois Department of Natural Resources is required to annually file a report on grant fee efficacy with the Governor and the General Assembly by January 15 of each year. This is a progress report on the implementation of grant fees created pursuant to Section 805-70(c) of the Department of Natural Resources Law [20 ILCS 805], which went into effect on 1/1/2013. The report shall include quantifiable support documentation on revenues derived from grant fees, operational expenditures of the Department for management of the eligible grant programs, including performance and measurement criteria sufficient to enable the Governor and General Assembly to properly evaluate and review grant fee effectiveness.

The Department has the authority under 20 ILCS 805-70(c) to assess review and processing fees for grant program applications under the jurisdiction of the Department. The Department may, by rule, regulate the fees, methods, and programs to be charged. The income collected shall be deposited into the Park and Conservation Fund for the furtherance of the Department grant programs or for use by the Department for the ordinary and contingent expenses of the Department. The legislation excludes the Open Space Lands Acquisition and Development and Land and Water Conservation Fund grants from review and processing fees.

Administrative Rules allowing for collection of grant review and processing fees

The Department has, in previous years, enacted administrative rules that allow for the collection of grant review and processing fees for 8 grant programs (Table 1). During the reporting period, the Department has not changed any administrative rules for grant programs. One new grant program was established through Administrative Rule in 2020. The Illinois Natural Areas Stewardship Grant Program received Administrative Rule approval on February 20, 2020. This rule does not authorize the collection of grant application review or processing fees.

Applicable Grant Programs

The Department collected applications and/or issued grant agreements for 15 competitive grant programs between July 1, 2019 and June 30, 2020. Of those programs, 8 required grant review fees and grant processing fees (Table 1). The number of grant applications received for each applicable program ranged from 4 to 91 and the number of grants issued per program ranged from 1 to 43 (Table 2).

Grant Application Fees

During the reporting period, the Department collected grant application fees associated with 187 grant applications. Twelve Boat Access Development Applications that were processed and four Snowmobile Trail Establishment Fund applications that were processed this year did not have application fees recorded for FY2020. Application fee amounts are set in the administrative rules and are disclosed to applicants in the Grant Manual and/or Notice of Funding Opportunity for each program and are non-refundable. In compliance with the Grant Accountability and Transparency Act, all grant opportunities are announced on the Catalog of State Financial Assistance through Notices of Funding Opportunity (NOFOs). Fee amounts are listed in Table 1. Total fee amounts collected per grant program, broken

down by application review fees and award fees can be found in Table 3. During the reporting period, across all applicable grant programs, grant application fees collected totaled \$57,026.33.

Grant Award Fees

During the reporting period, the Department collected grant award fees associated with 99 awarded grants. Award fee amounts are set in the administrative rules and are disclosed to applicants in the Grant Manual and/or Notice of Funding Opportunity for each program. Fee amounts are listed in Table 1. Total fee amounts collected per grant program, broken down by application review fees and award fees can be found in Table 3. During the reporting period, across all applicable grant programs, grant award fees collected totaled \$80,889. These funds are held by IDNR for the duration of the grant, however in compliance with the administrative rule, they are allowable grant-funded expenses. Grantees may elect to include the grant award fees as reimbursable expenses at the time of final grant billing.

Operational Expenses Related to the Administration of Grant Programs

The Department's Office of Grant Administration and Assistance (OGMA) administers competitive grant programs. Staff time and travel expenses related to each program are coded in the accounting system to program codes and reports are regularly generated by the Office of Fiscal Management to quantify the costs recorded under each code. Using these reports, the Department has generated an estimated annual administrative cost for applicable grant program (Table 4). The percentage of the cost borne through grant application fees and grant award fees varies from 10% to 89%. Note that both snowmobile programs share a program code, so it is not possible to break out administrative costs for each program.

The Department's cost for services related to the Grant Accountability and Transparency Act (GATA) Grantee Portal during the reporting period totaled \$10,140.24. IDNR issued \$110,094,281.57 according to data in the Grantee Portal. Approximately 48% of grant funds provided by the Department to external grantees are subject to grant application and award fees. Therefore, \$4,830.59 in GATA Grantee Portal expenses can be attributed to applicable programs.

The total administrative cost for the Department for the eight programs that collected fees was \$364,911.05, including the cost of the Grantee Portal. Administrative costs are tracked by program but not by phase (e.g. application processing vs. management of active grants). In FY2020 across the 8 programs that collected fees, the total administrative cost divided by number of applications received averaged \$1,773.80 per application or \$3,637.18 per newly awarded grant. Grant fees covered 38% of the overall administrative cost for these programs.

As mentioned above, grantees may elect to include the grant award fees as reimbursable expenses at the time of final grant billing. Final billings for grants issued in FY2020 are not expected for most programs until FY2022 at the earliest, therefore IDNR is unable to assess the total amount of grant award fees that will be reimbursed to grantees. IDNR retains grant award fees only from grantees that are unsuccessful in completing their projects or grantees that elect not to include these costs in their final grant billings. In all other cases, the fees are reimbursed at the reimbursement rate for overall project costs (e.g., 100% reimbursement for a grant that requires no match, 50% reimbursement for a grant that requires 50% local contribution, etc.).

Use of Grant Application and Grant Award Fees

During the reporting period, the Department deposited all grant application and grant award fees into Fund 962, the Park and Conservation Fund, as required by statute. No OGMA staff expenses or travel were paid from this fund. Fund 962 was used to cover costs ranging from Bicycle Path grant to capital improvements at state parks. The Department primarily uses dedicated funding from Fund 299, the Open Space Lands Acquisition and Development Fund to cover direct grant administration costs for recreational grants.

Performance Criteria

OGMA reported the following performance measures in FY 20 (Data source: GOMB Illinois Performance Reporting System and IL Comptroller Public Accountability Reporting):

- Number of active grants: 338
- Miles of trails develop or acquired through grants: 48.5
- Amount of grantee acquired acres: 64.48
- Number of grants awarded: 184
- Total dollar amounts of recreational grants awarded: \$88,295,646

OGMA employed 5.5 fulltime grant administrators as of June 30, 2020 to manage the recreational grants that are subject to grant application and award fees (Data source: HCTracking 07312020, excluded Federal Aid and administrative staff).

List of Tables:

Table 1- List of IDNR grant programs, whether each ran in FY20, grant application fees and grant award fee requirements, link to administrative rule for each, fee amount ranges

Table 2- List of grant programs that require application fees and award fees, number of applications received in FY20, number of grants funded, funding requested, funding awarded

Table 3- List of grant programs that require application fees and award fees with dollars collected in application fees and award fees in FY20

Table 4- Annual administrative cost of grant programs that require application fees and award fees in FY20 with % of cost covered by fees

Application and Award Fees

Category	Program	Application Fee Required	Application Fee Amount	Award Fee Required	Award Fee Amount	Administrative Rule	Program accepted applications and/or issued grant agreements in FY 2020
Trail Grants	Bike Path	Yes	1/4 of 1% of the funding assistance requested. Range: \$100- \$300	Yes	1% of funding requested. Up to \$5000.	17 IL Admin Code 3040	Yes
	Off Highway Vehicle Program	Yes	1/4 of 1% of the funding assistance requested. Range: \$100- \$300	Yes	1% of funding requested. Up to \$5000.	17 IL Admin Code 3045	Yes
	Recreational Trails Program	Yes	1/4 of 1% of the funding assistance requested. Range: \$100- \$300	Yes	1% of funding requested. Up to \$5000.	17 IL Admin Code 3090	Yes
	Snowmobile Local Government	Yes	1/4 of 1% of the funding assistance requested. Range: \$100- \$300	Yes	1% of funding requested. Up to \$5000.	17 IL Admin Code 3010	Yes
	Snowmobile Trail Establishment	Yes	1/4 of 1% of the funding assistance requested. Range: \$100- \$300	Yes	1% of funding requested. Up to \$5000.	17 IL Admin Code 3020	Yes
Boating Grants	Boat Access Development	Yes	1/4 of 1% of the funding assistance requested. Range: \$100- \$300	Yes	1% of funding requested. Up to \$2000.	17 IL Admin Code 3035	Yes
	Big P Boating Infrastructure (Tier 1)	No	-	No	-	NA	No
	Big P Boating Infrastructure (Tier 2)	No	-	No	-	NA	No
	Clean Vessel Act	No	-	No	-	NA	Yes
Recreational Development Grants	Land and Water Conservation Fund	No	-	No	-	17 IL Admin Code 3030	Yes
	Open Space Lands Acquisition and Development	No	-	No	-	17 IL Admin Code 3025	Yes
	Park and Recreation Facility Construction	Yes	1/4 of 1% of the funding assistance requested. Range: \$100- \$300	Yes	1% of funding requested. Up to \$5000.	17 IL Admin Code 3070	Yes
Museum and Historic Preservation	Public Museum Capital Grants	Yes	1/4 of 1% of the funding assistance requested. Range: \$100- \$300	Yes	1% of funding requested. Up to \$5000.	23 IL Admin Code 3200	Yes
	Certified Local Government Grants	No	-	No	-	17 IL Admin Code 4130	No
Special Fund Grants	Duck Stamp	No	-	No	-	17 IL Admin Code 3060.60	Yes
	Furbearer Fund	No	-	No	-	17 IL Admin Code 3060.50	Yes
	Habitat Fund	No	-	No	-	17 IL Admin Code 3060.30	Yes
	Pheasant Fund	No	-	No	-	17 IL Admin Code 3060.40	Yes
Other Natural Resources Programs	Natural Areas Stewardship	No	-	No	-	17 IL Admin Code 3051	No
	Coastal Management Grants	No	-	No	-	NA	No
	Volunteer Fire Assistance	No	-	No	-	17 IL Admin Code 1570	No

Table 1- List of IDNR grant programs, whether each ran in FY20, grant application fees and grant award fee requirements, link to administrative rule for each, fee amount ranges

Category	Program	FY2020 Application Count	FY2020 Grant Award Count	Amount Requested	Award Amount
Trail Grants	Bike Path	18	16	\$ 2,888,162.37	\$ 2,632,700.00
	Off Highway Vehicle Program	3	1	\$ 186.00	\$ 185,666.86
	Recreational Trails Program	22	5	\$ 749,700.00	\$ 749,700.00
	Snowmobile Local Government	7	7	\$ 262,742.00	\$ 262,742.00
	Snowmobile Trail Establishment	4*	4	\$ 354,000.00	\$ 354,000.00
Boating Grants	Boat Access Development	12**	6	\$ 1,853,710.00	\$ 653,710.00
Recreational Development Grants	Park and Recreation Facility Construction	91	17	\$ 141,558,206.05	\$ 24,754,700.00
Museum and Historic Preservation Grants	Public Museum Capital Grants	46	43	\$ 23,650,305.69	\$ 22,853,300.00
TOTAL		203	99	\$ 171,317,012.11	\$ 52,446,518.86

Table 2- List of grant programs that require application fees and award fees, number of applications received in FY20, number of grants funded, funding requested, funding awarded. *= Application fees were not collected for FY2020 applications. **= Application fees were collected in FY19, applications were reviewed and processed in FY2020.

Category	Program	Application Fees	Award Fees	Total
Trail Grants	Bike Path	\$ 8,548.75	\$ 18,565.00	\$ 27,113.75
	Off Highway Vehicle Program	\$ 884.83	\$ 14,419.00	\$ 15,303.83
	Recreational Trails Program	\$ 8,450.50	\$ 1,999.00	\$ 10,449.50
	Snowmobile Local Government	\$ 125.00	\$ 2,838.00	\$ 2,963.00
	Snowmobile Trail Establishment	\$ -	\$ 3,540.00	\$ 3,540.00
Boating Grants	Boat Access Development	\$ -	\$ 4,528.00	\$ 4,528.00
Recreational Development Grants	Park and Recreation Facility Construction	\$ 26,432.00	\$ 35,000.00	\$ 61,432.00
Museum and Historic Preservation Grants	Public Museum Capital Grants	\$ 12,585.25	\$ -	\$ 12,585.25
TOTAL		\$ 57,026.33	\$ 80,889.00	\$ 137,915.33

Table 3- List of grant programs that require application fees and award fees with dollars collected in application fees and award fees in FY20

Category	Program	Administrative Cost	Total Fees Collected	% Cost Covered by Fees
Trail Grants	Bike Path	\$ 42,830.84	\$ 27,113.75	63%
	Off Highway Vehicle Program	\$ 17,200.18	\$ 15,303.83	89%
	Recreational Trails Program	\$ 107,280.83	\$ 10,449.50	10%
	Snowmobile Local Government and Snowmobile Trail Establishment	\$ 15,949.94	\$ 6,503.00	41%
	Boat Access Development	\$ 17,333.20	\$ 4,528.00	26%
Recreational Development Grants	Park and Recreation Facility Construction	\$ 107,531.42	\$ 61,432.00	57%
Museum and Historic Preservation Grants	Public Museum Capital Grants	\$ 51,954.05	\$ 12,585.25	24%
Total		\$ 360,080.46	\$ 137,915.33	38%

Table 4- Annual administrative cost of grant programs that require application fees and award fees in FY20 with percentage of cost covered by fees

Equal opportunity to participate in programs of the Illinois Department of Natural Resources (IDNR) and those funded by the U.S. Fish and Wildlife Service and other agencies is available to all individuals regardless of race, sex, national origin, disability, age, religion or other non-merit factors. If you believe you have been discriminated against, contact the funding source's civil rights office and/or the Equal Employment Opportunity Office, IDNR, One Natural Resources Way, Springfield, ILL. 62702-1271; (217) 785-0067; TTY (217) 782-9175. The funding source for the LWCF program is the U.S. Department of the Interior, National Park Service. The address for the civil rights office is: Equal Opportunity Program Director, U.S. Department of the Interior, National Park Service, P.O. Box 37127, Washington, DC 20013-7127.