Learnings from Enterprise-wide Review for Grant Impact

Executive Summary

Background

The State of Minnesota directed an estimated $2.44 billion through grant programs across Fiscal Years 2020-2021.[1] Of this, about 62 percent ($1.5 billion) went to non-governmental organizations. These funds support important activities that impact thousands of Minnesotans. State leaders and external partners have expressed interest in understanding how to increase the impact – especially equitable impact – of this funding. The Results Management team at Minnesota Management and Budget (MMB) reviewed scores of State grant RFPs, authorizing laws, and contracts, in addition to meeting with dozens of State grantmakers and learning from local partners and national experts. The information developed through these strategies suggests that the State could increase the impact of State grant funding by creating opportunities for impactful solutions, grants that target inequities, and an improved grantmaking experience.

Opportunities for Grants to Support Impactful Solutions

State grant programs should take steps to prioritize and/or increase funding for evidence- and community-based best practices.

- We identified grant programs where existing authorizations could permit funding more impactful strategies, expanded populations served, and/or additional organizations being eligible for funding.
- More than half of non-profit leaders surveyed said that they are operating evidence-based practices. Thirty-eight percent of BIPOC Index[2] non-profits reported implementing EBPs.

Opportunities for Grants to Reduce Inequities

State grant programs should establish a standard definition of "culturally-specific organizations" and ensure fair and open access to all organizations.

- Internal and external partners consistently shared that organizations led by and/or serving communities experiencing inequitable outcomes (“culturally-specific organizations”) are well-situated to address inequities experienced by Minnesotans and should have fair and open access to State funding opportunities.
- The State does not have a standard definition of “culturally-specific organizations” for grantmaking.
- Internal and external partners said grantmaking processes should not exclude any organization that is prepared, capable, responsible, and well-situated to serve Minnesotans and fulfills any requirements in grant authorizations.

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[1] Funding estimates include State and federal funding sources but exclude some specific funding sources/recipients. Additional details available in the appendices.

[2] “BIPOC Index” means an organization listed on the Minnesota Council of Non-Profits’ BIPOC Index

- Across Fiscal Years 2020-2021, we estimate about $127 million went to a "culturally-specific organization" (8% of grant funds provided to NGOs.)[3]
- We estimate about $93 million went to tribal governments (10% of grant funds provided to governments).

Opportunities for Improving the Grantmaking Experience

State grant programs should improve the grantmaking process to reduce barriers to application.

- Almost two-thirds of non-profit leaders who responded to our survey said that the process of applying for a grant was "difficult" or "somewhat difficult." Almost 80 percent of BIPOC Index organizations who responded reported that applying for a grant was "difficult" or "somewhat difficult."
- Providing a positive grant solicitation experience can be done without the State undermining due diligence and oversight of compliance-related issues.

Opportunities to Increase Impact in Grant Programs

A Roadmap to Increase Impact

The Roadmap includes strategies that could help increase the impact of State grant programs, based on our review of numerous grant programs and conversations with people in and outside of State government. The Roadmap contains some ideas that are large, long-term efforts that will require new or reprioritized resources of time, staff, and, in some cases, technology, to fully realize their benefits. Others are smaller and could be implemented in a shorter period while still having an impact.

1. Consider consolidating, streamlining, and increasing impact of grant programs
2. Train agencies and provide technical assistance on impactful grantmaking best practices
3. Incorporate impactful best practices into State Grantmaking Policies, as they are updated
4. Pilot an enhanced web-based resource that provides more robust grant award information
5. Pilot enterprise-wide grant applicant experience surveys
6. Maintain usable grantee contact information
7. Increase access to grantmaking data
8. Research and review options of defining "culturally specific organizations" for grantmaking
9. Report on implementation progress

Impactful Best Practices

The Impactful Best Practices were developed by a cross-agency Impactful Work Group that included grantmakers from multiple agencies and representatives from Results for America and Minnesota Council of Non-Profits. These best practices are intended to describe the characteristics of an impactful grant program. The best practices are intended to a) comply with or exceed State grantmaking policies and b) provide direction for how grant programs can maximize impact through simple and accessible grantmaking processes along with activities that have a high likelihood of achieving desirable outcomes.

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[3] The State does not have a definition of "Culturally-Specific Organization," however, we identified three data sets that could help us approximate this concept: Minnesota Council of Non-Profits' BIPOC Index; Minnesota Dept. of Health/MMB's Indigenous-serving organizations; and Administration's "certified business type" of Asian, Black, Hispanic, or Indigenous.

Learnings from Enterprise-wide Review for Grant Impact

Background

The State of Minnesota directed an estimated $2.44 billion through grant programs across Fiscal Years 2020-2021.[4] Of this, about 62 percent ($1.5 billion) went to non-governmental organizations. These funds support important activities that impact thousands of Minnesotans. State leaders and external partners have expressed interest in understanding how to increase the impact – especially equitable impact – of this funding.

In discussing MMB's review of evidence-based practices (EBPs)[5] in Department of Human Services' (DHS) grant programs with internal and external partners, there was an interest in understanding how, in addition to EBPs, the State could increase the impact of grant funds. As part that evaluation and subsequent research, the Results Management team at MMB reviewed scores of State grant RFPs, authorizing laws, and contracts, in addition to meeting with dozens of State grantmakers, and learning from local partners and national experts. Results Management developed three strategies to better understand the issues and identify actions that could increase grants' impacts: survey non-profit leaders, review grant expenditures for equity, and identify impactful and equitable grantmaking best practices. The information, developed through these strategies, suggests that the State could increase the impact of State grant funding by creating opportunities for impactful solutions, grants that target inequities, and an improved grantmaking experience. We discuss each of these in detail below.

Project Outputs

Based on learnings and observations from the three strategies, Results Management proposes a list of Impactful Grantmaking Best Practices and a Roadmap which describes several ideas that the executive branch could employ to increase access to and impact of State grant funds.

The Roadmap contains some ideas that are large, long-term efforts that will require new or reprioritized resources of time, staff, and, in some cases, technology, to fully realize their benefits. Others are smaller and could be implemented in a shorter period while still having an impact.

The Impactful Best Practices were developed by a cross-agency Impactful Work Group that included grantmakers from multiple agencies and representatives from Results for America and Minnesota Council of Non-Profits. While several agency participants noted that some of the best practices will be difficult for them to achieve, there was a consensus across the work group that this document can serve as a guide for revising and managing grant programs going forward. MMB provided targeted "technical assistance" on how to integrate the best practices into a handful of RFPs at the Departments of Human Services (DHS) and Employment and Economic Development (DEED). DEED and DHS staff who participated in the technical assistance reported that the experience was "very well received" and that it "provided useful suggestions and offered a helpful perspective" for the RFPs being drafted.

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[4] Includes State and federal funding sources but excludes some specific funding sources/recipients. Additional details available in the appendices.

[5] EBPs have been demonstrated through rigorous research to cause outcomes of interest. More information on the State's definition of evidence is available on MMB's website.

Context

It is important to note that grant programs across State agencies are not a monolith. We found examples of RFPs and grant programs that demonstrated many of the best practices we identify later in this report. However, most programs that we reviewed could increase their impact in some way – either through administrative changes, legislative changes, or both.

Terminology

While the nuances of each grant program cannot be fully captured, there are some broad trends we observed through existing data, new data, and conversations with people inside and outside of government. In this report, we use "RFP" to denote both the solicitation document and the selection process. "Grant program" is used to mean the entirety of the administration of a program including authorizations, RFP solicitation and selection, grant reporting, and closeouts. "State grants" generally means a grant program operated by the State (including those with federal funding that are implemented by State agencies).

Data and Information Summary

Through conversations with internal and external partners, novel data analyses, and conducting one of the largest multi-agency experience surveys of State grantees, we learned a lot about State grant programs. During this process, State grantmakers, external partners, and our analyses revealed opportunities for grant programs to: support proven solutions, target inequities, and offer an improved grantmaking experience. Below we dive into some of the data and information we found and the associated opportunities.

Opportunities for Grants to Support Impactful Solutions

Across the dozens of State grant programs that Results Management reviewed, we found some authorizing laws that limit State agencies' flexibility to increase the impact of a grant program. However, in many other cases, we found grant programs' legal and funding authorities were broader than the current iteration of the program. These grant programs appeared to have the legal capacity to incorporate impactful strategies, expand populations served, and/or make additional organizations eligible for funding. For example, a grant program may have been created exclusively through a rider that has since expired (but funding was included in the base budget), and it does not have any specific statuary authorizations that restrict allowable activities.

With this broader view of grant programs' potential capacity, many could support strategies demonstrated to improve people's lives – specifically evidence- and community-based best practices. Evidence-based practices are activities/programs/services that, based on findings from experimental or quasi-experimental designs (i.e., an impact evaluation), have been demonstrated to favorably change an outcome of interest. Community-based best practices are activities/programs/services developed by or in close partnership with a community group and that have undergone a rigorous community-led assessment process, were developed over time through practice and experience, or are embedded in the culture and are accepted as effective by local communities. Full definitions developed by the Impactful Work Group are provided in the Impactful Grantmaking Best Practices below.

In our survey of non-profit leaders, more than half said that they are operating evidence-based practices – either supported by State grant funds or other funding sources – and provided an example of an EBP they are

implementing (See Figure 1). Thirty-eight percent of BIPOC Index non-profits reported implementing EBPs.[6] In a previous analysis of DHS grant programs, we identified that about one-third of grantees were implementing EBPs using grant funding. While neither of these surveys relied on representative samples, their results suggest many grantees have the capability to implement strategies that have been proven through rigorous research to improve people's lives.

Figure 1. Does your organization implement any evidence-based practices? (% of all respondents)

It is also important to leave room for innovation. Where a grant program cannot support evidence-based practices, we identify as an impactful grantmaking best practice that grant-funded services should have a strong logic model, a strong likelihood of achieving an outcome, and a strong evaluation component.

Given the preliminary indications that many grant programs and RFPs could be revised to include more impactful strategies, in the Roadmap, we outline a recommendation to pilot a systematic review of grant authorizations to identify where these changes could be made. When paired with an Impactful Best Practice described below that evidence-based practice and community-based best practices should be required or incentivized in grant programs, we believe State grant programs could dramatically increase their impact.

Opportunities for Grants to Reduce Inequities

Internal and external partners consistently shared that organizations led by and/or serving communities experiencing inequitable outcomes ("culturally-specific organizations") are well-situated to address these inequities and should have fair and open access to State funding opportunities. The State does not have standard definition of this concept for the purposes of grantmaking.[7] We believe the development of a definition for a concept like "culturally-specific organizations" would be beneficial and provide clarity and consistency across all State agencies.

In the absence of a statewide definition, we sought to estimate how much grant funding was going to culturally specific organizations. To do this, we identified three data sets that could help us approximate it and estimate what portion of State grant funding may be going to organizations that are led by or serving communities experiencing inequitable outcomes. These data sources include:

- BIPOC Index: a database established and updated by the Minnesota Council of Non-Profits that identifies BIPOC-led or BIPOC-serving non-profits in the state.
- Indigenous-serving organizations: a draft list of organizations serving indigenous communities compiled by MMB and the Minnesota Department of Health's Office of American Indian Health in 2019.

[6] *Note: For most of the survey results described throughout this summary, we present data by all respondents and by "BIPOC Index" respondents. The State does not have a definition of, nor does it systematically collect information on grantees that are organizations led by and/or serving communities experiencing inequitable outcomes. For the purposes of the survey, we used organizations listed on the Minnesota Council of Non-Profits BIPOC Index as a proxy for this concept. Additional information on the survey methods is available in Appendix C.*

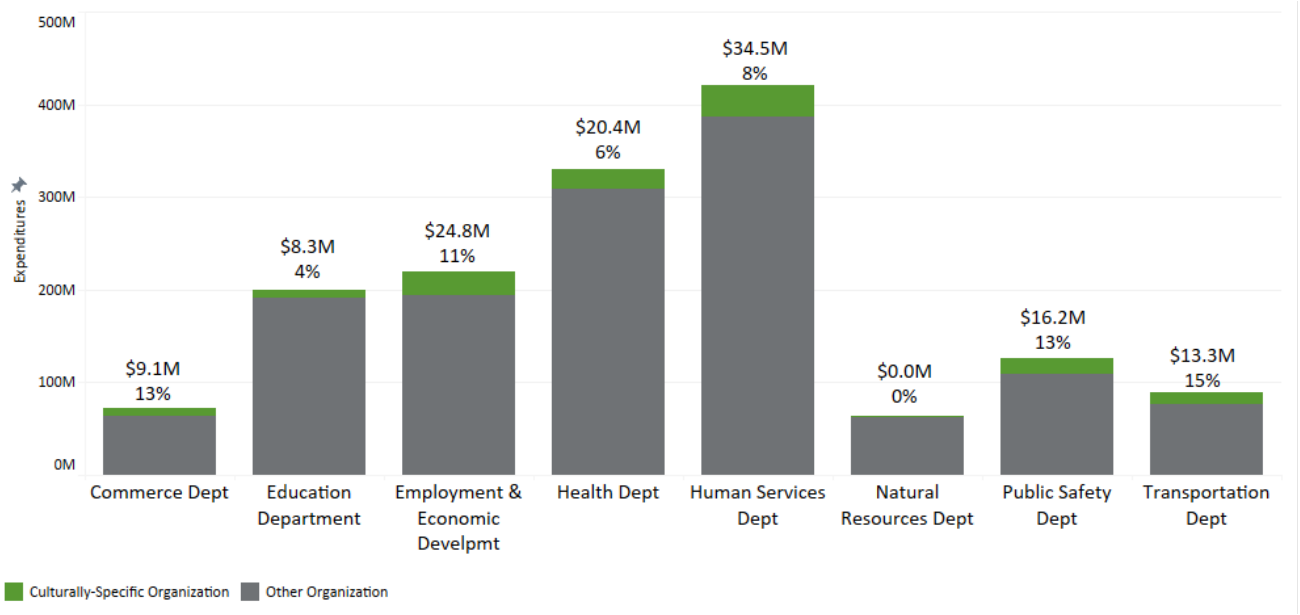
[7] Some agencies have developed a version of this concept for grants, like DHS's "Targeted Organization" definition/criteria.

- Certified Businesses: a list of entities that have been certified by the Department of Administration's Office of Equity in Procurement (OEP) as a Targeted Group and classified as a "certified business type" of Asian, Black, Hispanic, or Indigenous.[8]

For government-to-government grants, we used grants to tribes as an indicator of culturally-specific funding. We looked at all grant payments from all State and federal funding sources at eight departments[9] in Fiscal Years 2020-2021. Additional information on how we did this analysis is in Appendix B. We learned:

- The State directed about $2.44 billion through grant programs across Fiscal Years 2020-2021.[10]
- About 62 percent ($1.52 billion) of identified State grant funds from eight agencies went to non-governmental organizations (NGOs).
- We estimate about $127 million went to a "culturally-specific organization" (8% of grant funds provided to NGOs.)[11] Figure 2 shows grant funding to NGOs by agency.
- We estimate about $93 million went to tribal governments (10% of grant funds provided to governments).[12] Figure 3 shows grant funding to governments by agency.

Figure 2. State Grant Funding to NGOs, by agency and estimated percent of funding going to culturally-specific organizations (FY20-FY21)



[8] While most certified businesses are for-profit, under Minnesota Rules 1230.0150, subpart 26, there are select entities that do not need to be for-profit to enroll as a certified business.

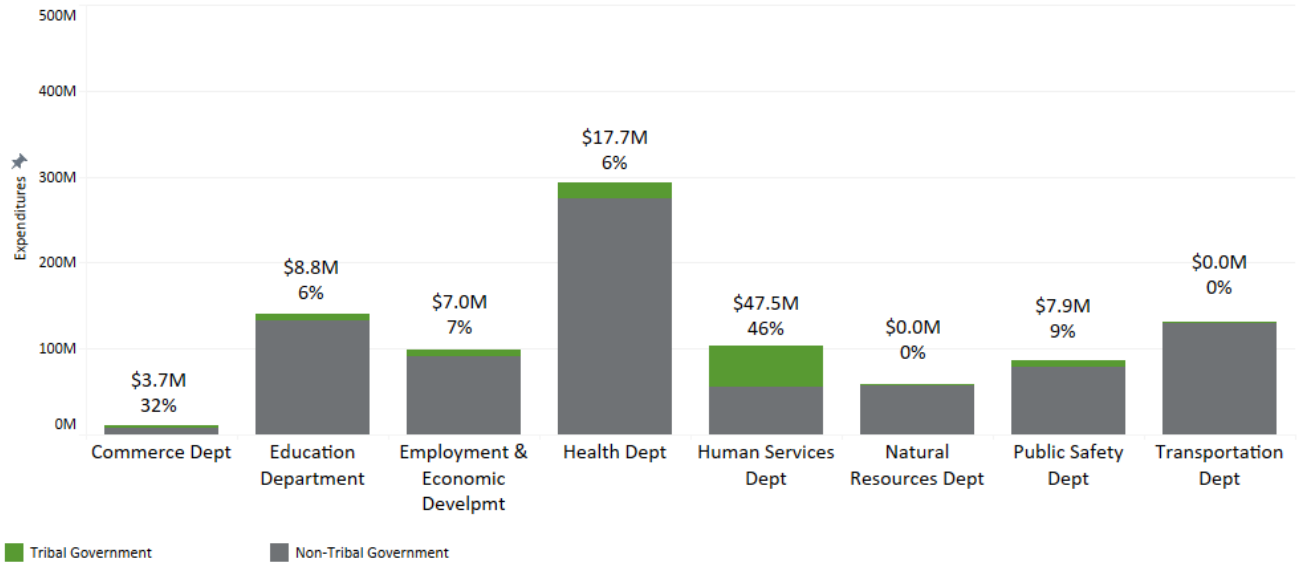
[9] Departments included in this analysis are Commerce, Education, Employment and Economic Development, Health, Human Services, Natural Resources, Public Safety, and Transportation. These eight were selected for review because they were part of the top nine largest grantmaking agencies according to a 2007 OLA report.

[10] Includes State and federal funding sources but excludes some specific funding sources/recipients. Additional details available in the appendices.

[11] The State does not have a definition of "Culturally-Specific Organization," however, we identified three data sets that could help us approximate this concept: Minnesota Council of Non-Profits' BIPOC Index; Minnesota Dept. of Health/MMB's Indigenous-serving organizations; and Administration's "certified business type" of Asian, Black, Hispanic, or Indigenous.

[12] The State does not have standard way to identify how much government-to-government grant funding is serving communities experiencing inequities. In the absence of this, we used grant funding to Tribal governments as a proxy.

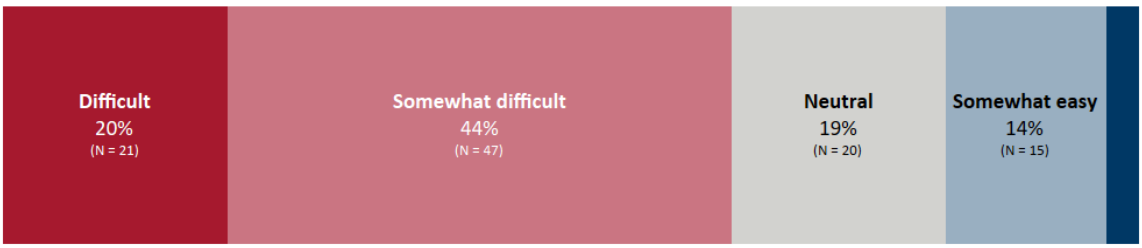
Figure 3. State Grant Funding to Governments, by agency and estimated percent of funding going to tribal governments (FY20-FY21)



Opportunities for Improving the Grantmaking Experience

Grant programs must – by statutory definition[13] – serve a public purpose. In many cases, grantees serve as an extension of the State to improve the lives of Minnesotans. Internal and external partners highlighted that the grantmaking process should not exclude any organization that is prepared, capable, responsible, and well-situated to serve Minnesotans and fulfills any requirements in grant authorizations. Providing a positive grant solicitation experience can be done without the State undermining due diligence and oversight of compliance-related issues. However, almost two-thirds of non-profit leaders who responded to our survey said that the process of applying for a grant was "difficult" or "somewhat difficult" (See Figure 4). Almost 80 percent of BIPOC Index organizations who responded reported that applying for a grant was "difficult" or "somewhat difficult".

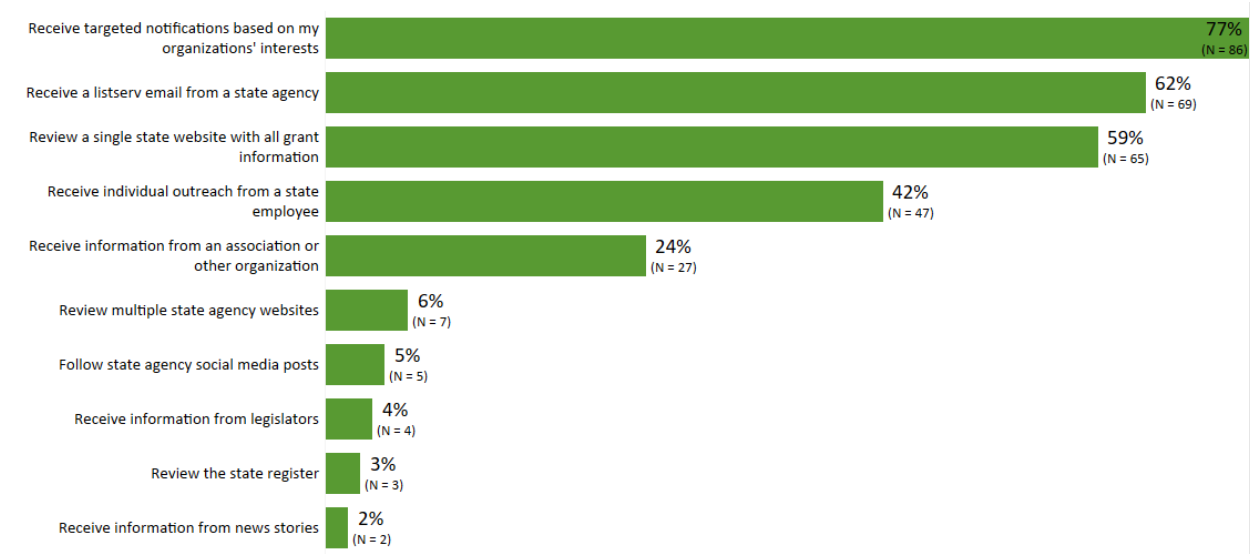
Figure 4. How was the process of applying for a State grant? (% of all respondents)



In the survey, we also asked non-profits what the best ways are to get information about grant programs. More than half of all respondents said that best ways include receiving targeted notifications based on their interests, receiving a listserv email, and reviewing a single State website with all grant information (See Figure 5). BIPOC Index organizations reported the same top three strategies as other respondents.

[13] https://www.revisor.mn.gov/statutes/cite/16B.97#stat.16B.97.1

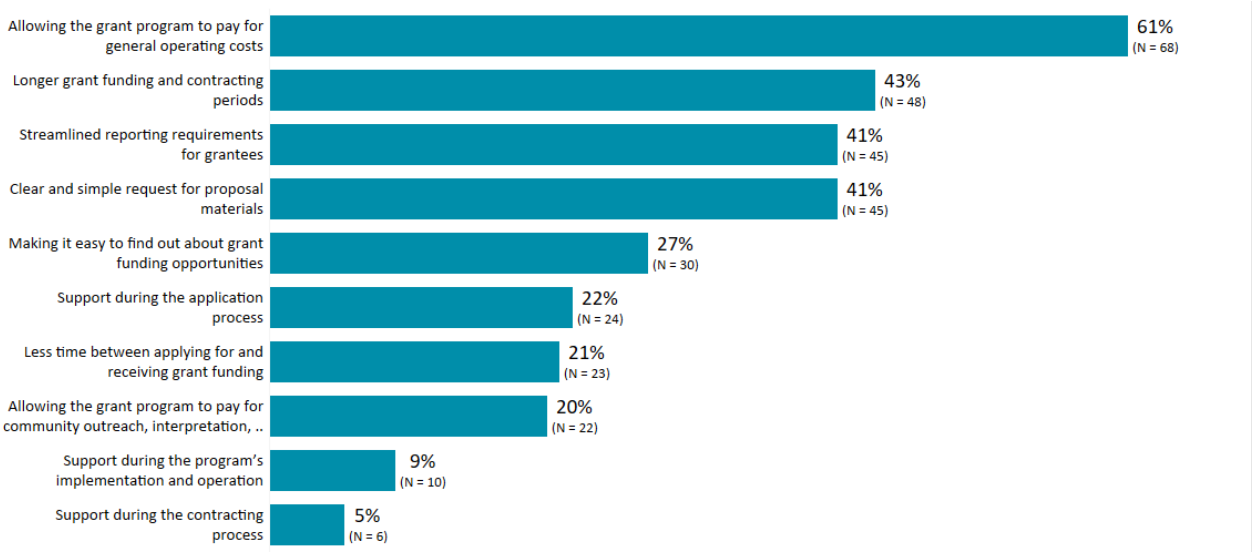
Figure 5. What are the best ways to get information about grant programs (% of all respondents)



Note: BIPOC Index organizations reported the same top three answers as all respondents (however, the first and second most common responses were switched)

When asked about what would make it more likely for a non-profit to apply for grant funding, the top two responses – allowing grant programs to pay for operating costs and longer grant funding periods – likely would require legislative changes to implement. However, the next three – streamlined reporting, clear and simple RFPs, and making it easier to learn about funding opportunities – can, for the most part, be addressed through existing State agency authorities (See Figure 6).

Figure 6. What features of State grant programs would make it more likely you'd apply for grant programs? (% of all respondents)



Note: BIPOC Index organizations reported the same top four answers as all respondents (however, the third and fourth most common responses were switched)

Across the dozens of State grant programs that Results Management reviewed, we found multiple grant programs that rely on the same or similar authorizations but are currently operated as distinct programs. This creates unnecessary risk of prospective grantees missing a funding opportunity or experiencing confusion about

which one they should apply to. This arrangement also increases the administrative effort to develop, issue, score, and manage RFPs and grant contracts. With currently distinct RFPs or grant programs relying on same/similar authorities, there appear to be opportunities for consolidating them so that outreach, communications, and application efforts could be concentrated.

Roadmap

The ideas in the Roadmap below are based on the data, information, and learnings we developed through the course of reviewing scores of RFPs and talking to people in and outside of State government about ways to increase the impact of State grant funding. Included here are both small, short term fixes and larger, long term efforts. Most of these big changes will require new or reprioritized resources of time, staff, and, in some cases, technology, to fully realize their benefits. There are many other ideas – not listed here – that internal and external partners have identified to increase the impact of State grant funds. We encourage our colleagues in the executive branch to, wherever possible, orient grant programs towards impactful solutions, tackling inequities, and improving the grantmaking experience.

Opportunities for Grants to Support Impactful Solutions

1. **Consider consolidating, streamlining, and increasing impact of grant programs**
   Identify two or three agencies (or large divisions) that could pilot a systematic review of grant authorities with goals of identifying:
   - Underlying statutory authorities and appropriation laws to determine if grant programs could increase the use of impactful strategies (evidence-based and community-based best practices), expand populations served, and/or open funding opportunities to additional organizations.
   - Currently distinct RFPs or grant programs that could be consolidated within existing authorities so that outreach, communications, and application efforts could be concentrated.
   - Statute or appropriation laws that currently limit the impact of State grant programs.

   Estimated Level of Effort: Medium

2. **Train agencies and provide technical assistance on impactful grantmaking best practices**
   Provide ad hoc training and "technical assistance" to assist agencies with incorporating Impactful Grantmaking Best Practices into RFPs that are under development.
   Estimated Level of Effort: Low

3. **Incorporate impactful best practices into State Grantmaking Policies, as they are updated**
   As OGM updates State grant policy framework, we recommend that any revisions integrate key principles from the impactful best practices, where applicable.
   Estimated Level of Effort: Medium

Opportunities for Improving the Grantmaking Grantee Experience

4. **Pilot an enhanced web-based resource that provides more robust grant award information**
   Department of Administration's https://mn.gov/grants/ is the current centralized resource that provides links to grant funding opportunities at State agencies.[14] Non-profit leaders participating in MMB's survey reported that having all grant information on a single State website is one of their top three most preferred methods for finding funding opportunities. The current website does not allow for filtering or searching by, for example, grant close date.

   This pilot – with one or two agencies – would be a webpage that shows all active grant funding opportunities in a way that can be easily searched and filtered. The pilot would include information on closed funding opportunities and which organizations (including their EINs) were awarded grant funds. Grantees should review and provide feedback at various points of the pilot.
   Estimated Level of Effort: Medium

5. **Pilot enterprise-wide grant applicant experience surveys**
   Create a pilot with one or two agencies to conduct standardized experience surveys with every applicant for State grant programs.[15] This could include a post-award survey of everyone who applied and those who were awarded funding to provide regular and standardized feedback to agency and enterprise-wide leaders about the grant application process. Agencies and grantees should review and provide feedback at various points of the pilot.
   Estimated Level of Effort: Medium

6. **Maintain usable grantee contact information**
   We found that more than 60 percent of non-profits that received grant funding during FY20-FY22 did not have an email address or a working email address in SWIFT. Useable email addresses allow for regular communications and surveys. We recommend developing and implementing a plan that would encourage State SWIFT users and vendors to maintain up-to-date and viable email addresses for all State payees in SWIFT.
   Estimated Level of Effort: Low

7. **Increase access to grantmaking data**
   Create and implement a plan to make State grantmaking award and payment data public via bulk download (through MN Open Checkbook or other means), including EINs that would allow the public to tie this data to other non-State data sources.
   Estimated Level of Effort: Medium

[14] MS 16B.97, subd. 4 (a) 8 requires the Commissioner of Administration to create "a single listing of all available executive agency competitive grant opportunities and resulting grant recipients".
[15] It may require agencies to report the following information to a central repository: Grant program name; Solicitation type; Solicitation Date; Grant Award Date; Name, email address, organization name, and EIN of all entities that applied for the grant award; An indication of whether the organization received funding and, if so, how much along with the SWIFT ID for awardees

Opportunities for Grants to Reduce Inequities

8. **Research and review options of defining "culturally specific organizations" for the purposes of grantmaking**
   This research and review will contribute to a framework – including definitions, parameters, and expectations for stakeholder engagement – for how to identify grant applicants and recipients that are led by and/or serving communities experiencing inequitable outcomes.
   Estimated Level of Effort: Very High
   Note: The Office of Grants Management (OGM) estimates that the research and review would take about one year and one FTE. OGM reports that the resources to develop and support this work are not currently available.

Progress and Performance Management

9. **Report on implementation progress**
   Quarterly, the primary responsible agencies listed above shall jointly report to the Governor's Office on the status of the recommended ideas in this report
   Estimated Level of Effort: Very Low

Appendix A: Impactful Grantmaking Best Practices

Note: These best practices are intended to describe the characteristics of an impactful grant program. The best practices are intended to a) comply with or exceed State grantmaking policies and b) provide direction for how grant programs can maximize impact through simple and accessible grantmaking processes along with activities that have a high likelihood of achieving desirable outcomes. This document has been developed by representatives from across State government and by people from outside the state, including representatives of non-profits. MMB plans to update this semi-regularly based on feedback from internal and external partners.

* Indicates a best practice that is applicable for activities with grant program goals related to health, human services, education, workforce, housing, food/hunger, and criminal justice. Executive branch granting agencies that administer State grant programs whose purpose and goals fall outside of these activities are encouraged to choose and apply the standards with an asterisk, as appropriate.

Grant program goals and activities

1. The grant program goals are focused on outcomes and not on processes, inputs, or intermediate outputs.
2. The grant program goals are simple and easy to understand, avoiding jargon and technical terms as much as possible.
3. The grant program goals prioritize the advancement of equitable outcomes.
4. The grant program goals are developed in consultation with relevant communities.
5. *To achieve the goals, the grant program requires or incentivizes community-based best practices.
6. *To achieve the goals, the grant program requires or incentivizes evidence-based practices by either:
    a. *Requiring the use of evidence-based practices by all grant recipients,
    b. *Setting aside a specific portion of the overall grant program funding amount for grant applicants that propose evidence-based practices, or
    c. *Including scoring criteria that rewards evidence-based practices.
7. If grant-funded activities are not or cannot be evidence-based, then they should have a strong logic model, a strong likelihood of achieving an outcome, and a strong impact evaluation component. The grant program offers technical assistance to grantees to help develop these strategies.

Fair, open, and equitable RFP solicitation, submission, and scoring processes

Request for Proposal (RFP) content

8. The RFP identifies grant program goals.
9. *The RFP defines evidence-based practices (using Minnesota's enterprise-wide definition or by establishing a comparable standard) and community-based best practices; and it provides examples of each along with associated resources.
10. The RFP describes how the grant program advances equitable outcomes.
11. The RFP focuses on supporting activities that achieve the desired outcomes. As allowed by law or funding parameters, the RFP does not define specific activities that respondents should submit (unless those specific activities have been demonstrated to achieve desired outcomes).
12. The RFP does not preclude any organization from responding to or receiving a grant award unless certain organization types are specifically prohibited by law.

13. *The RFP provides a dedicated funding category for evaluation activities (unless State or federal law specifically prohibits funding evaluations). The grant program offers technical assistance to grantees to help conduct impact evaluations.
14. The RFP includes a reference to the Minnesota Office of Grants Management (OGM) Policy 08-08 and describes how grant payments will be made – i.e., method, schedule, reporting requirements, etc. This can include describing the option of issuing an advance and the requirements that come with that option per OGM policy.
15. The RFP uses plain language.
16. *The RFP indicates that, as part of the grant contract agreement negotiation phase, the State may request that a Responder amend their proposal to accommodate overall budget needs of the grant program. As part of this process, the State will prioritize activities that are evidence-based practices and community-based best practices.
17. The level of effort needed to respond to an RFP is proportional to the size of grant awards.
18. The RFP provides the timeline by which award decisions will be made.
19. The agency has built in time to solicit feedback from the grantee community about past RFP's issued to help to inform and improve current and future RFP's.
    a. For example, an agency can choose to communicate that they are openly seeking feedback from a past competitive RFP they issued for a defined period of time as part of ongoing process improvement and stakeholder engagement.

RFP Solicitation and Sharing

20. Passive and active distributions of grant opportunities are targeted to eligible groups (for example, a non-profit can elect to search for or receive notices for grant programs that make awards to non-profits).
21. The RFP is shared directly with grantees who may be good candidates but are unlikely to know about it through broad community list-servs, social media, etc.
22. The RFP, information regarding timing of the RFP release, and other information including links to previous similar RFPs, when applicable, are posted on a single website with all other RFPs.
23. Translations of the RFP will be provided for non-English speaking communities for the grant program, if requested.
24. All questions submitted related to the RFP are recorded and all answers to them are shared one week in advance of the RFP close date.
25. The RFP is posted publicly for at least six weeks (including up to three weeks as a "tentative" funding opportunity or with a previous year's RFP).

RFP Submission

26. The RFP asks prospective grantees to respond to specific questions and encourages brief responses.
27. The RFP shows all questions that will be asked of the grantee. For example, if the granting organization is using a survey-tool, all questions asked are made available in a separate document so that potential grantees do not have to begin answering to see all questions.
28. A template for submitting all RFP response materials is included with the RFP.
29. The RFP's questions ask for mutually exclusive information (i.e., no-overlap between responses).
30. Copies of the RFP questions are provided in an editable, savable, sharable format so that applicants can easily draft responses. (Prospective grantees should not need to manually copy questions from a PDF or grant management software.)

Review and Scoring

31. The RFP scoring criteria emphasize the quality of proposed interventions, potential for success, organization qualifications/capacity, and proposed budget. The RFP scoring criteria do not consider the quality of the grant writing itself.
32. *The RFP scoring criteria rewards evidence-based best practices.
33. *The RFP scoring criteria rewards community based-best practices.
34. *The RFP scoring criteria rewards impact evaluations that seek to understand whether the grant program activities caused improvements in outcomes.
35. The RFP scoring criteria rewards proposals that prioritize the advancement of equitable outcomes for individuals by awarding points based on:
    a. Characteristics of the organization that will deliver the services (is the organization located in and/or are the organization's leadership, board and staff representative of communities currently experiencing inequitable outcomes?)
    b. Characteristics of the population that will be served (is the organization proposing to serve communities currently experiencing inequitable outcomes? Does the organization have previous experience building trust and working with this community?))
36. The RFP scoring panel includes at least one reviewer who is not affiliated with State or local governments, and otherwise has no potential conflict of interest.
37. The RFP scoring panel includes individuals who have lived experience in the communities the grant program intends to serve.

Performance Management

38. All formal reporting requirements are simple and directly derived from the grant program's goals and associated outcomes.

Definitions

Evidence-based practices are activities/programs/services that, based on findings from experimental or quasi-experimental designs (i.e., an impact evaluation), have been demonstrated to favorably change an outcome of interest. An intervention is considered an "evidence-based practice" if it is:

- Rated as "proven effective" or "promising" on the Minnesota Inventory,
- Rated as evidence-based by another reputable clearinghouse, AND/OR
- Has high-quality research that meets standards of evidence for "proven effective" or "promising"

Community-based best practices are activities/programs/services developed by or in close partnership with a community group and:

- Underwent a rigorous community-led assessment process, has demonstrated a positive effect on targeted groups. The learnings from the assessment can be in any sharable form (report, video, website, etc.),
- Were developed over time through practice and experience, are embedded in the culture and are accepted as effective by local communities, AND/OR
- Includes all core elements of an evidence-based program (described above) that make it evidence-based, except those that have been modified specifically to allow for a culturally-based implementation of the intervention.

Appendix B: How we did the Equity Analysis of Grant Funding

- We combined data from the following sources: State accounting data (SWIFT); IRS's Exempt Organizations Business Master File Extract; Minnesota Attorney General's list of non-profits; NTEE codes; EIN to SWIFT Supplier ID Crosswalk; Minnesota Council of Non-Profits' BIPOC Index; Preliminary Indigenous-serving Organizations List; Department of Administration's Office of State Procurement Certified Business List.
- We looked at payments made from eight State agencies' "grant contract" account codes.
- The analysis and summary of findings was conducted by the Results Management Team at MMB. The Department of Administration's Office of Grants Management reviewed and provided feedback on the methods and data.

Data Notes and Definitions

General notes

- Some grant payments are made to intermediaries or re-granting organizations and the State does not have comprehensive information on who the sub-grantees are or their characteristics.
- Some grants include legislatively-named recipients or narrow allowances for what types of organizations can received funding.
- The analysis excludes payments from the Commerce Department to Minnesota Comprehensive Health as part of the state's reinsurance program.
- Agencies use SWIFT fields differently, so it is not easy to identify which funds are coming from a distinct grant program.

Grant Funding

MMB and MNIT ran a report from SWIFT that included "summary of activity amount" (expenditures), supplier ID, fund, PO ID, and budget period from:

- Any EBFD (Finance Department ID's) that had an active purchase order sometime in FY20, FY21, and/or FY22.
- From the following agencies: Human Services, Education, Employment and Economic Development,[16] Commerce, Public Safety, Health, Transportation, and Natural Resources
- An account category of "Grants, Aids, and Subsidies" and one of the following accounts:
    - Grant Cont - Agree City-Twn
    - Grant Cont - Agree Individuals
    - Grant Cont - Agree Schs
    - Grant Cont - Agree Schs < 25K
    - Grant Cont - Agree Sov Ent
    - Grant Cont - Agree To Hg Ed In
    - Grant Cont - Agree To Non-Gov
    - Grant Cont - Agree To Spec Dis
    - Grant Cont-Agreement To Ctys

[16] Data does not include federal funds from DEED

- Grant Cont-Agreemnt To Cty<25K
- Grant Cont-Agree-Non-Gov<25K
- Grant Cont-Agree-Spec Dist<25K

Non-Profit Data

Non-profits were identified as such if they were on the IRS's Exempt Organizations Business Master File Extract. This only includes non-profits registered in Minnesota. A handful of non-profits not on the IRS list but on the Minnesota Attorney General's list of non-profits were also included.

SWIFT IDs

MMB provided SWIFT Supplier IDs for all EINs which allowed us to merge non-profit data with State expenditure data.

Recipient Categories

SWIFT has Account Descriptions that include text describing the recipient type. These are grouped into two buckets: Government entities (including cities, counties, schools/districts, tribal governments, and regional/district governments); and non-government entities (including individuals).

Culturally-Specific Organization

The State does not have a definition of "Culturally-Specific Organization." However, we identified three data sets that could help us approximate this concept. If an organization was included on one of the following lists, we considered it an "Culturally-Specific Organization"

BIPOC Index

List of BIPOC-led and/or serving nonprofits developed by the Minnesota Council of Non-Profits. Note that there are likely BIPOC led and serving organizations that are not on this list. However, because the State doesn't collect this information, we cannot confirm the scope of how many are missing.

Indigenous-Serving Organizations

List of organizations developed by MMB and MDH's Office of Indian American Health in 2019. This likely does not capture all indigenous-serving organizations.

Certified Business

List of companies that have been certified by the Department of Administration's Office of Equity in Procurement (OEP) as a Targeted Group, Economically Disadvantaged, or Veteran-Owned small businesses. We only included organizations with a certified business type of Asian, Black, Hispanic, or Indigenous.

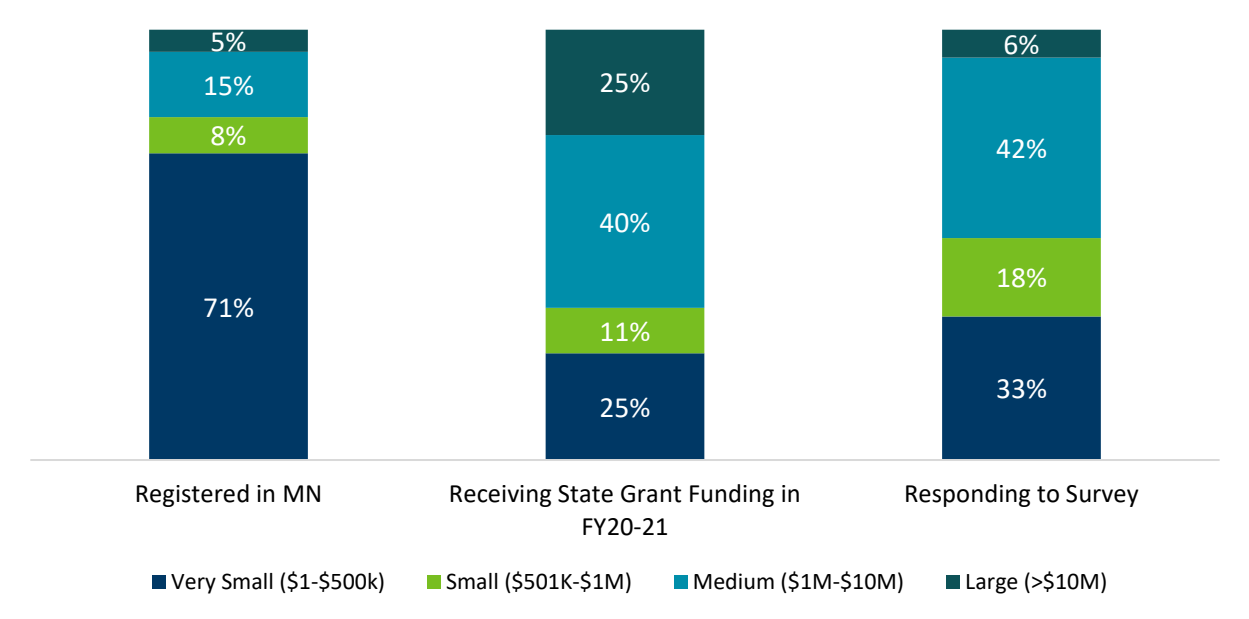
Appendix C: Survey of Non-Profit Leaders

Background

The survey was sent to 1,226 non-profits with a SWIFT ID that received a grant payment from at least one of the eight largest grantmaking agencies[17] during FY20-FY22 and/or listed on the Minnesota Council of Non-Profit's BIPOC Index.

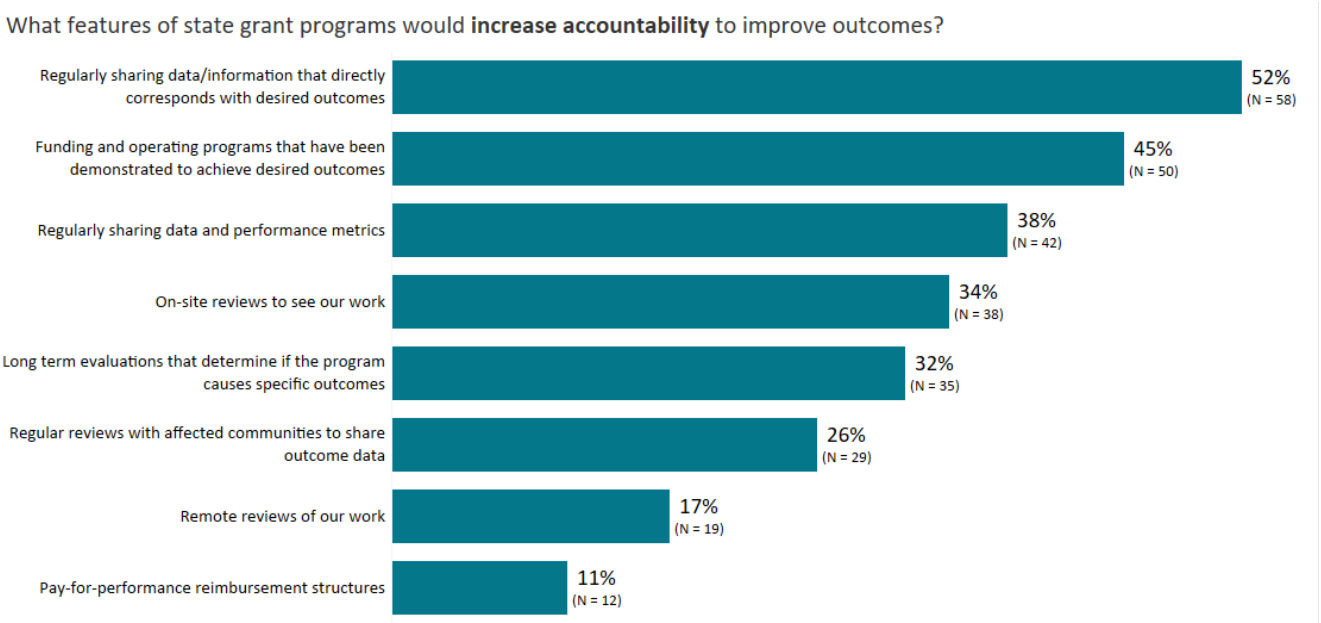
- There were 111 respondents. Almost all respondents (105) reported applying for grant funding over 719 times in the last five years and receiving at least 522 grant awards over the same period.
- Fourteen percent of respondents (16) are listed on the Minnesota Council of Non-Profits' BIPOC Index.
- The survey respondents disproportionately represent very small and small organizations relative to the non-profits that received grant funding in FY20-21 (all grantees: 36%; responding grantees: 51%). Almost 80% of non-profits registered in the State have less than $1M in revenue. See Figure 7.
- More than half of respondents (56%) reported that they are currently implementing an evidence-based practice (EBPs). Thirty-eight percent of BIPOC Index non-profits reported implementing EBPs.
- The survey was sent in last August 2022 and closed in late October 2022. After the initial invitation, at least two rounds of reminder emails were sent.
- Figure 8 shows survey responses related to increasing accountability to achieving outcomes and Figure 9 shows survey responses related to finding information on program effectiveness.

Figure 7. Minnesota Non-Profits by Annual Revenue



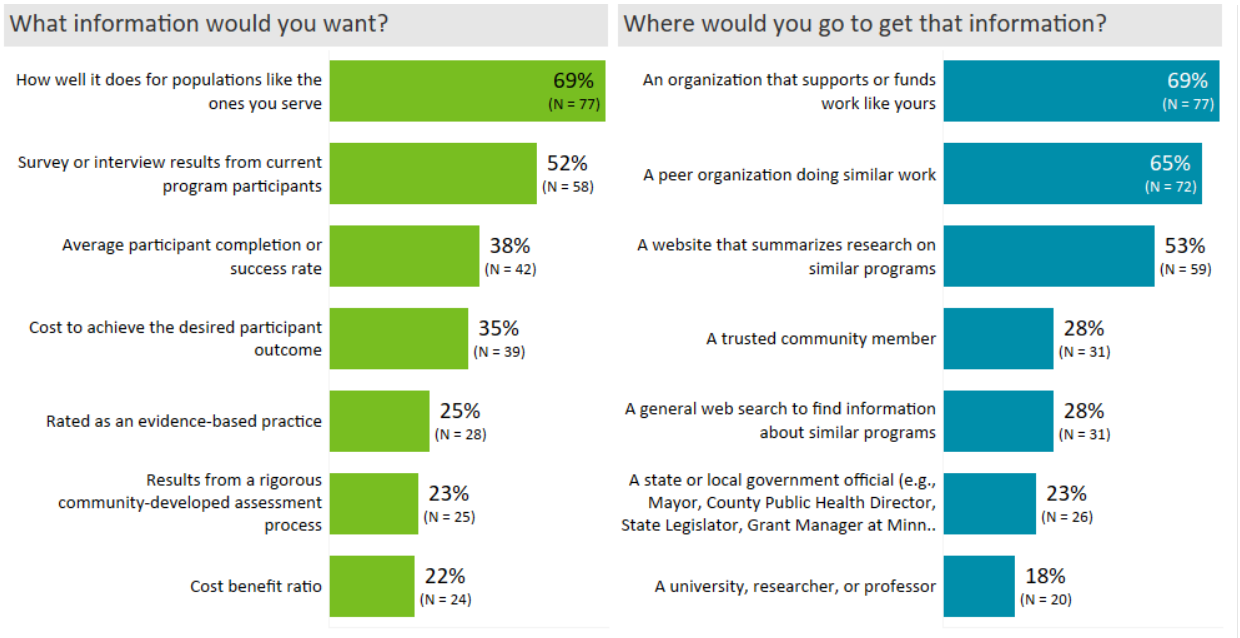
[17] Departments included in this analysis: Commerce, Education, Employment and Economic Development, Health, Human Services, Natural Resources, Public Safety, and Transportation. These eight were selected for review because they were part of the top nine largest grantmaking agencies according to a 2007 OLA report.

Figure 8. What features of State grant programs would increase accountability to improve outcomes? (% of all respondents)



Note: BIPOC Index organizations' top three responses were: Funding and operation programs that have been demonstrated to achieve desired outcomes; Long term evaluations that determine if the program causes specific outcomes; and Regularly sharing data and performance metrics

Figure 9. If you were going to expand an existing program or service and wanted to learn about its effectiveness…. (% of all respondents



Note: For "what information would you want" BIPOC Index organizations reported the same top two answers as all respondents. For "where would you go to get that information," BIPOC Index organizations reported "a website that summarizes research on similar programs" as the top answer followed by "an organization that supports or funds work like we do."