



Agenda Date: 1/23/2007  
Agenda Placement: 9A

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Theresa Richmond for Randy Snowden - Director  
Health & Human Services  
**REPORT BY:** Mitch Wipfern, Project Manager, 259-8653  
**SUBJECT:** Review of the Master Settlement Agreement Grant Award Program

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### **RECOMMENDATION**

Director of Health and Human Services Agency requests discussion and possible action on the following proposals regarding the Fiscal Year 2007-2008 allocation of Tobacco Master Settlement Agreement (MSA) Funds:

1. Funding Guidelines for the Tobacco Master Settlement Agreement Grant Program for Fiscal Year 2007-2008;
2. Process for Distribution of Tobacco Master Settlement Agreement Funding for Fiscal Year 2007-2008; and
3. Solicitation and processing of applications for Tobacco Master Settlement Agreement Grant funds for Fiscal Year 2007-2008.

### **EXECUTIVE SUMMARY**

Over the past two years, the Board has adopted procedural guidelines and funding criteria for the award of Tobacco Master Settlement Account (MSA) grants. The Board has also requested staff continue to review and update the guidelines and criteria annually. In accordance with the Board's direction, HHSA solicited input on the grant procedure process and the grant award criteria from non-profit agencies and from major local funders. The management team at HHSA also provided input regarding existing community needs. HHSA reviewed the responses in detail and, based on that review, developed recommended modifications to the Funding Guidelines and Procedures for the Fiscal Year 2007-2008 funding cycle. A discussion of HHSA's recommended modifications and possible direction from the Board relating to the Fiscal Year 2007-2008 MSA funding cycle is requested.

### **FISCAL IMPACT**

Is there a Fiscal Impact?                      No

**ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

**BACKGROUND AND DISCUSSION**

On July 19, 2005, the Board adopted procedural guidelines and funding criteria for the Fiscal Year 2005-2006 Tobacco Master Settlement Account (MSA) grant cycle. At that time, the Board also gave "approval for staff to begin a review of the ... [MSA grant] ... distribution process for Fiscal Year 2006-2007 and beyond." Subsequent to this 2005 Board action, the County Executive Officer delegated the responsibility for administering the MSA grant process to HHSa.

On November 7, 2006, the Board authorized the Chair to sign agreements awarding \$687,649 in MSA funds to 10 non-profit agencies, \$100,000 to the Children's Health Initiative, Inc., and approved using \$10,000 in MSA funds to provide sustainability training to grant recipients. At that meeting the Board noted that the grant award criteria and the grant application process would continue to be reviewed and updated on an annual basis.

HHSa subsequently solicited input on the grant procedure process and the grant award criteria. HHSa requested input from (1) the Napa Valley Coalition of Non-Profit Agencies and from its approximately 45 separate member agencies; and (2) major local funders, including the Gasser Foundation, Auction Napa Valley, Queen of the Valley Community Outreach Program, First Five Foundation, and the Community Foundation of the Napa Valley. Input regarding existing community needs assessments was additionally solicited from the management team at HHSa. Responding non-profit agencies, local funders and HHSa program managers were asked to provide input on the grant award criteria and the application process. A summary of all comments received is attached.

HHSa reviewed the comments in detail and, based on that review, developed recommended modifications to the Funding Guidelines and Procedures for the Fiscal Year 2007-2008 funding cycle. In relation to the guidelines adopted by the Board for the 2006-2007 funding cycle, staff recommends the following changes for the "Funding Guidelines for the Tobacco Master Settlement Agreement Grant Program for Fiscal Year 2007-2008":

1. Increase the weighting of award criteria to favor projects that address a proven unmet health need;
2. Increase the weighting for applications that increase accessibility to service;
3. Remove points awarded for the status of an agency's financial status as reported on the agency's Form 990 filing; and
4. Decrease the points awarded to projects that integrate tobacco prevention services.

In relation to the process adopted by the Board for the 2006-2007 funding cycle, staff recommends the following changes for the "Process for Distribution of Tobacco Master Settlement Agreement Funding for Fiscal Year 2007-2008":

1. Modify the Basic Requirements section of the application to state that the applying agency's Form 990 or balance and income statements must, based on the form shown in Attachment A, show that the agency is financially healthy and not in jeopardy of losing its non-profit status;
2. Increase the application narrative length from three to five pages;
3. Require that any application to enhance, extend, or expand a program already provided under contract to the Napa County Health and Human and Services Agency (HHSa) be reviewed by the HHSa division managing the contract. The manager of the applicable division will provide an advisory report to the Grant Application

- Review Committee regarding the application's adherence to applicable funding guidelines; and
4. Require applicants to submit a line item budget based on the sample shown in Attachment B.

The above recommended modifications continue previous efforts to make the process more open and competitive. Additionally, these modifications will help ensure the funds are awarded to programs that are well managed and capable of producing meaningful and measurable outcomes.

As was the case last year, each grant application will be reviewed to ensure that it is complete and meets minimum qualifications. Applications meeting the minimum standards will be reviewed by the Grant Application Review Committee and then rated against a set of uniform criteria. Applications proposing collaborative projects or requesting multi-year funding will undergo an additional level of review.

HHSA recommends adoption of the Funding Guidelines and Process for the Fiscal Year 2007-2008 funding cycle as set forth in the attachments. Additionally, the Agency requests the Board direct staff to solicit and process applications in accordance with the process detailed in the attached Process for the Distribution of Master Settlement Agreement Funding.

#### **SUPPORTING DOCUMENTS**

- A . Form 990 Review Sheet
- B . Sample Line Item Budget
- C . Fiscal Year 2007-2008 Proposed Master Settlement Agreement Funding Guidelines
- D . Fiscal Year 2007-2008 Proposed Master Settlement Agreement Funding Process
- E . Comments received on the Fiscal Year 2006-2007 Master Settlement Agreement Fundi

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita