



NC Department of Public Safety  
GOVERNOR'S CRIME COMMISSION

Roy Cooper, Governor  
Eddie M. Buffaloe Jr., Secretary

Robert A. Evans, Chairman  
Caroline Farmer, Executive Director

## Fiscal Note for Proposed Governor's Crime Commission Rule Update

**Agency:** North Carolina Department of Public Safety  
Administration Division  
Governor's Crime Commission

**Rule Citation(s):** 14B NCAC 05B .0203 ADMINISTRATION OF GRANTS

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**Rulemaking Authority:** G.S. 143B-602(5)  
G.S. 143B-602(8)(b)  
G.S. 143B-1101(a)(8)  
G.S. 143B-1103

**Impact Summary:**

State Government:	Yes
Local Government:	Yes
Private Entities:	No
Substantial Impact:	No

## BACKGROUND

The Governor's Crime Commission (GCC) is a Section of the Division of Administration within the Department of Public Safety (DPS) and acts as the chief advisory body to the Governor and the Secretary of DPS on crime and justice issues. The Commission consists of 43 members, including the heads of statewide criminal justice and human service agencies; representatives are from courts systems, law enforcement agencies, local government, the General Assembly, and private citizens.

GCC is known as a State Administering Agency (SAA); an agency designated to receive and disperse Office of Justice Programs (OJP) grant funding. As the SAA, a primary responsibility of GCC is to administer all federal block grants, other criminal justice funds that are awarded to the

state by the U.S. Department of Justice and Children's Justice Act, and funds from the U.S. Department of Health and Human Services. There are 54 staff (36 permanent, 7 time-limited, and 11 temporary) serving as support to the Commission and overseeing the grants processes.

GCC currently administers the following federal block and formula grant programs:

- Juvenile Justice and Delinquency Prevention (JJDP)
- Byrne Justice Assistance Grant (JAG)
- Victims of Crime Act (VOCA)
- Violence Against Women Act (VAWA)
- Sexual Assault Services Program (SASP)
- Children's Justice Act (CJA)

Funds are allocated to help both state and local government agencies throughout North Carolina. Grants are awarded on a competitive basis to government, law enforcement, non-profit, educational, and social service agencies to start new and innovative programs.

## **CHANGES SUMMARY AND IMPACT ANALYSIS**

### 14B NCAC 05B .0203 ADMINISTRATION OF GRANTS (Attachment 1)

This proposed amendment removes language that requires grant periods to last up to two years, and instead shifts the grant periods to coincide with guidance provided by the granting entity. Although previously the norm, two-year grant periods have become less common. Most grants at the federal level now provide for a three-year programmatic length, although this time period can change based on the granting entity and source of funds.

Costs associated with this change will involve minimal Commission staff time dedicated to updating external-facing education and communication materials to potential grantees alerting them of the change. Other Commission staff time will be devoted to updating the internal grants management system to reflect changes to allowable grant periods. There are no known costs expected for current grantees as this will only impact future grantees and will allow greater flexibility in grant administration.

The main benefit of this change, as mentioned above, is increased flexibility in grantee program management. As the rule is currently written, projects are limited to two years, which does not reflect trends around project timelines, nor does it align with the typical grant cycle for federal funding. For example, VOCA, JAG, and JJDP grant funds currently run on a three-year cycle. Over the last five federal fiscal years, GCC has awarded \$350 million through 2,087 subgrants to non-profit and government entities, and in those five years:

- 1,427 were completed in less than two years; many of these were small law enforcement equipment purchasing grants.
- 660 projects were two years or more.

- 129 subgrantees required more than two years to complete their projects. All of these except one were programmatic grants, which typically take longer to complete due to hiring staff.
  - For those projects, an average of 10.92 months of additional time was needed. When additional time is needed, the grantee submits an extension request to the Commission staff with justification. Under the current system, if a grantee fails to spend their one-year budget, those funds are swept. Also, if a subgrantee fails to request an extension for additional time and cannot complete the project within the two-year timeframe, those funds are also swept.
- A breakdown of grants provided to local government, nonprofits, and state government is provided in the following table:

Award Year	Total Awards	Local Government		Non-Profit		State Government	
		Count	Percentage	Count	Percentage	Count	Percentage
2018	456	217	48%	170	37%	69	15%
2019	326	107	33%	179	55%	40	12%
2020	459	216	47%	176	38%	67	15%
2021	383	208	54%	140	37%	35	9%
2022	315	146	46%	141	45%	28	9%

This increased project timeline flexibility will have the following benefits:

1. It will allow GCC to better align with the needs of grantees, improving overall customer service and adaptability with the grants process.
2. It will reduce the likelihood that future grantees will exceed their project timelines. As a result, grantees will be less likely to have their funds swept due to failure to submit a timely extension request or failure to spend their budgeted funds within the project timeline.
3. The likely longer project timelines should mean that a portion of future grantees will not find themselves in need of an extension request, which will result in a small time savings for some grantees. Extension requests are submitted by grantees through the electronic grants system and require information such as an abstract/narrative, updated timeline, goals and objectives if changing, proposed budget spreadsheets, and change requests. The extension request process can involve multiple steps and additional required interaction between GCC staff and the grantee. GCC does not know what future award cycles will be or who will receive awards; as such, GCC cannot predict how many grantees will realize this benefit.
4. Similarly, it will likely result in a reduction in Commission staff time needed to process timeline extension requests. Requests are reviewed by Commission staff to determine whether giving an extension is allowable under the circumstances provided. Although GCC cannot predict how many grants will be awarded in the future, if we assume the number of grantees remains about the same as in the past five years, we project that the rule change will generate at least 25 fewer requests for extension per year. If it takes about 2 hours to process one request, this would save Commission staff approximately 50

hours per year. This is a conservative estimate, as it is based solely on the number of subgrantees whose projects exceeded two years.

5. It will save Commission staff time and travel costs for required site visits as many grant periods will shift from two to three years under this proposed change. For most federal grants, there is one required site visit per performance period. Last year, GCC staff conducted 195 site visits across the state. Looking over a six-year timeframe, GCC staff would visit a program three different times if they had two year periods of performance. However, with a three year period of performance, there would be only two site visits during that six-year span. Thus reducing the total number of site visits in six years by 1/3 from the current 1,170 site visits to 780 site visits. Or on an annual basis, a reduction from 195 site visits per year to approximately 130 per year.

The time needed for a site visit varies depending on travel and complexity of the project. Site visits can be more complex if they have more staff, redacted victim files which must be reviewed for services, inspection of large facility, and any issues that the organization has struggled with prior to the site visit. On average, staff estimates a typical site visit requires about three hours in-person at the project site plus travel. There are also associated travel expenses that will be avoided by reducing the total number of site visits being conducted.

The level of oversight provided by the Commission staff will remain the same; as such, there are no expected impacts to modifying the rule language as far as compliance with these rules.

## ATTACHMENT 1

14B NCAC 05B .0203 is amended pursuant to G.S. 150B-21.5(a)(2) and (4) as follows:

### 14B NCAC 05B .0203 ADMINISTRATION OF GRANTS

(a) The Commission staff shall administer grants as funds are available. All applicants shall be notified in writing or electronic communication through the GMS system upon completion of the selection process that the application has been approved or denied.

(b) Within 30 days of receipt of award notification, the applicant shall submit the grant compliance and modification information. An applicant may request an extension of no more than 60 days to submit the information. An applicant who does not provide the required information shall be ineligible for grant funding. For the purposes of this Rule, grant compliance and modification information includes the following:

- (1) a list of grant conditions that were agreed to by an authorizing official of the applicant;
- (2) a certification of non-supplanting;
- (3) a certification of filing of an equal employment opportunity program;
- (4) a memorandum of agreement or contract with any cooperating government agencies;
- (5) an original signature of all authorizing officials, implementing project director, and the applicant's chief financial officer; and
- (6) a signed agreement to submit to an annual audit of the program.

(c) Funds shall be conveyed to grantees through Grant Award Contracts. The Grant Award Contract shall bear the original signature of the grantee's authorizing official and the Executive Director of the Commission. The Grant Award Contract shall be signed and returned to the Department within 30 days.

(d) ~~The grant period for the project shall be for a period of up to two years. The grant period shall coincide with the start and close of the federal fiscal year, if possible.~~ guidance provided by the granting entity.

(e) Requests for adjustments to approved applications may be made at any time up to 90 days before the project's scheduled termination date. These requests shall be made through the GMS system, providing an explanation for proposed amendments.

*History Note: Authority G.S. 143B-602(8); 143B-1103; 143B-1104;*

*Eff. March 1, 2019;*

*Amended Eff. April 1, 2023.*