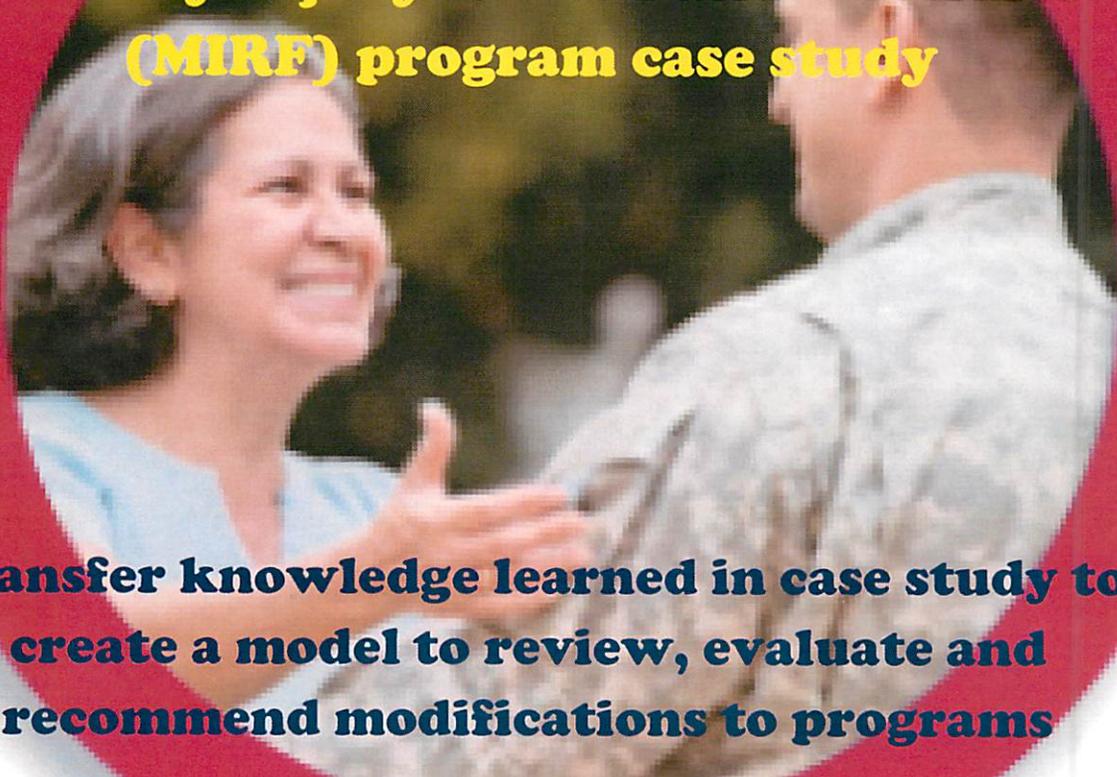


Cohort 4

Team #1

Fall 2014 – Spring 2015

**Military Injury Relief Fund Subsidies
(MIRF) program case study**



**Transfer knowledge learned in case study to
create a model to review, evaluate and
recommend modifications to programs
based on fiscal performance.**

**Team Members: Julie Stevenson, Penelope Dillard,
Kenneth Frey, Ronald Weber & Ron Wehner**



Contents

Executive Summary	2
Introduction.....	2
Historical Background	3
Similar programs in other states	4
Findings	5
Tool 1: Expectation Center	6
Sample Expectation Center	7
Tool 2: Burn Rate Barometer	8
Sample Burn Rate Barometer.....	9
Tool 3: Tool Selector.....	10
Sample Tool Selector.....	11
Tool 4: Rule Change Decision Tree	12
Sample Rule Change Decision Tree	13
Tool 5: Public Relations Flowchart	14
Sample Public Relations Flow Chart.....	15
Tool 6: Outreach Bubble Chart.....	16
Sample Outreach Bubble Chart.....	17
Tool 7: Resource Transfer Checklist	18
Sample Resource Transfer Checklist	19
Conclusion	20
Bibliography.....	21



Executive Summary

Our capstone project team consists of Penelope Dillard, Ken Frey, Julie Stevenson, Ron Weber, and Ron Wehner. Our goal when we came together as a group was to analyze what we felt was an underperforming program and see if we could determine ways to strengthen the program. The program we selected was the Military Injury Relief Fund (MIRF) created in 2005 to assist veterans that had been injured in service. (Ohio Legislative Service Commission 2014). MIRF went through some growing pains the first few years. The award amount was changed three times and at one point the MIRF fund ran out of cash, requiring a transfer from the General Revenue Fund in order to pay all the grant awards. The fund is now very stable. Revenue comes in at around \$600,000 a year and awards are run around \$100,000 a year (Glenn C. Wintrich 2014). Knowing the facts about Ohio's MIRF program our group researched what other states were doing, if anything, to assist their injured veterans in hopes that we could maybe gain a better understanding of the process. Each team member also talked with their respective Chief Financial Officers (CFOs) to see if there were currently any formal systems for evaluating programs other than the biennium budget process. From these interviews we felt we could add some value if we could produce some kind of set process that could be used across state agencies to evaluate programs. One of our biggest considerations would be to create something general enough to cross all agencies and specific enough to point out weaknesses. At this point we had our problem statement and we had an excellent test case to work with. We set to work brainstorming possible processes that we could develop. We worked together and relied on the teams (particularly Ron Weber's but he did not want to be mentioned) excellent knowledge of Microsoft Excel to create what we call our Toolkit. The Toolkit has seven different user friendly worksheets, flow charts and decision trees that we feel can aid any state agency in evaluating a program or grant. At this point in the process we felt like we needed an independent third party that we could review our plan with. We sought out a subject matter expert from the Department of Job and Family Services (JFS), Tom Holsinger, Deputy Director, Office of Fiscal and Monitoring Services and a member of the Multi-agency Enterprise Grant Management Solution Steering Committee. Tom was kind enough to meet with us and was able to provide some encouragement as well as some good tips on how to proceed with the continued development of the Toolkit. Our report goes into detail about each of these tools and explains how they can be used to benefit agencies. If the Toolkit is well received amongst our fellow cohorts and the Fiscal Academy leadership we will consider repeating our presentation at a future CFO meeting.

Introduction

Our research had several legs. First, we wanted to find out why and how the MIRF was originally created. We therefore sought out the original bill sponsors with the intention of planning a group meeting so that we could better understand the original goals and intentions of the bill. With this information we had hoped to maintain the original spirit and intentions of the bill in any possible changes we might consider as we moved forward. Although we were warmly received by the sponsors, due to some scheduling conflicts beyond our control we were never able to meet. We were, though, able to discern from a brief conversation with one of the cosponsors that we were keeping the original spirit and intentions for the MIRF program in mind.

The second leg of our research took us on a virtual tour of the USA as we sought out other states that were investing in their injured veterans with similar programs. This trip included stops in Illinois, Indiana, Montana and sunny California where we found strikingly similar programs in



Military Injury Relief Fund (MIRF) Subsidies Program Case Study

place. Some of these programs had much more vigorous application process than Ohio's but overall they were very similar to MIRF. This information further confirmed that this program was providing support to a population segment that both deserved and needed the help. Additionally, the similarity of the programs across the county reinforced our belief that the general structure of the MIRF program was sound.

The third leg of the research took us face to face with the CFOs of our respective state agencies: the State Medical Board, the Attorney General's Office, the Department of Taxation, the Department of Job and Family Services and the Department of Administrative Services. This very diverse group, allowing us to gather perspectives from a State Board, an elected official's office, the largest state agency, a central service agency and a cabinet agency. As a team we prepared a set of questions to review with the CFOs in order to gauge what types of tools are already in use to review the financial performance of grants and programs. Unfortunately our questions did not produce outstanding results and the answers tended to point in a few different directions. After a group review of the CFO interview findings we determined that our questions were too vague and resulted in a wide variety of responses. We were able to pick and choose from the responses and incorporate some of the ideas or general concepts into our Toolkit. The last part of the research leads up into our next section of the report the Historical Background.

Historical Background

The Military Injury Relief Fund (MIRF) was created under Ohio HB 66 of the 126th General Assembly. The bill was originally introduced February 15, 2005 and was passed by the House on April 4, 2005 (Ohio Legislative Service Commission 2014) and amended by HB153 in July 2011. MIRF is part of Ohio Revised Code 5101.98 (Lawwriter Ohio Revised Code 2014) which created this fund to provide military personnel with monetary assistance (Ohio Department of Job and Family Services 2014). In order to qualify for this grant the service member must have been "injured while serving under Operation Enduring Freedom (OEF), Operation Iraqi Freedom (OIF) or Operation New Dawn (OND)" (Ohio Department of Job and Family Services 2014).

The intent of the program is partly to help returning injured veterans and their families make ends meet upon a veteran's return home. MIRF grants have been utilized by veterans and their families in a variety of ways, including when veterans are awaiting Veterans Administration (VA) disability determinations, which can often take time and leave families in a financial bind during that process. Injured veterans' families have also utilized MIRF grants to help pay for travel and lodging costs while traveling to visit a loved one who has been admitted to a hospital far from his or her hometown or duty station.

MIRF is mainly funded by taxpayers who choose to donate all or some of their state income tax refund. These taxpayer contributions are made by checking a box on the state tax return and entering the amount of the contribution. The fund also receives private donations from private individuals and corporations (Ohio Department of Job and Family Services 2014). The original fiscal analysis of MIRF projected revenues between \$435,446 and \$508,218 based upon estimates from a similar fund, Ohio's Wildlife species and endangered wildlife conservation and nature preserves, scenic rivers, and endangered species protection fund (Glenn C. Wintrich



Military Injury Relief Fund (MIRF) Subsidies Program Case Study

2014). These fiscal estimates have been accurate, as the first two years the program began accepting taxpayer contributions the fund received over \$1.2 million in the first two years (McNatt 2014).

In the first year, 303 applications were approved and \$137,500 was awarded the initial Grantee awards of \$500 per injured veteran (McNatt 2014) 2014, 5). In order to qualify for the grant the service member must have "qualifying injuries include any physical injury suffered in the line of duty, or a diagnosis of post-traumatic stress disorder (PTSD) incurred while serving" and the service personnel must also provide a DD214 or DD215, Military Activation (or TDY) orders, proof of injury and a W-9 (Ohio Department of Job and Family Services 2014). In the following years, the amount of contributions would continue to increase as would the award amounts. The original award amount of \$500 was increased to \$750 for the second year of the program. Then in the third year it was increased to \$1,000 per family (McNatt 2014). However, with the increase in applicants and a ninety percent approval rate the fund was depleting quickly. In state fiscal year 2011 the fund was in distress and measures were taken to subsidize the fund using a contribution from the General Revenue Fund to get the fund through the remainder of the fiscal year. Eventually, the grant allotment was revisited and the amount to be dispensed per family was set back to the original \$500. Currently, the fund has approximately \$1.5 million in cash on hand (McNatt 2014).

Similar programs in other states

Our Nation has a rich and proud history of those serving in the Armed Forces and thus continues to recognize and appreciate the sacrifices our veterans have made. We proudly salute our veterans, who have served our nation with honor, courage, commitment and sacrifice. Additional states having programs that mirror the MIRF example are included in the following:

The Illinois Military Family Relief Fund (IMFRF) provides monetary grants to families of Illinois National Guard members and Illinois residents serving in the U.S. Armed Forces Reserve components who were called to active duty as a result of the September 11, 2001 terrorist attacks. IMFRF grants are intended to help service members and their families defray the costs of food, housing, utilities, medical services, and other expenses that become difficult to afford when a wage-earner has temporarily left civilian employment to be placed on active military duty (Illinois National Guard 2014).

The Montana Military Family Relief Fund (MMFRF), signed into law in 2007 by Governor Brian Schweitzer provides monetary grants to families of Montana National Guard and Reserve Component members who on or after April 28, 2007, are on active duty for federal service in a contingency operation. MMFRF grants are intended to help Montana families defray the costs of food, housing, utilities, medical services, and other expenses that become difficult to afford when a wage-earner has temporarily left civilian employment to be placed on active military duty. The casualty-based grant offers \$2,000.00 to help offset costs of a member who is injured during a contingency operation. The injury must have been sustained in the course of or in relation to combat (Montana Department of Military Affairs 2015).

The Indiana Department of Veterans Affairs (IDVA) began accepting grant applications from the families of deployed or recently deployed Indiana National Guard members and members of the



Military Injury Relief Fund (MIRF) Subsidies Program Case Study

Selected Reserves. Effective July 1, 2014 all military members and veterans that served on, or, after September 11, 2001 may be eligible to receive a one-time emergency grant. The emergency grants may be used by the families for needs such as food, housing, utilities, medical services, transportation and other essential family support expenses which have become difficult to afford. Grants up to \$2,500 may be awarded (Indiana Department of Veteran's Affairs 2015)

The California Military Family Relief Fund (CMFRF) was established to provide short term, financial assistance in the form of grants to California National Guard members and/or families impacted by 100 days or more mobilization and deployment who meet the financial criteria. Military member salary had to been decreased by 30 percent or more from civilian salary. After one year after it was launched to help activated National Guard families suffering financial hardships, the California Military Family Relief Fund has been a major disappointment to its sponsors. In 2005, the fund paid out only \$7,687 to just three families from among the 7,000 soldiers activated for federal duty in Iraq, Afghanistan and other postings that year. The program which requires proof of a 30% loss of income between the soldier's civilian and military income, is too restrictive as it is now (California.GOV 2015).

Ohio's MIRF program seems to have a much easier set of qualifications and a smaller award amount. The program has been very successful at getting available funds in the hands of injured veterans since its inception. Now may be the time to consider a change to the program as revenue is building in the MIRF fund.

Findings

In formulating recommendations for strengthening the performance of the MIRF program, our team studied a variety of decision-making tools commonly used in the private sector and/or academia. This research expanded our understanding of the array of available tools used to explore alternative outcomes and reach sound decisions. Our team then considered how to use these same tools for improving government sector grant projects. The result of our research has been the development of a Grant/Project Expenditure and Course Correction Toolkit (toolkit) to be made available to grant and program managers in other state agencies who may also be struggling with program under-performance. To test the effectiveness of the toolkit, each tool we created has been applied specifically to the MIRF program to reach a series of recommendations for improving performance and investing more of the available funds in assisting injured veterans. The following sections will introduce and describe each tool and summarize the application of the tool in the MIRF case study.



Tool 1: Expectation Center

The Expectation Center provides an easy-to-use guide to help users estimate a grant or program's expected quarterly expenditures. These estimates can then be used in Tool 2, The Burn Rate Barometer, to compare against actual expenditures. Expectation Center begins with a simple question regarding whether the grant or program is new or if significant changes have been recently made. The result of this question leads the user to differing paths for creating their estimate.

For new grants and projects an equally weighted distribution of expenditures per quarter is recommended unless the user has additional information on items which may influence timing. This information may include, but is not limited to, advanced knowledge of seasonality, expenditures possibly changing as a function of time (i.e. due to growing awareness of a grant/program), and the existence of explicit dates that dictate when expenditures will or must occur. Application of this knowledge to the equally weighted baseline is up to the user.

Users calibrating the toolkit for an existing grant or project are led through a more rigorous method of estimation based on a recent history of expenditures. The user is instructed to enter total funding and up to three years of expenditure data into a specified area of the spreadsheet. Expectation Center then automatically determines how many years of data have been entered and calculates an expected quarterly expenditure level. If more than one year of data is entered, a weighted average is used, with greater weight given to more recent years. The weighting structure currently assumed is 65/35 if two years of data is available and 50/30/20 if three years are available. In the case of an existing grant or project that has recently gone through a change that would significantly influence the timing of expenditures, one last step is added to this process. The user is reminded to make their own adjustments to the automated results based on the information they have regarding the change.

For the MIRF program, entry of the revenue amount (about \$600,000.00 per year to fully expend new donations plus a portion of the accumulated carry-in funds) and historical MIRF expenses into the Expectation Center yielded quarterly spending goals ranging from \$138,836.00 in the fourth quarter to a high of \$166,004.00 in the third quarter.



Sample Expectation Center

➔

Expectation Center

GRANT/PROJECT EXPENDITURE AND COURSE CORRECTION TOOLKIT
Ohio Fiscal Academy, Cohort 4, Team 1
Expectation Center

Description: Spending targets must be set at three points in the funding lifespan once total grant or project funding is known or has been reasonably estimated. To begin, select from the following options:

- New Grant/Project Existing Grant/Project - No significant changes
- Existing Grant/Project - Changes have been made which will influence expenditure timing

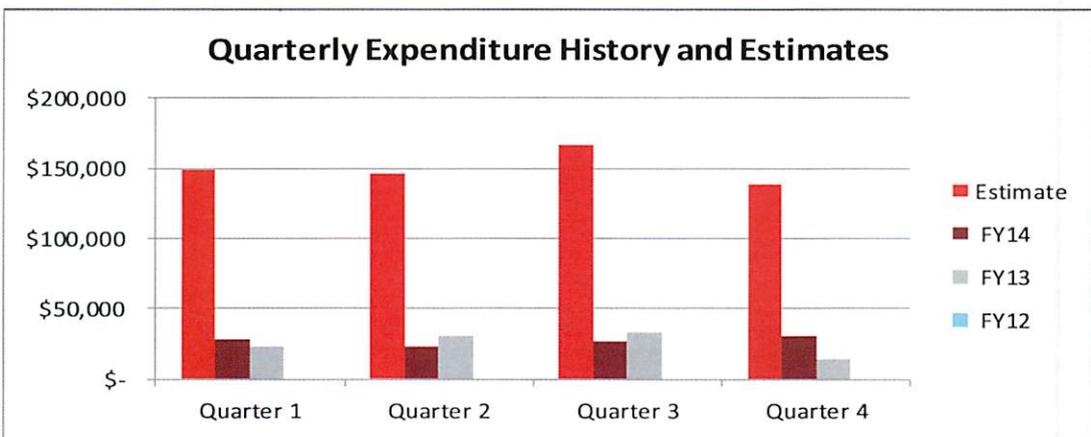
You will be guided through taking a weighted multi year quarterly average to help distribute your anticipated expenditures over the year.

1. Summarize your expenditure data into quarters (up to three years of history).
2. Enter total funding and quarterly expenditure totals into the green shaded boxes below
3. Quarterly patterns from recent years are weighted more heavily than past years.

Enter total funding \$ 600,000

Enter spending history below

	FY14	FY13	FY12	Calculated quarterly distribution	Calculated quarterly expenditure
Quarter 1	\$ 28,000	\$ 23,500	 	24.7%	\$ 148,330
Quarter 2	\$ 23,000	\$ 31,500	 	24.5%	\$ 146,830
Quarter 3	\$ 27,500	\$ 33,000	 	27.7%	\$ 166,004
Quarter 4	\$ 30,500	\$ 14,500	 	23.1%	\$ 138,836





Tool 2: Burn Rate Barometer

The Burn Rate Barometer indicates whether a project is on track to fully expend the available funds within the grant period or not. Spending goals are established for three checkpoints in the grant lifecycle using the Expectation Center described above. The user then enters the actual cumulative expenditures and obligations at each checkpoint to determine if full expenditure is likely and how critically intervention is needed. The performance of the grant is rated from "Critically Underspent" to "Probable Overspending" based on a range of thresholds around the target spending listed at the bottom of the tool. For example, if a project has spent between 80 percent and 120 percent of the target total spending as of a given quarter, the project will be rated as "Spending on Track," meaning that additional intervention may not be necessary.

The available MIRF annual revenue, for example, of \$600,000 is entered at the top of the spreadsheet. Entry of the actual cumulative MIRF spending this fiscal year into the Burn Rate Barometer as of September (\$28,000.00), December (\$51,000.00) and March (\$78,500.00) is compared with the spending goals determined by the Expectation Center to yield a status of "Critically Underspent" and a recommendation to complete the Tool Selector to determine next steps.



Sample Burn Rate Barometer



GRANT/PROJECT EXPENDITURE AND COURSE CORRECTION TOOLKIT
Ohio Fiscal Academy, Cohort 4, Team 1
BURN RATE BAROMETER

Description: Expenditures paid and obligations incurred for a grant or project can be reviewed against spending targets at three points in the funding lifespan. To begin, enter the begin and end dates that the funding is available and the amount of funding:

Grant/Project Name:	Begin Date	End Date	Total Funding
Military Injury Relief Fund	7/1/2014	6/30/2015	\$ 600,000

After each of the three checkpoint dates listed below, enter the cumulative total expenses and obligations (if known) in the green-shaded cells below the relevant column. Using expenditure thresholds based on a consistent burn-rate, a recommendation is then provided on whether course correction is necessary.

Checkpoints	One-Fourth	Halfway	Three-Fourths
Checkpoint Date:	9/30/2014	12/30/2014	3/31/2015
Expenditure Target as of the above date:	\$ 148,330	\$ 295,160	\$ 461,164
Actual expenditures as of checkpoint date:	\$ 32,500	\$ 72,500	
Encumbrances (obligations) not yet spent:	\$ -	\$ -	\$ -
Expenditures + encumbrances:	\$ 32,500	\$ 72,500	\$ -
Percent of Expenditure Target achieved:	22%	25%	
Percent of funding spent & obligated:	5%	12%	
Current Status Rating:	Critically Underspent	Critically Underspent	

Recommendation:

The project is in danger of under-performing and lapsing significant levels of funding. It is imperative to complete the Tool Selector and to use the recommended tools to quickly intervene and increase expenditures.

Expenditure Thresholds and Bonus Percentage Points for High Encumbrances:

Status Ratings	Bottom threshold	Top threshold	High Encumbrance Bonuses
Critically Underspent	0%	30%	1. If expenses + encumbrances > quarterly spending target, Points to add = 10 2. If expenses + encumbrances > 90 percent of funding, Points to add= 20
Severely Underspent	30%	60%	
Moderately Underspent	60%	80%	
Spending On Track	80%	120%	
Probable Overspending	120%	N/A	

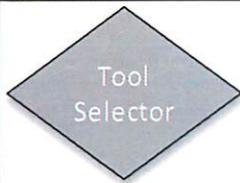


Tool 3: Tool Selector

Through a series of True/False questions, the Tool Selector helps the user narrow down which other tools in the toolkit would be most impactful for increasing the expenditure rate. For example, one question in the Tool Selector is: "The state has the authority to revise the program rules, policies, and/or benefit levels." A response of False would eliminate tool 3, the Rule Change Decision Tree, from consideration as a useful tool because policy changes would not be permissible based on this response. Completing the eight questions specifically for the MIRF program resulted in recommendations to complete the Rule Change Decision Tree, Public Relations Flowchart, and Outreach Bubble Chart.



Sample Tool Selector



GRANT/PROJECT EXPENDITURE AND COURSE CORRECTION TOOLKIT
Ohio Fiscal Academy, Cohort 4, Team 1
TOOL SELECTOR

Description: To identify which tabs in this toolkit are most likely to increase funding utilization for a grant/project that is under-performing, select whether each statement below is true or false relevant to that grant/project. For statements having no relevance, select the "N/A" button. The recommended tools will appear at the bottom of the page.

TRUE	FALSE	N/A	
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	1). Rules restrict who may qualify for the program and/or what services or benefits may be provided with the funds.
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	2). Maximum caps limit the amount of benefit(s) that each participant may obtain.
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	3). The state has the authority to revise the program rules, policies, and/or benefit levels.
<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	4). More aggressive outreach efforts would most likely attract significantly more participants into the program.
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	5). Other agencies, boards, or organizations who serve this same population may be unaware of this program.
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	6). Some of the available funds are available to be spent on marketing efforts to raise awareness about the project.
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	7). The costs of marketing are an allowable expense under the law, regulations, and policies pertaining to the funds.
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	8). Finding other ways to expend excess funding is considered preferable to lapsing the funds.

Recommendations:

- Create a decision tree similar to the Rule Revision Tree to explore policy changes.
- Follow the Public Relations Flowchart to identify low-cost ways to raise awareness.
- Review the Outreach Bubble Chart to identify the most feasible marketing tactics.



Tool 4: Rule Change Decision Tree

This tool was developed based on the tree-like models used in operations research to graph possible consequences of alternative decisions. Through our research, we learned that decision trees have been used to help investors make better investment decisions (Pinkasovitch n.d.) which inspired our team to create a decision tree that explores financial ramifications of alternative policy changes in the MIRF program. While this tool applies specifically to MIRF's policy options only, it serves as a model which could be customized to apply to other state agencies with multiple policy options under consideration. In other words, our team intended this MIRF-specific decision tree to serve as inspiration for other state fiscal managers to utilize decision trees in their financial analyses.

One branch of the MIRF decision tree, for example, explored the effects of increasing the benefit payment above \$500 per eligible veteran in order to expend more funds and better meet the participants' needs. The higher expenditures resulting from each incremental increase of \$250.00 are estimated based on an assumption that 25 percent more participants would be enticed to apply for the program for each \$250.00 increase. Given that the program is seeking to expend about \$600,000.00 per year based on revenue and unspent carry-in funds, the decision tree reveals that increasing the participant payment to \$1,250.00 rather than \$500.00 would raise expenses sufficiently and offer injured veterans more assistance without risking possible over-expenditure of the available funds. Other policy options mapped out in the Decision Tree appeared to be either too minimal to significantly raise MIRF spending, or too drastic which could lead to over-spending of the revenue. Therefore, an increase of the MIRF benefit by \$750 to a total lifetime award of \$1,250 is recommended.



GRANT/PROJECT EXPENDITURE AND COURSE CORRECTION TOOLKIT

Ohio Fiscal Academy, Cohort 4, Team 1

RULE CHANGE DECISION TREE

Description: This sample demonstrates using a Decision Tree to predict financial impact of program policy changes.

TYPE OF CHANGE	OPTIONS	ANNUAL APPS	ANNUAL COST CALCULATION	ANNUAL COST	RECOMMENDED?	
Increase benefit payment (25% more will apply per \$250.)	Pay \$750 each (25% more apps)	250	\$750 X 250	\$ 187,500	No. Too low.	
	Pay \$1,000 each (50% more apps)	300	\$1,000 X 300	\$ 300,000	No. Too Low	
	Pay \$1,250 each (75% more apps)	350	\$1250 X 350	\$ 437,500	Yes.	
Do Nothing (200 apps per year @ \$500 each = \$100,000 spent. Annual contributions are \$500,000.)	Pay stipend annually (200 new + 200 prior will apply. 75% will reapply)	Yr 1: 200 new + 200 prior	400	\$500 X 400	\$ 200,000	No. Costs grow too high by year 5.
		Yr 2: 400 + 300 reapply	700	\$500 X 700	\$ 350,000	
		Yr 3: 400 + 525 reapply	925	\$500 X 925	\$ 462,500	
		Yr 4: 400 + 694 reapply	1,094	\$500 X 1094	\$ 547,000	
Cover all wars (0.5% will qualify and apply for MIRF.)	Nam*: 293,297 X 0.5%	1,466	\$500 X 2,038	\$ 1,019,000	No. Too costly.	
	Korea*: 72,535 X 0.5%	363				
	WW2*: 41,778 X 0.5%	209				

*Veterans Populations from http://www.va.gov/vetdata/Veteran_Population.asp





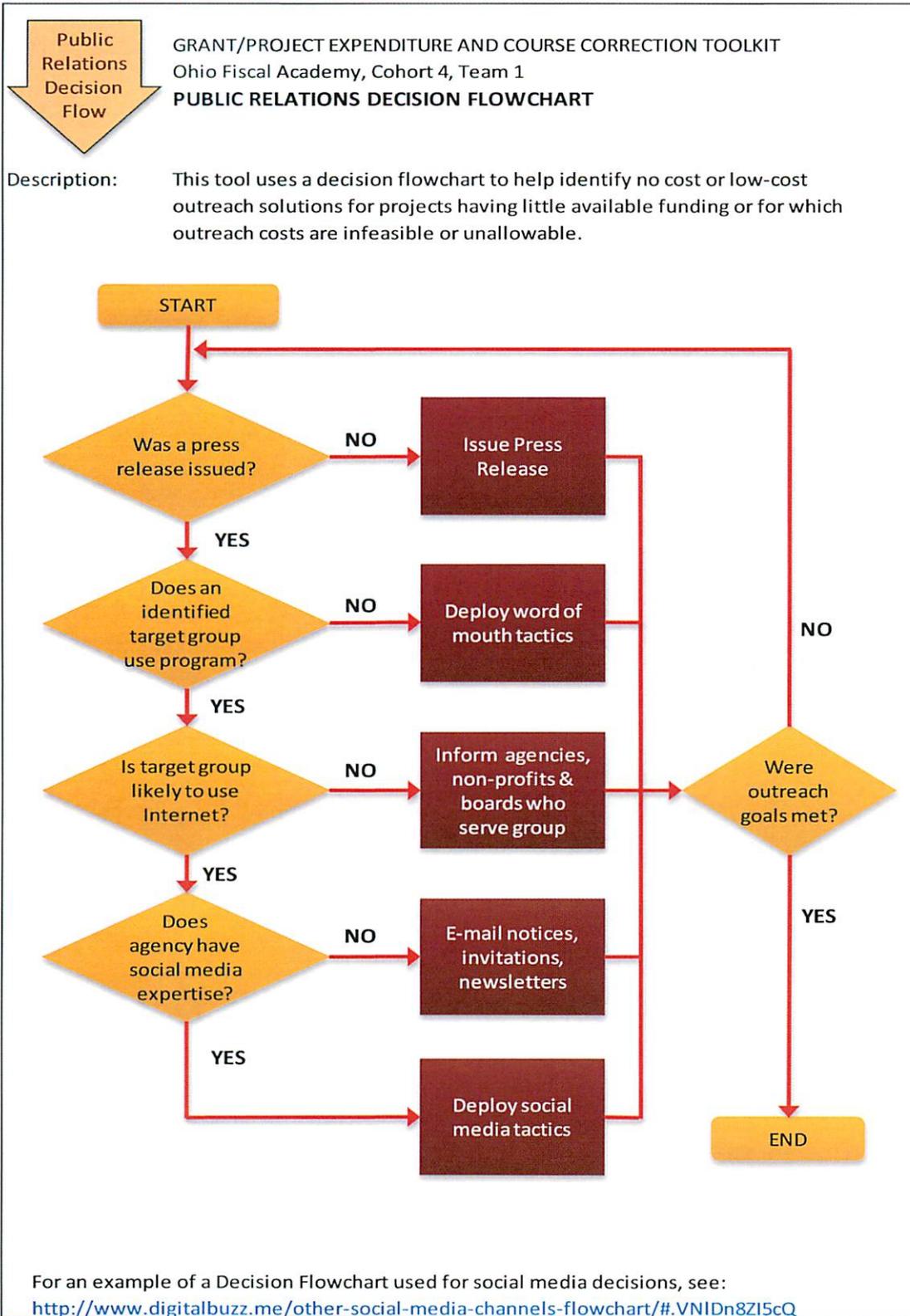
Tool 5: Public Relations Flowchart

This tool is based on the graphical flowcharts originally drafted by mechanical engineers for planning industrial processes which are now widely used in a variety of applications (Gilbreth 1921). One flowchart we researched was created specifically for deciding whether a small business should use social media strategies (DigitalBuzz.Me 2013). The possible outcomes recommended by our flowchart are no-cost solutions including social media to increase awareness about a service or program. The user simply follows the arrows, answering “Yes” or “No” at each diamond-shaped decision node to be driven eventually to the ideal outcome to be implemented.

An example of this would be if the target population that might qualify for a program is likely to include Internet users (one of the questions in the flow), then the recommendation is to implement either social media solutions or e-mail notices to communicate with this population. For the MIRF program, the target population is military veterans, but no clear consensus could be reached on whether they use the Internet. A disproportionate number of veterans are homeless due to PTSD and related issues, so they would not have easy access to on-line resources. Therefore, non-Internet related tactics (informing other agencies, non-profit organizations, or boards who serve veterans about the MIRF benefits) is recommended to be attempted to raise awareness and boost the number of veterans accessing the program.



Sample Public Relations Flow Chart



For an example of a Decision Flowchart used for social media decisions, see:
<http://www.digitalbuzz.me/other-social-media-channels-flowchart/#.VN1Dn8Z15cQ>



Tool 6: Outreach Bubble Chart

Bubble charts display data visually along three dimensions and are often used to study social, economic, medical, or other scientific relationships (InfoSoft Global Private Limited 2002). For state projects having funding available to be spent on outreach campaigns, our team created an Outreach Bubble Chart with alternative marketing tactics on three variables: cost (X axis), size of the target population (Y axis), and staff resources needed to implement the effort (size of circle.)

The MIRF program, for example, has considerable funds available for outreach but only seeks to attract hundreds of eligible participants per year to avoid exhausting the revenue collected. So bubbles located anywhere in the bottom third of the chart are ideal. Given that very few staff positions (less than one Full Time Equivalent) manage this program, the smallest circle should be selected to avoid excessive workload burden on the staff who must perform the outreach functions. This means that a targeted mailing to known veterans would be the ideal outreach solution for MIRF based on the Outreach Bubble Chart mapping (i.e., a small circle in the lower third of the chart).



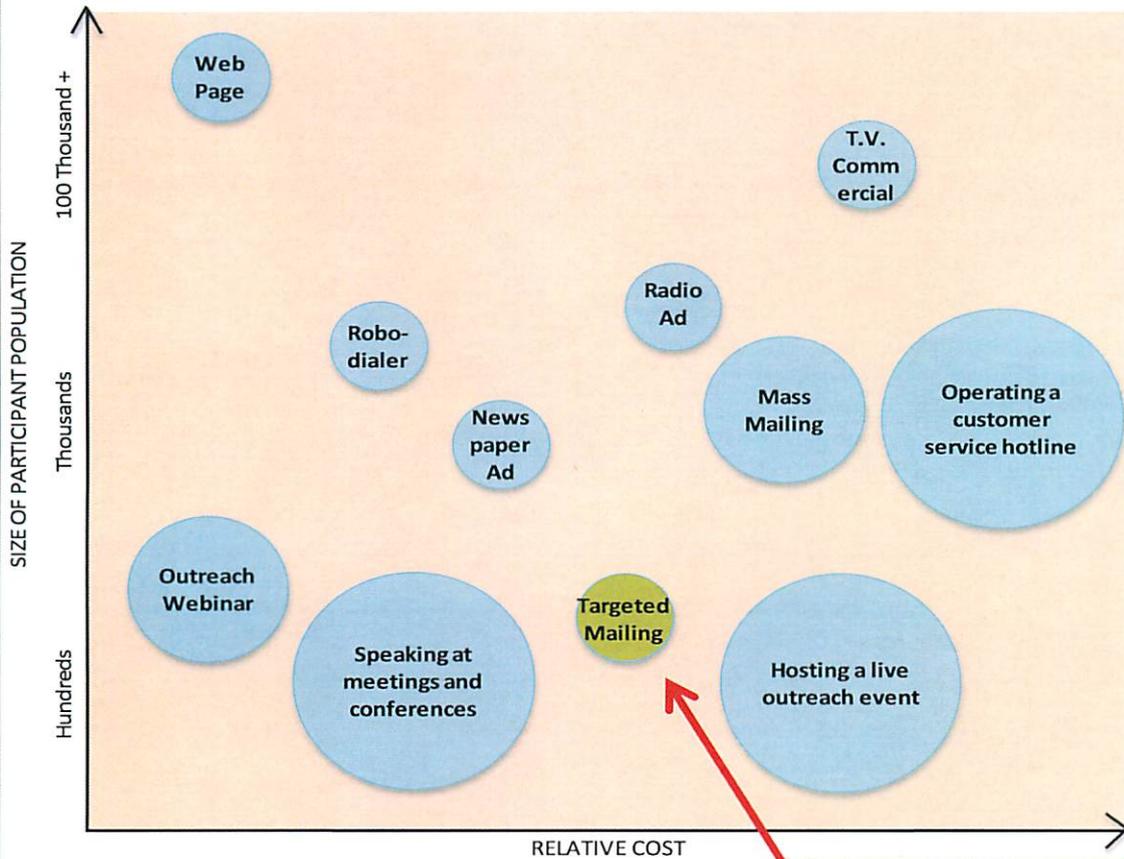
Sample Outreach Bubble Chart



GRANT/PROJECT EXPENDITURE AND COURSE CORRECTION TOOLKIT
Ohio Fiscal Academy, Cohort 4, Team 1
OUTREACH BUBBLE CHART

Description:

For programs with funds for outreach, this chart assists in selecting the most effective marketing tactics. Common outreach solutions are charted below according to the relative cost (X axis), size of desired participant population (Y axis), and staff effort necessary to implement (size of bubble). For example, a project with a moderate budget seeking to attract thousands of participants would utilize tactics near the center of the chart. If staff resources are minimal, a small circle should be selected, so using a Robo-Dialer or newspaper advertisement would be ideal for this example.



The ideal solution for MIRF will attract hundreds of participants and utilize minimal staff effort, so a Target Mailing is recommended.

For more information on creating Bubble Charts, visit: Sweetspotintelligence.com/en/2014/06/12/focus-visualization-bubble-charts-tables/



Tool 7: Resource Transfer Checklist

In some programs, grant funding may remain unspent even after extensive efforts to boost program performance have occurred. It may be possible to expend the funds on other allowable activities or to transfer unspent balances to another provider or program rather than lapsing the funds back to their source. However, careful consideration of possible pitfalls such as the regulations governing the funds, political fallout, and gaining buy-in from leadership should occur before expending grant dollars for a purpose not originally intended.

The Resource Transfer Checklist presents ten ideas for expending available dollars before they lapse along with a series of six questions to consider, such as whether the idea is allowable, pre-approved by the funding source and leadership, and likely to succeed. For each alternative spending idea on the list, the user checks the box under each criterion that has been met. Only in cases where all six criteria are met, where all boxes are checked, will the toolkit recommend the action be taken. For purposes of MIRF, the only recommendation that met all six criteria was the plan to transfer funds to another office, bureau or sister agency -- such as the Department of Veterans Services.



Sample Resource Transfer Checklist

RESOURCE TRANSFER CHECKLIST

GRANT/PROJECT EXPENDITURE AND COURSE CORRECTION TOOLKIT

Ohio Fiscal Academy, Cohort 4, Team 1

RESOURCE TRANSFER CHECKLIST

Description:

When other interventions will not result in full expenditure of available funds, this checklist offers ten alternatives for investing the funds in other activities. Six conditions (A - F) to ensure before proceeding are listed across the columns. Rest the mouse on the column titles to reveal questions to think about related to each condition. For each transfer option, check the box under each condition that has been met. If all six conditions are met, the transfer will be recommended.

PROPOSED RESOURCE TRANSFERS	A. Allowable	B. Necessary & reasonable	C. Strategic	D. Pre-Approved	E. Cost Effective	F. Likely to succeed
1. Increase the dollar value or number of contracts/sub-grants.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Shift funds from contractors with low spending to higher spenders.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Record costs charged to another funding source to these funds.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4. Expend the available funds on a difference population or activity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
5. Expand the availability of services to a wider geographic region.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
6. Request a longer period of performance from the grantor.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Dedicate more internal staff time and effort to success of the project.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
8. Transfer funds to another office, bureau, or sister agency to expend.	<input checked="" type="checkbox"/>					
9. Invest in needed supplies, training, technology, or other infrastructure.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
10. De-obligate the funds early for grantor to invest them elsewhere.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Recommended



Conclusion

In order to examine the financial effectiveness of the Military Injury Relief Fund Subsidies (MIRF) our team developed a Grant/Project Expenditure and Course Correction Toolkit (toolkit) by reviewing a variety of decision making tools used in industry and academia. Applying it to the MIRF program yields the result that expenditures are critically low when compared to funding levels. The toolkit suggests several options to help to correct this:

- The grant award per veteran could be increased from \$500 to \$1,250.
- Outreach to other agencies and non-profit groups which are frequently in contact with veterans could be enhanced.
- A mailing campaign targeted towards military veterans could be initiated.
- Responsibility for the grant program could be transferred to another agency with greater resources or expertise regarding the target population.

Coincidentally, this final option has been proposed in the budget bill now pending before the Ohio General Assembly.

It is our hope that this toolkit will be useful to all state financial professionals as they review financial effectiveness of their grants or programs. As such, it is important that users understand the toolkit's risks and limitations before doing so. The decision making tools may not be universally adaptable to all grants and programs at all state agencies. It is important to carefully consider the application of each type of decision tool and know exactly how it works before attempting to use it. Even when used correctly it is important to keep in mind that the toolkit is just that, a tool to assist users make decisions. If the results the toolkit comes up with run contrary to your own experience and judgment remember that you are not bound to follow those results.

The creation of our team's toolkit is a great starting point; however there is much left to do. In its current form some next steps include forwarding our MIRF specific recommendations to the applicable policy decision makers and making our toolkit available to others via the "Best Practices" web page being developed by one of our fellow cohort teams. Beyond that, the toolkit could be expanded to address over-spending in addition to its current focus on under-spending. Additionally, our team is hoping to share the toolkit with our project mentor, Tom Holsinger, for possible inclusion in the multi-agency Enterprise Grant Management Solution steering committee currently being considered by a an interagency review team headed by the Department of Administrative Services.



Military Injury Relief Fund (MIRF) Subsidies Program Case Study

Bibliography

- DigitalBuzz.Me. "Other Social Media Channels (flowchart)." DigitalBuzz.me. February 28, 2013. <http://www.digitalbuzz.me/other-social-media-channels-flowchart/#.VNIDn8ZI5cQ> (accessed December 11, 2014).
- Gilbreth, Frank B. Process Charts. New York: The American Society of Mechanical Engineers, 1921.
- InfoSoft Global Private Limited. "Bubble chart." 2002. <http://www.fusioncharts.com/chart-primers/bubble-chart/> (accessed November 12, 2014).
- McNatt, Vince. MIRF Quarterly Expenditures Report, March 2015. ODJFS, 2015.
- Pinkasovitch, Arthur. Using Decision Trees In Finance. n.d. <http://www.investopedia.com/a>.
- Glenn C. Wintrich, Economist. 2014. Legislative Service Commission. November 18. Accessed November 18, 2014. <http://www.lsc.state.oh.us/fiscal/fiscalnotes/126ga/hb0002hp.htm>.
2014. Lawwriter Ohio Revised Code. December. Accessed September 2014. <http://codes.ohio.gov/orc/>.
- McNatt, Vince. 2014. Military Injury Relief Fund (MIRF). Annual Report, Columbus: Ohio Department of Job and Family Services.
2014. Ohio Department of Job and Family Services. December. Accessed 2014. <http://jfs.ohio.gov/veterans/new/mirf.stm>.
2014. Ohio Legislative Service Commission. December. <http://www.lsc.ohio.gov/analyses126/h0066-ph-126.pdf>.
2014. Illinois National Guard. December. <http://www.il.ngb.army.mil/programs/imrf.aspx>.