

# Commonwealth of the Northern Mariana Islands Office of Grants Management & State Clearinghouse Citizen-Centric Report for FY2020



Building Partners, Ensuring Resiliency  
Across Our Islands™



Asst. Secretary, Department of the Interior,  
Douglas W. Domenech, Rota, Dec. 2019



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## MISSION

The CNMI Office of Grants Management and State Clearinghouse (OGM-SC) was established to allow the CNMI government, its elected officials and all agencies to assemble and engage in dialogue with regards to federal aid programs, grants, loans, contracts, contributions, appropriations, advances, direct federal development and other federal funding sources for the CNMI.

The CNMI OGM-SC holds the scope of influence for all federal programs and aid that have a direct and indirect effect on the CNMI as stated in *Public Law 19-49* and in relation to *Presidential Executive Order 12372*.

## COLLABORATING ON COVID-19 PLANNING



## Overview of the OGM-SC: Who We Are and What We Do

In 2009, P.L. 16-48 created the Office of Grants Management, but it was later amended in 2016 under P.L. 19-49 to provide more oversight and responsibilities over federal grant assistance in the CNMI Government. The repurposed office was renamed the CNMI Office of Grants Management & State Clearinghouse (OGM-SC). It has the following responsibilities:

- Administer the initiation, coordination and review process of all governmental activities within the government of the CNMI involving federal assistance;
- Ensure that federal grant proposals are in accordance with plans, policies, programs, objectives, and procedures of the government of the CNMI. A stamp of approval shall signify concurrence from the OGM;
- Ensure that proposed government projects for which federal financial assistance is sought are fiscally and environmentally sound and are in compliance with all applicable Federal laws;
- Ensure that the government of the CNMI complies with all applicable federal laws relating to federal financial assistance and that there exists sound tracking, management, and financial accountability for all federal programs awarded to the government of the CNMI;
- Perform cost analysis on all federal aid programs, grants, loans, contracts, contributions, advances, direct federal development or other federal funding for the financial impact on the government of the CNMI'S general fund or special funds used to fund the local matching requirement as prescribed by federal law;
- Conduct activities for the acquisition of federal grants and when possible, coordinate to full extent the activities and objectives of an approved grant award. This office will also have the capacity to award sub-grants.
- Conduct activities directly related to indirect cost associated with federal assistance.

# Recent Accomplishments:

Aside from processing daily federal budgetary allotments, OGM-SC writes and manages many of the grants it receives. Below outlines a listing of grants collaborated with other government agencies, awarded, funded amount, and activities achieved:



## FY2020: Technical Assistance Program : (\$4,001,426)

Agency	Project	Amount
DFEMS	Cadet Employment & Resiliency Program	\$507,493
DPS	Community Oriented Policing Project	\$430,828
CHCC	Advanced Mammography Equipment Replacement	\$334,360
Mayor (Saipan)	Increasing Staff Level to Pre-Pandemic Levels	\$232,706
MVA	Visitor Data Analysis Program	\$202,598
Zoning	Technological Enhancing of Land Use Management	\$153,605
Commerce	Prevailing Wage Study	\$146,826
DFEMS	Breathing Air Quality for Respiratory Protection Project	\$116,070
DCCA (Rota)	Rota Historical Site Maintenance	\$101,613
DLNR	Invasive Species Coordinator	\$96,793
DPW	Advanced Technological Support for A&E	\$79,015
OVR	Benefit Planning Training Program	\$77,745
Mayor (Tinian)	Tinian Children's Park Improvement	\$68,674
DLNR	Propagation of Native Trees Impacted by Storms	\$23,324
DLNR	Coconut Rhino Beetle Year 3	\$203,335
GOV	Comprehensive Technical Support on Programmatic Military Agreements	\$498,255
DFEMS (Rota)	Repeater Communications Upgrade with Solar PV	\$144,916
Mayor (Rota)	Mobile Rock Crushing Unit	\$216,370
GOV	Covid-19 Unmet Needs	\$366,900
<b>TOTAL:</b>		<b>\$4,001,426</b>

## FY2020: Maintenance Assistance Program (\$1,005,119)

- ◆ DPW Storm Water Sanitation System - \$492,652
- ◆ DPL Managaha Pier Safety Railing—\$ 220,652
- ◆ DFEMS (Rota) Step-Side Brush Truck & Self Contained Breathing Apparatus—\$156,815
- ◆ CUC Certified Employee Water & Waste Water Training Program—\$135,000



## FY2020: Energizing Insular Communities Program (\$1,706,075)

- ◆ DPW (Energy Division) Energy Efficiency & Renewable Energy Rebate Program - \$212,920
- ◆ CUC Solar Engineering Master Professional Services - \$301,700
- ◆ CUC SCADA Technologies Power Plant Improvement—\$403,500
- ◆ CUC Pre-Pay Meter Conversion Project—\$672,000
- ◆ GOV Cool Roof System for Admin Building—\$77,530
- ◆ WAO Cool Roof System, LED Light, and Window Film—\$38,425

(Above: Info received from OIA Letter)





# Our Finances

Between fiscal years 2016 and 2019, the OGM-SC was funded both by CNMI Local Budget Appropriations and Section 5 of PL 19-49 of the Grants Management enabling legislation. For FY2020 and FY2021, the CNMI Legislature budgeted \$1.00 for personnel and all others, thus leaving the OGM-SC completely funded by federal reimbursements through indirect costs. This makes the OGM-SC one of only few offices in the CNMI Government to be completely self-sufficient or non-locally funded.

In the past, OGM relied on the additional support from local appropriations to carry much needed personnel, while indirect funds were used as matching shares for large construction projects and subgrants. Now without this support, OGM may have a difficult time securing large-scale projects that could benefit the community. Furthermore, with the limited and reduced revenue stream, it will impact the office's ability to subgrant much need funds to government agencies and community projects, such as for healthcare equipment, unmet needs from the disaster and Covid-19, and public safety needs.

Furthermore, it was realized at the end of FY2020 that with the Covid-19 pandemic, many federally funded activities were not executed or undertaken, driving the IDC collections down. This has impacted OGM-SC's ability to handle more community projects and subgrants. It also prevented our office from hiring additional needed staffing to address many new grant initiatives under the administration. A projected 60% loss is expected due to the lack of activity.



## COVID-19

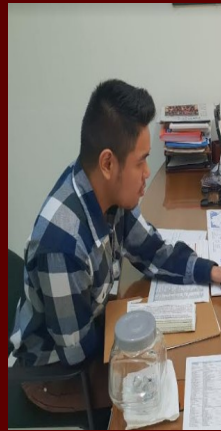
US Department of the Interior  
- CARES Act

- Office of the Governor: \$4,042,585.00
  - Funds Managed by GOV/OGM
    - a. Oxygen Generation System/LV Lights: \$487,182
    - b. Reverse Osmosis/Sterilization System: \$5396,830
    - c. Mobile X-Ray Machine: \$227,530
    - d. Expansion of the ER Room: \$714,837
    - e. CHCC & MCAT Parking: \$320,718
    - f. Marianas Resort: \$371,800
    - g. Mobile Lab Unit: \$1,242,642
    - h. Humanitarian Food Relief: \$281,046

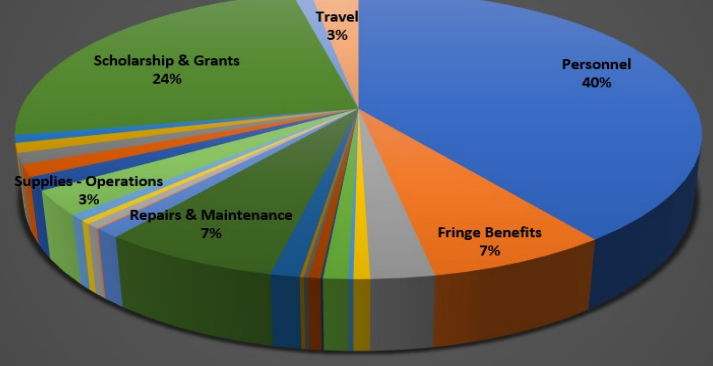


# Local Budget

Fiscal Year	#FTE	Personnel	%of Total	Operations	%of Total	Total Budget
FY18 (PL20-11)	10	\$236,748	89.70%	\$27,258	10.30%	\$264,006
FY19 (PL20-67)	10	\$228,020	99.00%	\$2,281	1.00%	\$230,301
FY20 (PL21-08)	8	\$1	100.00%	\$0	0.00%	\$1
FY21 (PL21-35)	0	\$0	0.00%	\$1	100.00%	\$1



## IDC Budget—Revolving Actuals



Under PL19-49 Section 5, OGM-SC will receive starting 40% of total IDC collected and it will decrease 1% each FY thereafter until it reaches 35%. Subsequently, it is authorized to subgrant 20% of the total IDC. However, due to urgent community needs, the OGM-SC has exceeded its 20% subgranting total. For FY2020, OGM-SC subgranted \$177,866. This represents about 24% of its FY2020 Budget. Below, please find a 2020 listing of IDC-funded projects:

Personnel	\$ 292,657.00
Fringe Benefits	\$ 53,109.00
Official Rep	\$ 18,604.00
Professional Services	\$ 4,845.00
Advertising	\$ 1,425.00
Communications	\$ 7,249.00
Dues & Subscriptions	\$ 640.00
Insurance	\$ 3,560.00
Printing & Photocopying	\$ 1,262.00
Rental -Office Equipment	\$ 1,174.00
Rental -Others	\$ 8,630.00
Repairs & Maintenance	\$ 52,211.00
Utilities -Power & Water	\$ 7,807.00

Cleaning Services	\$ 820.00
Food Items	\$ 3,770.00
Fuel	\$ 3,060.00
Supplies - Office	\$ 4,996.00
Supplies - Operations	\$ 20,263.00
Equipment under 5K	\$ 10,767.00
Architecture & Engineering	\$ 9,950.00
Machinery, Tools, & Equip	\$ 9,083.00
Office Equipment	\$ 7,969.00
Office Furniture & Fixtures	\$ 6,414.00
Scholarship & Grants	\$ 177,866.00
Contributions/Donations	\$ 7,500.00
Travel	\$ 19,858.00
<b>Total</b>	<b>\$ 735,489.00</b>

### Office of Grants Management: Indirect Cost Account

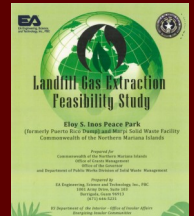
FY	%OGM	OGM Share Received	Subgrants/20%	Operations/80%
2016	40%	\$ 336,198.03	\$ 67,239.61	\$ 268,958.42
2017	39%	\$ 865,343.30	\$ 173,068.66	\$ 692,274.64
2018	38%	\$ 865,613.84	\$ 177,122.77	\$ 688,491.07
2019	37%	\$ 743,543.33	\$ 148,708.67	\$ 594,834.66
2020	36%	\$ 735,488.00	\$ 147,097.60	\$ 588,390.40
2021	35%			\$ -
2022	35%			\$ -
<b>TOTALS</b>		<b>\$ 3,546,186.50</b>	<b>\$ 713,237.31</b>	<b>\$ 2,832,949.19</b>

<b>Total Share per 1 CMC \$ 2893</b>	<b>\$ 3,546,186.50</b>
<b>Amount of Scholarships and Grants Awarded (to date)</b>	<b>\$ 1,469,215.38</b>

## IDC Subgrants

- ◆ CNMI Medical Referral Van Cost -Share: \$27,442
- ◆ Green Sea Turtle Marine Specialist—\$ 32,730
- ◆ Ma'afala Breadfruit Technicians & Ops—\$59,868
- ◆ TIQ/Rota Vehicle—\$22,600
- ◆ Maintenance/Ops Vehicle—\$32,000
- ◆ Vet Cemetery Percolation Test- \$450
- ◆ Micronesia Island Forum Bal: \$562
- ◆ F&A Furniture : \$2,214

**TOTAL: \$177,866**



# Future Outlook: Our Challenges and Priorities

## 21 Priorities

### FORESEEN CHALLENGES:

- ◆ **COVID-19.** The Coronavirus has crippled much of the world's economies and leaving smaller island nations, such as the CNMI, gasping for critical help from its federal partners. Without an approved FDA vaccine, the new normal will continue to hurt the local economy and overall spending and government programs for the public and community. Although, a large sum of federal dollars have poured into the CNMI in the past year, the health pandemic has surely redefined our priorities in the Marianas.
- ◆ **Labor Shortage.** The OGM-SC has current construction projects in the pipeline and it fears that with CW issues, the CNMI will not have the labor pool to start or complete its construction projects. Keep in mind that with the Disaster Recovery Funding already approved, \$243M worth of projects, will start a frenzy of projects with little to no manpower available to execute these construction projects. There are still FEMA and PA projects on-going. SCORP (Statewide Comprehensive Outdoor Recreational Plan) has also been approved and about \$1.6M annually will be made available for outdoor-recreational projects.
- ◆ **Capacity.** The OGM-SC has currently 7 staff members on board. We need additional grant writers to submit quality proposals, especially with CDBG-DR, EDA, & FEMA funding available. We cannot afford to lose these opportunities. to receive additional funding, especially during austerity and a health pandemic.

### A. The Disaster Recovery

Two years after Yutu and now the CDBG-DR and FEMA funds are rolling out. The OGM-SC needs to reassert itself and assist multiple agencies to get their projects moving, funds obligated, and constructed. Getting the narrative completed, the NEPA clearance, Architectural and Engineering designs will take some time before the actual construction can commence. There will be too many projects circulating in the CNMI, but we need to prioritize the most urgent ones first. OGM will further assist in FY2021 with road and highway projects, and as well as beautification and infrastructure projects.



### B. Inter-Agency Collaboration

In order for future grant proposals to be successful, inter-agency collaboration is necessary. OGM-SC would like to reach out to more agencies and learn their grant needs. By doing so, we can collectively build a stronger CNMI. Sustainability starts with good planning and better working relationships. Open communication and overlapping integration of resources is possible if the projects are multi-structured and cross integrated. We need to hear your story and needs!



### C. Fiscal Management

Stabilizing our fiscal resources as a whole is crucial. OGM-SC believes that by getting more federal grants into the CNMI, it will help support components of the government while our main industry sectors recover especially after disasters and Covid-19. Achieving a clean single audit is also a priority, especially as consistent findings reoccur annually. Its compliance is detrimental to receiving more federal dollars. With this, OIA has provided OGM and the Department of Finance with federal funding to track and monitor disaster related expenditure and to build transparency using an online platform. Visit: [www.cnmidr.gov.mp](http://www.cnmidr.gov.mp) for more info.



### D. Raising the Bar through TRAINING

It shall be OGM-SC's priority to provide much needed training to all CNMI grant managers and those aspiring to learn more about grants and its management of federal awards. OGM-SC is working on a training program with a certified US Grants Program that aims at building local capacity. It is the hope that new recruits and current managers will gain the experience necessary to run their grant programs smoothly and to eventually get more federal money into the CNMI.



## Got Ideas/Solutions?



### CNMI Office of Grants Management & State Clearinghouse

OGM-SC values your input, suggestions, and recommendations in making a more resilient CNMI. Talk to us. Your idea(s) just might be our next grant proposal and project.

Contact us: Tel: (670)237-2220/1 • Email: [cnmigov.ogm@gmail.com](mailto:cnmigov.ogm@gmail.com) • [@cnmiogm](https://www.facebook.com/cnmiogm) [@cnmiogm](https://www.instagram.com/cnmiogm) [@cnmiogm](https://www.linkedin.com/company/cnmiogm)

The OGM-SC values the community's inputs, suggestions, and recommendations. If you would like to see other information included in this report, please contact our main office at (670) 237-2220 or by email at [cnmigov.ogm@gmail.com](mailto:cnmigov.ogm@gmail.com) or write to Office of Grants Management & State Clearinghouse, 1st Floor Juan A. Sablan Memorial Bldg, Caller Box 10007, Saipan, MP 96950.