



Ohio Department of Natural Resources

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June 30, 2014

To: Tom Price, Chair and Members of the Ohio Soil and Water Conservation Commission
From: OSWCC SWCD Match Policy Task Force, Etta Reed and Kevin Elder, co-chairs
Re: SWCD State Match Policy Recommendations

Dear Chairman Price and OSWCC Members:

At your request during the November 2013 OSWCC Meeting an 11-member SWCD Match Policy Task Force was formed to review and provide recommendations back to the OSWCC at the July 2014 meeting. The Match Task Force members included board members from each of the 5 administrative regions of the state, a representative from the Program Specialist staff of the ODNR Division of Soil and Water Resources, as well as representatives from the County Commissioners Association of Ohio and the Office of Internal Audit with the Ohio Office of Budget and Management. To assist with the process, Teresa Holter with the ODNR Office of Human Resources provided meeting facilitation.

The Match Task Force met monthly from December 2013 to June 2014 in person, and also convened for one conference call and one webinar. At each meeting all members (or their designated alternate) were present and participated in the discussions. Together the group spent over 270 actual meeting hours gathering information and formulating match policy recommendations. All spent additional time between meetings talking and corresponding with SWCD board members and staff, and other stakeholders on state match related issues.

The revised policy was created using the OSWCC state match guiding principles and was subsequently divided to address 4 aspects of state match funding: Matchability, Accountability, Distribution Equity, and SWCD Fiscal Status. Once a draft revised State Match Policy was agreed upon by consensus, the document was sent out for review to the 88 SWCDs. An on-line survey was created to measure the SWCD acceptance and provide a venue for comments. Once the survey results were tabulated and reviewed by the Task Force, our final draft policy recommendation was formulated.

Therefore, we respectfully submit for your review and disposition at the July 9, 2014 OSWCC meeting, the final draft of recommended SWCD State Match Policy, attached. Along with this final draft policy you will find attached the following:

- The 2004 State Match Policy document
- A copy of the pre-survey revised SWCD State Match Policy;
- The post-survey mark-up of the revised SWCD State Match Policy;
- The match distribution scenario spreadsheet which corresponds to the match formula policy as described in the Distribution Equity section of the policy; and
- The 37-page survey results report which includes charts with summary results and all of the SWCD comments including those received after the survey deadline.
- Updated overview charts from post tabulation submissions and late arriving comments along with comments from ODNR Program Specialists.

Additionally, you will find all of the meeting notes, spreadsheets and other information used for Task Force purposes, under the OSWCC Matching Funds Task Force Tab on the OSWCC web page found at:

<http://soilandwater.ohiodnr.gov/swcds/ohio-soil-water-conservation-commission>

Should you have any questions as you review before the July 9th meeting, please contact either of us directly or contact Dorothy Farris, Program Specialist, ODNR/DSWR at 614.581.5953 or dorothy.farris@dnr.state.oh.us.

2014 Ohio Soil and Water Conservation Commission

DRAFT State Matching Fund Policies

The historical approach of ODNR and the Ohio Soil and Water Conservation Commission of matching local funds with state dollars has proven very effective in allowing SWCD boards of supervisors and their local partners the flexibility to develop local plans and programs for the conservation of our natural resources. This approach has led Ohio to become one of the most respected and effective state/local partnerships in the United States. The Commission and ODNR want to continue that dynamic relationship, remain flexible and innovative, and at the same time protect the core responsibility they have to assist in the growth of Ohio's conservation movement, fairly benefiting all SWCDs.

Background:

Beginning in 1959, the Ohio Soil and Water Conservation Committee (now the Ohio Soil and Water Conservation Commission) was given authority by the Ohio legislature to match local funds with state funds through ODNR to carry out local conservation programs. From 1959 to 1980, as then specified in Chapter 1515, they matched funds appropriated and received through the county's "inside millage" or from the county's general fund.

As Ohio's landscape changed and district programs and services grew, SWCDs led an effort to change Section 1515.14* to allow funds appropriated to SWCDs from municipalities and townships to also be matched. The ability to match municipal and township appropriations has created tremendous funding opportunities for SWCDs, especially those serving their county's urban conservation needs. In the late 2000s, Section 1515.14 was amended to clarify matching funds from millage "outside" or in excess of the 10 mil limitation due to the increase in SWCDs (with permission of county commissioners) looking for funding through dedicated property tax levies. Both these changes have provided expanded revenue opportunities for SWCDs, but have also created concern about match distribution equity among all 88 SWCDs.

In 2013, the OSWCC created and charged the SWCD Match Task force to revisit the 2004 OSWCC policy and make recommendations at the July 2014 OSWCC meeting. The following policy statement and guidelines are the result of that effort.

Purpose:

Clarify and communicate the Commission's policy on the matchability of local funds provided to a Soil and Water Conservation District to carry out the mission and goals of the SWCD as directed by the board of supervisors.

Guiding Principles:

- Develop, communicate and implement a policy that is within the authorities of the Ohio Revised Code;
- Set policies reflective of and responsive to districts' changing needs; and
- Maintain an equitable distribution of state matching funds that support a strong statewide program
- Support SWCDs every SWCD to have enough staff to have a viable program to meet local needs.

* Text of section 1515.14 and related sections are included at the back of this document in Attachment A.

The proceeding policy addresses four areas related to the matching of local revenue received by Ohio SWCDs:

- **Matchability;**
- **Accountability;**
- **Distribution Equity; and**
- **SWCD Financial Status.**

Matchability

The Ohio Soil and Water Conservation Commission will authorize state match of funds received only in accordance with sections 1515.10 and 1515.14 of the Ohio Revised Code.

- *Funds appropriated and received from a county General Fund or from the county's first ten mill of property tax (inside millage)*
- *Funds appropriated by a municipality or township*
- *Funds received from a special property tax levy for SWCD operations (add section of code).*

Limitations and exceptions to the above:

- All funds (cash) considered for match shall be directly deposited into the Special fund of the District within 30 days of being received by the District and prior to April 30. Exceptions will be considered only by individual SWCD requests to the Commission.
- Each state fiscal year, only 8,000 dollars of appropriations dedicated for implementation of capital improvements will be matched;
- The OSWCC may choose to limit the match percentage of funds dedicated to those programs where the legal authorities of implementing those programs fall under another local unit of government.

Examples of sources and programs which would not be matchable:

The OSWCC will not match revenue received directly to the SWCD from the following sources:

- *Direct assessments for agricultural drainage maintenance programs*
- *Direct assessments for fees for urban storm water maintenance programs*
- *Direct payment from Stormwater Utilities*
- *Fees for services performed for private land owners*
- *Insurance payments/settlements*
- *Rental payments from occupiers of SWCD-owned or leased buildings or property*
- *Appropriations/Grants/Transfers from County Engineer Departments; County Boards of Health or Health Departments or any other county-wide department, board or commission;*
- *District Fund Transfers into the Special Fund (not received as an appropriation)*
- *Sale of SWCD property*

The OSWCC will not match revenue received for or expended for the following uses:

- *Any cost-share payments*
- *Transfers to other agencies or organizations*

Accountability

Beginning, July 2016, SWCD revenue eligible for state match dollars will be matched fully at the current fiscal year match rate when the following criteria are met:

- The OSWCC is presented with a SWCD Annual Plan of Work for the current calendar year, reflecting district resource inventory and needs, developed by the SWCD board, meeting OSWCC minimum standards. (Standards to be developed with SWCD input by July 2015 OSWCC meeting)
- The SWCD is using the OSWCC approved reporting system in accordance with OSWCC policy. The approved system is currently the Soil and Water Information Management System (See Attachment B)
- SWCDs will document the review of the Annual Plan of Work on a quarterly basis to evaluate progress toward implementing the plan.
- The OSWCC may reduce total match dollars by 25% or more for those SWCDs that do not meet the above requirements

Distribution Equity

Among the OSWCC match guiding principles is the goal of state match distribution which supports a strong program in each of the 88 SWCDs. To accomplish this is the following statewide distribution policy:

- Regardless of total local matchable revenue, each SWCD will be provided a base state match of 15,000 dollars.
- **Provided that total match funds available are equal to or greater than the total funds available during the previous state fiscal year:** Beginning July 1, 2015, the first 20,000 dollars of local matchable revenue will be matched at a 125% and the remainder at the current fiscal year formula percentage up to 500,000 dollars. The match on the first 20,000 dollars of local matchable revenue shall increase each year until 2018 by an additional 25% (to 200%)
- All funds above \$20,000 and below \$500,000 will be matched at the uniform formula rate depending on the remaining available state match funds
- Any local matchable revenue above 500,000 dollars will be matched at 60 percent of the overall match rate
- SWCDs that have experienced a catastrophic loss of local matchable revenue resulting in a greater than 40% reduction over the past three years or districts receiving less than \$ 40,000 from combined local matchable revenue may be eligible for Conservation Assistance Grants from the OSWCC. Districts may apply for up to \$25,000 per year of additional state funds through this policy annually. . Districts will be eligible to receive a maximum of \$40,000 in combined state matching funds, flat rate, and conservation assistance funds. Applications should be submitted along with the Form 11. The maximum combined amount shall be reviewed by the Commission on an annual basis.
- The state match on revenue received for SWCD operations from a special property tax levy will be limited to an amount which does not exceed 5% of total available state match dollars.

SWCD Financial Status

To promote efficient, effective and prudent use of public funds for the benefit of all SWCDs the following policy shall be implemented:

- Annually on the Form 11, the SWCD shall report District Fund and Special Fund balances including the amounts as reported on the Cash Basis Annual Financial Report for Non-spendable, Restricted, Committed, Assigned, and Unassigned.
- SWCDs should maintain an unassigned balance of all SWCD funds (special and district) at a minimum of 25% of the current year annual budget or an amount designated by the county.
- Beginning July 1, 2018, SWCDs will maintain a combined total balance of the Special Fund and District Fund (as reported on the previous year's Cash Basis Annual Financial Report), less non-spendable and restricted funds, not to exceed 200% of the current year's operating budget as stated in the SWCD Special Fund budget submitted to each county board of commissioner.
- Beginning July 1, 2018, state match dollars will be reduced, for those SWCDs with operating budgets in excess of \$150,000 and combined total balance of the Special Fund and District Fund (as reported on the previous year's Cash Basis Annual Financial Report), less non-spendable, restricted and contingency funds as documented on the Cash Basis Annual Financial report, in excess of 200% of the 2017 budget, by an amount equal to difference between the combined 2017 Special and District Fund balances and 200% of the 2017 budget amount. Exceptions may be considered on a case by case basis when presented to the Commission.

Attachment A

Relevant Sections of the 1515 of the Ohio Revised Code regarding SWCD match dollars. The following are only excerpts from the code. For the full code language please refer to the Ohio Revised Code directly:

From 1515.02: “Determine distribution of funds under section [1515.14](#) of the Revised Code, recommend to the director of natural resources and other agencies the levels of appropriations to special funds established to assist soil and water conservation districts,.....”

From 1515.14: “there shall be paid in each calendar year to each local soil and water conservation district an amount not to exceed one dollar for each one dollar received in accordance with:

- 1.) section [1515.10](#) of the Revised Code, received from tax levies in excess of the ten-mill levy limitation approved for the benefit of local soil and water conservation districts, or
- 2.) received from an appropriation by a municipal corporation or a township to a maximum of eight thousand dollars, provided that the Ohio soil and water conservation commission may approve payment to a district in an amount in excess of eight thousand dollars in any calendar year upon receipt of a request and justification from the district.....”

“..... The county auditor shall credit such payments to the special fund established pursuant to section 1515.10 of the Revised Code for the local soil and water conservation district. The department may make advances at least quarterly to each district on the basis of the estimated contribution of the state to each district. Moneys received by each district shall be expended for the purposes of the district.”

From 1515.10: “The board of county commissioners of each county in which there is a soil and water conservation district may levy a tax within the ten-mill limitation and may appropriate money from the proceeds of the levy or from the general fund of the county. The money shall be held in a special fund for the credit of the district, to be expended for the purposes prescribed in sections 1515.09 and 1515.093 of the Revised Code, for construction and maintenance of improvements by the district, and for other expenses incurred in carrying out the program of the district upon the written order of the fiscal agent for the district after authorization by a majority of the supervisors of the district.”

From 1515.09: “The supervisors of a soil and water conservation district may employ assistants and such other employees as they consider necessary and may provide for the payment of the reasonable compensation of such assistants and employees and expenses incurred by them in the discharge of their duties from the special fund established for the district pursuant to section [1515.10](#) of the Revised Code....”

“The supervisors may designate the amounts and forms of other benefits, including insurance protection, to be provided to employees and may make payments of benefits from the district fund that is created with moneys accepted by the supervisors in accordance with division (E) of section 1515.08 of the Revised Code or from the special fund created pursuant to section 1515.10 of the Revised Code. The board of county commissioners may make payments of benefits that are provided under this section.”

“.....The supervisors may purchase such materials, equipment, and supplies, may lease such equipment, and may rent, purchase, or construct, and maintain, such offices, and provide for such equipment and supplies therefor, as they consider necessary and may pay for the same from the special fund established for the district pursuant to section 1515.10 of the Revised Code.”



**SWIMS CORE MODULES
USE GUIDANCE DOCUMENT**
ADOPTED BY THE OSWCC, NOVEMBER 2007



Per the Ohio Soil and Water Conservation Commission’s (OSWCC) adoption of the SWIMS Program Use Policy, the following guidance defines those fields in the individual core modules **required** to be populated, and those tasks to be completed. Input of this information and completion of these tasks will provide required data for local and state level reporting.

1. Cooperator Module:

For any clients entered in SWIMS, the following information is required.

- | | |
|--|---|
| <input type="checkbox"/> First Name | <input type="checkbox"/> Zip Code |
| <input type="checkbox"/> Last Name | <input type="checkbox"/> Primary Interest |
| <input type="checkbox"/> Telephone Number (Home) | <input type="checkbox"/> Parcel or Tract Number(s) –_only |
| <input type="checkbox"/> Address | <u>required</u> if you plan to use the |
| <input type="checkbox"/> City/Town | Conservation 6 Note feature. |

2. Cooperator Projects Module:

Each SWCD should capture as much of their “technical” work as possible in this module. The following fields/tasks are to be completed for each individual Cooperator project created.

- | | |
|--|--|
| <input type="checkbox"/> Project Name | <input type="checkbox"/> Input of “Practice Measurement” (e.g. acres, feet, instances) for each assigned BMP/Service upon installation/delivery. |
| <input type="checkbox"/> Program Type | <input type="checkbox"/> Input of “Installed Date” for each assigned BMP/Service upon installation/delivery. |
| <input type="checkbox"/> Project Type | |
| <input type="checkbox"/> Actual Start Date | |
| <input type="checkbox"/> Assign BMPs/Services to each Project | |
| <input type="checkbox"/> Mapping, in GIS, of each assigned BMP/Service upon installation/delivery. | |

3. Initiatives Module

Each SWCD should capture as much of their “education and outreach” work as possible in this module. The following fields/tasks are to be completed for each individual Initiative created.

- | | |
|---|--|
| <input type="checkbox"/> Initiative Name | <input type="checkbox"/> At a minimum, the following fields are required to be populated for each “Event” entry: |
| <input type="checkbox"/> Program Type | - Date; |
| <input type="checkbox"/> Initiative Type | - Presentation/Activity Type; |
| <input type="checkbox"/> Actual Start Date | - # of Presentations/Activity; and |
| <input type="checkbox"/> “Events” (found under Events tab) are to be added to record/report all activities actually accomplished for each Initiative. | - # of Attendees/Participants |

4. Timesheet Module

- SWIMS timesheet is the only recognized timesheet by the Ohio Soil and Water Conservation Commission and is to be used by all SWCD staff for time keeping.
- The timesheet will track leave earned, used and balances for all employees.
- Timesheet records will be available at all times for review by the DSWR staff and ODNR Audit Section staff.
- Time spent by staff working on individual Cooperator Projects and Initiatives will be charged to the applicable Cooperator Projects(s) or Initiative(s).