



THE COMMONWEALTH OF MASSACHUSETTS

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Meeting Minutes

Federal Funds Equity & Accountability Review Panel

Monday, March 14, 2022

2:00 – 3:30 p.m.

In accordance with Section 20 of Chapter 20 of the Acts of 2021, this meeting will be conducted, and open to the public, via Zoom and Teleconference:

Zoom URL: [https://mass-gov-](https://mass-gov-anf.zoom.us/j/85375250957?pwd=TxzazZkUjdNU2ZKWTFEFS0tgQlJVQT09)

[anf.zoom.us/j/85375250957?pwd=TxzazZkUjdNU2ZKWTFEFS0tgQlJVQT09](https://mass-gov-anf.zoom.us/j/85375250957?pwd=TxzazZkUjdNU2ZKWTFEFS0tgQlJVQT09)

Password: 493771

Teleconference Line: 713-353-7024, conference code: 319738

A meeting of the Federal Funds Equity & Accountability Review Panel was held via teleconference on Monday, March 14, 2022, in accordance with Section 20 of Chapter 20 of the Acts of 2021.

Meeting was called to order at 2:05PM

Panel members comprising a quorum:

Jose Delgado, Panel Co-Chair, Access and Opportunity, Office of the Governor
Nicole Obi, Panel Co-Chair, Coalition for an Equitable Economy
Suzanne Bump, Auditor of the Commonwealth
Amy Nable, Office of the Comptroller
Michael Frieber, Inspector General's Office
Bill McAvoy, Supplier Diversity Office
Kristina Johnson, Chief Data Officer, Executive Office of Technology Services and Security
Julia Gutierrez, Chief Digital Officer, Executive Office of Technology Services and Security
Shaheer Mustafa, Massachusetts Nonprofit Network, Inc.
Leemarie Mosca, Massachusetts Nonprofit Network, Inc.
Denella Clark, Massachusetts Commission on the Status of Women
Geoff Foster, Common Cause Massachusetts
Gabrielle King Morse, Center for Women and Enterprise, Inc.
Joe Kriesberg, Massachusetts Association of Community Development Corporations
Yasmin Padamsee, Commission on the Status of Asian Americans and Pacific Islanders
Raquel Halsey, North American Indian Center of Boston, Inc.
Bishop Tony Branch, NAACP New England Area Conference
Marie-Frances Rivera, Massachusetts Budget and Policy Center, Inc.
Elizabeth Weyant, Massachusetts Association of Regional Planning Agencies

Joe Curtatone, Northeast Clean Energy Council, Inc.
Cindy Luppi, Green Justice Coalition

Members Absent:

Beverley Johnson, Massachusetts Minority Contractors Association, Inc.

Others in attendance:

Kelly Govoni, Executive Office for Administration and Finance, Panel Secretary
Heath Fahle, Executive Office for Administration and Finance
Judith Bromley, State Auditor's Office
Phineas Baxandall, Massachusetts Budget and Policy Center
Noah Berger

1. Administrative Matters

- I. Ms. Govoni conducted the roll call for the meeting. Co-chair Delgado called the meeting to order and went over some housekeeping items for the meeting.
- II. On a motion from Mr. Bishop Branch and duly seconded, the Panel members voted unanimously by roll call vote to approve the March 2, 2022, meeting minutes.

2. Message from Chairs

- I. Co-chair Delgado provided an overview of the Panel and provided some additional clarification to Panel members. Co-chair Delgado explained that the Coronavirus State Fiscal Recovery Fund, amounts to \$5.3B, and when those funds came to the state, the Executive Branch had the authorization to use the grants as needed. As a result, \$400M was used in the spring for a number of uses and what remained was \$4.9B, in which the Legislature put into a fund so that it could be allocated in the future. In December of 2021, the first bill authorized \$2.55B of the fund, and that same bill created this Panel to oversee the Coronavirus State Fiscal Recovery Funds. Co-chair Delgado noted that the pot of money that the Panel is overseeing is \$4.9B, \$2.55B of which was allocated in December, and the roughly \$2.3B that remains in the account that is controlled by the Legislature.

Co-chair Delgado then went over the Panel's charge, noting that the Panel is charged with creating allocation goals. Co-chair Delgado emphasized that this Panel does not direct any dollars to any agency, municipality or non-profit, instead, the Panel is in charge of creating allocation goals to ensure that communities that were disproportionately impacted by COVID-19 receive this funding. Co-chair Delgado explained that the Panel will regularly monitor the use of the funds and assess if the goals are being met. If the goals are not being met, the Panel can make its recommendations to the different state agencies, and the Legislature on how these goals should be improved upon.

Co-chair Obi asked if Panelists had any questions. Ms. Morse asked what the difference was between the two buckets of money. Co-chair Obi stated that the only difference between the two pools of money is that one has been allocated and the other has not; but the goals are still the same for both. Mr. Bishop Branch noted that he is the Chair of Diversity for the City of Brockton and there are ARPA funds being processed right now through the Mayor's Office and the feedback he has been getting through the NAACP is that regulations have been developed that actually keep Black and Latinx from getting these funds, an example being federal tax ID numbers, and asked if the Panel will be able to influence that decision making. Mr. Fahle noted that the rules being referenced are federal rules set by the U.S. Department of the Treasury, which is the federal grant making agency. Mr. Fahle noted there are ways to

communicate issues like that to the U.S. Treasury either directly or through our federal delegation.

Ms. Clark noted that she appreciated the clarity provided by the Co-chairs, but she is concerned about the ARPA funds that were already earmarked. Ms. Clark referenced a document, which is in regard to ARPA funds that were allocated in December 2021 and asked if the Panel can go back and evaluate how those funds were allocated. Ms. Clark also asked who will decide who receives the remaining \$2.3B of the fund. Mr. Fahle noted that the bill that was passed on December 13, 2021, was a \$4B dollar bill, \$2.55B of which came from federal dollars, and the other \$1.45B came from state budget surplus dollars from state fiscal year 2021. The bill that was passed by the Legislature, appropriated roughly \$853M local project earmarks and those are the earmarks that are being referenced on that website. Those earmarks are supported by state dollars and are outside the purview of the Panel. Ms. Clark asked who will be deciding the remaining \$2.3B. Co-chair Obi noted that the remaining \$2.3B will be appropriated by the Legislature and approved the Governor.

Mr. Frieber noted that Mr. Bishop Branch asked earlier if the Panel would be able to influence regulations, such as regulations requiring that folks submit federal tax ID numbers in order to obtain funds. Mr. Frieber explained that once the Panel sets equity and diversity goals, if the administering agency is not meeting those goals, under sub-section F in the legislation, the Panel has the ability to issue a report to the legislature and the agency to bring attention to the regulations that may be impeding on the Commonwealth ability to meet those goals. Mr. Frieber also noted that the Legislature has directed funds via Chapter 102, but that legislation also creates programs whereby agencies have authority to direct where the funding that has been allocated to them goes. Mr. Frieber emphasized that even though the funds have been allocated, the Panel's recommendations could still hold weight with respect to the allocated money.

3. Unfinished Business

- I.** Co-chair Delgado noted that tomorrow is the Panel's first deadline, which is the draft allocation goals. At the last meeting, the Panel unanimously voted to send a letter to the Legislature asking for flexibility on the deadlines set in the legislation. Co-chair Delgado went over the letter with Panel members. Auditor Bump suggested a grammatical edit, but otherwise approves of the letter. Mr. Kriesberg noted that the two discussions underscore the tension that the Panel faces, which is that the Panel needs to move fast because decisions are being made regarding these funds but also that the work that needs to be done is complicated and needs to be done right. Mr. Kriesberg emphasized that as the Panel moves forward, there may be some interim steps the Panel can take in order to provide agencies with some guidance and accountability, so they have the benefit of knowing what they are going to be measured on before they make too many more decisions. Mr. Foster suggested that the letter should also go to both the House and Senate Ways and Means Committees. Auditor Bump agreed and noted that it should also go to the Chair of the Black and Latino Caucus since they were the force behind this legislation. Co-chair Obi asked if any other Panel members had comments on the letter. On a motion by Mr. Bishop Branch and duly seconded, Panelists voted to approve the letter by a roll call vote. The motion was passed with 21 votes in favor and 1 abstention.

- II.** Discuss Allocation Goals

- i.** The Panel reviewed a chart provided by A&F that showed the preliminary breakdown of state agency appropriation goals and Co-chair Obi noted that the Panel's charge is to define how these funds will be equitably allocated amongst these programs. Mr. Fahle explained that the law that created this Panel also appropriated funds on 55 different accounts, spending line-items for various programs or projects across the

Commonwealth. Mr. Fahle highlighted that the two sources of funds that support appropriations in that bill is a mixture of federal and state dollars. The top column on the chart, are the preliminary allocations. As state agencies are developing programs and services that they will support with these dollars, A&F is checking to make sure that they are being developed in alignment with the federal rules regulations that govern the use of the funds. Mr. Fahle noted that this is a preliminary allocation because this work is still ongoing but shows what is in the lens.

Mr. Frieber commented that he understands the charge of this Panel relates to allocations made to or by state agencies. He asked if it is possible that some of this money will be flowing to non-state agencies for the purposes of carrying out ARPA programs, and if this Panel's charge extends to those entities. Mr. Fahle responded that there is a couple of different ways that can or will play out. Mr. Fahle noted an agency may enter into a contract with a vendor to provide the service, or there are portions of these funds that are transferred to quasi-public entities. For example, the water and sewer infrastructure investments flow through the Clean Water Trust in the form of additional subsidies to municipalities or regions that are pursuing funds for Clean Water Trust eligible projects and those become subsidies. Mr. Fahle noted that it is the Clean Water Trust that is delivering the program and they are federal regulatory parlance sub-recipients. In short, the data collection requirements can be included, and that information can flow back to the Panel.

Co-chair Delgado asked if for the ARPA 1.0 dollars that the Panel is overseeing, is it fair to say that most of those dollars are disbursed in grant forms, rather than through earmarks? Mr. Fahle explained that sometimes it takes the form of grants, but most of the time it is through contracts, such as vendors, or organizations delivering community services, and the Commonwealth acts to deliver services through those entities. In most cases its an agency contracting with someone else, or sometimes the state delivers the services itself, but it varies a lot depending on the nature and design of each program.

Ms. Rivera asked Mr. Fahle what kind of metrics A&F has to track and report to the federal government, noting that this Panel may be able to build on those metrics. Mr. Fahle explained that the federal government does require that the Commonwealth collect and provide certain information to them on a regular basis, some of that is financial in nature and some of that is key performance indicators. Mr. Fahle explained that there are 78 different categories of spending that the state is reporting to the federal government, and each category has its own performance metrics that A&F is required to collect and spend. Most of the key performance indicators are pretty high level and this Panel's charge is likely more detailed in terms of the types of data and information that it is interested in. Co-chair Obi asked if the federal reporting is inclusive of race in particular. Mr. Fahle noted that some of that reporting is geographic, so to the point about disproportionately impacted communities that is reported, but race is not one that he believes is a requirement.

Co-chair Delgado highlighted that the work the Executive Office of Health and Human Services has done around the Vaccine Equity Initiative may be useful, especially when defining disproportionately impacted communities. The website was provided in the chat to Panel members.

Co-chair Obi brought up subcommittees, which were voted and approved by the Panel at the last meeting. The two subcommittees are: Data and Technology and Equity

Metrics. Co-chair Obi asked if any Panel members not already on the list, are interested in serving on either subcommittee. Mr. Curtatone volunteered to serve as a Co-chair on the Equity Metrics subcommittee.

Co-chair Delgado asked Panel members if they needed anything else from the Co-chairs prior to the next meeting. Mr. McAvoy noted that more information from A&F detailing what money is going to individuals, cities and towns, businesses, versus contracting and procurement, would help the Panel assign goals to each of those types of payments.

Mr. Frieber noted that when the Panel goes to define disproportionately impacted communities, some of those definitions are already included in the statute. Mr. Frieber highlighted that it would be helpful to get an overview of what is statutorily defined as a disproportionately impacted community, and once that has been determined, the Panel can think about what else to include in the definition that is not already statutorily defined. Ms. Weyant noted that it is important to consider the statutory definitions already included in the legislation but to remember that the language inside ARPA allows a broader definition.

4. Next Steps

- I.** Ms. Govoni will send prospective dates to Panel members and schedule the next meeting in April.

5. Adjournment

- I.** The meeting was adjourned at 3:30PM.

Kelly Govoni, Secretary