

Letter: NGO funding reform not finished

August 13, 2008

When Gov. Bobby Jindal vetoed 258 earmarked spending items from the budget — more than doubling the previous 12 budget years combined — it signaled another historic step in budget reform. But like anything new, it prompted some questions not unexpected whenever there is a stark departure from the way things have been done in the past.

In April, the governor established criteria for funding nongovernmental organizations (NGOs) in the budget: At least a substantial regional impact; presented during the legislative session; state agency priority; and proper disclosure online.

Historically, the problem with NGO funding was not necessarily that the programs had no merit. The problem was that there was no way to gauge if they did, creating the impression that politics, not performance, was the determining factor. These criteria, then, marked a wholesale shift toward greater transparency, objectivity and accountability.

After the Legislature passed the budget, we carefully reviewed each of the 370 NGO line items, applying the criteria as thoroughly and consistently as possible, based on available program information. That effort has not, unfortunately, prevented criticism from proponents of certain vetoed programs.

Lost in the argument over NGOs, however, is that funding is already available for many similar activities through competitive or formula-based grant programs. For instance, the budget includes \$7.6 million in federal Temporary Assistance to Needy Families funds for after-school programs; \$4.85 million for economic development regional awards and matching grants; \$44.7 million through the Office of Youth Development for at-risk youth mentoring, prevention and diversion programs; and \$6 million for cultural and arts grant programs.

In addition, \$10 million is available through the Local Government Assistance Program for infrastructure and long-term capital improvements in rural areas. And formula funding for parish Councils on Aging was included in the budget at \$2.87 million, a formula the governor has suggested needs to be revised next year to more fairly address important senior services, and reduce the need for line items to fund them. All of this is on top of \$6.6 billion in federal Community Development Block Grant funding available to local governments for housing, economic development and infrastructure assistance.

In response to the governor's vetoes, the Public Affairs Research Council called it a "good start toward more efficiently pairing state dollars with state needs" but also suggested more could be

done. I agree. In the future, I would like to see even more NGO activities funded not through line items but through competitive or formula-based grant programs. One goal, says PAR, is to force “non-governmental organizations to compete for state funding on a level playing field.” It would also contribute to our efforts to further strengthen the public’s trust in the responsible stewardship of their tax dollars.

Angèle Davis
Louisiana commissioner of administration
Baton Rouge