



SPARK Executive Committee

March 7, 2022

Meeting purpose:
Informational
update

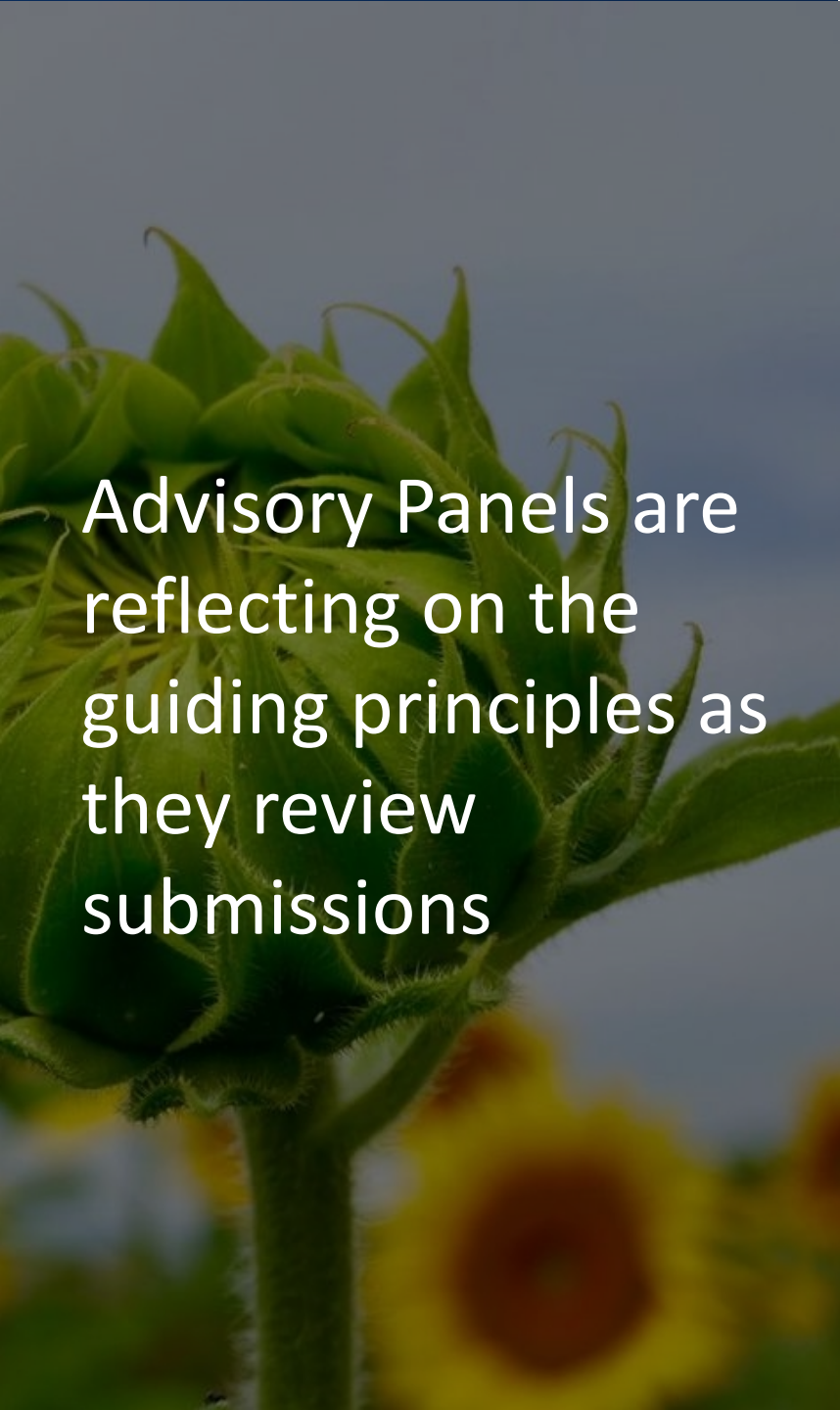
Agenda for today

SPARK status update

Emerging themes from Advisory Panels

Next steps

SPARK status update

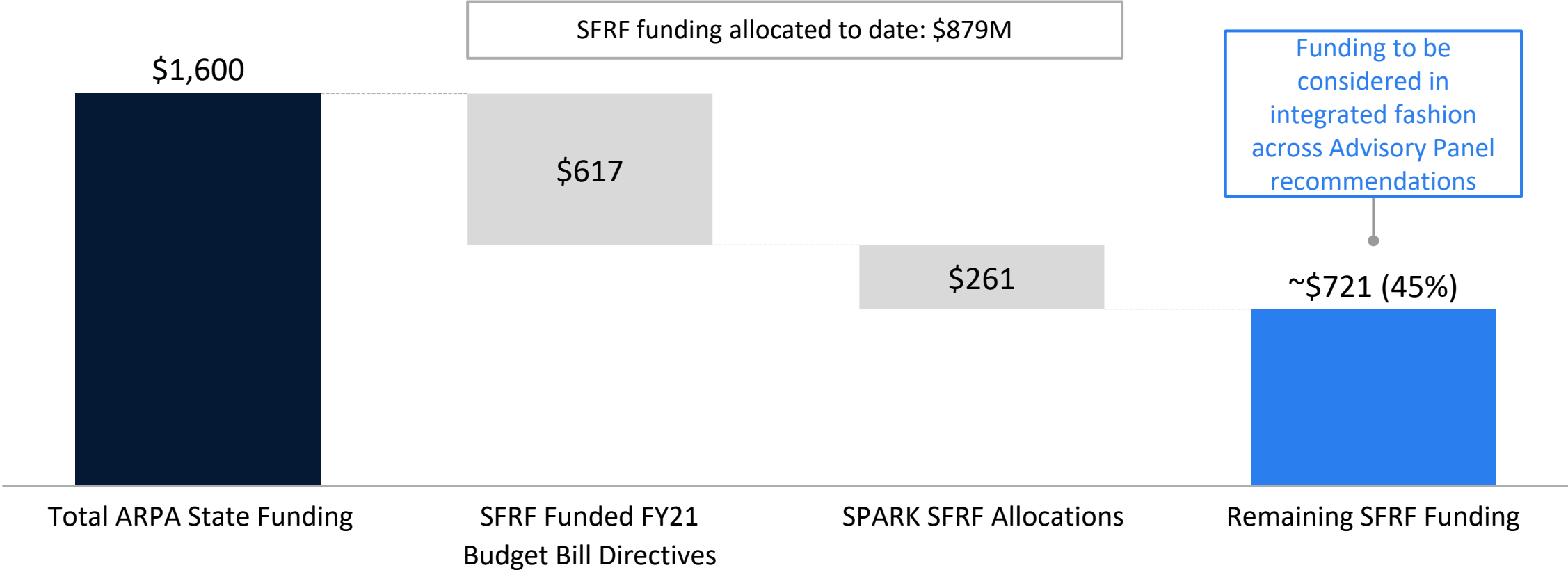


Advisory Panels are reflecting on the guiding principles as they review submissions

- **Prioritize sustainable programs & investments** through one-time use of funds vs substantial expansion of existing services
- **Combine with / leverage local and agency funds** to maximize use of discretionary funds
- **Foster long-term systemic impact** for Kansans
- **Consider equitable opportunities** and outcomes
- **Enable flexibility within investment strategies** (e.g., in case of emerging needs, changing federal landscape)
- **Ensure results are measurable** to enable tracking & transparency

SFRF allocations to date and remaining funding

Millions of dollars as of March 2022

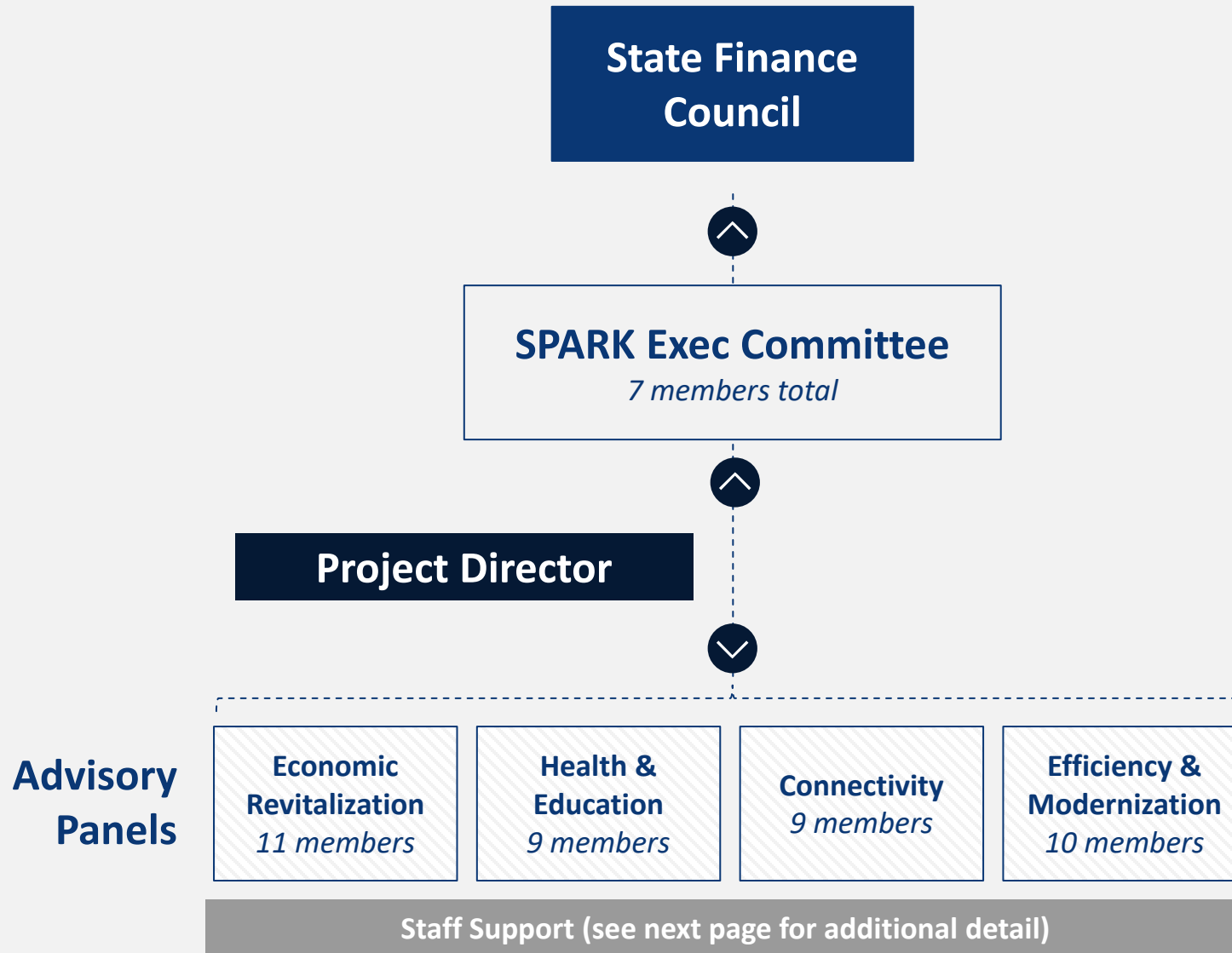


Backup | ~\$879M of ARPA state funding allocated in 2021 to ~13 investment areas, ~\$721M remains available in 2022

Investment type	Investment	Allocated (\$M)
SFRF Funded FY21 Budget Bill Directives	2021 UI Trust Fund Replenishment	\$250M
	2022 UI Trust Fund Replenishment	Up to \$250M
	Docking Renovation and KDHE Lab	\$92.5M
	UI Modernization	\$9.6M
	Rural Hospital Innovation Grant Fund	\$10M
	988 Crisis Hotline	\$3M
	Offender Management Data System	\$2M
SPARK SFRF Allocations	Nurse and Frontline Careworkers Retention	\$50M
	Extension of Testing Funding	\$27.1M
	24/7 Pay Plan	\$30.3M
	Economic Development Infrastructure (BASE)	\$100M
	Individual Education Learning Recovery Grants	\$50M
	Kansas Connect and Learn Initiative	\$4M

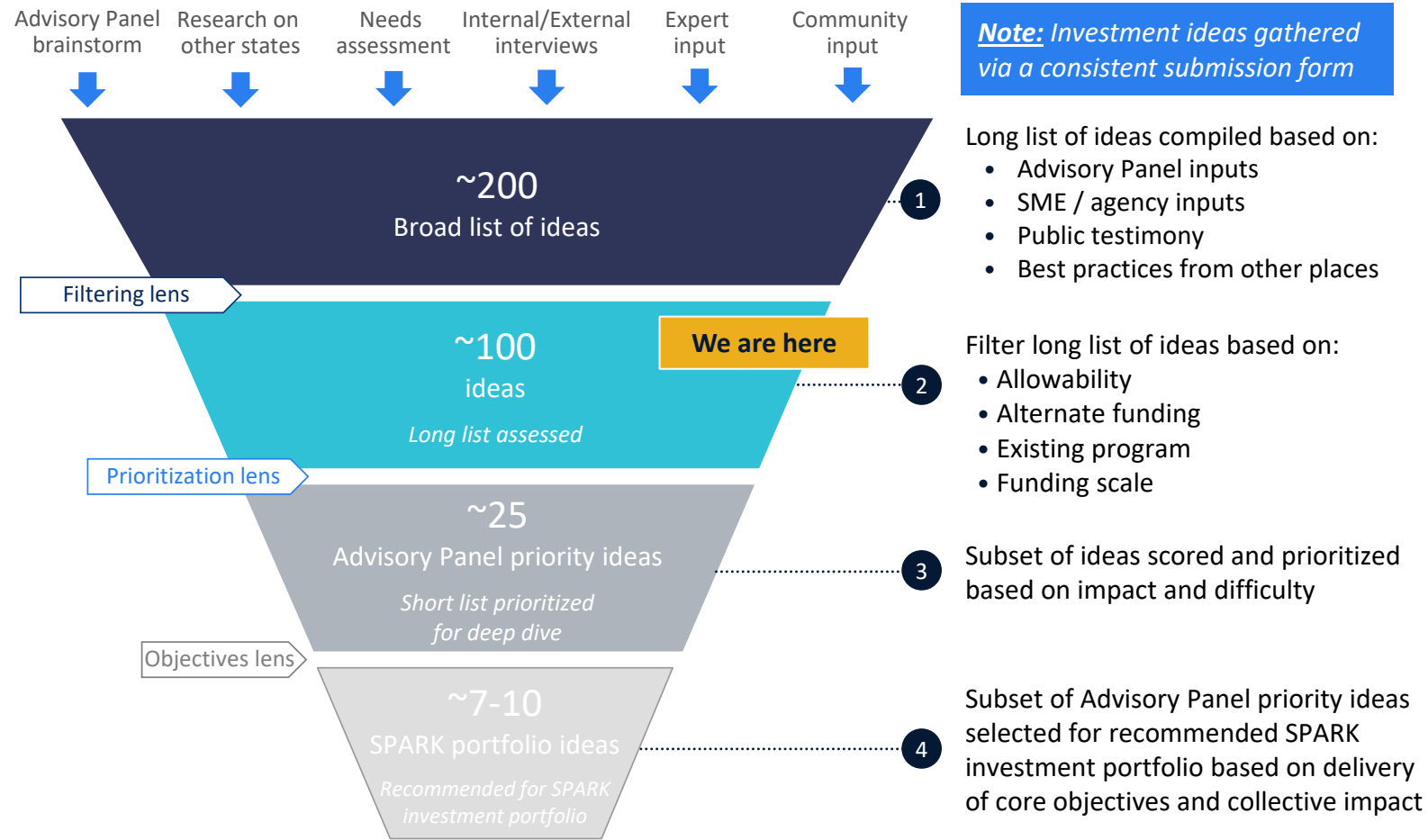


Recall | SPARK structure



Advisory Panels gather, evaluate, and recommend investment ideas to the SPARK Executive Committee, with the Project Director setting direction and working closely with both

Advisory Panels are currently filtering through investment ideas and beginning to engage in prioritization discussions



Objectives for most recent Advisory Panel meeting

- 1 Review filtering approach building on panel input
- 2 Shape and refine investable programs
- 3 Engage in initial discussion of prioritization approach

Idea submissions to SPARK significantly exceed available funds...

Idea submissions received to date total nearly \$13B, and more opportunities may arise, far exceeding available SFRF funding of \$721M

Advisory Panel	Number of submissions	Amount submitted (\$B)
Connectivity	36	1.2
Economic Revitalization	410	7.9
Efficiency & Modernization	141	0.9
Health & Education	256	2.8
Total	843	~12.8

Note: Submission requests may include similar or overlapping recommendations for utilization of funds; numbers have been rounded to the nearest \$0.1B; submissions have not been evaluated for duplication

...highlighting critical role of SPARK Advisory Panels

Need for Advisory Panels to:

Prioritize: Focus on the key areas of need / opportunity and identify where SPARK can have long-term impact with one-time dollars

Identify co-investment opportunities: Look for ways to leverage local and agency funds to maximize use of discretionary funds

Given submission volume, the SPARK process must focus on allocating funds to programmatic areas of strategic focus

- The **target output** of the SPARK Advisory Panels is recommended **portfolios for funding at the programmatic level**
- To support that, submissions were solicited for **investment ideas** (not grant applications for funding)
- Idea submissions can be used to **shape programs and recommended funding envelope**
- However **specific project approval cannot happen in Advisory Panel context**, per state and federal procurement guidelines



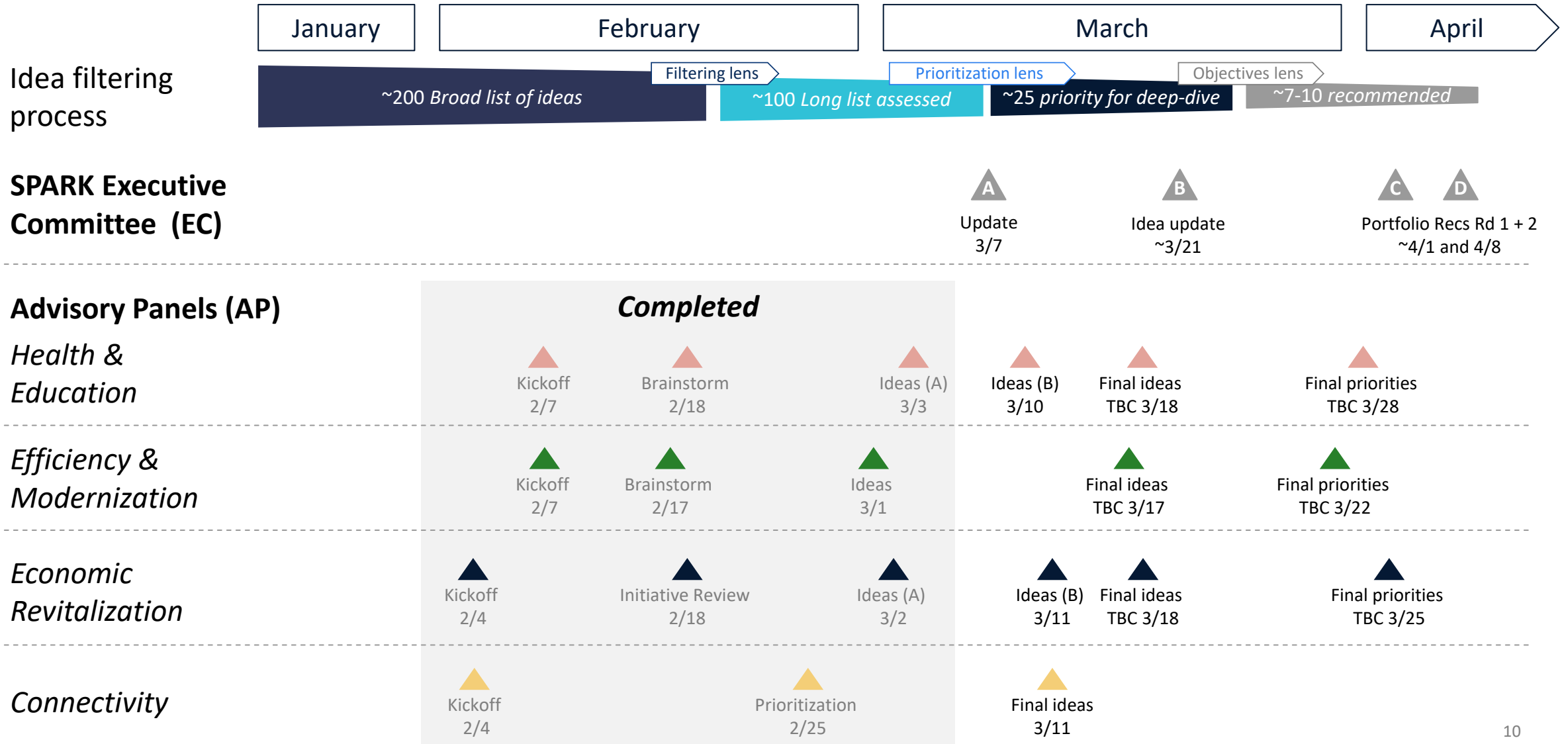
Goal of SPARK Process: Allocate funds to programmatic areas of strategic focus

Program design will be implemented after SPARK process concludes

After the SPARK process is complete, an administering entity will be identified (state agency or 3rd party organization)

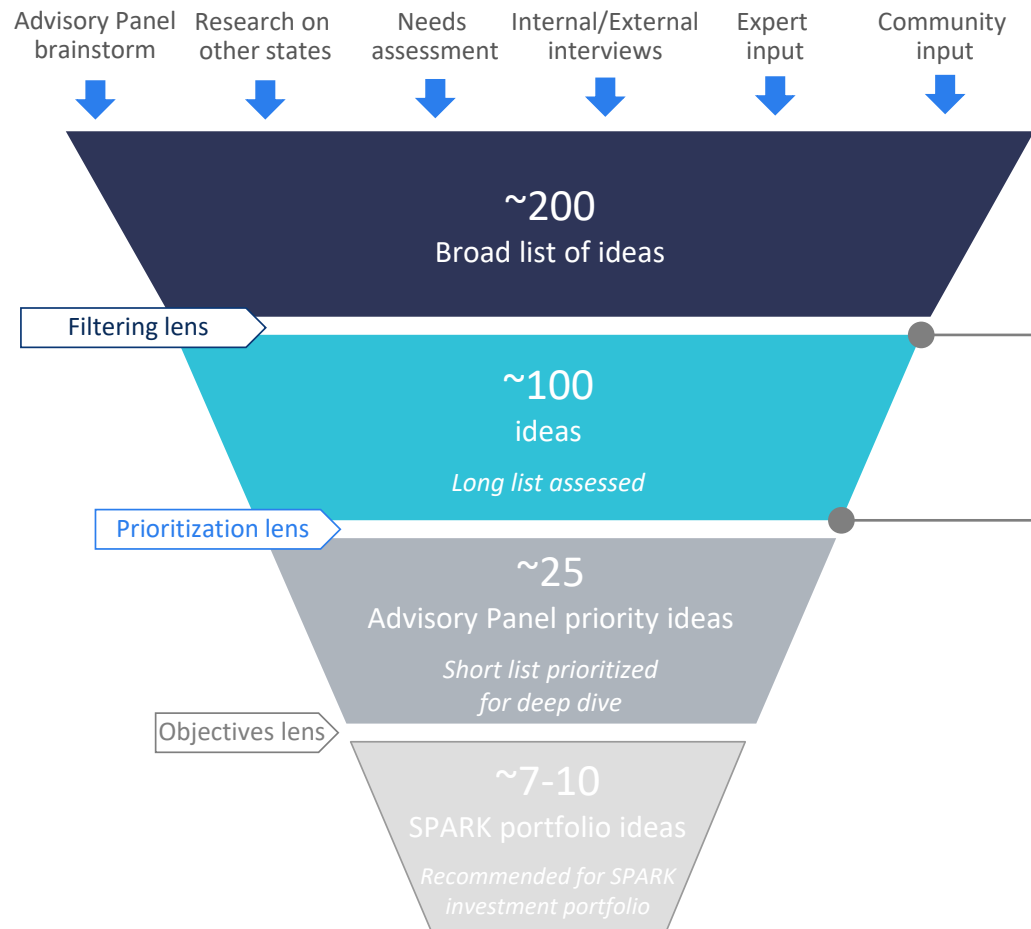
In accordance with Treasury guidance, the administering agency will then run a formal procurement process, including soliciting eligible applications

Advisory panel timeline



Emerging themes from Advisory Panels

Advisory Panels are making progress towards recommendations, with two panels filtering programs and two advancing to the prioritization stage



Economic Revitalization, Health & Education

- **Current status:** Given volume of submissions and breadth, panels are currently in the filtering process
- **Next steps:** Align on initial slate of investable programs for prioritization

Connectivity, Efficiency & Modernization

- **Current status:** Connectivity and Efficiency & Modernization have aligned on an initial slate of investable programs
- **Next steps:** Prioritize programs to inform a proposed funding portfolio

Connectivity

Panel principles

- Investments should align with the **existing KOBD strategy**, including **program pillars** and **program principles**
- **Program Pillars:**
 - Broadband infrastructure
 - Broadband adoption
 - Transformative applications
 - Broadband leadership
- **Program Principles, e.g.,**
 - Engage locally
 - Promote collaboration
 - Diversify funding sources

Emerging themes

- Emerging program areas aligned to existing KOBD strategy:
 1. Broadband infrastructure (e.g., 100/100 Mbps, preference for fiber)
 2. Adoption programs (e.g., service affordability, device access, digital literacy training)
- Panel prioritizing infrastructure in order to establish foundation for broader connectivity access and adoption

Efficiency & Modernization

Panel principles

- Investments in **state agency programs** should be considered prior to local investment needs
- Investments should **avoid establishing programs that require ongoing funding** (e.g., new long-term budget items)
- Investments should be made in **areas that have largely allowable programs and existing funding is insufficient and limited**

Emerging themes

- Emerging program areas include:
 1. State IT infrastructure (e.g., digital gov, technical infrastructure, cybersecurity)
 2. State Facilities Modernization (e.g., upgrades, maintenance & renovation)
 3. State Continuity of Operations
 4. State Safety and Security
 5. Local Safety and Security (matching for public radio comms. equipment)

Economic Revitalization

Panel principles

Investments should address **high needs with catalytically impactful ideas** (e.g., not short-term point solutions)

Investments should be made in **areas that have largely allowable programs and existing funding is insufficient**

Investments should **avoid establishing programs requiring ongoing funding** (e.g., new long-term budget items)

Investments should fund **programs with deliverables** vs. solely administrative oversight

Emerging themes

- Areas of higher panel interest:
 - Business: Innovation & Entrepreneurship
 - Business: Industry Support
 - Workforce: Workforce Development & Resources
- Areas of panel concern:
 - Water & Sewer
 - Due to alternative funding
 - Housing
 - Need a systemic, long-term solution
- Areas not yet discussed:
 - Business: Tourism Sector Support; Cybersecurity
 - Other Enablers: Infrastructure Renovations & Development, Public Space Enhancements; Food Systems Infrastructure, Other Financial Support

Health & Education

Panel principles

- Investments should **build on proven interventions and expert recommendations**
- Investments should **support state-wide, long-term transformation** (vs. short term solutions)
- Investments should **avoid establishing programs that require ongoing funding** (e.g., new long-term budget items)
- Investments should be made in **areas that have largely allowable programs and existing funding is insufficient and limited**

Emerging themes

- Initial focus areas include:
 - Early Childhood Development
 - K-12 & Higher Education
 - Behavioral Health
 - Health
 - Disability Services
 - Senior Services
- Emerging program themes (health)
 - Basic needs around supportive housing
 - Community-based resources & navigation (youth and family, community health workers)
 - Healthcare workforce pipeline development
 - Telehealth access (rural & urban Kansas)
 - Facilities expansion
- Areas not yet discussed: Education

Next steps

Path forward

Next steps for **Advisory Panels**

- Continue developing initial set of investment-level programs
- Score and prioritize programs based on impact and feasibility
- Shape initial funding portfolios for Executive Committee consideration

Next steps for **Executive Committee**

- Review early advisory panel prioritization at next EC meeting (scheduling in progress for end of March)
- Discuss initial portfolio recommendations from Advisory Panels at EC meetings (early April)

