

THE  
COLUMN

News from  
the Virginia Institute  
of Government

Fall 1998

## Show Me the Money

*Winning Grants:  
How Competitive Are You?*

WILLIAM L. CARLSON, PH.D.

**P**ublic organizations are increasingly seeking new or alternative sources of funding to replace lost revenues or meet a growing demand for services. Tight budgets and ever-rising expenses create greater-than-ever pressures to find new funding sources.

In *Governing* magazine's annual comparison, Virginia consistently ranks in the bottom quartile of states receiving federal grant assistance. In a 1997 study, Virginia's Joint Legislative Audit and Review Commission (JLARC) observed that the state was last in the nation in federal grants received. Virginia's strong state economy and its high concentration of federal government and military institutions partly explain this. However, with the proper approach to grantsmanship, Virginia applicants may be able to improve their odds.

Good research and well-written proposals are mandatory to competitive grantsmanship, but experienced grant-writers and literature in the field suggest that these alone are insufficient (*Secrets of Successful Grantmanship*. Gordon, Susan L. 1997). The key to successful grantsmanship is the relationship between the funding source and the grantee. Studies have shown that chances of receiving assistance increased three- to five-fold if there was significant pre-proposal contact between the grantee and the funding source. This notion may be bothersome to some, but most organizations want to gain this advantage. Pre-proposal contact not only provides another opportunity to persuade the funding source, it also can improve proposal content. The secret is

to concentrate on establishing and maintaining positive working relationships with grantmakers. Assuming that the most meritorious proposal will always win is not consistent with veteran grant-seekers' experience.

Post-submission activities are also critical to the process. If a post-submission meeting is not offered, request one, with the clear understanding that it is for clarification and questions. Think carefully about whom you send. It may not be the actual grant writer, even if that person feels he or she "deserves" to attend. This is a critical marketing opportunity — the creative office introvert may not be

*continued on page 2*

### INSIDE

*Future Shock?*

2

*Y2K Bug*

3

*Institute Update*

3

## Welcome to *The Column*

Welcome to the official, occasional publication of the Virginia Institute of Government. *The Column* will replace the old *WHAT'S NEW*.

*The Column* will be published at least twice a year to share information from our many seminars and programs. We hope that by doing this, we can offer the benefits of these programs to a broader audience. When appropriate, we'll also provide a schedule of upcoming Institute activities.

This publication, like the Institute itself, is for the people we serve. We welcome all ideas and suggestions for articles, seminars or other activities. Feel free to call or write us at the address listed on page 2, or e-mail us at <column@virginia.edu>.



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## Show Me the Money

*continued from page 1*

your best spokesperson.

This approach to grantsmanship is legal and requires time, a concentrated plan, and the support of management. Leaders who expect to immediately replace lost funds with grants place unrealistic expectations on staff and can be easily discouraged from developing an effective grantsmanship system. Organizations willing to invest in the long-term development of a stable system have increased and diversified their funding. Building a positive, trusting relationship with funding sources does not occur overnight and must be mutually beneficial to continue.

Remember, there are some rules by which grant applicants must play. The federal government sets clear restrictions on who can attempt to influence the awarding of a contract, grant, or cooperative agreement. Neither time spent on these activities, nor expenses such as phone calls and travel, can be charged to previously-received federal funds. Grant advocacy is lobbying, and the rules are clear. It is also important to honor the wishes of foundations and other funding sources that specifically prohibit attempts to influence the decision-making process.



*The writer is director of program operations at the Virginia Governor's Employment & Training Department. This article is based on a portion of an in-depth seminar; Going for the Gold: Winning Funds Through Effective Grant Writing, cosponsored by the Institute and VCU's Center for Public Policy. Contact the Institute at 804/371-0202 for more information on this program. ▼*

## Y2K: Ready or Not, Here It Comes

The Institute has received several recent inquiries about the Year 2000 computer programming complication — otherwise known as “Y2K.” Current programming of many computers and other devices identifies the year using only the last two digits, e.g., the year 1998 is identified as 98. When the year changes to 2000,

those devices that have not been programmed or reprogrammed properly may “think” it is 1900, rather than 2000. This simple misidentification of the proper century may result in serious data processing problems.

The Institute has made contacts and identified resources that can help localities deal with the problem. In addition, we have surveyed many local governments to assess awareness of the problem and the level of preparations.

Virginia local governments appear to be uniformly aware of the potential problem, and are working deliberately to ensure a seamless transition to the year 2000. While many localities are wary of unforeseeable complications, a strong effort is being made to make the best preparations possible.

Localities seeking additional consultation or information are advised to contact the Virginia Department of Information Technology (DIT) at 804/780-5758, or visit one of the Web sites dedicated to this issue. One of the most comprehensive Virginia-based sites is <[www.cim.state.va.us/cdc/INDEX.htm](http://www.cim.state.va.us/cdc/INDEX.htm)>. Good luck!! ▼

### *Electric Deregulation:*

## Future Shock?

Deregulation of the electric power industry is a hot topic; several states, including Virginia, have either adopted deregulation legislation or will consider it soon. Deregulation is not only complicated, it departs from a comfortable, dependable, monopolistic structure that has served relatively well for a long time. Such extensive change can elicit fear and trepidation in consumers and their elected representatives.

Understanding some of the key elements can help allay anxieties. Here is a primer on some of the basic issues:

The only component of the three part electric “system” (production/transmission/distribution) that is being deregulated is *production*. Transmission along main bulk power lines, and distribution systems over local lines and building connections, would continue to be regulated.

Consumers who now have a single company producing and providing their power will be able to select a provider from multiple vendors. The main distribution and trans-

***The only component of the three part electric “system” that is being deregulated is production. Transmission along main bulk power lines, and distribution systems over local lines and building connections, would continue to be regulated.***

mission lines would continue to be owned by the extant companies, but other power producers would have access to those lines under certain strictly defined terms.

Noting that the deregulation trend began in northeast states and California, where costs were soaring, and gained momentum because of political attractiveness, Virginia State Senator Jack Reasor urges caution in the legislative approach to this issue. Some federal government sources have projected that average savings to consumers would be the equivalent of a 5 percent income tax reduction. Many experts, however, contest the validity of such optimistic, generalized forecasts.

Reasor points out that since Virginia’s electric power costs are about average for the nation, the benefits of deregulation might be less. He adds that the Commonwealth should take a deliberate and cautious approach to ensure that any changes are constructive and cost-effective, and that power provision remains reliable.

Before true regional and even national competition can occur, certain structural issues must be addressed. First, existing transmission lines must be improved and new ones built. Secondly, metering equipment will have to be installed at more points in the transmission and distribution networks, and lastly, recognizing inconsistencies in various states’ regulations that would hinder regional power transmission.

An issue not often fully and clearly addressed is “stranded costs” — the expenses of infrastructure and capacity built and owned by current power companies that may not be fully utilized or adequately covered once changes take place. Whether the consumer, the power company stockholders or some other entity will sup-

port those costs may well be one of the most difficult issues to resolve.

Both large and small consumers will need to position themselves to take full advantage of possible changes in the energy marketplace. Local governments may benefit from the experiences of several consumer groups as well as state and federal agencies that have banded together to form large buying cooperatives. Such coactive arrangements already exist in Virginia to obtain best pricing for natural gas, exemplifying an easily transferable structure for electricity.

Because of federal mandates, electric deregulation is inevitable. However, Virginia’s leaders and regulators can benefit from the experience of others to ensure that the Commonwealth’s plan is both workable and ultimately beneficial. Senator Reasor emphasizes that care must be taken to ensure competitive rates and reliable power for Virginia, both now and in the future.

★ ★ ★

*The information outlined here was presented at an April seminar on electric deregulation sponsored jointly by the Institute and Virginia Innovation Group. Speakers included Virginia State Senator Reasor; member of the Senate Commerce and Labor Committee; Reggie Jones, advisory counsel to the Alliance for Lower Electric Rates Today (ALERT); James C. Dimitri, general counsel for the State Corporation Commission; attorneys Louis R. Monacell, John D. Sharer, and John F. Dudley from the law firm of Christian and Barton, L.L.P.; Duane S. Dahlquist, general manager of Blue Ridge Power Authority and a member of the Municipal Electric Power Association of Virginia (MEPAV). ▼*

## INSTITUTE UPDATE

### ***Technical Assistance***

#### Questions Please

Member localities can call the Institute for quick responses on just about any topic facing local government. Institute staff broadcasts the inquiry to dozens of Virginia governments through its growing email network and begins receiving responses within 24 hours. The responses are then passed on to the inquiring locality.

With several new inquiries each week, technical assistance has become one of the Institute’s most popular services. Recent inquiries have focused on the Year 2000 (Y2K) computer bug, GIS system outsourcing, flex-time scheduling, email and Internet employee-use policies, and managing council inquiries and citizen complaints. The technical assistance data base now includes over 100 topics and 300 contacts.

*continued on page 4*

## **Technical Assistance**

*continued from page 3*

In addition, the Institute helps members arrange such custom-tailored services as team building, goal setting, and strategic planning for councils, boards, and lead staff. Contact: Tedd Povar, 804/371-0202 or email <tep3e@virginia.edu>.

## **Training**

### **Southside/Southwest Training Survey**

The Institute recently conducted an Area Training List and Survey (ATLAS) to measure training needs specific to the state's Southwest and Southside regions. The survey presented a comprehensive list of potential programs and asked respondents to rate each according to the program's viability for their locality. ATLAS also asked respondents to identify how many people they would send to each program.

Six program topics were identified as being both viable and potentially well attended:

- Basic Supervisory Skills,
- Improving Customer Service,
- Sexual Harassment,
- Telephone Techniques,
- Letter & Memo Writing, and
- Time & Stress Management.

The Institute will publish specific program information as it is developed. Contact: Billie Easton, 804/371-0202 or email <bee2u@virginia.edu>.

## **Electronic Information Services**

### **Making Connections**

The Institute continues helping organizations and localities improve their Internet capabilities. A new site is being hosted for Mathews County at <www.institute.virginia.edu/services/mathews>. Also, under development are sites for the Richmond Metropolitan Authority and the Town of Hillsville. The Institute is working with the Virginia Municipal League (VML) to develop a General Assembly News Update facility on VML's Web site for the 1999 session. VML's Web address is <www.vml.org>. Improvements have been made to the Leadership 2020 Web site to allow on-line submission of internship applications. The Leadership 2020 site can be found at <www2.institute.virginia.edu/intern/l2020>.

The Institute held a Web training workshop for the Town of Ashland and Hanover County employees at Randolph Macon College on August 6. A similar workshop is being planned for the Town of Alta Vista employees in late August in Charlottesville. Contact: Mary Beth Hewa, 804/982-5707 or email <meh4q@virginia.edu>.

## **Research**

### **VASS/VLGMA Study Distributed**

The Institute's local government/school system collaboration study has been sent to administrators and school superintendents in localities with populations of at least 1,000. Produced at the request of the Virginia Local Government Management Association (VLGMA) and the Virginia Association of School Superintendents (VASS), the report describes existing cost-effective collaborative practices in Virginia. Several localities have requested additional copies for members of their school boards and governing bodies. Institute members can obtain them by calling 804/371-0202.

## **Programs**

### **Information Technology Conference 98**

This biannual conference convened public- and private-sector information technology leaders to demonstrate the newest technologies as they apply to local government. Participants learned about technology consolidation for local governments and school systems, regional projects, improved government-citizen linking, managing and funding of technology, and data warehousing and data marts. Cosponsored with the Virginia Innovation Group, April 29-30, Charlottesville. Total attending: 76 participants from 36 localities and organizations.

## **Programs**

*continued from page 4*

### **Performance Measures: Accountability Tools for Local Governments**

This workshop taught participants how to use performance measurement tools to improve operations and meet citizen accountability demands. Specifically, participants learned to 1) analyze the effects of a number of variable on performance measures; 2) design appropriate measurement data collection methods; and 3) create valid, reliable service level indicators. Scott Bryant, the workshop leader and former director of strategic management for the City of Long Beach, CA, consults with local governments on performance measurement, benchmarking, and strategic planning. Cosponsored with the Virginia Innovation Group, April 17, Roanoke. Total attending: 52 participants from 10 localities.

### **Going for the Gold: Winning Funds through Effective Grantwriting**

The workshop was led by Dr. William Carlson, director of the Division of Program Operations for the Governor's Employment and Training Department. Dr. Carlson also teaches grants management courses at the University of Virginia and Virginia Commonwealth University. The workshop provided participants with techniques for effective proposal writing, locating funding sources, conducting needs assessments, and designing evaluation measures. By popular demand, a second workshop was held on May 6. Cosponsored with the Center for Public Policy at Virginia Commonwealth University, April 15 and May 6, Richmond. Total attending: 79 participants from 38 localities.

### **Coming Unplugged: Seminar on Electric Utility Deregulation**

This seminar provided an overview of key deregulation issues, including the State Corporation Commission's restructuring guidelines, tax issues, and implications of the 1998 legislative session. Industry leaders helped participants examine how localities are taking advantage of competitive energy sources and evaluate deregulation efforts in Delaware, Maryland, North Carolina and West Virginia. Cosponsored with the Virginia Innovation Group, April 10, Charlottesville. Total attending: 41 participants from 24 localities and organizations.

### **Benchmarking: Powerful Tool for Building Strong Local Government**

This national teleconference was the third of a four-part *Managing for Results* series originating from the University of Vermont. Participants interacted with experts on corporate, targeted, and statistical benchmarking while learning how to improve planning processes and day-to-day operations in their own local governments. They also examined tactics for implementing benchmarking criteria. John Thomas, Director of the Institute and the Weldon Cooper Center for Public Service, moderated the teleconference on March 23.

## **Networking**

### **Balkan Local Government Delegations Visit the Institute**

The Institute made presentations to local government delegations from Albania and Romania this spring. Their visits to Richmond were part of study tours funded and organized by the U.S. Agency for International Development. Our visitors were particularly interested in the Institute's structure, funding, and collaboration with local governments, institutions of higher learning, and professional associations.

## **Director's Activities**

### **In Virginia and Beyond**

John Thomas has had discussions with House of Delegates Speaker Thomas Moss on how the Institute and the Cooper Center can assist the Commission on the Condition and Future of Virginia's Cities (chaired by Moss). They agreed that in addition to implementing the Commission's statewide October summit in Charlottesville, the Institute and Cooper Center will provide technical support to the Commission's three subcommittees.

During the past six months, Thomas has given presentations and moderated panels at meetings around the country on the topic of performance measurement, including the National Academy for Public Administration in Boulder, Colorado; the National Conference on Managing for Results in Austin, Texas; the *Managing for Results* national teleconference series broadcast from Burlington, Vermont; the Southern Consortium of University Public Service Organizations in Charlottesville; and York County senior staff. The July/August *Virginia Review* features an article by Thomas on managing for results.