

**NTCA FY2010 Funding Formula Workgroup
Conference Call, August 27, 2008 (3-4pm ET)**

Workgroup members present:

Phil Griffin, Stuart McMullen, Carol Pozsik, Tiffany Harris, Barry Dickman, Jim Cobb, Kashef Ijaz, Pat Infield, Kim Fields, Kathy Moser, Charles Wallace, Denise Ingman, Angela Starks
Angelito Bravo

Topic: Hold-harmless states

- Phil Griffin called the meeting to order.
- The federal funding for hold harmless states has been static since 1993. While the number of cases and the incidence rates remain level, more time and resources are needed to provide case management. Lack of an increase in funding presents challenges to local programs due to rising costs. There are disparities in funding levels among hold harmless states.
- The preliminary analysis for hold harmless states indicates the majority of the states would experience a decrease in funding. The formula, when applied to the \$1.9 million pool indicates 13 hold harmless states would experience a decrease in funding; three states would see an increase in funding. The percentage of decreased funding ranges from 8% to 35%. The increase for the three states ranges from 1% to 11%. If these states chose to compete for funding, they most likely still would lose funding.
- It was suggested that a threshold level of funding be established for a program. However, establishing this threshold is beyond the scope of this workgroup. This threshold would be the minimum that a program would need to function or the minimum amount of guaranteed funding necessary for hold harmless states. While hold harmless states have low case numbers or incidence rates, LTBI's significantly impact program resources.
- Workgroup participants from the hold harmless states will hold a conference call with all the hold harmless states to discuss the issues outlined above and seek recommendations from these states. While U.S. territories are included in the hold harmless group, they will not be included in this conference call because of logistic barriers.
- The funding for hold harmless states will be re-calculated with a 10% cap on indirect rates, and run with and without a minimum (floor) of \$90,000.
- The next conference call will be on September 10, 2008. The topic will be Big Cities.