



**SPARK Update for Senate Ways
and Means Committee**

March 8, 2022

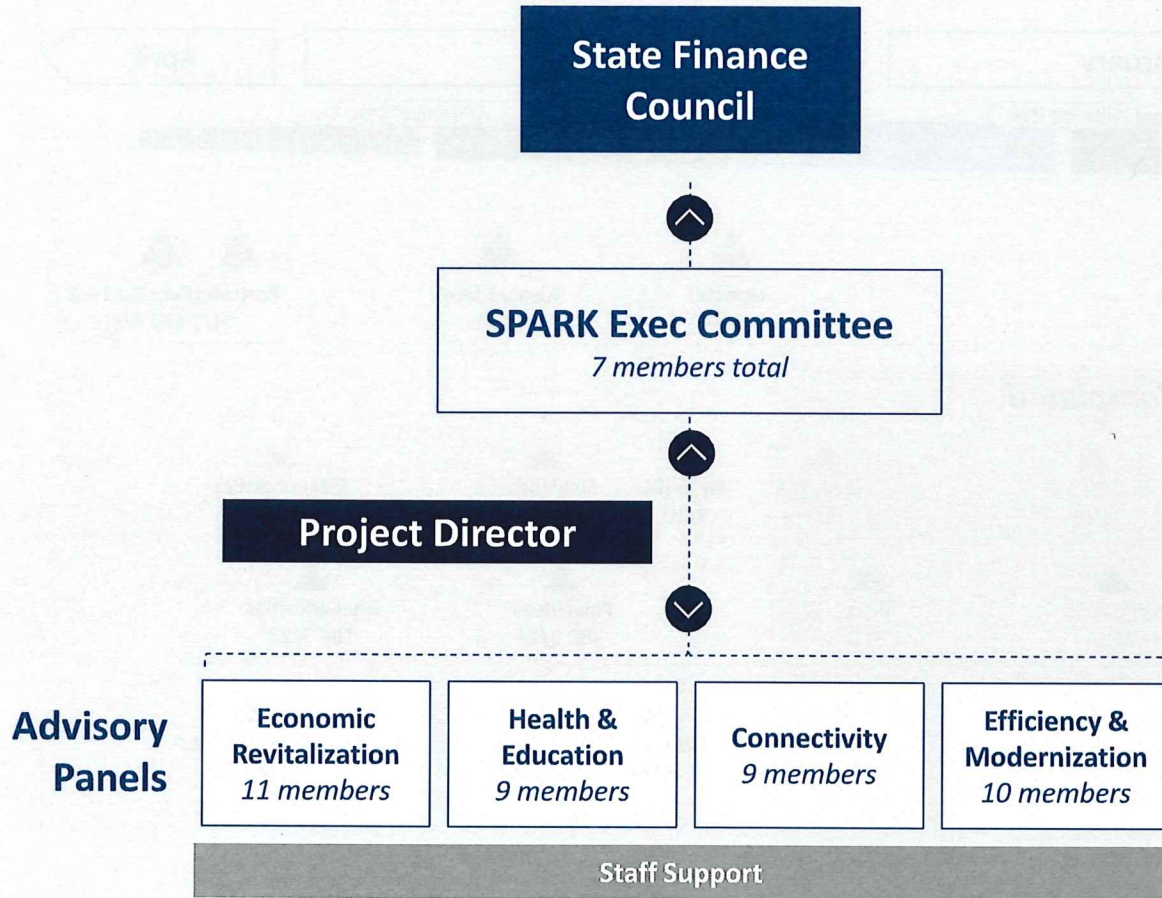
**SPARK Project Director John
Parolisi**



SPARK Executive Committee Guiding Principles

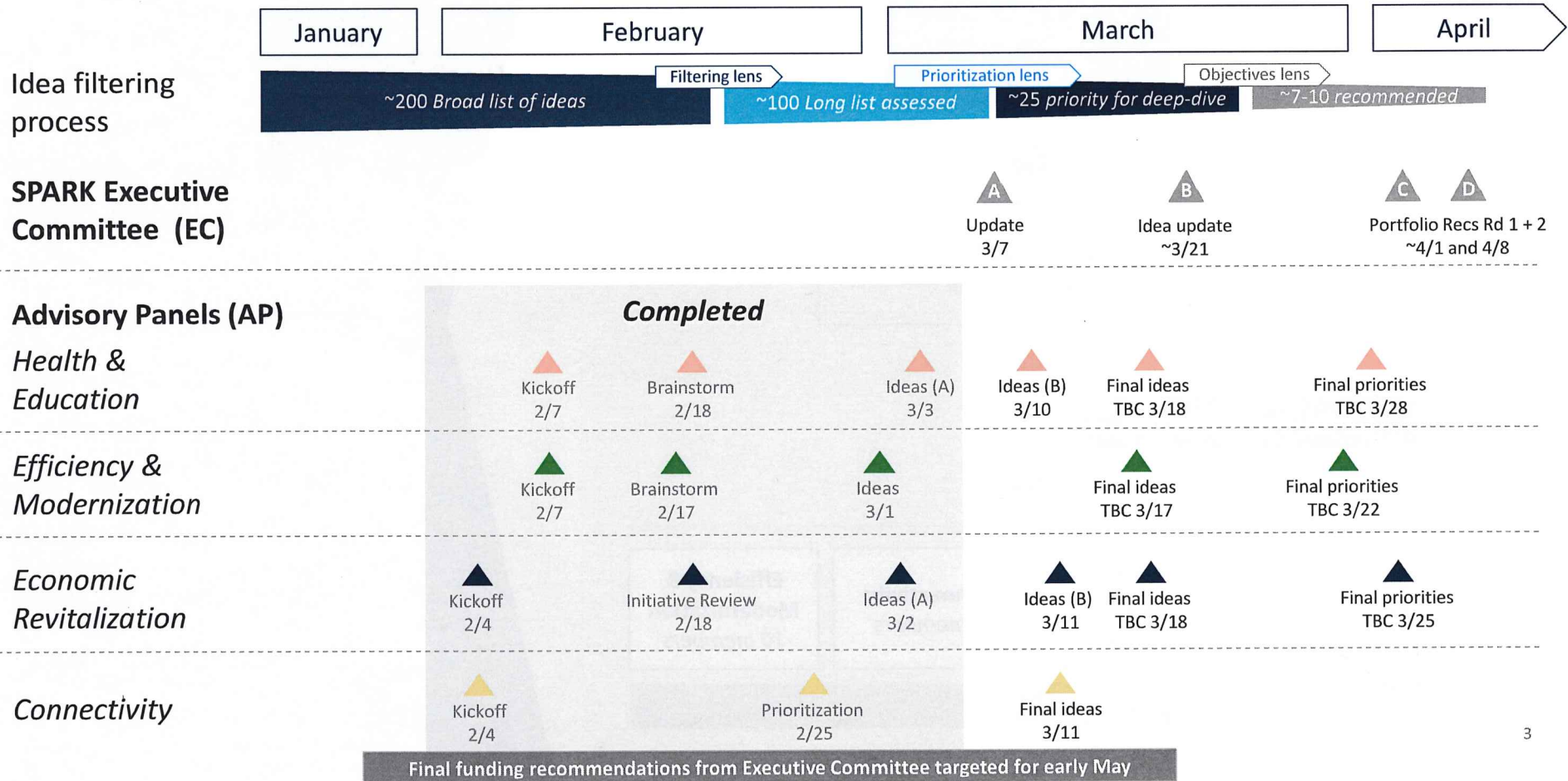
- **Prioritize sustainable programs & investments** through one-time use of funds vs substantial expansion of existing services
- **Combine with / leverage local and agency funds** to maximize use of discretionary funds
- **Foster long-term systemic impact** for Kansans
- **Consider equitable opportunities** 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

SPARK project structure



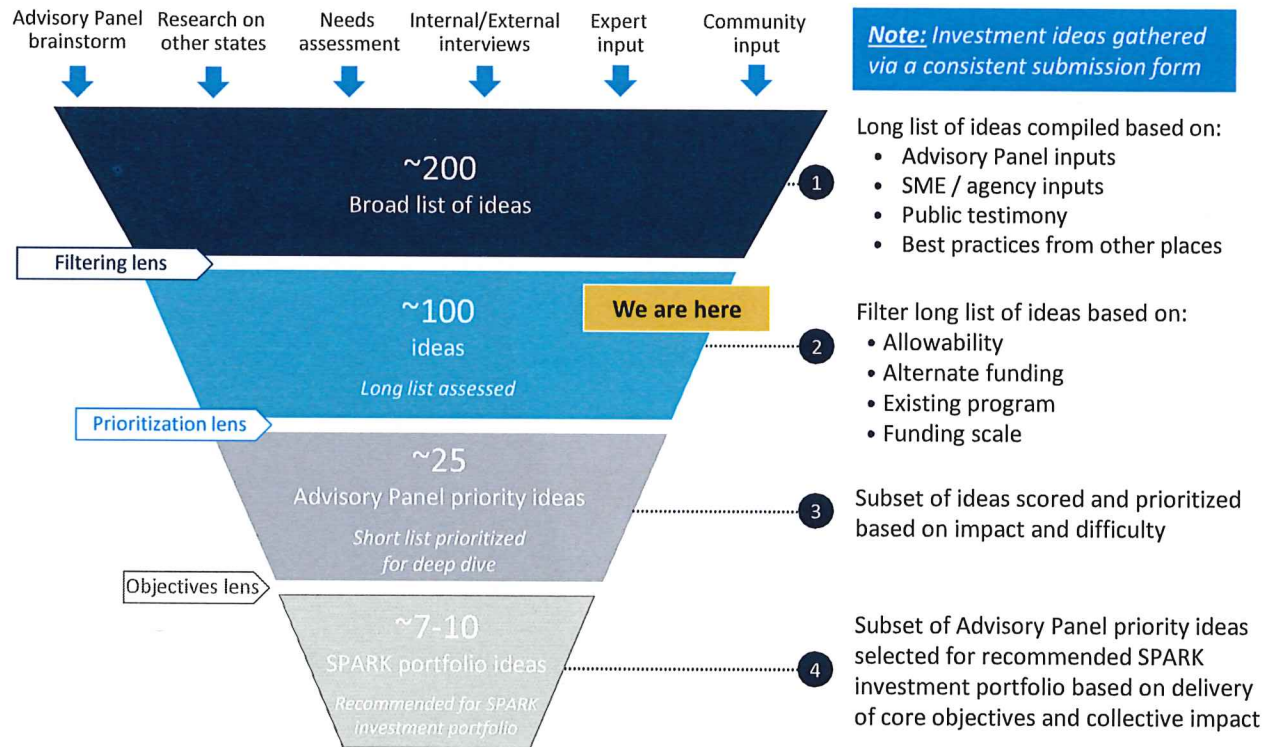
Advisory Panels gather, evaluate, and recommend investment ideas to the SPARK Executive Committee, with the Project Director setting direction and working closely with both

SPARK timeline and current status



Final funding recommendations from Executive Committee targeted for early May

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 envelopes** and will be reflected in final funding envelopes
- 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

SPARK Executive Committee will shape program requirements and guidelines for approval by State Finance Council

After State Finance Council approval, 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