Virginia Clean Water Financing and Assistance Program (CWFAP) Streamlining Efforts

2020 CIFA Workshop

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Clean Water Financing and Assistance Program Manager
Virginia Department of Environmental Quality
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Objectives

• Background information
• Lean event description
  • Before, during, and after event tasks
• Results
  • Tangible and intangible
• Key takeaways for success and lessons learned
Background – Virginia CWFAP

• Our team administers three funds
  • Virginia Clean Water Revolving Loan Fund (Federal/State)
    • Virginia Resources Authority (VRA)
  • Stormwater Local Assistance Fund (State)
  • Water Quality Improvement Fund (State)

• Team distribution
  • Central office (Richmond) – Program management staff, project officers, fiscal staff and VRA
  • Regional offices (Around the state) – Project managers
Background – Virginia DEQ Regional Office Locations
Background – Virginia CWFAP

• Team Composition
  • Seasoned and new staff (including new Program Manager)
  • Big picture thinkers and detail-oriented analysts
  • Engineers, wastewater and stormwater specialists, geologists, and more
  • Strengths – Problem solvers, deliverers, time keepers, optimists, analysts, strategists, self-believers, empathizers, and more
Background – CWFAP Team Decision

• Gathered in November 2018
• Team decided to tackle streamlining the program
• Determined best option – Process Improvement Mapping
  • To be led by internal training group – green belt in Lean Six Sigma
  • To develop a “Current State Map” – captures what is actually happening versus what the SOP says
• Held face-to-face one-day event in Richmond – March 2019
Before Event

• Gathered and provided materials already in house
  • Process flow maps
  • SOP and guidelines documents
  • Program operations plan
  • Applications, checklists and forms
Before Event

- Created a project charter
  - Identified process owner and leadership team sponsor
  - Provided an opportunity statement that put boundaries on items to tackle
  - Prioritized objectives into top 3
  - Identified process starting and stopping points
  - Determined what was in scope versus out of scope
  - Named the team
### Project Charter

<table>
<thead>
<tr>
<th>Project Name:</th>
<th>Clean Water Financing and Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current State Mapping Date:</td>
<td>3/12/19 8:30 - 5:00</td>
</tr>
<tr>
<td>Division/Unit:</td>
<td>Administration</td>
</tr>
<tr>
<td>Process owner:</td>
<td>Karen Doran</td>
</tr>
<tr>
<td>LT Sponsor:</td>
<td>Valerie Thomson</td>
</tr>
</tbody>
</table>

#### Opportunity statement (Highest priority opportunities for the event)

- Eliminate unnecessary steps (e.g., redundant paperwork, examine checklists), make processes between programs similar where possible (why accept self-certification for one program but not another?), reduce number of program records, optimize staff time (for example, SLAF has applicant fill out plans and specs checklist, but staff fills it out in RLF), optimize CEDS for efficiency and make it more usable, clarify staff roles (who needs to perform review or sign approval), consistency amongst staff, use technology to make our processes more efficient (e.g., post documents on our website for external customers to use, rather than having to provide to them individually).

#### Event objectives (Include 1-3 highest priorities from opportunity statement, metrics, targets, and timeframes)

- Reduce review time for each step, eliminate unnecessary steps, make use of technology.
Before Event – Project Charter

**High Level Overview of Business Process**
Solicitation, application review and project funding list, initial meetings, review of submittals (several), loan closing/grant agreement, disbursements, site visits, close out

4 funds: Revolving Loan Fund, Agriculture, Water Quality Improvement Fund, Stormwater Local Assistance Fund

Start by mapping Revolving Loan Fund

<table>
<thead>
<tr>
<th>Start of process to be mapped</th>
<th>End of process to be mapped</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solicitation</td>
<td>Project close out</td>
</tr>
</tbody>
</table>

**Project Scope**

<table>
<thead>
<tr>
<th>In Scope:</th>
<th>Out of Scope:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparing for ECM, changes to review steps, minor changes to CEDS, changes to staff roles</td>
<td>Future phases of CEDS, Federal process, VA legislation, Virginia Resource Authority processes</td>
</tr>
</tbody>
</table>
### Before Event – Project Charter

<table>
<thead>
<tr>
<th>Team Selection</th>
<th>Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td></td>
</tr>
<tr>
<td>Karen Doran</td>
<td>CWFA</td>
</tr>
<tr>
<td>Kelly Ward</td>
<td>CWFA</td>
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<tr>
<td>Mike Crocker</td>
<td>CWFA</td>
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<tr>
<td>Boyd Wiley</td>
<td>CWFA</td>
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<tr>
<td>Allen Cornett</td>
<td>CWFA</td>
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<tr>
<td>Jeanne Puricelli</td>
<td>CWFA</td>
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<tr>
<td>Ken Savko</td>
<td>CWFA</td>
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<tr>
<td>Kim Butler</td>
<td>CWFA</td>
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<tr>
<td>Lars Bolton</td>
<td>CWFA</td>
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<tr>
<td>Bill Spencer</td>
<td>CWFA</td>
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<tr>
<td>Charlie Via</td>
<td>CWFA</td>
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<tr>
<td>Pantea Westermann</td>
<td>CWFA</td>
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<tr>
<td>James Cornett</td>
<td>CWFA</td>
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<tr>
<td>Shawn Crumlish</td>
<td>VRA</td>
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<tr>
<td>Michelle Prior</td>
<td>OFM</td>
</tr>
</tbody>
</table>
During Event

• Event led by third party with no prior knowledge of process
  • DEQ training staff – green belt Lean Six Sigma

• Mapped VCWRLF process from beginning to end
  • What is beginning to end?
    • For us – annual solicitation to final loan disbursement

• Identified
  • Key communication points
  • Who, what, when, where, how, and why of each step
  • List of action items to achieve 3 event objectives
During Event
During Event
After Event – Output and Continuous Follow Up

• Output
  • Received two items from the Event Lead
    • Current State Map Graphic
    • List of Action Items

• Continuous follow up
  • Held monthly team meetings
    • Reviewed progress on action items
    • Continuously evaluated action items for clarification and ownership
  • Event Lead performed periodic follow up assessments
After Event – Output – Graphic Current State Map

START HERE

END HERE
### After Event – Output – List of Action Items

<table>
<thead>
<tr>
<th>#</th>
<th>Task</th>
<th>Lead</th>
<th>Members</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Review and update DEQ SOP</td>
<td>Pantea</td>
<td></td>
<td>Consider updating Program Design Manual as a first step</td>
</tr>
<tr>
<td>2</td>
<td>Standardize project tracking, VRA/DEQ communication points</td>
<td>Pantea</td>
<td></td>
<td>work with Karen on #11; shared drive structure drafted - team review and organize; VRA/DEQ, comm points - ongoing - met with Shawn - creating spreadsheet to track progress of projects through loan closing - will discuss at monthly meeting</td>
</tr>
<tr>
<td>3</td>
<td>Review Procedural Guidelines for opportunities to clarify to applicant what's needed with the goal of improving the quality of data in for all project types - related to application, see #7</td>
<td>Pantea/PMs</td>
<td></td>
<td>work with Bill; Pantea and Bill to complete when reviewing FY20 applications - ongoing</td>
</tr>
<tr>
<td>4</td>
<td>Applicant evaluation sheet - Still effective? Will the current criteria hold up in the future?</td>
<td>Pantea/Karen/Mike</td>
<td></td>
<td>Pantea to complete when scoring FY20 applications - ongoing</td>
</tr>
<tr>
<td>5</td>
<td>Formalize regional input for application review process</td>
<td>Bill</td>
<td></td>
<td>work with Kelly on #3; see #3 - complete - PMs review with Kelly</td>
</tr>
<tr>
<td>6</td>
<td>Who signs tentative approval list - Paylor, Board? Pros and cons</td>
<td>Karen</td>
<td></td>
<td>Paylor signs - complete</td>
</tr>
</tbody>
</table>
Results – Tangible

- Reduced amount of paper program was using
- Updated templates to fillable PDFs
- Updated applications and evaluation sheets
- Posted key documents to the website
  - Reduced questions from borrowers
- Organized common electronic filing system
  - Provided access to documents by all team members
  - Serendipitous – provided for seamless transition to full time telework due to COVID
Results – Intangible

- Saved time and resources by
  - Standardizing communication within team and support agencies
  - Streamlining communication with borrowers
- Explained step by step the process to new staff (including the Program Manager)
- Helped get central and regional office staff on the same page – resolved differences in how projects were managed and increased consistency
Key Takeaways for Success and Lessons Learned

• Key Takeaways for Success
  • Bring coffee and candy
  • Put boundaries around which processes to map
  • Define your team (anyone who has a role in the process)
  • Get everyone on the team in the room together (when it is safe)
  • Having a variety of experience is invaluable (need all and equal voice)
Key Takeaways for Success and Lessons Learned

• Key Takeaways for Success
  • Staff proven/staff led improvements are most effective
  • Action item ownership is key – volunteer (best) or assign
  • Prioritize action items
  • Hold each other accountable
  • Did I mention? Bring coffee and candy!

• Lessons learned
  • Allow for enough time, including breaks
  • Set up a system to check on progress
Virginia CWFAP Contact Information

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https://www.deq.virginia.gov/