



**STATE OF VERMONT**  
JOINT FISCAL OFFICE

**MEMORANDUM**

To: Joint Fiscal Committee members  
From: Sorsha Anderson, Senior Staff Associate  
Date: November 1, 2024  
Subject: Grant Request – JFO #3226

Enclosed please find one (1) item, which the Joint Fiscal Office has received from the Administration. ***This item is being held for the Joint Fiscal Committee meeting scheduled for November 6, 2024.***

**JFO #3226:** \$400,000.00 to the VT Agency of Natural Resources, Department of Forests, Parks and Recreation from the U.S. Forest Service, Region 9. Funds will be used to incentivize installation and maintenance of advanced wood heating systems in Vermont schools. The grant requires a 100% state match. \$390,000.00 of the match will be from local sub-recipients and the remainder is from the department budget for salaries and benefits. [Received 10/31/2024]

Please review the enclosed materials and notify the Joint Fiscal Office (Sorsha Anderson, [sanderson@leg.state.vt.us](mailto:sanderson@leg.state.vt.us)) if you have questions before the meeting.



**State of Vermont**  
**Department of Forests, Parks & Recreation**  
 1 National Life Drive, Davis 2  
 Montpelier, VT 05620-3801  
[www.vtfpr.org](http://www.vtfpr.org)

*Agency of Natural Resources*  
 [phone] 802-522-0730  
 [fax] 802-828-1399

To: Philip B. Scott, Governor and Vermont Joint Fiscal Committee  
 From: Danielle Fitzko, Commissioner  
 Through: Ansley Bloomer, Director of Finance and Administration  
 Date: 09/30/2024  
 Subject: AA-1 Request for Grant Acceptance for ALN Numbers 10.681, 10.698, 10.720 and 10.727

The Department of Forests, Parks and Recreation (FPR) seeks the approval of four (4) Request for Grant Acceptance (AA-1) forms for 4 separate Federal Awards.

While reconciling our federal awards for our annual Schedule of Expenditures of Federal Awards (SEFA) report, we discovered that the AA-1 forms requesting approval for 4 new federal awards were never submitted. All 4 federal awards have expenditures in FY24, and we have received revenue for three of the awards.

The FPR Business Office has experienced turn-over in every single position in the last two years. FPR was without a Grants Manager for many months and the position has also turned over twice in two years. The checks-and-balances were not in place when these awards were executed, and critical workflows were either missed, or staff were not adequately trained. Current staff have been extremely diligent in turning things around by establishing protocol, and this important step is now well known and will be adhered to going forward.

Here are the details of the 4 awards:

ALN Number	Federal Agency	Program Title	FY24 Expenditures	FY24 Federal Revenue	Total Federal Award Amount
10.681	Department of Agriculture	Wood Education & Resource Center	\$1,932	\$365	\$400,000
10.698	Department of Agriculture	Cooperative Fire Assistance	\$31,545	\$31,545	\$141,663
10.720	Department of Agriculture	Community Wildfire Defense Grant Program	\$3,138	\$-	\$50,000
10.727	Department of Agriculture	Inflation Reduction Act Urban & Community Forestry Program	\$10,296	\$10,296	\$750,000
<b>TOTALS</b>			<b>\$46,911</b>	<b>\$42,206</b>	<b>\$1,341,663</b>

All expenses incurred in FY25 have been backed out of Federal Fund 22005 and have been booked to our General Fund appropriation until our request has been processed.

The enclosed AA-1 forms have been signed off on by the Department, however, we clearly cannot attest that no funds were expended as we have expended funds for all 4 awards.

Please don't hesitate to reach out with questions. We greatly appreciate your consideration.

Enclosed for each award:  
 AA-1 Form and Required Documentation



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Please don't hesitate to reach out with questions. We greatly appreciate your consideration.

Enclosed for each award:  
AA-1 Form and Required Documentation

**State of Vermont**

Department of Finance & Management  
109 State Street, Pavilion Building  
Montpelier, VT 05620-0401

Agency of Administration

[phone] 802-828-2376

## STATE OF VERMONT FINANCE & MANAGEMENT GRANT REVIEW FORM

<b>Grant Summary:</b>		To provide financial incentives for the purpose of maintaining and installing advanced wood heat systems (AWH) in Vermont schools.			
<b>Date:</b>		9/20/2024			
<b>Department:</b>		Forests, Parks & Recreation			
<b>Legal Title of Grant:</b>		Supporting Vermonts Forest Economy by Maintaining Markets; 23-DG11094200-416			
<b>Federal Catalog #:</b>		10.681			
<b>Grant/Donor Name and Address:</b>		United States Forest Service, Region 9 626 E. Wisconsin Ave Milwaukee, WI, 52302			
<b>Grant Period:</b>		<b>From:</b>		<b>To:</b>	
		9/1/2023		8/31/2026	
<b>Grant/Donation</b>		\$400,000			
	<b>SFY 1</b>	<b>SFY 2</b>	<b>SFY 3</b>	<b>Total</b>	<b>Comments</b>
<b>Grant Amount:</b>	\$966	\$132,689	\$132,689	\$400,000	Remainder in SFY 4
<b>Position Information:</b>		<b># Positions</b>	<b>Explanation/Comments</b>		
<b>Additional Comments:</b>		\$400k federal grant requiring \$400k State match. Expenditures mistakenly made against this grant in FY24. FPR is seeking retroactive approval and has identified internal control improvements to prevent reoccurrence.			
<b>Department of Finance &amp; Management</b>				Adam Greshin	(Initial)
<b>Secretary of Administration</b>				Sarah Clark	(Initial)
<b>Sent To Joint Fiscal Office</b>					<b>Date</b>



## STATE OF VERMONT REQUEST FOR GRANT (\*) ACCEPTANCE (Form AA-1)

BASIC GRANT INFORMATION				
<b>1. Agency:</b>		Natural Resources		
<b>2. Department:</b>		Forests, Parks & Recreation		
<b>3. Program:</b>		Forestry		
<b>4. Legal Title of Grant:</b>		Supporting Vermonts Forest Economy by Maintaining Markets; 23-DG11094200-416		
<b>5. Federal Catalog #:</b>		10.681		
<b>6. Grant/Donor Name and Address:</b> USDA, FOREST SERVICE REGION 9, STATE AND PRIVATE FORESTRY 626 East Wisconsin Ave Milwaukee, WI 53202				
<b>7. Grant Period:</b>		<b>From:</b>	9/1/2023	<b>To:</b> 08/31/2026
<b>8. Purpose of Grant:</b> Is to provide financial incentives for the purpose of maintaining and installing advanced wood heat systems (AWH) in Vermont schools.				
<b>9. Impact on existing program if grant is not Accepted:</b> Vermont schools are in need to cost effective and efficient heating systems, either installation or upgrades. Sub-awards from this funding makes that financially possible, especially for schools in rural communities.  Total grant award of \$400,000, match of \$400,000, for a total grant of \$800,000; most expenses expected in FY25-27; FY27=\$265,378; This is a 5 year grant; Grant expected to close in year 4 (early); Indirect for FY 27=\$620; Indirect total of \$1,860				
10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 24	FY 25	FY 26	
Personal Services	\$0	\$620	\$620	
Operating Expenses	\$0	\$0	\$0	
Grants	\$1,932	\$264,758	\$264,758	See details on #9
<b>Total</b>	\$1,932	\$265,378	\$265,378	
Revenues:				
State Funds:	\$966	\$132,689	\$132,689	No State Exp FY24
Cash	\$0	\$0	\$0	
In-Kind	\$966	\$132,689	\$132,689	
Federal Funds:	\$966	\$132,689	\$132,689	
(Direct Costs)	\$966	\$132,069	\$132,069	
(Statewide Indirect)	\$0	\$620	\$620	See details on #9
(Departmental Indirect)	\$0	\$0	\$0	
Other Funds:	\$0	\$0	\$0	
Grant (source )	\$0	\$0	\$0	
<b>Total</b>	\$1,932	\$265,378	\$265,378	
<b>Appropriation No:</b>				
6130020000		<b>Amount:</b>		\$
				\$132,689

# STATE OF VERMONT REQUEST FOR GRANT (\*) ACCEPTANCE (Form AA-1)

		\$
		\$
		\$
		\$
		\$
		\$
	<b>Total</b>	\$132,689

## PERSONAL SERVICE INFORMATION

**11. Will monies from this grant be used to fund one or more Personal Service Contracts?** ☐ Yes ☒ No  
If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: \_\_\_\_\_ Agreed by: \_\_\_\_\_ (initial)

12. Limited Service Position Information:	# Positions	Title
<b>Total Positions</b>		

**12a. Equipment and space for these positions:**

☐ Is presently available. ☐ Can be obtained with available funds.

## 13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):

Signature: Dani Luce Date: 9/12/2024

Title: Senior Manager of Finance and Administration

Signature: Danielle Fitzko Date: 9/12/2024

Title: Commissioner, Department of Forests, Parks and Recreation

## 14. SECRETARY OF ADMINISTRATION

☒ Approved: \_\_\_\_\_ (Secretary or designee signature) Sarah Clark Date: \_\_\_\_\_

## 15. ACTION BY GOVERNOR

☒ Check One Box: Accepted \_\_\_\_\_ Date: 10/29/24

☐ Rejected \_\_\_\_\_ (Governor's signature)

## 16. DOCUMENTATION REQUIRED

### Required GRANT Documentation

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Request Memo                | <input type="checkbox"/> Notice of Donation (if any)              |
| <input type="checkbox"/> Dept. project approval (if applicable) | <input type="checkbox"/> Grant (Project) Timeline (if applicable) |
| <input checked="" type="checkbox"/> Notice of Award             | <input type="checkbox"/> Request for Extension (if applicable)    |
| <input checked="" type="checkbox"/> Grant Agreement             | <input type="checkbox"/> Form AA-1PN attached (if applicable)     |
| <input checked="" type="checkbox"/> Grant Budget                |   |

**End Form AA-1**

## STATE OF VERMONT REQUEST FOR GRANT (\*) ACCEPTANCE (Form AA-1)

(\*) The term “grant” refers to any grant, gift, loan, or any sum of money or thing of value to be accepted by any agency, department, commission, board, or other part of state government (see 32 V.S.A. §5).

**FEDERAL FINANCIAL ASSISTANCE  
AWARD OF DOMESTIC GRANT 23-DG-11094200-416  
Between The  
DEPARTMENT OF FORESTS PARKS & RECREATION VERMONT  
And The  
USDA, FOREST SERVICE  
EASTERN REGION  
STATE, PRIVATE, AND TRIBAL FORESTRY**

Program Title: Supporting Vermonts Forest Economy by Maintaining Markets

Upon execution of this document, an award to Department of Forests Parks & Recreation Vermont, hereinafter referred to as “FPR,” in the amount of **\$400,000.00**, is made under the authority of 16 USC 1650. The Federal Assistance Listing (formerly Catalog of Federal Domestic Assistance - CFDA) number and name are 10.681, Wood Education & Resource Center (WERC).. FPR accepts this award for the purpose described in the application narrative. Your application for Federal financial assistance, dated 02/01/2024, and the attached Forest Service provisions, ‘Forest Service Award Provisions,’ are incorporated into this letter and made a part of this award.

This authority requires a match of 1:1, federal to non-federal, which your organization has agreed to provide as shown in the attached application, financial plan and narrative.

This is an award of Federal financial assistance. Prime and sub-recipients to this award are subject to the OMB guidance in subparts A through F of 2 CFR Part 200 as adopted and supplemented by the USDA in 2 CFR Part 400. Adoption by USDA of the OMB guidance in 2 CFR 400 gives regulatory effect to the OMB guidance in 2 CFR 200 where full text may be found.

Electronic copies of the CFRs can be obtained at the following internet site: [www.ecfr.gov](http://www.ecfr.gov). If you are unable to retrieve these regulations electronically, please contact your Grants and Agreements Office at [SM.FS.R9SPFgrants@usda.gov](mailto:SM.FS.R9SPFgrants@usda.gov).

The following administrative provisions apply to this award:

- A. **LEGAL AUTHORITY**. FPR shall have the legal authority to enter into this award, and the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project, which includes funds sufficient to pay the non-Federal share of project costs, when applicable.





- B. **PRINCIPAL CONTACTS.** Individuals listed below are authorized to act in their respective areas for matters related to this award.

**Principal Cooperator Contacts:**

<b>Cooperator Program Contact</b>	<b>Cooperator Administrative Contact</b>
Molly Willard, Wood Energy and Forest Products Specialist Vermont Department of Forests, Parks & Recreation P.O. Box 1 National Life Drive, Davis 2 Montpelier, VT 05620-3801 Phone: (802) 261-1681 Email: <a href="mailto:molly.willard@vermont.gov">molly.willard@vermont.gov</a>	Ansley Bloomer, Director of Finance and Administration Vermont Department of Forests, Parks & Recreation P.O. Box 1 National Life Drive Davis 2 Montpelier, VT 05620-3801 Phone: (802) 522-0730 Email: <a href="mailto:ansley.bloomer@vermont.gov">ansley.bloomer@vermont.gov</a>

**Principal Forest Service Contacts:**

<b>Forest Service Program Manager Contact</b>	<b>Forest Service Administrative Contact</b>
Lew McCreery 180 Canfield St Morgantown, WV 26505 Phone: 304-285-1538 Email: <a href="mailto:lew.mccreery@usda.gov">lew.mccreery@usda.gov</a>	Emily Sumner 626 E Wisconsin Ave Milwaukee, WI 53202 Phone: 414-255-6432 Email: <a href="mailto:Emily.sumner@usda.gov">Emily.sumner@usda.gov</a>

- C. **SYSTEM FOR AWARD MANAGEMENT REGISTRATION REQUIREMENT (SAM).** FPR shall maintain current organizational information and the original Unique Entity Identifier (UEI) provided for this agreement in the System for Award Management (SAM) until receipt of final payment. This requires annual review and updates, when needed, of organizational information after the initial registration. More frequent review and updates may be required for changes in organizational information or agreement term(s). Any change to the original UEI provided in this agreement will result in termination of this agreement and de-obligation of any remaining funds. For purposes of this agreement, System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a Cooperative. Additional information about registration procedures may be found at the SAM Internet site at [www.sam.gov](http://www.sam.gov).

D. ADVANCED AND REIMBURSABLE PAYMENTS – FINANCIAL ASSISTANCE.

Advanced and reimbursable payments are approved under this award. Only costs for those project activities approved in (1) the initial award, or (2) modifications thereto, are allowable. Requests for payment must be submitted on Standard Form 270 (SF-270), Request for Advance or Reimbursement, and must be submitted no more than monthly. In order to approve a Request for Advance Payment or Reimbursement, the Forest Service shall review such requests to ensure advances or payments for reimbursement are in compliance and otherwise consistent with OMB, USDA, and Forest Service regulations.

Advance payments must not exceed the minimum amount needed or no more than is needed for a 30-day period, whichever is less. If the Recipient receives an advance payment and subsequently requests an advance or reimbursement payment, then the request must clearly demonstrate that the previously advanced funds have been fully expended before the Forest Service can approve the request for payment. Any funds advanced, but not spent, upon expiration of this award must be returned to the Forest Service.

The Program Manager reserves the right to request additional information prior to approving a payment.

The invoice must be sent by one of three methods:	Send a copy to:
EMAIL (preferred): <a href="mailto:SM.FS.asc_ga@usda.gov">SM.FS.asc_ga@usda.gov</a>	Lew McCreery
FAX: 877-687-4894	<a href="mailto:lew.mccreery@usda.gov">lew.mccreery@usda.gov</a>
POSTAL: Albuquerque Service Center Payments – Grants & Agreements 4000 Masthead St SE Albuquerque, NM 87109	

E. INDIRECT COST RATES. The approved indirect cost rate at the time of execution is **23.94%** as shown in the NICRA provided by the Cooperator.

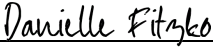
As new NICRAs are agreed to between FPR and their cognizant audit agency, the revised provisional or final rate(s) are automatically incorporated into this award, as appropriate, and must specify (1) the agreed upon rates, (2) the bases to which the rates apply, (3) the fiscal year for which the rates apply, and (4) the items treated as direct costs. The award obligation will not increase as a result of indirect cost rate increases. Updates to NICRAs will not affect the total funds available for this award unless documented in a formally executed modification.

If the NICRA is for a provisional rate, FPR shall be reimbursed at the established provisional rate(s), subject to appropriate adjustment when the final rate(s) for the fiscal year are established.

- F. PRIOR WRITTEN APPROVAL. FPR shall obtain prior written approval pursuant to conditions set forth in 2 CFR 200.407.
- G. MODIFICATIONS. Modifications within the scope of this award must be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized signatory officials, prior to any changes being performed. Requests for modification should be made, in writing, at least 60 days prior to implementation of the requested change. The Forest Service is not obligated to fund any changes not properly approved in advance.
- H. PERIOD OF PERFORMANCE. This agreement is executed as of the date of the Forest Service signatory official signature. Pre-award costs are authorized as of 09/01/2023 pursuant to 2 CFR 200.458.

The end date, or expiration date is **08/31/2026** This instrument may be extended by a properly executed modification. *See Modification Provision above.*

- I. AUTHORIZED REPRESENTATIVES. By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective areas for matters related to this award. In witness whereof the parties hereto have executed this award.

DocuSigned by:  
  
DANIELLE FITZKO, Commissioner  
Department of Forests Parks & Recreation Vermont  
2/9/2024  
Date

ROBERT LUECKEL, Deputy Regional Forester  
US Forest Service, Eastern Region, SPTF  
Date

The authority and the format of this award have been reviewed and approved for signature.

SYDNEY  
DROP  
Digitally signed by  
SYDNEY DROP  
Date: 2024.02.06  
07:20:27 -08'00'  
SYDNEY DROP  
Forest Service Grants Management Specialist  
Date