



STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE

MEMORANDUM

TO: Joint Fiscal Committee Members

FROM: Maria Belliveau, Associate Fiscal Officer *MB*

DATE: August 24, 2015

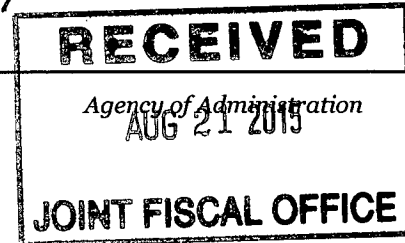
SUBJECT: JFO #2777 – Grant from the National Alcohol Beverage Control Association to the Department of Liquor Control

The Joint Fiscal office has received a request from the Department of Liquor Control (DLC) for authority to accept a \$19,100 grant from the National Alcohol Beverage Control Association.

The grant funds will be used for two purposes. First, \$14,800 will be used to support a study of the warehouse, which was recommended by the Auditor's Office after a 2014 performance evaluation. The study will be performed by a consultant and will take a look at operations of the warehouse including efficiency of layout, layout of a new facility, sales data, and picking inventory and store areas.

The second use of the funds is \$4,300 to support an educational speaker at the Marijuana Awareness Conference that will be held in October. This conference is being hosted jointly by the DLC and the Vermont Prevention Works Coalition.

Please review the enclosed materials and notify the Joint Fiscal Office (Maria Belliveau at (802) 828-5971; mbelliveau@leg.state.vt.us) if you have questions or would like this item held for legislative review. Unless you respond to the contrary by September 8, 2015 it will be assumed that you agree to consider as final the Governor's acceptance of this request.



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

[phone] 802-828-2376
 [fax] 802-828-2428

STATE OF VERMONT
FINANCE & MANAGEMENT GRANT REVIEW FORM

Grant Summary: DLC will study the operations of the warehouse including sales data, picking inventory and store areas, review and prepare layouts of efficient warehouse that includes the growth of DLC's inventory, and layout of a new facility. The grant also includes funds to support a speaker at the Marijuana Awareness Conference that will provide education on the "new marijuana in all forms, its strengths and particular issues and problems as it relates to public safety.

Date: July 22, 2015

Department: Department of Liquor Control

Legal Title of Grant: Supplemental Education Award

Federal Catalog #: N/A

Grant/Donor Name and Address: National Alcohol Beverage Control Association, 4401 Ford Avenue Suite 700, Alexandria, Virginia 23202-1473

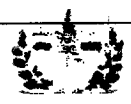
Grant Period: From: 08/01/2015 To: 6/30/2016

Grant/Donation	SFY 1	SFY 2	SFY 3	Total	Comments
Grant Amount:	\$19,100	\$0	\$0	\$19,100	Includes two projects.

Position Information:	# Positions	Explanation/Comments

Additional Comments: Funds have been provided to DLC therefore the project may begin earlier than the application suggests.

Department of Finance & Management	HC ^{8/14/15}	(Initial)
Secretary of Administration	MC 8/4/15	(Initial)
Sent To Joint Fiscal Office	8/18/15	Date





State of Vermont
Department of Liquor Control
13 Green Mountain Drive
Montpelier, VT 05620-4501
liquorcontrol.vermont.gov

[phone] 802-828-2339
[fax] 802-828-1031

James Giffin, Interim Commissioner

July 17, 2015

Emily Byrne
Budget & Management
109 State Street
Montpelier, VT 05609

Dear Emily

Liquor control has been awarded a Supplemental Educational Award from the National Alcohol Beverage Control Association (NABCA) and we are submitting an AA-1 to be reviewed and sent on to Joint Fiscal for approval.

I am including with the grant proposal a copy of the email from NABCA letting us know it has been approved as there is some urgency to the approval from JFO. Part of the funds are dedicated for a warehouse study that is to begin next month, and the balance is for our part in a Marijuana Awareness Conference that is to be held in October. We expect the check and the award letter to arrive next week, and we will forward on to you, but we were hoping to get the ball rolling with these materials.

Please let me know if you require anything else in support of this request.

A handwritten signature in black ink that reads "Heather Duke".

Heather Duke
Financial Administrator II
Vermont Liquor Control
Montpelier, VT 05602

JUL 21 2015





State of Vermont
Department of Liquor Control
13 Green Mountain Drive
Montpelier, VT 05620-4501
liquorcontrol.vermont.gov

[phone] 802-828-2339
[fax] 802-828-1031

James Giffin, Interim Commissioner

July 17, 2015

Justin Johnson
Secretary of Administration
109 State Street
Montpelier, VT 05609-0201

Dear Justin,

Please find enclosed with letter a request by the Department of Liquor Control (DLC) for approval of a one-time grant for a Supplemental Educational Award for the period 2015-2016. This award is in support of two projects which Liquor Control plans to begin shortly.

The \$19,100 grant is being offered by the National Alcohol Beverage Control Association (NABCA). There are no new positions associated with it, nor does it add to the base budget of the department.

The first part of the award is in support of a Warehouse Study project which was recommended by the Auditor's Office after our 2014 performance evaluation. The cost is 14,800 for the services of a consultant who will continue with the evaluative work currently under way. He will analyze sales data for all products, calculate pick and store areas, review and prepare layouts encompassing one years' growth, and project when a new facility will be needed, among other things. His work is expected to begin in early to mid-August, so there is some urgency to this request.

The second part of the award is for expenses in support of a Marijuana Awareness Conference that DLC is hosting jointly with the Vermont Prevention Works Coalition in October. As marijuana debate grows within the state, DLC would like to make sure those involved make a reasonable, informed decision. This funding will help to make this happen. A more complete explanation is in the grant application which is also included with this letter.

Thank you, in advance, for your approval,
Respectfully,


James Giffin
Interim Commissioner
Vermont Liquor Control

Enclosures
JG/hd



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

BASIC GRANT INFORMATION				
1. Agency:				
2. Department:		Liquor Control		
3. Program:		Alcohol Education		
4. Legal Title of Grant:		2015/16 Supplemental Education Award		
5. Federal Catalog #:		N/A		
6. Grant/Donor Name and Address: National Alcohol Beverage Association 4401 Ford Avenue Suite 700 Alexandria, Virginia 23202-1473				
7. Grant Period:		From: 10/1/2015 8/1/2015	To:	6/30/2016
8. Purpose of Grant: 1. Expenses related to Marijuana Awareness Conference to be held in October 2. Expenses related to Liquor Control Warehouse Study which will begin in early to mid August.				
9. Impact on existing program if grant is not Accepted: The warehouse study is necessary to DLC continued operations, so funding will be made from Enterprise Fund. The Conference is a joint effort with another department; if not approved, DLC will not be able to secure the keynote speaker.				
10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 16	FY	FY	
Personal Services	\$12,400	\$	\$	
Operating Expenses	\$6,700	\$	\$	
Grants	\$	\$	\$	
Total	\$19,100	\$	\$	
Revenues:				
State Funds:	\$	\$	\$	
Cash	\$	\$	\$	
In-Kind	\$	\$	\$	
Federal Funds:	\$	\$	\$	
(Direct Costs)	\$	\$	\$	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:	\$	\$	\$	
Grant (source NABCA)	\$19,100	\$	\$	
Total	\$19,100	\$	\$	
Appropriation No:	2300002000	Amount:	\$4,300	
	2300003000		\$14,800	
			\$	
			\$	
			\$	

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

		\$
		\$
	Total	\$19,100

Has current fiscal year budget detail been entered into Vantage? Yes No

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: *[Signature]* (initial)

12. Limited Service Position Information:	# Positions	Title
Total Positions		

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: <u><i>[Signature]</i></u>	Date: <u>7/17/15</u>
	Title: <u>Commissioner DLC</u>	
	Signature: _____	Date: _____
	Title: _____	

14. SECRETARY OF ADMINISTRATION

Approved: _____ (Secretary or designee signature) Date: 8/10/15

15. ACTION BY GOVERNOR

Check One Box:
 Accepted _____ Date: 8/18/15
 Rejected _____ (Governor's signature) Date: _____

16. DOCUMENTATION REQUIRED

Required GRANT Documentation

<input 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 type="checkbox"/> Notice of Award	<input type="checkbox"/> Request for Extension (if applicable)
<input type="checkbox"/> Grant Agreement	<input type="checkbox"/> Form AA-1PN attached (if applicable)
<input type="checkbox"/> Grant Budget	

End 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).

Vermont Department of Liquor Control
13 Green Mountain Drive
Montpelier, Vermont 05620-4501

I cannot thank you enough for all of this.

Steve

Steven M. Waldo,

Education Investigator
Vermont Department of Liquor Control
6 Baltimore Road
Baltimore, Vermont 05143-9541
(802) 263-5355
steve.waldo@state.vt.us
liquorcontrol.vermont.gov

From: Steve Schmidt [<mailto:Steve.Schmidt@nabca.org>]
Sent: Thursday, July 16, 2015 9:25 AM
To: Waldo, Steve
Cc: 'Stephanie O'Brien'; Lisa Dixon
Subject: Supplemental grant

Steve:

The Board of Directors has officially approved the Supplemental Award for the total amount submitted...\$19,100. Please let me know to who we should forward the check. Thanks.

Steve

<image001.jpg>

STEVEN L. SCHMIDT
Sr. Vice President
Public Policy and Communications

4401 Ford Avenue, Suite 700
Alexandria, VA 22302

Tele: 703.578-4200
Cell: 703-965-6941
Fax: 703-820-3551

Email: steve.schmidt@nabca.org



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NATIONAL ALCOHOL BEVERAGE CONTROL ASSOCIATION
**2015/16 Supplemental Education Award
 Program Application**

1. PROJECT ADMINISTRATION

ABC Agency Vermont Department of Liquor Control

Project Coordinator Steven M. Waldo (alternate: Melanie Gaiotti)

Title Education Investigator (Melanie: Sergeant, Education Division)

Address 13 Green Mountain Drive Montpelier Vt 05620-4501
Street or P.O. Box City State Zip Code

Daytime Telephone (802) 828-2339 Fax Number (802) 828-2803

Email Address Steve.waldo@state.vt.us (Melanie: Melanie.gaiotti@state.vt.us)

2. PROJECT DESCRIPTION

Project Title Combined Marijuana Awareness Conference and Liquor Control Warehouse study

Project Start Date October 1, 2015 Project Completion Date June 30, 2016

Project Description (attach): (see attached)

3. BUDGET

Amount Requested
 from NABCA (Maximum
 of \$25,000)

\$ **19,100.00**

Income from other sources (<i>Itemized Project Budget (attach)</i>)	
Marijuana Awareness Conference	\$4,300.00
Liquor Control Warehouse Study	\$14,800.00
	\$

4. AWARD PAYMENT INSTRUCTIONS

Please confirm the name and mailing address of the entity to whom the award check should be made payable. If this is a third party entity, a W-9 form is required before processing the grant. NABCA will obtain the W-9 form. Once the W-9 form is received, the agency will be informed and the grant will be released to the appropriate contact.

Make check payable to: Vermont Department of Liquor Control

Mailing Address: 13 Green Mountain Drive
Montpelier, Vermont 05620-4501

Phone No.: (802) 828-2339

5. SIGNATURES

Signature of Project Coordinator

Steven M. Waldo, Education Investigator

Name of Project Coordinator (Please Print)

7-15-2015

Date

Signature of ABC Director/Administrator

James Giffin, Interim Commissioner

Name of ABC Director/Administrator (Please Print)

7/15/15

Date



NATIONAL ALCOHOL BEVERAGE CONTROL ASSOCIATION
**2015/16 Supplemental Education Award
Program Application**

The National Alcohol Beverage Control Association recognizes the importance of its role and more importantly, that of its member jurisdictions, in the areas of education/prevention of alcohol abuse and the need to support other organizations with the same goals. In addition it is critical that agencies continuously improve operations by staying informed of developments in policy, operations, and technologies related to the many aspects of their agency's operations. Lastly, cooperating and informing other key stakeholders in the agency's operations requires ongoing communication and collaboration. This supplemental grant made possible through the NABCA Education Corpus is designed to enhance and expand the efforts of the corpus by providing additional funds for education/prevention of alcohol use and other efforts designed to strengthen the member agency's operations efforts at responsibly and effectively managing the alcohol system in their jurisdiction.

Role of Member ABC Agency

As a participant in this educational effort, there are a variety of roles the member control agency may play:

1. **Direct Administrator.** This role would have the ABC receiving the money and using it to directly pay for or fund a specific prevention/education effort conducted by the agency itself.
2. **"Pass Through" Agency.** This role would include the ABC publicizing the availability of the education award to appropriate project coordinators or organizations throughout their state that would apply directly to them to receive funds. Or the ABC may identify a specific organization, which is to receive the funds and simply pass the funds through to the organization.
3. **Convener or Facilitator.** This role would include the ABC identifying leaders and key stakeholders in the community which they would bring together in a meeting to discuss the formation of community coalitions. The ABC could take on the role of facilitating the meeting or have experts present to assist in the development of community collaboration. The ABC can provide guidance and/or funding to begin and sustain a dialogue which will ultimately lead to an established coalition.
4. **A Combination of the Above Roles.** An ABC may find that a combination of above roles would be appropriate for the use of these funds.

Application Guidelines

1. Project Administration

The ABC Agency will play the primary role in project leadership. The project coordinator is the individual who will be the NABCA contact for the project. The coordinator should be closely involved with all aspects of the project through its duration.

2. Project Description

Describe the plans for spending the funds. Proposals should not exceed one page and should address each of the following in the order listed:

- **Brief Summary** - Describe the activity the NABCA Education Award will be used to fund and the anticipated impact.
- **Criteria** - Describe how the activity meets each of the three criteria outlined in this brochure.



NATIONAL ALCOHOL BEVERAGE CONTROL ASSOCIATION
**2015/16 Supplemental Education Award
Program Application**

- Time Line - Indicate starting and completion dates (*please include actual dates or month/year*).
- Evaluation - Describe the plan for evaluating the project's impact. (*i.e., may include surveys, program/project reports on impact, direct feedback, etc.*)
- Continuation - Outline the plan for continuation after the award funding.

3. Budget

A brief budget justification statement must accompany the proposed budget. The justification should clearly explain why each expense is necessary for the proposed project. Monies are not to be used to supplement existing activities.

NOTE: NABCA does not "cost share" or allow funds to be used for administrative cost reimbursement.

4. Signatures

The State ABC will serve as the fiscal agent for the program, and therefore, accepts fiscal responsibility for the funded project. The project coordinator's signature is also requested.

Final Report

Upon completion of the project, please submit a report that details the project process and products and how project strategies and objectives were met. This final report and any project materials that are produced (*i.e.* brochures, posters, videos, core reports, advertisements, event photos, etc.) should be sent to NABCA. This report should also include how all of the funds were expended.

See Supplemental Education Award Program Report Guidelines for further detail.



NATIONAL ALCOHOL BEVERAGE CONTROL ASSOCIATION
**2015/16 Supplemental Education Award
Program Application**

Application Timelines

Award applications will be considered at any regularly scheduled Board Meeting. The deadline for consideration at the Board Meetings will be as follows:

- For the Board Meeting held September 16-20, 2015, the application must be received by NABCA no later than **Monday, August 31.**
- For the Board Meeting held January 6-10, 2016, the application must be received by NABCA no later than **Friday, December 11.**
- For the Board Meeting held May 18-21, 2016, the application must be received by NABCA no later than **Friday, April 29, 2015**

Please submit applications to:

NABCA
Attn: Steve Schmidt, Sr. VP, Public Policy/Communications
4401 Ford Ave., Suite 700
Alexandria, Virginia 22302

You may fax your application to 703-820-3551 or email to steve.schmidt@nabca.org, but please mail the original application with appropriate signatures.

(Note: Awards will not be processed if a previous Supplemental Education Award has not been completed and/or a report has not been submitted to NABCA.)

Legal Disclosure

As part of all announcements made or promotional material distributed concerning activities funded by this award, recipients are requested to disclose that the activity was funded, in whole or in part, by funds from the National Alcohol Beverage Control Association. Distribution of awards is conditioned on recipient's compliance with any proposal submitted or any terms and conditions accompanying the education award. By making this award, NABCA assumes no liability for any activity undertaken by recipient using award funds.

Vermont Department of Liquor Control 2015/16 Supplemental Award

Project #1: Liquor Control Warehouse Study

Brief Summary -

1. Analyze sales data for all products and calculate pick area and storage space requirements for the warehouse for the next 10 years based on projected annual growth and SKU increases for 10 years. Project when new facility is required.
2. Initial site visit to tour facility to validate current warehouse layout, watch picking, receiving and shipping operation. Identify other details to prepare product storage and pick area layout. Develop AutoCAD drawing of current facility.
3. Prepare initial warehouse storage and pick area layouts which include room for approximately one year's growth in SKU's.
4. Discuss proposed layout for warehouse and make any recommended changes.
5. Finalize recommendations including pallet and case flow racking details and specifications. Include productivity improvement ideas where appropriate. Develop estimated cost savings from warehouse relayout and productivity improvements.
6. Review compliance with OSHA and VOSHA. Review current security.

Criteria -

1. Question: If possible, list other sources that funded this activity and the approximate amount that were provided.
 - There has not been any previous activity; this is a new project.
2. Question: What role did the Alcohol Beverage Control agency play in this activity?
 - Changes have been made over years but without a long term view or without the aid of efficiency studies.
3. Question: What were the overall results of this funded activity?
 - Given the above information, it is not possible to answer this question; it would not apply to this application.

Time Line -

<i>Pre-work by Consultant David Jackson, Chief of Liquor Operations</i>	<i>2 weeks prior to project commencement (late July 2015)</i>
<i>Project commencement</i>	<i>Early August 2015</i>
<i>Study and results</i>	<i>Due 14 days after first visit</i>
<i>Possible requirement for Phase 2</i>	<i>To be determined</i>

Evaluation -

Question – Describe the plan for evaluating the project's impact. (*i.e., may include surveys, program/project reports on impact, direct feedback, etc.*)

1. Report on gained efficiencies
2. Changes to warehouse layout and possible staffing requirements
3. Improved compliance with OSHA and report on security to be forwarded to Building Services
4. Possible phase 2 requirements if necessary

Continuation -

- Changes will be made to the warehouse layout as suggested to improve efficiency. It may possibly lead to a Phase 2 project on restructuring the warehouse, servicing agents and delivery.

Project #2: Marijuana Awareness Conference

Brief Summary:

The Vermont State Statute governing alcoholic beverages speaks to the protection of the public welfare, good order, health, peace, and safety. Toward that end, the Vermont Department of Liquor Control strives to help reduce the number of tragedies on our highways due to alcohol. The data shows we have all worked hard to reduce the number of impaired drivers on the road but the trends for drivers mixing alcohol with drugs such as marijuana has not until recently been given a closer look. Most recently it was reported in a study that driving under the impairment of both alcohol and marijuana increases the risk of a fatality 24 fold. This fact coupled with the knowledge that the potency of marijuana has increased as much as eight times in the past 20 years and now marijuana solids and liquids are being sold in states like Colorado at nearly 90% THC has caused great concern. Unfortunately, the law enforcement community, as well as those working in the communities to reduce this harm, are not adequately prepared with the knowledge of these new trends. This grant will work to significantly reduce that knowledge gap by bringing in an expert to educate all of us in Vermont.

Criteria -

1. We will be working collaboratively with the Vermont Prevention Works Coalition, who will be providing the funds to sponsor a two day conference for all law enforcement officers, community coalitions, health prevention specialists and community youth from around the state.
2. The Vermont Department of Liquor Control (through this grant) will be contracting with national marijuana expert Officer Jermaine Galloway of Idaho to bring him to Vermont to educate all these sectors on the "new" marijuana in all its myriad forms, strengths, particular issues and problems.
3. We hope to better equip law enforcement and everyone in our communities as we attempt to deal with the surge in marijuana use in our state. Vermont currently leads the nation in underage use of marijuana as well as underage use of alcohol.

Time Line -

<i>Grant approved by NABCA</i>	<i>September 2015</i>
<i>Presenter/Trainer Agreement</i>	<i>October 2015</i>
<i>Conference held</i>	<i>October 26 & 27, 2015</i>
<i>Conference evaluations reviewed and summarized</i>	<i>November 2015</i>
<i>Final Report to NABCA</i>	<i>December 2015</i>

Evaluation -

We will be creating feedback evaluation forms for all participants as well as an email distribution list that can be used to quickly update everyone as new trends develop.

Continuation -

It is the hope that this conference will be a regularly occurring gathering and sharing of information by all law enforcement and our prevention communities.