ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE
Division of Legislative Finance

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MEMORANDUM

DATE: December 10, 2009

TO: Legislative Budget and Audit Committee

FROM: David Teal
Director

SUBJECT: Preparation for the December 16, 2009 LB&A Meeting

OMB submitted the following 9 RPLs for consideration at the December 16, 2009, Legislative Budget and Audit Committee meeting. All are for American Recovery and Reinvestment Act of 2009 (ARRA) funding. The RPLs, along with Legislative Finance comments, are posted on our web site at http://www.legfin.state.ak.us/ so that committee members can print and review them.

RPL#	Agency	Appropriation/Allocation/*Program*	Amount	Fund Source
06-0-0219	Health and Social Services	Prevention and Wellness – State Supplemental Grant Funds	$207,211	ARRA funds – Operating
06-0-0221	Health and Social Services	Prevention and Wellness – Communities Putting Prevention to Work	$952,086	ARRA funds – Operating
07-0-1111	Labor and Workforce Development	Alaska State Labor Market Information Improvement Grant – Green Jobs	$200,000	ARRA funds – Operating
10-0-5070 *Capitol*	Natural Resources	Alaska Volcano Observatory	$1,500,000	ARRA Funds - Capitol
11-0-0463	Fish and Game	Aquaculture Grant Program for Alutiiq Pride Shellfish Hatchery Operating Costs	$150,017	ARRA funds – Operating
25-0-7547 *Capitol*	Transportation and Public Facilities	Ketchikan: Tongass Highway – Viaducts Replacement and Rehabilitation	$1,300,000	ARRA Funds - CIP
25-0-7548 *Capitol*	Transportation and Public Facilities	Sand Point – School Loop Road Rehabilitation	$4,000,000	ARRA Funds - CIP
25-0-7549 *Capitol*	Transportation and Public Facilities	Richardson Highway MP 265 – 267 Repaving	$3,600,000	ARRA Funds - CIP
45-0-1137 *Capitol*	University of Alaska	Combined request for ARRA funding	$2,000,000	ARRA Funds - CIP

cc: Senator Meyer
Representative Dahlstrom
Representative Hawker
Representative Neuman
Representative Thomas
Representative Doogan
Representative Stoltze
Representative Tuck
Senator Hoffman
Senator Huggins
Senator Menard
Senator Stedman
Senator Olson
Josh Applebee
Tim Grussendorf
Miles Baker
Linda Hay
Paulyn Swanson
James Armstrong
Pat Davidson
John Bitney

Department of Health and Social Services
Division of Public Health, Chronic Disease Prevention and Health Promotion

Subject of RPL: ARRA Prevention and Wellness – State Supplemental Grant Funds	**ADN/RPL #:** 06-0-0219
Amount requested: $ 207,211	**Appropriation Authority:** Ch12 SLA 2009 Sec 1 pg 24 ln 3-4
Funding source: Federal ARRA funds – 100% Operating	**Statutory Authority:** AS 44.29.010 – 44.29.020

PURPOSE
Prevention and Wellness ARRA funding was announced in September of 2009 by the Centers for Disease Control (CDC) for the Communities Putting Prevention to Work State Supplemental Funding for Healthy Communities, Tobacco Control, Diabetes Prevention and Control and Behavioral Risk Factor Surveillance System. Funding is associated with an existing federal grant that is currently awarded to the State of Alaska and award amounts are formula-based, so it appears imminent that Alaska will receive these supplemental funds. There are two purposes for this funding; 1) policy and environmental change related to obesity/overweight, physical activity, nutrition and tobacco use and 2) enhancement of tobacco quit lines and associated media. Tobacco use, poor diets and physical inactivity accounted for one-third of the Americans who died in 2000. These funds are needed to address tobacco use as well as the rising rates of obesity.

PREVIOUS LEGISLATIVE CONSIDERATION
There was a $2 million ARRA Prevention and Wellness incremental request submitted during the 2009 Legislative Session that was vetoed by Governor Palin with the understanding that it could be revisited when federal funding became available. The announcement of the Prevention and Wellness federal grant funding was made in September 2009, with application process commencing in November 2009.

TIMING ISSUES
Approval to receive ARRA federal authorization is needed at this time because the grants award is only for a 24-month period, starting in December 2009. Approval to spend these funds will be needed prior to the FY10 legislative supplemental budget process. This particular grant award has strict performance expectations, if the division is required to wait for the completion of the FY10 Supplemental process, the State could potentially forfeit these federal funds.

The Funding Opportunity Announcement was not released until September of 2009. While it was known there would be ARRA Prevention and Wellness funding, it was unclear whether these grant awards would be issued to states or directly to local communities. In addition, the delay in appointment of a new Secretary of Health and Human Services further postponed this funding announcement.

If funding is approved the Department would make an incremental request of $414,427 Federal ARRA funding in the FY2011 Governor's Amended budget process.

BUDGETARY ISSUES
The 2009 Department's priorities for health and wellness include prevention of disability and death caused by tobacco use, obesity, diabetes, cancer, and heart disease. The Department's FY10 strategic plan includes a goal to improve the health status of Alaskans through reducing tobacco use and the rate of obesity and number of adults with diabetes.

Agency Contact: Alison Elgee, (907) 465-1630
Legislative Finance Contact: Danith Watts, (907) 465-5435

This funding will be used to reduce the following rates of adult obesity and diabetes in Alaska:

6.1% adult diabetes prevalence for 2006-2008; an 80% increase since 1998-2000.
27.9% adult obesity prevalence for 2008 continues worsening trend and is more than twice the Healthy Alaskans 2010 target of 18%.

The Centers for Disease Control and Prevention has outlined a menu of evidence-based policy and environmental change interventions from which to choose. Activities will focus on implementing policies to a) improve nutrition, b) increase physical activity and c) promote tobacco cessation through enhanced media promotion and outreach for the Tobacco Quit Line with follow-up evaluation.

One goal is implementation of policies and food systems changes that improve availability and affordability of healthy local foods, thus increasing the intake of fruits and vegetables, and reducing the prevalence of obesity in Alaska. Specific nutrition objectives are to (1) establish and facilitate meetings of a Food Policy Council, (2) assist the Council in developing a strategic plan and report on food policy issues in Alaska, (3) provide training and technical assistance to members on evidence-based food policy and public health, (4) monitor and evaluate Council efforts, and (5) implement a statewide food policy listserv to help connect and engage all partners and interested individuals throughout Alaska.

To increase physical activity, the division will work with physical education (PE) stakeholders to increase quality PE in schools and implement strategies to reach the goal of providing quality daily PE to all students (or 150 minutes per week at the elementary level and 225 minutes per week at the secondary level). The Obesity Prevention and Control Program will work primarily on adoption of PE Content Standards by the Alaska State Board of Education, and establishment of a statewide PE coordination position

Two activities related to tobacco cessation will occur: enhancement of the Tobacco Quit Line and building public support for smoke free air policies. This will involve development and distribution of Quit Line materials, increased outreach to health care providers and tobacco users about the availability and services of the Quit Line, especially in populations with high rates of tobacco use, increasing screening for tobacco use and subsequent referrals to the Quit Line, and the accompanying increase in Quit Line callers. It will also fund a follow-up survey to document the rate of quitting success.

Funds will be used to pay for one FTE (existing Public Health Specialist II). Below is the estimated budget for this grant award:

	PERSONAL SERVICES	TRAVEL	SERVICE CONTRACTS	SUPPLIES	INDIRECT	TOTAL
	71000	**72000**	**73000**	**74000**		
FY10	$51,627	$7,680	$100,101	$600	$47,203	$207,211
FY11	$103,253	$15,366	$200,202	$1,200	$94,406	$414,427
FY12	$51,627	$7,680	$100,102	$600	$47,203	$207,212
Total:	$206,507	$30,726	$400,405	$2,400	$188,812	$828,850

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These ARRA funds will supplement an existing grant from the CDC. The Tobacco Prevention and Control program receives funding through the CDC, as well as through appropriations from the Alaska Tobacco Use Education and Cessation Fund. These ARRA funds will pay for policy and environmental changes throughout Alaska, which will have long-term effects on reducing obesity and encouraging smoking cessation throughout the state. It is anticipated that these changes will have a long-lasting effect after the grant funds have been spent. However, for long-term program continuation, new funding will need to be secured/identified to retain the staff member assigned to this project.

The Obesity Prevention & Control program in Alaska has largely been funded through federal earmarks with FY10 being the final year those funds will be available. These funds, if awarded, will support an existing Public Health Specialist II who is currently funded by federal earmark funds expiring Sept. 2010.

Approval to receive this grant award is not expected to impact our future general funds needs.

Agency Contact: Alison Elgee, (907) 465-1630
Legislative Finance Contact: Danith Watts, (907) 465-5435

State Supplemental Funding for Healthy Communities, Tobacco Control. Diabetes Prevention and Control. and Behavioral Risk Factor Surveillance System

The synopsis for this grant opportunity is detailed below, following this paragraph. This synopsis contains all of the updates to this document that have been posted as of **09/29/2009** . If updates have been made to the opportunity synopsis, update information is provided below the synopsis.

If you would like to receive notifications of changes to the grant opportunity click send me change notification emails . The only thing you need to provide for this service is your email address. No other information is requested.

Any inconsistency between the original printed document and the disk or electronic document shall be resolved by giving precedence to the printed document.

Description of Modification

Recovery Act option added

Document Type:	Modification to Previous Grants Notice
Funding Opportunity Number:	CDC-RFA-DP09-90101ARRA09
Opportunity Category:	Other
Posted Date:	Sep 29, 2009
Creation Date:	Oct 06, 2009
Original Closing Date for Applications:	Nov 24, 2009
Current Closing Date for Applications:	Nov 24, 2009
Archive Date:	Dec 24, 2009
Funding Instrument Type:	Other
Category of Funding Activity:	Recovery Act
Category Explanation:	
Expected Number of Awards:	
Estimated Total Program Funding:	$125,000,000
Award Ceiling:	$0
Award Floor:	$0
CFDA Number(s):	93.723 -- ARRA Prevention and Wellness--State, Territories and Pacific Islands
Cost Sharing or Matching Requirement:	No

Eligible Applicants

Others (see text field entitled "Additional Information on Eligibility" for clarification)

Additional Information on Eligibility:

Eligible grantees will include all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.

Agency Name

Centers for Disease Control and Prevention

Description

Recovery Act funds must be used for obesity, nutrition, physical activity and tobacco control strategies to change systems, develop and implement policies, change the environment in which eating, tobacco use, and physical activity occur, and impact population groups rather than individuals within the two-year timeframe for this award. To this end, Recovery Act funds may not be used to provide direct services such as patient care, personal health services medications (except for nicotine replacement, therapy as described in this announcement), patient rehabilitation, or other costs associated with the treatment of diseases caused by poor nutrition, tobacco use or physical inactivity.

Link to Full Announcement

If you have difficulty accessing the full announcement electronically, please contact:

PGOTIMS
Phone 770-488-2700 Technical Information Management Section

Synopsis Modification History

The following files represent the modifications to this synopsis with the changes noted within the documents. The list of files is arranged from newest to oldest with the newest file representing the current synopsis. Changed sections from the previous document are shown in a light grey background.

File Name	Date
Modification #2	Oct 06, 2009
Modification #1	Sep 29, 2009
Original Synopsis	Sep 29, 2009

Department of Health and Social Services
Division of Public Heath, Chronic Disease Prevention and Health Promotion

Subject of RPL: ARRA Prevention and Wellness - Communities Putting Prevention to Work	**ADN/RPL #:** 06-0-0221
Amount requested: $952,086	**Appropriation Authority:** Ch12 SLA 2009 Sec 1 pg 24 ln 3-4
Funding source: Federal ARRA funds – 100% Operating	**Statutory Authority:** AS 44.29.010 – 44.29.020

PURPOSE

Prevention and Wellness ARRA funding was announced by the Centers for Disease Control and Prevention (CDC) on September 17, 2009 for Communities Putting Prevention to Work. The Division of Public Health (DPH) has applied for a federal grant award of approximately $5.7 million, to be spent over the next two (2) years. This grant awards will be issued by the end of February 2010. If funds are granted to the State of Alaska, they will be awarded with a project/budget start date of February 2010.

These funds are intended for communities to work on policy and environmental change within local jurisdictions related to reducing obesity/overweight, increasing physical activity, and improving nutrition. These funds are needed to address the rising rates of obesity/diabetes in Alaska, which is associated with increased disabilities and deaths. The CDC's objectives need to be accomplished by policy and environmental change for clients through population-based interventions, such as limiting the availability of unhealthy food and beverages.

Eligibility for Alaska is limited to tribal organizations and the State, which can apply on behalf of up to 2 communities; Anchorage and Wrangell have been selected based on their comprehensive plans for how they would spend these funds if awarded. Because these funds will have community-wide impact, the division estimates these funds will benefit more than 281,000 people (2,546 in the City and Borough of Wrangell and 278,700 in the Municipality of Anchorage). Seventy-five percent (75%) of the funds would be awarded to the designated communities as grants. The other 25% of these grant funds will be retained by the division to manage the grant programs, provide oversight, technical assistance and support.

PREVIOUS LEGISLATIVE CONSIDERATION

There was a $2 million ARRA Prevention and Wellness incremental request submitted during the 2009 Legislative Session that was vetoed by Governor Palin with the understanding that it could be revisited when federal funding became available. The announcement of the Prevention and Wellness federal grant funding was made in September 2009, with application process commencing in November 2009.

TIMING ISSUES

Approval to receive ARRA federal authorization is needed at this time because the grants award is only for a 24-month period, starting in February 2010. Approval to spend these funds will be needed prior to a legislative supplemental budget process. The division does not want grant recipients to potentially lose 3-6 months for their program implementation during the prime activity months of the year. The Funding Opportunity Announcement (available upon request) was not released until September of 2009. While it was known there would be ARRA Prevention and Wellness funding, it was unclear whether these grant awards would be issued to states or directly to local communities. In addition, the delay in appointment of a new Secretary of Health and Human Services further postponed this funding announcement. If awarded, funding will be available about February 26, 2010 for a 24-month project period, through February of 2012. Consequences of delaying or disapproving these federal ARRA funds will result in a loss of effort to

Agency Contact: Alison Elgee, (907) 465-1630
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implement policy and environmental change to reducing obesity/overweight, increasing physical activity, and improving nutrition.

If funding is approved the Department would make an incremental request of $2,856,289 Federal ARRA funding in the FY2011 Governor's Amended budget process.

BUDGETARY ISSUES

The 2009 Department's priorities for health and wellness include prevention of disability and death caused by obesity. The Department's FY10 strategic plan includes a goal to improve the health status of Alaskans through reducing the rate of obesity and number of adults with diabetes. This funding will be used to reduce the following rates of adult obesity and diabetes in Alaska:

6.1% adult diabetes prevalence for 2006-2008; an 80% increase since 1998-2000.
27.9% adult obesity prevalence for 2008 continues worsening trend and is more than twice the Healthy Alaskans 2010 target of 18%.

This table below estimates the Federal ARRA grant award by state fiscal year.

	FY 2010	FY2011	FY2012	Total
Anchorage	$413,116	$1,239,347	$826,231	$2,478,694
Wrangell	$351,019	$1,053,088	$702,059	$2,106,166
State (DPH)	$187,951	$563,854	$375,903	$1,127,708
Total:	$952,086	$2,856,289	$1,904,193	$5,712,568

25% of the total grant award would be retained by the Division of Public Health, Chronic Disease Prevention and Health Promotion component to manage these grant funds. The state portion of these grant funds as estimated would be budgeted as follows:

	Personal Services	Travel	Service Contracts	Supplies	Indirect	Total
	71000	72000	73000	74000		
FY10	$93,788	$9,108	$55,585	$800	$28,670	$187,951
FY11	$281,365	$27,323	$166,755	$2,400	$86,011	$563,854
FY12	$187,577	$18,215	$111,170	$1,600	$57,341	$375,903
Total:	$562,730	$54,646	$333,510	$4,800	$172,022	$1,127,708

The Obesity Prevention & Control program in Alaska has largely been funded through federal earmarks, but those funds will be expiring in September of 2010. The Federal ARRA funds are intended to be used by communities within 24 months to create lasting policy and environmental change, rather than to support a program that will require funding in the future.

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If this request is approved funds will be granted out to these Alaskan communities as follows:

	FY2010 Award	FY2011 Award	FY2012 Award	Total
Anchorage	$413,116	$1,239,347	$826,231	$2,478,694
Wrangell	$351,019	$1,053,088	$702,059	$2,106,166
Total:	**$764,135**	**$2,292,435**	**$1,528,290**	**$4,584,860**

The Municipality of Anchorage will build on existing and proposed city, school district, and state policies that support physical activity and increase access to healthy foods. Social networking, media and other communication strategies will link people to one another, to events that promote physical activity, and to nutrition information. Subject matter experts will promote awareness and support for policies that reinforce healthy eating, consumption of local foods and community gardening. Environmental changes such as signage and interactive maps will draw attention to the Municipality's extensive bike trail system. Media campaigns will be used to reduce perceived barriers to physical activity associated with Alaska's weather, to promote interest in and access to locally grown, healthy foods, and to discourage consumption and access to unhealthy foods.

The Healthy Wrangell Coalition plans to build on the strong foundation they have built, and includes supporting and implementing worksite health promotion programs at their largest worksites. A business consultant will assist the Wrangell Community Garden, the Wrangell Recreation Center, and community eateries to develop business plans that expand services and improve the nutritional content of food served. Safe outdoor physical activity will be promoted through eliminating areas on the road that are not safe for pedestrians and bicyclists, and by providing lighting and asphalt on the 'Volunteer Trail.' Media will be used to encourage Wrangell residents to eat healthy foods and increase physical activity. This includes: posting nutritional information in local eateries, reinforcing healthy habits through the faith community, and training produce staff in the local markets to be an *Employee Ambassador* providing information about healthy options for customers.

The division will provide oversight, technical assistance, guidance and evaluation to guide the work by the communities and their contractors and will monitor grantees to measure their success using these funds.

Two, long-term non-perm positions (1.75 FTE) would be added within the Section of Chronic Disease Prevention & Health Promotion and stationed in Anchorage for the duration of the grant to manage these grant programs. The grant would also support the Obesity Prevention and Control Program Manager position at .75 FTE, an existing epidemiologist/data collections position at .25 FTE, and an existing public health specialist position at .5 FTE. Two of these positions are currently funded by the federal earmark, which ends September 2010. Approval to receive this grant award is not expected to impact our future general funds needs.

Agency Contact: Alison Elgee, (907) 465-1630
Legislative Finance Contact: Danith Watts, (907) 465-5435

State Supplemental Funding for Healthy Communities, Tobacco Control. Diabetes Prevention and Control. and Behavioral Risk Factor Surveillance System

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Category Explanation:	
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Award Ceiling:	$0
Award Floor:	$0
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Cost Sharing or Matching Requirement:	No

Eligible Applicants

Others (see text field entitled "Additional Information on Eligibility" for clarification)

Additional Information on Eligibility:

Eligible grantees will include all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.

Agency Name

Centers for Disease Control and Prevention

Description

Recovery Act funds must be used for obesity, nutrition, physical activity and tobacco control strategies to change systems, develop and implement policies, change the environment in which eating, tobacco use, and physical activity occur, and impact population groups rather than individuals within the two-year timeframe for this award. To this end, Recovery Act funds may not be used to provide direct services such as patient care, personal health services medications (except for nicotine replacement, therapy as described in this announcement), patient rehabilitation, or other costs associated with the treatment of diseases caused by poor nutrition, tobacco use or physical inactivity.

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PGOTIMS
Phone 770-488-2700 Technical Information Management Section

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File Name	Date
Modification #2	Oct 06, 2009
Modification #1	Sep 29, 2009
Original Synopsis	Sep 29, 2009

Department of Labor and Workforce Development
Administrative Services Division, Labor Market Information

Subject of RPL: Alaska State Labor Market Information Improvement Grant – Green Jobs	**ADN/RPL #:** 07-0-1111
Amount requested: $ 200,000	**Appropriation Authority:** Sec 1, Ch 12, SLA 2009, pg 27, ln 15
Funding source: Federal ARRA funds Operating	**Statutory Authority:** AS 23.05.060(3)

PURPOSE
The Department of Labor and Workforce Development, Administrative Services Division, Labor Market Information component requests $200,000 of federal American Recovery and Reinvestment Act of 2009 (ARRA) authorization for a recently received competitive grant award. The grant is for a State Labor Market Information Improvement project that the department will use to identify Alaska's green jobs and skill sets and to educate Alaskans on the related training and employment opportunities. This information will allow Alaska to better target education and training investments and formulate more effective public policy.

Building upon unique and comprehensive interagency relationships, databases and delivery systems the department will quantify green jobs in Alaska, determine the supply and demand for green workers in the state, identify green training programs and outcomes and enhance Alaska's online labor exchange to allow green-related job and worker searches. The green job labor market information will be incorporated into all major employment information products produced by the department's Labor Market Information program.

PREVIOUS LEGISLATIVE CONSIDERATION
These are new ARRA competitive grant funds made available since the initial round of funding in FY09. There have been no previous department requests or legislative appropriations for this project.

TIMING ISSUES
This funding was not included in the FY2010 budget as applications for the competitive funding were not solicited until after the end of the legislative session. Our application (copy attached) was submitted on August 11, 2009 and the department received notification of the award on November 18, 2009 (copy attached). It is anticipated that we will receive the fully executed grant agreement in the immediate future.

Authorization in needed now as the performance period of the grant begins January 1, 2010 with the first project timeline benchmark on March 31, 2010. The full amount of the grant is $800,000 with a program project end date of June 30, 2011. Given the necessary training and start-up activities as well as the survey work, it is essential that work begin as soon as possible so that it can be completed within project timeframes. Delay or denial of this request would likely mean the department could not complete the project in the required timeframe and the state would not receive the project benefits.

BUDGETARY ISSUES
The project is directly aligned with the Department of Labor and Workforce Development's mission: "To provide safe and legal working conditions and to advance opportunities for employment.", and it will positively affect a number of department measures to increase training opportunities and employment.

Agency Contact: Guy Bell, (907) 465-2702
Legislative Finance Contact: Amanda Ryder, (907) 465-5411

Funding included in the grant application was:

	FY2010	**FY2011**
Personal Services	$80,900	$161,900
Travel	$5,300	$9,700
Services	$110,900	$421,300
Commodities	$2,900	$7,100
Total	**$200,000**	**$600,000**

Note: LFD corrected the fiscal years in the table to FY10 and FY11 (not FY11 and FY12).

The personal services funds will support two new long term non-permanent Economist II positions to be located in Juneau for approximately 25 staff months total. Approval to establish the positions is included as a part of this request. In support of this grant, these positions will conduct multiple surveys including

1) a survey of government, industry representatives and educational institutions to refine the definition of green industries and occupations, and
2) an employer survey to determine the number of workers employed in green industries and/or occupations.

Funding will also partially support existing research staff to manage the project and provide statistical support including data collection and analysis. All positions that would be involved in the project are located in the Juneau office. These positions are funded from a variety of fund sources depending on the project they spend time on. Approximately 13.5 staff months from 8 existing positions would be charged to this project. They include:

Research Analyst III (2) – 5 staff months total
Research Analyst II (2) – 3 staff months total
Economist IV (2) – 4 staff months total
Chief Research and Analysis – 1 staff month
Administrative Assistant - 0.5 staff month

The small amount of travel funding is to support a panel of experts meeting in state to define green industries and related jobs and to make presentations of project findings. In addition, some out of state travel will be required to attend national green job training and meetings.

The majority of the contractual funds associated with this project will cover modifications to Alaska's career information and labor exchange systems and the purchase of occupational skills analysis software. Other contractual costs include normal per position direct and allocated costs (including indirect costs for departmental administrative support) and funds for the cost of surveys.

Commodity funds are necessary for normal per position costs and project specific office supplies.

The Labor Market Information component has no current ARRA expenditure authorization and has not begun spending these funds.

No state general funds will be used, nor is any state match required. The funds are for a new body of work and do not replace any other funds. The project will not place future pressure on state general funds.

Agency Contact: Guy Bell, (907) 465-2702
Legislative Finance Contact: Amanda Ryder, (907) 465-5411

The federal stimulus funds will be expended in FY2010 and continue into FY2011. The department has included a request for ARRA funding to be included in the FY2011 Governor's budget to complete the work on this grant.

Agency Contact: Guy Bell, (907) 465-2702
Legislative Finance Contact: Amanda Ryder, (907) 465-5411

ARRA GREEN JOBS TRAINING: STATE LABOR MARKET INFORMATION IMPROVEMENT GRANT AWARDS

Alaska State Labor Market Information Improvement Grant

Grantee: Alaska Department of Labor and Workforce Development

Location of Grant Activities: Alaska

Amount: $800,000

Key Partnerships: Alaska Department of Labor & Workforce Development, Division of Business Partnership, Division of Employment Security, Alaska Workforce Investment Board, University of Oregon/intoCareers

Project Description: The Alaska Department of Labor & Workforce Development will quantify green jobs in Alaska, determine the supply and demand for green workers, identify green training programs, and enhance Alaska's online labor exchange to enable green-related job searches. Data collection strategies include the distribution of green job surveys to both experts and employers, development of green career lattices, and creation of green jobs skills profiles using the Skills Based Projections system. This project will deliver several LMI products to better target training, education, and investments leading to more informed public policies.

Contact: Keith Brynn
Alaska Department of Labor and Workforce Development
P.O. Box 115501
Juneau, AK 99811

State Labor Market Information Improvement Grants Overview

The State Labor Market Information (LMI) Improvement grant program will support the analysis of labor market data to assess economic activity in energy efficiency and renewable energy industries and identify occupations and skill requirements within those industries. These grants invest in state and consortium models designed to collect, analyze, and disseminate labor market information, and enhance the labor exchange infrastructure for careers within energy efficiency and renewable energy fields. State Workforce Agencies will use this information as the foundation on which to build and implement effective workforce development strategies. Multiple State Workforce Agencies partnering as a consortium will use this program to gather information that may have a regional, multi-State, or national impact.

These investments are designed to achieve the following outcomes:

- The development of effective methods for estimating the impact on industry and occupational employment resulting from implementation of green technologies.
- The dissemination of data through outreach strategies that inform job seekers, the public workforce system, education and training providers, and other organizations of the occupational skills and growing needs of the energy efficiency and renewable energy industries.

- The development of information that provides insight into the State regulatory environment, an understanding of current programs of study and related credentials, and an identification of capital investments in green industries.
- The posting of job openings to online job banks that will be highlighted for easy recognition as green jobs by job seekers, as well as the highlighting or development of other online tools and approaches that will encourage local residents to prepare for and apply for jobs being created in their local area.

Recovery Act: Competitive Grants for Green Job Training

On February 17, 2009, President Barack Obama signed into law the American Recovery and Reinvestment Act of 2009 (Recovery Act) to preserve and create jobs, promote the nation's economic recovery, and assist those most impacted by the recession. The purpose of these grants, which fund green job training and complementary studies, is to teach workers the skills required in emerging industries including energy efficiency and renewable energy. These efforts will lead program participants to job placement while leveraging other Recovery Act investments intended to create jobs and promote economic growth.

American Recovery and Reinvestment Act of 2009 Grant Application for State Labor Market Information Improvement

Alaska
August 11, 2009

ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Alaska Department of Labor and Workforce Development

Research and Analysis Section

Brynn Keith, Chief

Part I

The Cost Proposal

- 424
- 424a
- Budget Narrative

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

*1. Type of Submission:	*2. Type of Application	* If Revision, select appropriate letter(s)
☐ Preapplication	☒ New	
☒ Application	☐ Continuation	*Other (Specify)
☐ Changed/Corrected Application	☐ Revision	

3. Date Received: 4. Applicant Identifier:

5a. Federal Entity Identifier: *5b. Federal Award Identifier:

State Use Only:

6. Date Received by State: 7. State Application Identifier:

8. APPLICANT INFORMATION:

*a. Legal Name: Alaska Department of Labor & Workforce Development

*b. Employer/Taxpayer Identification Number (EIN/TIN): 92-6001185

*c. Organizational DUNS: 809386550

d. Address:

*Street 1: P.O. Box 115501
Street 2:
*City: Juneau
County: Juneau
*State: AK
Province:
*Country: USA
*Zip / Postal Code 99811-5501

e. Organizational Unit:

Department Name: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Division Name: Administrative Services

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms. *First Name: Brynn
Middle Name:
*Last Name: Keith
Suffix:

Title: Chief, Research and Analysis Section

Organizational Affiliation:

*Telephone Number: 907.465.4518 Fax Number: 907.465.2101

*Email: brynn.keith@alaska.gov

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

***9. Type of Applicant 1: Select Applicant Type:**

A.State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

U.S. Department of Labor, Employment and Training Administration

11. Catalog of Federal Domestic Assistance Number:

17.275

CFDA Title:

Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors

***12 Funding Opportunity Number:**

SGA-DFA-PY-08-17

*Title:

American Recovery and Reinvestment Act of 2009 - State Labor Market Information Improvement Grants

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Alaska - Statewide

***15. Descriptive Title of Applicant's Project:**

Alaska's Green Job Project

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

16. Congressional Districts Of:

*a. Applicant: AK-001 *b. Program/Project: AK-all

17. Proposed Project:

*a. Start Date: 01/01/2010 *b. End Date: 06/30/2011

18. Estimated Funding ($):

*a. Federal	$800,000
*b. Applicant	
*c. State	
*d. Local	
*e. Other	
*f. Program Income	
*g. TOTAL	$800,000

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on _____

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E. O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

☐ Yes ☒ No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

Prefix: Mr. *First Name: Clark

Middle Name:

*Last Name: Bishop

Suffix:

*Title: Commissioner

*Telephone Number: 907.465.2700 Fax Number: 907.465.2784

* Email: clark.bishop@alaska.gov

*Signature of Authorized Representative: [signature] *Date Signed: 8/10/09

Application for Federal Assistance SF-424 Version 02

***Applicant Federal Debt Delinquency Explanation**

The following should contain an explanation if the Applicant organization is delinquent of any Federal Debt.

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Alaska's Green Job F	17.275	$	$	$ 800,000.00	$	$ 800,000.00
2.						0.00
3.						0.00
4.						0.00
5. Totals		$ 0.00	$ 0.00	$ 800,000.00	$ 0.00	$ 800,000.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total
	(1) Alaska's Green Job Pr	(2)	(3)	(4)	(5)
a. Personnel	$ 242,829.00	$	$	$	$ 242,829.00
b. Fringe Benefits					0.00
c. Travel	15,030.00				15,030.00
d. Equipment					0.00
e. Supplies	10,000.00				10,000.00
f. Contractual	520,000.00				520,000.00
g. Construction					0.00
h. Other					0.00
i. Total Direct Charges *(sum of 6a-6h)*	787,859.00	0.00	0.00	0.00	787,859.00
j. Indirect Charges	12,141.00				12,141.00
k. TOTALS *(sum of 6i and 6j)*	$ 800,000.00	$ 0.00	$ 0.00	$ 0.00	$ 800,000.00
7. Program Income	$	$	$	$	$ 0.00

SECTION C - NON-FEDERAL RESOURCES				
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8. Alaska's Green Job Project	$	$	$	$ 0.00
9.				0.00
10.				0.00
11.				0.00
12. TOTAL *(sum of lines 8-11)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	$ 533,336.00	$ 133,334.00	$ 133,334.00	$ 133,334.00	$ 133,334.00
14. Non-Federal	0.00				
15. TOTAL *(sum of lines 13 and 14)*	$ 533,336.00	$ 133,334.00	$ 133,334.00	$ 133,334.00	$ 133,334.00

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT				
(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16. Alaska's Green Job Project	$ 133,332.00	$ 133,332.00	$	$
17.				
18.				
19.				
20. TOTAL *(sum of lines 16-19)*	$ 133,332.00	$ 133,332.00	$ 0.00	$ 0.00

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges:	22. Indirect Charges: Approved fixed rate with carry forward
23. Remarks:	

State Labor Market Information Improvement Grant Budget Narrative

The Alaska Department of Labor and Workforce Development (AKDOLWD) is requesting $800,000 in American Recovery and Reinvestment Act of 2009 funds to support its State Labor Market Information Improvement project. These funds will be spent as follows:

Personnel ($242,829)

Personnel costs will represent 30 percent of the total budget. Nine staff will be assigned to the project, representing 2.14 FTEs. These positions include:

- **Economist IIs** – The economist II job classification represents the journey-level economist position for the State of Alaska. Two economist IIs will be hired to conduct the green employment research associated with this project.
- **Research Analyst III** – Two research analyst IIIs will be assigned to this project. These professional-level research positions will be responsible for designing and implementing the green jobs training program web application and for working directly with AKDOLWD's data processing section on enhancements to the labor exchange system.
- **Research Analyst II** – The research analyst II assigned to this project will provide data collection and analysis support to the project's professional-level staff (both the economists and higher level research analysts).
- **Economist IV** – AKDOLWD's two economist IVs function as the Research and Analysis Section's deputy research chiefs. These positions will be responsible for managing the green jobs research projects.
- **Research Chief** – As the head of the Research and Analysis Section, the research chief will provide high-level project oversight, present project findings to interest groups and attend project-related meetings as needed.

- **Administrative Assistant** – R&A's administrative assistant will provide routine administrative and clerical support for the project staff.

Staff Title (Number of staff)	Project (Months)	Monthly Salary	Fringe Benefits Monthly Cost	Total Project Cost
Economist II (2)	25	$4,500	$650	$128,750
Research Analyst III (2)	5	$4,500	$2,400	$34,500
Research Analyst II (2)	3	$3,750	$2,400	$18,450
Economist IV (2)	4	$8,000	$3,500	$46,000
Research Chief (1)	1	$8,400	$3,604	$12,004
Administrative Assistant (1)	.5	$4,200	$2,050	$3,125
Total Personnel	**38.5**	$33,350	$14,604	**$242,829**

Travel ($15,030)

Six in-state trips (travel between Juneau and Anchorage) are anticipated for the panel of experts project component and to conduct research findings presentations. Out-of-state travel (four trips) will include green job training and attendance at national or regional green jobs meetings. Travel costs were estimated by reviewing historic travel costs with the types of trips (location, duration) expected of this project. Although travel costs in Alaska are high, every effort will be made to keep costs to a minimum.

In-State for 6 Trips				
Transportation Airfares ($400 average per trip)	**Per Diem ($60 per day average for 2 Days**	**Lodging ($150 per day average for 2 Days)**	**Other: Taxi, Ground, Mileage**	**Totals**
$2,400	$720	$1,800	$450	$5,370

Out-of-State for 4 Trips				
Transportation Airfares ($1,500 average per trip)	**Per Diem ($60 per day average for 4 Days**	**Lodging ($150 per day average for 4 Days)**	**Other: Taxi, Ground, Mileage**	**Totals**
$6,000	$960	$2400	$300	$9,660
Total Travel				**$15,030**

Equipment ($0)

No Equipment purchases are anticipated at this time.

Supplies ($10,000)

Supplies represent 1) the costs associated with consumable or perishable office supplies and materials necessary in the daily operation of the green jobs project, and 2) the purchase of personal computers for the two new project positions funded by this project.

Description	Unit Cost	# Units	Total
Office Supplies: Basic consumable office supplies, such as paper, pens, file folders,	$1,000	5	$5,000
Personal computer, software and monitor	$2,500	2	$5,000
Total Supplies			**$10,000**

Contractual ($520,000)

Contractual costs will represent 65 percent of the total budget and will cover modifications to Alaska's career information and labor exchange systems, the purchase of occupational skills

analysis software and operational costs (e.g. rent, telephones, data processing costs) shared by all programs.

Vendor	Product	Estimated Contracted Amount
University of Oregon/intoCareers – AKCIS modification	AKCIS modification	$50,000
AKDOLWD, Division of Administrative Services, Data Processing Section	ALEXsys green enhancements	$310,000
AKDOLWD, Division of Employment Security	ALEXsys green enhancements testing	$90,000
TORQ	Skills software	$60,000
Multiple (e.g. Department of Administration, AKDOLWD)	Allocated contractual charges (e.g. rent, telephone, DP support)	$10,000
Total Contractual		**$520,000**

Indirect ($12,141)

The Alaska Department of Labor and Workforce Development's negotiated indirect cost rate for the state fiscal year ending June 30, 2010 is 5.0% of personnel costs. Indirect costs are standard administrative charges for department personnel who serve an administrative function. This includes the Administrative Services Division, the Commissioner's office and Data Processing Support within the Alaska Department of Labor and Workforce Development. Alaska's indirect rate is approved annually by:

Arthur Campbell

U.S. Department of Labor

Regional Cost Negotiator

Division of Cost Determination, OPS, OASAM

P.O. Box 3433

Renton, WA 98056

Personnel Costs	Indirect Rate	**Total Indirect**
$242,829	5.0%	**$12,141**

Leveraged Resources ($1,484,318)

Alaska will leverage the State Labor Market Information Improvement Grant with funds from multiple sources including the U.S. Department of Labor and various Alaska State funding streams. These figures represent State Fiscal Year 2010 (July 1, 2009 – June 30, 2010) funds. Comparable contracts are expected in SFY 2011.

Source(s)	**Project Description**	**Contract Amount (FY2010)**
U.S. Department of Labor, Bureau of Labor Statistics	Labor force estimates including industry employment estimates and occupational employment and wage rates	$710,730
U.S. Department of Labor, Employment and Training Administration (ETA)	Workforce information including occupational projections, workforce information database maintenance, and data dissemination	$288,588
ETA (Workforce Investment Act), Alaska's State Training & Employment Program, Alaska State General Fund	Maintenance of the occupational data base	$315,000

Source(s)	Project Description	Contract Amount (FY2010)
Alaska State General Fund, Alaska Commission on Postsecondary Education	Data development and maintenance of the Alaska Career Information System (AKCIS)	$95,000
ETA (Workforce Investment Act)	Performance and Continuous Improvement Agency (PACIA) training program evaluation	$75,000
Total Leveraged Resources		**$1,484,318**

Part II

The Technical Proposal

Statement of Need

Demonstration of a clear and specific need for Federal investment

The economic climate in Alaska has changed considerably over the past year. Alaska's two-decade long period of employment growth came to a close in 2009 as the effects of the national recession made their way north. Alaska's high-wage industries – most notably construction, professional and technical services and the energy-related sectors – have all been affected by the downturn. With rising unemployment rates and longer job search periods, Alaska's labor force is feeling the pinch. For Alaska to maximize its economic growth and meet the employment needs of its labor force it needs to prepare its current and future workers to meet the skill requirements of the changing – increasingly green – economy. Through this grant, the Alaska Department of Labor and Workforce Development (AKDOLWD) will quantify Alaska's green jobs and skill sets and educate Alaskans on the related training and employment opportunities.

AKDOLWD's Research and Analysis Section (R&A) has demonstrated expertise in producing the labor market data, analyses and delivery systems needed by policymakers and career seekers. But Alaska lacks the tools – baseline data and related analyses – to assess Alaska's green economy. In the absence of solid green industry and occupational information, Alaska will be unable to --

- Accurately target education and training investments
- Formulate and implement relevant public policies
- Assess the impact of green economic investments

In conducting its green jobs research, Alaska will build on the findings of completed and ongoing analyses by other states and the U.S. Department of Labor's Employment and Training Administration (ETA) and Bureau of Labor Statistics (BLS). Alaska's project will include –

- Identifying and quantifying Alaska's green industries and occupations
- Developing green-occupation career ladders and lattices
- Disseminating green-related career and training information
- Enhancing Alaska's labor exchange system, ALEXsys, to focus on green job and green training opportunities
- Reviewing and refining methods to determine green occupational skills
- Assessing green-training program outcomes

Description of the specific industries and occupations on which the research project will focus

As a starting point, Alaska will use existing green industry and occupational analyses -- including those conducted by ETA, BLS and other state workforce statistics agencies -- to define green industries and occupations. Building on that work, Alaska will consider expanding the definitions to include the industries and occupations involved in major, state-specific, initiatives such as the construction and maintenance of an Alaska natural gas pipeline.

Industries: The twenty one leading industries identified in the three completed state green jobs surveys are listed below. This list will be refined based on the research outlined in this grant proposal:

- Specialty Trade Contractors
- Professional and Technical Services
- Construction of Buildings
- Waste Mgmt. and Remediation Services
- Agriculture and Forestry Support Activities
- Merchant Wholesalers, Durable Goods
- Nonmetallic Mineral Products Manufacturing
- Electrical Equip. and Appliance Mfg.
- Utilities
- Heavy and Civil Engineering Construction
- Credit Intermediation and Related Activities
- Forestry and Logging
- Plastics and Rubber Products Manufacturing
- Repair and Maintenance
- State and Local Government
- Natural Resources and Mining
- Fabricated Metal Manufacturing
- Transportation Equipment Manufacturing
- Computer and Electronic Product Mfg.
- Paper Manufacturing
- Chemical Manufacturing

Occupations: Twenty eight of the green-identified occupations noted in the three completed state green job surveys are noted below. (See complete occupational list at labor.alaska.gov/research/green/occs.pdf.) This list will be refined based on the research outlined in this grant:

- Engineers, All Other
- Electricians
- Carpenters
- Construction Laborers
- Hazardous Materials Removal Workers
- Glaziers
- Roofers
- Production Workers, All Other
- Retail Salespersons
- Construction Managers

- Farmworkers and Laborers, Crop, Nursery, and Greenhouse
- Assemblers and Fabricators, All Other
- Landscaping and Groundskeeping Workers
- Construction Laborers
- Agricultural Workers, All Other
- Heating, Air Conditioning, and Refrigeration Mechanics and Installers
- Civil Engineers
- Plumbers, Pipefitters, and Steamfitters
- Architects, Except Landscape and Naval
- Mechanical Engineers
- Refuse and Recyclable Material Collectors
- Truck Drivers, Heavy and Tractor-Trailer
- First-Line Super/Mgrs of Construction Trades and Extraction Workers
- Insulation Workers, Floor, Ceiling, and Wall
- Biological Technicians
- Fire Fighters
- Graders and Sorters, Agricultural Products
- Electrical Engineers
- Freight, Stock, and Material Movers

Strategic partnership and organizational capacity

List of strategic partners, their roles and strengths and the partnership's capacity

AKDOLWD is a state and national leader in the development and analysis of labor market and demographic data. R&A will rely on long-standing and effective partnerships to accomplish the work outlined in this grant proposal. The partnership members and their roles are noted below:

Alaska Department of Labor and Workforce Development: AKDOLWD has a strong track record of meeting Alaska's workforce development needs. The individual divisions involved in this project include:

- **Research and Analysis Section:** R&A will function as the project lead and conduct the data collection and research activities.

- **Division of Employment Security (ESD):** As the lead entity responsible for Alaska's labor exchange (ALEXsys), ESD will ensure that the labor exchange modifications funded by this grant meet the needs of Alaska's job-seekers and employers.

- **Division of Business Partnerships (BPD):** The BPD will rely on the project data results to plan and target future training efforts.

- **Alaska Workforce Investment Board (AWIB):** The AWIB will ensure that the research and data results are used to plan green job training efforts funded through the public workforce investment system.

University of Oregon/intoCareers and the multi-state career information system consortium: The University of Oregon and the multi-state career information system consortium have over 25 years of experience in the development and dissemination of career information. The consortium is a long-established national leader in fostering the development and use of career information for both youth and adults.

Working collaboratively with the University of Oregon's intoCareers organization, the multi-state career information system consortium will develop and implement green enhancements to the career information delivery systems disseminated in the partner states including the Alaska Career Information System.

Strategy and Project Work Plan

Description of methods, approaches, or tools to be used to collect and validate data

Building upon unique and comprehensive interagency relationships, databases and delivery systems AKDOLWD will identify and quantify green jobs in Alaska, determine the supply of and demand for green workers in the state, identify green training programs and outcomes, and incorporate this new green job labor market information into all major LMI products in the state. This information will allow Alaska to address the priorities identified in our statement of need including better targeting of education and training investments, the formulation of effective public policy and the ability to assess the impact and outcome of green investments.

Methods, Approaches, and Tools

Green job definition survey panel of experts: Alaska will conduct a survey of government, industry representatives and educational institutions to refine the definition of green industries and occupations in Alaska to make it more relevant to the economy of Alaska.

Green job survey of employers: Following the best practices identified in the green job surveys conducted in Washington, Oregon and Michigan and using the currently available and ongoing green industry and occupation research conducted by the U.S. Department of Labor's Bureau of Labor Statistics (BLS) and information available from the O*NET Resource Center, Alaska will conduct a survey of employers to determine the number of workers employed in green industries and/or occupations.

The recent three state studies indicate green jobs account for only about 2-3% of their state's employment so a targeted survey of likely employers of green workers is desirable. Alaska currently obtains quarterly Standard Occupational Classification (SOC) codes for more than 98

percent of all wage and salary workers in the state as part of the unemployment insurance contribution report. These data are maintained in the Alaska Occupational Database (ODB). (For more information about the ODB program go to labor.alaska.gov/research/green/odb.pdf.)

Alaska's ODB will allow for efficient targeting of employers likely to employ green workers while providing the flexibility to expand the survey to include Alaska specific green jobs. Using the green industries and occupations identified by Washington and Oregon, about 32,000 workers were employed by about 2,300 employers in potentially green occupations within green industries in the third quarter of 2008 in Alaska. The survey will collect information to estimate the number of green workers in Alaska, the skills of those workers, the extent that those workers fit into the current occupational coding taxonomy, identify new and emerging green occupations, estimate the earnings of green workers and the percentage of time workers spend on green related tasks. New green occupation codes will be proposed based on the survey findings.

Career ladders and lattices: Alaska has analyzed worker occupational movements over time through the ODB to identify occupational career ladders. (For more information about the career ladder go to labor.alaska.gov/research/green/career.pdf.) As part of the analysis of the green labor market, Alaska will expand the research to include lateral labor market occupational movements. These green occupational lattices will be used to identify green skill transferability across occupations.

Identify green occupation skills: Alaska will identify the skills profiles of Alaska's green jobs using skills based projections software and/or other occupational skills tools such as TORQ. TORQ is an analytical tool developed by Workforce Associates, Inc., that links occupations based on the abilities, skills, and knowledge required by workers to a vast number of

occupations. These skill profiles will provide useful information to jobseekers through Alaska's Online Labor Exchange (ALEXsys) and will be applied to Alaska's career ladder and lattice products.

Incorporate current and emerging green occupations into Alaska LMI products: Alaska has a wide variety of interrelated LMI products that will be updated to include the green occupational information, including:

- **New hires:** Green occupations will be tracked over time through unemployment insurance (UI) wage records by occupation, industry and area to determine the number of quarterly hires as a measure of occupational turnover and opportunity.

- **Resident hire:** The number of non-Alaska residents and new resident workers employed in green occupations will be identified to determine training opportunities and as a proxy measure for labor shortages.

- **Worker profiles:** Age and gender profiles of green workers will be generated using Alaska UI wage records matched with administrative data sources.

- **LMI website:** Alaska's labor market information website, Workforce Informer, will be updated to include green job information.

- **ALARI:** Alaska Local and Regional Information, a new web based LMI product providing information about local resident workers, will be updated to included statewide and sub-state green job information.

Alaska Career Information System (AKCIS): Alaska's existing internet-based career information delivery system, AKCIS is designed to provide user-friendly access to career,

workforce and educational information. AKCIS is widely used by Alaska's One-Stop offices, schools, community-based organizations, libraries and other agencies to help job seekers and students make informed career choices and seek the qualifications necessary to be successful in the workplace. As part of this project, AKCIS will be modified to display data related to green industries, occupations, certifications, and education providers.

Labor supply and demand report of green occupations: Using Alaska's unique employment and administrative data sources, R&A will analyze the supply and demand for green jobs in Alaska. (To view an example of the labor supply and demand report go to labor.alaska.gov/research/green/supply.pdf.) Types of information collected and analyzed will include worker residency, projected employment, employment service applicants, employment service job orders, unemployment insurance claimants, underemployed workers, percentage of workers approaching retirement age and other related information. Longitudinal analysis of these data and other supply and demand indicators has been found to be extremely useful for training program providers and policymakers as they identify unmet training needs and plan for the implementation of new training programs.

Green training programs and program completers: As Alaska's Performance and Continuous Improvement Agency (PACIA), AKDOLWD collects training program and participant data for virtually all programs in the state, including the University of Alaska. The Department publishes the WIA Eligible Training Provider list and an annual Training Program Performance Report for the Alaska Workforce Investment Board.

Through existing data sharing agreements with Alaska's educational institutions the Department will monitor the performance of green training program participants in terms of

placement in related occupations, employment status and earnings and will examine the general outcomes of secondary and postsecondary education programs to identify the number of former students that are employed in green jobs.

Alaska currently has several active and planned training programs directly related to green jobs. Alaska's weatherization programs and wind generation training program participants, for example, will be tracked to determine their job placement and earnings performance.

Alaska's online labor exchange system ALEXsys upgrade to incorporate green jobs: Enhancements to ALEXsys will allow job seekers the ability to do a live search for job openings in green occupations and industries and to link to available training programs in these occupations and industries. In addition, the "virtual recruiter" feature of the system will save job searches and forward green job openings to the jobseeker.

Description of how the proposal will meet the needs identified in the Statement of Need.

Building upon unique and comprehensive interagency relationships, databases and delivery systems AKDOLWD will identify and quantify green jobs in Alaska, determine the supply and demand for green workers in the state, identify green training programs and outcomes, and incorporate this new green job labor market information into all major LMI products in the state.

Comprehensive implementation and dissemination plan

This research project is designed to integrate green job information into all of Alaska's major LMI products and job search tools. Specifically, we propose to collect new data through surveys and expert panels, widely disseminate this information through multiple LMI systems, conduct new and innovative research related to Alaska's green economy and enhance AKDOLWD's

labor exchange tools to include information about green jobs and training programs for Alaska's workers.

Alaska Implementation and Dissemination Plan Overview		
Goal and Objectives	**Activities**	**Expected Completion Date**
Collect New Data and Conduct Special Research	• Identify green industries and occupations in Alaska through a special survey panel of green job experts.	3/31/2010
	• Conduct green job surveys of Alaska wage and salary employers.	9/30/2010
	• Create skills profiles of green jobs in Alaska using the Skills Based Projections system.	9/30/2010
Disseminate Information	• Conduct presentations and issue press releases about green occupations.	Ongoing
	• Evaluate and consider implementation of the TORQ analytical tool.	9/30/2010
	• Incorporate green occupation information into Alaska's major LMI products.	6/30/2011
	• Develop new career ladder and lattice information that incorporates green occupations.	6/30/2011
	• Include green occupational information into the Alaska	12/31/2010

Disseminate Information (continued)	Career Information System (AKCIS). • Prepare and disseminate labor supply and demand reports of green occupations. • Survey training providers and identify and publish Alaska's green training programs.	 12/31/2010 10/31/2010
Enhance Labor Exchange Tools	• Incorporate green job and training information into Alaska's labor exchange system-ALEXsys.	6/30/2011

Deliverables

In order to address the need for comprehensive information relating to green industries and occupations identified in our statement of need, we will conduct labor market research and deliver a wide variety of LMI products to better target education and training investments, leading to more informed public policies, and providing the ability to measure the impact of green economic investments.

Description of labor market research to be conducted and deliverables to be produced

Alaska will conduct a wide variety of special research to identify green occupations and industries in the state and will deliver this information to users through R&A's website, published reports, press releases and presentations to interest groups.

Alaska's green occupation survey will be the primary research effort funded by this grant. Alaska's list of green occupations will include those identified by an Alaska panel of experts

combined with the occupations designated as green by BLS and other state workforce statistics organizations. Using the Alaska occupational data base, Alaska's survey will target employers that have previously reported employment in green occupations. The targeted survey approach will both minimize employer reporting burden and maximize the survey response rate.

Other research efforts will focus on the identification of green career pathways, transferable skills and opportunities for prospective students and jobseekers. Alaska will also assess training needs, the supply and demand for green workers, training program outcomes and related research. To promote transparency and encourage replicability, R&A will adequately document all research associated with this project.

Just as important as collection and analysis of new green job information, is sharing this information with the public and policymakers. Alaska will use a multifaceted approach to deliver green job information, relying upon existing systems, enhanced marketing efforts and some new tools developed with this grant in order to reach a new and broader audience.

Description of proposed dissemination strategies and formats

As the organization responsible for Alaska's workforce information system, R&A's overall mission is to provide quality information that our customers can easily access and use to make informed decisions. This mission will be applied to the activities supported by this grant. Specifically, we will provide information to Alaskans that helps them participate in the green economy. Dissemination strategies and formats will include:

- **Modifying the Alaska Career Information System (AKCIS)**: AKCIS, Alaska's primary computerized career development tool, will be enhanced to allow users – both youth and

adults – to easily identify and access green occupational, training program and career information.

- **Enhancing Alaska's labor exchange system (ALEXsys):** ALEXsys, Alaska's online labor exchange will be modified to allow users to identify green occupational employment and training opportunities.
- **Workforce Informer (WI):** The green industry and occupational data resulting from this project will be disseminated through AKDOLWD's workforce statistics website.
- **Presentations to interest groups:** R&A staff will include the green industry and occupation data in presentations to various audiences including the Alaska Workforce Investment Board, school boards throughout the state, and student organizations (among others).
- **Research reports and articles**: Results of the green research will be published in technical reports and included in Alaska's monthly economic magazine *Alaska Economic Trends*.

Identification of related research deliverables

In addition to the research outlined above, Alaska will:

- Identify green occupations in Alaska based on the following analysis: high skill, high wage or other high-demand measures.
- Conduct job search of green jobs advertised for Alaska using InfoUSA and other job posting information including ALEXsys, Alaska's labor exchange system.

- Provide a detailed analysis of hiring in green occupations, placement success of green training programs and movement of all Alaska secondary and postsecondary students into green jobs and careers.

Description of deliverables to enhance labor exchange infrastructure

AKDOLWD's labor exchange will be modified to allow easy access to green employment information, specifically:

- **Addition of job seeker functionality:** Identifying the job seeker's job experience as green for use in the system's job matching component.
- **Adding employer job order functionality:** Marking an employer's job order as green for job matching purposes.
- **Expanding the system's search logic:** Including search structures to access green occupation and industry groupings and for locating green-skilled candidates.
- **Linking training programs with the labor exchange:** Creating a link to the online list of green training offered by Alaska's education and training providers.

Part III

Attachments to the Technical Proposal

- Project Abstract

Project Abstract
Alaska

Applicant name: Alaska Department of Labor and Workforce Development

Project title: American Recovery and Reinvestment Act of 2009 State Labor Market Information Improvement Grant

Description of area to be served: State of Alaska

Funding level requested: The Alaska Department of Labor and Workforce Development is requesting $800,000 in ARRA funds for this project.

Project Summary: Through this grant, the Alaska Department of Labor and Workforce Development (AKDOLWD) will quantify Alaska's green jobs and skill sets and educate Alaskans on the related training and employment opportunities. Building upon unique and comprehensive interagency relationships, databases and delivery systems AKDOLWD will identify and quantify green jobs in Alaska, determine the supply and demand for green workers in the state, identify green training programs and outcomes and enhance Alaska's online labor exchange to allow green-related job and worker searches. Alaska will incorporate this new green job labor market information into all major LMI products in the state. This information will allow Alaska to better target education and training investments and formulate more effective public policy.

	Allocations	Appropriation Items	General Funds	Other Funds
Administrative Services				
Commissioner's Office	1,056,300			
Alaska Labor Relations Agency	501,500			
Management Services	3,257,000			

The amount allocated for Management Services includes the unexpended and unobligated balance on June 30, 2009, of receipts from all prior fiscal years collected under the Department of Labor and Workforce Development's federal indirect cost plan for expenditures incurred by the Department of Labor and Workforce Development.

Human Resources	846,500			
Leasing	3,335,500			
Data Processing	6,481,400			
Labor Market Information	4,579,600			
Workers' Compensation and Safety		**22,155,900**	**1,800,300**	**20,355,600**
Workers' Compensation	5,072,000			
Workers' Compensation Appeals Commission	550,900			
Workers' Compensation Benefits Guaranty Fund	280,000			
Second Injury Fund	3,978,000			
Fishermens Fund	1,618,500			
Wage and Hour Administration	2,218,400			
Mechanical Inspection	2,686,200			
Occupational Safety and Health	5,626,100			
Alaska Safety Advisory Council	125,800			

The amount allocated for the Alaska Safety Advisory Council includes the unexpended and unobligated balance on June 30, 2009, of the Department of Labor and Workforce

Department of Natural Resources
Geological Development
through the Office of the Governor

Subject of RPL: Alaska Volcano Observatory	**ADN/RPL #:** 10-0-5070
Amount requested: $ 1,500,000	**Appropriation Authority:** Ch 17 SLA 2009 Sec 4 pg 7 ln 25
Funding source: 100% Federal ARRA – Capital	**Statutory Authority:** AS 41.08

PURPOSE

This authorization will provide temporary replacement of previous federal earmarks to continue the current level of operation at the Alaska Volcano Observatory (AVO), and will be used specifically to:

- Upgrade and/or maintain seismic and other monitoring equipment at active volcanoes
- Conduct geologic investigations of recent eruptions
- Provide volcano hazards information to management agencies and the public

The requested authorization is part of a coordinated plan in response to the availability of approximately $7 million in federal ARRA funds through the USGS Volcano Hazards Program for volcano monitoring and research over the next two years. About $800,000 of this funding will be used to contract with the private sector for helicopter and aircraft charters used for remote equipment maintenance, volcanic activity surveys, and transportation of field staff. Much of the rest will be used to pay salaries and benefits for volcanology staff at the Division of Geological and Geophysical Survey (DGGS), the budget for which continues to be dependent on receipt of federal funds. Continued involvement of state employees in the AVO assures that the state's interests related to volcanic hazards are addressed.

BACKGROUND

The AVO is a cooperative interagency program of which DGGS is an essential part, along with the U.S. Geological Survey (USGS) and University of Alaska Fairbanks (UAF). The budget of AVO has historically been complex, with numerous sources coming together at different times, and with a significant percentage coming from congressional earmarks. A recent change in federal funding has resulted in the elimination of $5.0 million in annual earmark funds for the program. The requested ARRA funding, although temporary in nature, is necessary for continuation of the current level of operations. Long-term stable funding will eventually need to be identified in order for the cooperative agencies to continue to implement their respective parts of the program, develop long-range plans, and maintain equipment and staffing.

PREVIOUS LEGISLATIVE CONSIDERATION

Enacted state budgets since the late 1980's have included authorization for receipt of federal funds for DGGS's participation in the AVO. Since FY97, federal funding of $500,000 to $1.6 million annually has been available to pay for positions, as well as contract for helicopter and fixed wing aircraft used for maintaining remote monitoring stations along the Southcentral flyway, chemical sampling, transportation of field staff, and recording of eruptions.

Agency Contact: Leta Simons, (907) 465-3379
Legislative Finance Contact: Amanda Ryder, (907) 465-5411

TIMING ISSUES

Timely approval is necessary in order to continue the current level of operation of the AVO without interruption. The availability of these funds was formally announced in August, 2009. DGGS responded to the announcement with a detailed proposal and budget, which the USGS approved for funding at $1.5 million. The federal funding is documented by a grant award from the USGS (attached) stating that the Cooperative Agreement will start December 1, 2009 and end September 15, 2011.

Failure to approve the funds before the 2010 legislative session will cause a shortfall in the DGGS budget to pay for existing positions that support the AVO. It will also result in lack of contract support for logistics and volcano-seismic network operations (on which the entire AVO operation depends), and will likely result in loss of monitoring capability at several active volcanoes. Planning and preparation for field work scheduled for the summer of 2010 would be delayed, which would also cause a reduction in the ability to monitor volcanic activity.

BUDGETARY ISSUES

The requested authorization will provide approximately one-half of the support for the five DGGS positions in the AVO program (four Geologists and one Analyst/Programmer) from December 2009 through September 2011. This funding, along with other sources of funds indicated below, will be sufficient to maintain DGGS's participation in the volcano hazards program. No new positions are requested with this funding.

The line item distribution of the requested expenditure, as approved by the USGS, is as follows:

Personal Services	535,656
Travel	16,045
Services	923,070
Commodities	25,229
Total	**$1,500,000**

Other funding sources: DGGS is currently receiving federal funding support for volcano hazards work through two existing cooperative agreements with USGS: $481,582 for the period April 1, 2009 to March 31, 2010 (grant no. 39978); and $88,765 for the period July 1, 2009 to June 30, 2010 (grant no. 39958). The requested funding authorization is not duplicative of these projects.

Agency Contact: Leta Simons, (907) 465-3379
Legislative Finance Contact: Amanda Ryder, (907) 465-5411

Department of Fish and Game
Commercial Fisheries

Subject of RPL: Aquaculture Grant Program for Alutiiq Pride Shellfish Hatchery Aquaculture Operating Costs	**ADN/RPL #:** 11-0-0463
Amount requested: $ 150,017	**Appropriation Authority:** Ch 12, SLA 2009, Sec 1, pg 15, ln 11
Funding source: Federal ARRA, Code 1212, FY10 Operating	**Statutory Authority:** AS 16.05.050(a)(3), AS 16.05.050(a)(16)

PURPOSE
The American Recovery and Reinvestment Act (ARRA) Aquaculture Grant Program funding will provide assistance to one eligible Alaska aquaculture producer, Alutiiq Pride Shellfish Hatchery (APSH), for losses associated with high feed input costs during the 2008 calendar year. Feed cost includes algal production needed to feed larval clams and oysters in the hatchery. The funding will be passed through to APSH as a sub recipient to be used for costs associated with their current aquaculture operations in calendar year 2010 to grow the algae. The APSH hatchery is the only certified seed source for "indigenous species" such as geoduck, littleneck clams, razor clams, and cockles. Commercial aquatic farmers culture these small organisms until they are harvestable size. Enhancement projects also depend on the hatchery as a spat source and for research conducted at the Marine Technical Center at the hatchery. This funding to APSH is vital to the growth of the aquatic farm and mariculture industry. It is projected that 26 commercial aquatic farmers and two nurseries in the state will benefit from the hatchery receiving this funding. As the industry grows, more demand for APSH indigenous species and Pacific oyster spat will grow. The state will distribute the funding to APSH and oversee fulfillment of the reporting requirements from this producer.

Legislative Fiscal Analyst Comment: The Alutiiq Pride Shellfish Hatcher is located in Seward and is a Not-for-Profit corporation.

PREVIOUS LEGISLATIVE CONSIDERATION
There was no prior consideration by the finance committees to consider this ARRA federal funding. This request is a one time funding source administered by United States Department of Agriculture/Farm Service Agency (USDA/FSA) through the ARRA (also referred to as Stimulus Funds).

TIMING ISSUES
The Governor's Office became aware of this funding in April 2009 from USDA/FSA representatives; initially ADF&G determined that none of the Alaska hatcheries met the eligibility criteria in the federal legislation for the Aquaculture Grant Program. The state of Washington helped convince USDA/FSA that commercial feed should also include algal production for shellfish. Once the new definition was accepted, ADF&G determined that one hatchery in the state was eligible, APSH.

Agency Contact: Ron Josephson, (907) 465-4088
Legislative Finance Contact: Amanda Ryder, (907) 465-5411

The department received a work agreement from Amy Mitchell, USDA/FSA, in November which provided documentation on the terms of the funding and the amount. Once approvals are obtained and the work agreement is signed, the funding can be routed to the state within a week. ADF&G Mariculture Program staff will draft a work plan as a requirement of the work agreement summarizing how the State will implement the reimbursement program including the state application process, payment calculations, loss requirements, required documentation, and methodology for conducting internal reviews. Funds will be disbursed to APSH to reimburse the hatchery for documented operating costs of growing algae. Delay of funding will impact the aquatic farming industry and delay shipments of spat to aquatic farmers and nurseries in the spring. This funding does not interface with the federal cycle and was obtained from reserve funds available to USDA/FSA from the Aquaculture Grant program.

BUDGETARY ISSUES

This funding fits into long-term plans, missions, and measures of the affected program. The department's line item distribution of the proposed funding will be contractual. This is a one time funding source administered by USDA/FSA through the ARRA. It will not replace existing General Funds. There are no impacts or funding for positions. Excess receipt authority from the prior year does not apply to this request. The unspent FY10 operating authorization for this project will be requested in the FY11 operating budget, since these funds will be used to reimburse operating costs for CY2010. There is no impact on indirect cost recovery or fees for services.

Agency Contact: Ron Josephson, (907) 465-4088
Legislative Finance Contact: Amanda Ryder, (907) 465-5411

Department of Transportation and Public Facilities

Subject of RPL: Ketchikan: Tongass Highway - Viaducts Replacement and Rehabilitation	**ADN/RPL #:** 25-0-7547
Amount Requested: $1,300,000	**Appropriation Authority:** Sec. 1, Ch. 159, SLA 2004, Page 44, Line 33 and Page 45, Lines 3-4
Funding Source: Federal Stimulus: ARRA 2009 - Capital	**Statutory Authority:** AS 19.05.030 and 44.42.020

PURPOSE

The Department of Transportation and Public Facilities is requesting authority to receive and expend $1,300,000 in American Recovery and Reinvestment Act of 2009 (ARRA) funds from the Federal Highway Administration (FHWA) for the Tongass Highway Viaducts Replacement and Rehabilitation project in Ketchikan, Alaska.

This work includes conducting 2nd phase of corrosion protection improvements, consisting of cathodic protection and selected portions of future impressed current protection system for concrete piles and caps of the viaducts supporting Tongass Avenue.

BACKGROUND

This past legislative session, the Legislature appropriated approximately $248 million in American Recovery and Reinvestment Act of 2009 (ARRA) funding authority to the Department of Transportation and Public Facilities. The Department has been very successful in meeting federal obligation requirements on the majority of projects to-date; however, in a few instances projects are delayed due to permitting snags. Additionally, due to a favorable bidding climate, some project bids are coming in lower than originally estimated. As a result, Alaska is at risk of losing these ARRA dollars to other states if it is unable to meet federal obligation timelines.

As it is in the best interest to the State to look for ways to retain these dollars, the Department is proposing to replace $700,000 in regular federal capital project funding with ARRA funds, as well as increase ARRA federal project expenditure authority by $600,000 for the Ketchikan Tongass Highway Viaducts Replacement and Rehabilitation project.

The low bidder on this project has been rejected for lack of compliance on responsible capacity issues and the department intends to re-advertise for the project. However, the current project cost estimate exceeds current project authority by $600,000, resulting in this request for increased funding with ARRA dollars.

Agency Contact: Laura Baker, Administrative Services Director, (907) 465-8974
Legislative Finance Contact: Rob Carpenter, (907) 465-5413

Legislative Fiscal Analyst Comment: **To date, DOT&PF has obligated $118.4 million of the $178.5 million Highway and Bridge ARRA funds available. If the three DOT&PF RPLs (totaling $8.9 million) are approved at this meeting, the list of authorized projects for which money has not yet been obligated will be $78.3 million. DOT&PF has revised this list of "yet to obligate" projects down to a total of $66.4 million. Total anticipated obligations could then reach $184.7 million, which is $6.2 million above the $178.5 million available. The intent is to have contingency projects available if necessary.**

However, if a large project funs into snags or if bids are lower than anticipated, some ARRA money could remain unobligated on the February deadline. The Committee may wish to extend the RPL process into the legislative session in order to ensure full use of ARRA funding. DOT&PF forwarded an November 19, 2009 letter from US&DOT (included as backup) that warns of impending deadlines, consequences of missing deadlines, and the necessity of having contingent projects and a means of funding them quickly.

Please see the attached table for authorization and obligation detail.

PREVIOUS LEGISLATIVE CONSIDERATION
Ch. 61, SLA 2001, page 41, lines 21 – 24, Ketchikan: Tongass – Viaducts Replacement and Rehabilitation – 5,750,000.

Sec. 1, Ch. 159, SLA 2004, page 44, line 33 and page 45, lines 3 – 4, Ketchikan: Tongass Highway – Viaducts Replacement and Rehabilitation - $2,200,000. *Requesting $1,300,000 in Federal Stimulus ARRA 2009 funds. The Department will administratively restrict and lapse $700,000 in regular federal receipt authority.*

During this past session, the Legislature converted regular federal authority received for this project in Chapter 61, SLA 2001 ($5,748,366), and Chapter 159, SLA 2004 ($1,500,000) to ARRA funds.

TIMING ISSUES
To meet the timing requirements on the remaining FHWA ARRA funds, the Department must have project obligation plans completed by February 17, 2010. As stated above, if the ARRA funds are not obligated by this deadline, Alaska risks losing these funds to other states. See the attached letter from the Secretary of Transportation to Governor Parnell emphasizing that funds not committed by March 2, 2010 and subsequently obligated as of that date, will be redistributed among the states that have met the requirements.
This project has been advertised and is ready for contract award.

BUDGETARY ISSUES
With approval of this request, this project will be 100% ARRA funded and requires no state match.

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

November 19, 2009

The Honorable Sean Parnell
Governor of Alaska
Juneau, AK 85007

Dear Governor Parnell:

As you know, the American Recovery and Reinvestment Act of 2009 (Recovery Act) provided $48.1 billion in funding for transportation projects in every State in the country. I am writing to give you a status report on the progress in your State and to urge you to get these projects under way by committing any outstanding funds as expeditiously as possible.

Under the Recovery Act, the U.S. Department of Transportation (USDOT) is providing funds for a wide variety of projects including highways, public transportation, airports, high-speed rail, and shipyards. So far the results have been impressive. More than 6,500 projects are under way across the Nation.

— Airports. Over 90 percent of the $1.1 billion provided in the Recovery Act has been allocated and 284 aviation construction projects are either under way or completed.

— Public transportation. Over 87 percent of Recovery Act funds available for public transit has been awarded to 685 projects.

— Roads and bridges. Approximately 76 percent of the $26.6 billion provided for roads and bridges has been committed to individual projects.

Project sponsors—States, airports, transit authorities and other entities—have established a strong record of action. Orange cones have sprouted up all over America. Newly hired engineers, crane operators, and construction crews are working to repair crumbling roads, bridges, and train stations.

Our financial records show that as of November 16, your State has committed 69 percent of Recovery Act highway funds to selected projects, and 34 percent of these funds have actually been paid out as Federal reimbursements.

I want to bring your attention to the fact that the Recovery Act requires States to commit all highway funds to projects by March 2, 2010—a deadline that is just over 3 months away. Any funds not obligated as of that date will be redistributed among the States that have met this requirement.

I urge you to redouble your efforts to move projects through the process as quickly as the law and financial oversight will allow. Your vigilance will help jumpstart the economy and put Americans back to work.

If I can provide further information or assistance, please feel free to call me.

Sincerely yours,

Ray LaHood

Department of Transportation and Public Facilities
through the Office of the Governor

Subject of RPL: Sand Point – School Loop Road Rehabilitation	**ADN/RPL#:** 25-0-7548
Amount Requested: $4,000,000	**Appropriation Authority:** Sec. 4, Ch. 17, SLA 2009, Page 7, Lines 25 - 30
Funding Source: Federal Stimulus: ARRA 2009 - Capital	**Statutory Authority:** AS 19.95.030 and 44.42.020

PURPOSE
The Department of Transportation and Public Facilities is requesting authority to receive and expend $4,000,000 in American Recovery and Reinvestment Act of 2009 (ARRA) funds from the Federal Highway Administration (FHWA) for the rehabilitation of School Loop Road in the City of Sand Point, Alaska.

School Loop Road is a City-owned and maintained 2.4 mile section of road connecting residential areas, one of the local schools, and businesses. The existing pavement is in need of repair. This project will smooth out the vertical alignment, improve existing lighting, and address drainage problems with the existing facility.

BACKGROUND
This past legislative session, the Legislature appropriated approximately $248 million in American Recovery and Reinvestment Act of 2009 (ARRA) funding authority to the Department of Transportation and Public Facilities. The Department has been very successful in meeting federal obligation requirements on the majority of projects to-date; however, in a few instances projects are delayed due to permitting snags. Additionally, due to a favorable bidding climate, some project bids are coming in lower than originally estimated. As a result, Alaska is at risk of losing these ARRA dollars to other states if it is unable to meet federal obligation timelines.

As it is in the best interest of the State to look for ways to retain these dollars, the Department is proposing to use ARRA federal project expenditure authority for the School Loop Road project in Sand Point.

The School Loop Road project is being considered as a contingency project under ARRA for local communities with a population of below 5,000. Due to the favorable contract bidding climate it is anticipated that the initial approved local community category project list will not be able to fully utilize all ARRA funds available, resulting in the funding being available for other projects that qualify such as the School Loop Road project.

Legislative Fiscal Analyst Comment: **To date, DOT&PF has obligated $118.4 million of the $178.5 million Highway and Bridge ARRA funds available. If the three DOT&PF RPLs (totaling $8.9 million) are approved at this meeting, the list of authorized projects for which money has not yet been obligated will be $78.3 million. DOT&PF has revised this list of "yet to obligate" projects down to a total of $66.4 million. Total anticipated obligations**

Agency Contact: Laura Baker, Administrative Services Director, (907) 465-8974
Legislative Finance Contact: Rob Carpenter, (907) 465-5413

could then reach $184.7 million, which is $6.2 million above the $178.5 million available. The intent is to have contingency projects available if necessary.

However, if a large project funs into snags or if bids are lower than anticipated, some ARRA money could remain unobligated on the February deadline. The Committee may wish to extend the RPL process into the legislative session in order to ensure full use of ARRA funding. DOT&PF forwarded an November 19, 2009 letter from US&DOT (included as backup) that warns of impending deadlines, consequences of missing deadlines, and the necessity of having contingent projects and a means of funding them quickly.

Please see the attached table for authorization and obligation detail.

PREVIOUS LEGISLATIVE CONSIDERATION
None.

Legislative Fiscal Analyst Comment: **In the absence of a legislatively approved capital project to which this RPL can be attached, this RPL makes use of the generic ARRA capital project appropriation in the Governor's Office.**

TIMING ISSUES
To meet the timing requirements of the remaining FHWA ARRA funds, the Department must have project obligation plans completed by February 17, 2010. As stated above, if the ARRA funds are not obligated by this deadline, Alaska risks losing these funds to other states. See attached letter from the Secretary of Transportation to Governor Parnell emphasizing that funds not committed by March 2, 2010 and subsequently obligated as of that date, will be redistributed among the states that have met the requirements.

BUDGETARY ISSUES
ARRA funding will be combined with a Commerce, Community and Economic Development grant from the 2009 capital budget, Denali Commission grant, and funding from the City government, Aleutians East Borough, and local tribal councils as necessary to meet the construction budget needs of this project.

School Loop Road is owned and operated by the City of Sand Point.

Agency Contact: Laura Baker, Administrative Services Director, (907) 465-8974
Legislative Finance Contact: Rob Carpenter, (907) 465-5413

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

November 19, 2009

The Honorable Sean Parnell
Governor of Alaska
Juneau, AK 85007

Dear Governor Parnell:

As you know, the American Recovery and Reinvestment Act of 2009 (Recovery Act) provided $48.1 billion in funding for transportation projects in every State in the country. I am writing to give you a status report on the progress in your State and to urge you to get these projects under way by committing any outstanding funds as expeditiously as possible.

Under the Recovery Act, the U.S. Department of Transportation (USDOT) is providing funds for a wide variety of projects including highways, public transportation, airports, high-speed rail, and shipyards. So far the results have been impressive. More than 6,500 projects are under way across the Nation.

— Airports. Over 90 percent of the $1.1 billion provided in the Recovery Act has been allocated and 284 aviation construction projects are either under way or completed.

— Public transportation. Over 87 percent of Recovery Act funds available for public transit has been awarded to 685 projects.

— Roads and bridges. Approximately 76 percent of the $26.6 billion provided for roads and bridges has been committed to individual projects.

Project sponsors—States, airports, transit authorities and other entities—have established a strong record of action. Orange cones have sprouted up all over America. Newly hired engineers, crane operators, and construction crews are working to repair crumbling roads, bridges, and train stations.

Our financial records show that as of November 16, your State has committed 69 percent of Recovery Act highway funds to selected projects, and 34 percent of these funds have actually been paid out as Federal reimbursements.

I want to bring your attention to the fact that the Recovery Act requires States to commit all highway funds to projects by March 2, 2010—a deadline that is just over 3 months away. Any funds not obligated as of that date will be redistributed among the States that have met this requirement.

I urge you to redouble your efforts to move projects through the process as quickly as the law and financial oversight will allow. Your vigilance will help jumpstart the economy and put Americans back to work.

If I can provide further information or assistance, please feel free to call me.

Sincerely yours,

Ray LaHood

Department of Transportation and Public Facilities
through the Office of the Governor

Subject of RPL: Richardson Highway MP 265 – 267 Repaving	**ADN/RPL#:** 25-0-7549
Amount Requested: $3,600,000	**Appropriation Authority:** Sec. 4, Ch. 17, SLA 2009, Page 7, Lines 25 - 30
Funding Source: Federal Stimulus: ARRA 2009 – Capital	**Statutory Authority:** 19.05.030 and 44.42.020

PURPOSE
The Department of Transportation and Public Facilities is requesting authority to receive and expend $3,600,000 in American Recovery and Reinvestment Act of 2009 (ARRA) federal funds from the Federal Highway Administration (FHWA) for the Richardson Highway MP 265 - 267 Repaving project.

Funding will go towards rehabilitation and resurfacing of the Richardson Highway between MP 265 and 267 (Delta Junction), upgrade the intersection at the junction of the Alaska Highway and Richardson Highway, upgrade frontage roads, and rehabilitate 2.1 miles of sidewalk. Work will include removing the existing asphalt surface and repave the highway and sidewalk, install three new culverts, clean ditches and existing culverts, replace signs and luminaries, upgrade existing sidewalk curb cuts to Americans with Disabilities Act (ADA) compliant ramps, repair damaged sections of curb and gutter, and striping.

The Richardson Highway is a principal arterial connecting with the Alaska Highway to the Canadian Border and continues south to Valdez. It is one of the few road connections to outside Alaska and also connects to the oil terminal and major recreation opportunities in Valdez. The pavement surface is nearly 30 years old and resurfacing and repaving is necessary to preserve the life of the road as well as for the safety of travelers on the highway.

BACKGROUND
In the FY2010 legislative session the Legislature appropriated approximately $248 million in American Recovery and Reinvestment Act of 2009 (ARRA) funding authority to the Department of Transportation and Public Facilities. To date, the Department has been very successful in meeting federal obligation requirements on the majority of projects, however, a few projects have been delayed due to permitting issues. Additionally, due to a favorable bidding climate, some of the projects construction bids are coming in lower than originally estimated. As a result, Alaska is at risk of losing ARRA funds to other states if the Department is unable to meet the federal obligation timelines.

Agency Contact: Laura Baker, Administrative Services Director, (907) 465-8974
Legislative Finance Contact: Rob Carpenter, (907) 465-5413

Legislative Fiscal Analyst Comment: **To date, DOT&PF has obligated $118.4 million of the $178.5 million Highway and Bridge ARRA funds available. If the three DOT&PF RPLs (totaling $8.9 million) are approved at this meeting, the list of authorized projects for which money has not yet been obligated will be $78.3 million. DOT&PF has revised this list of "yet to obligate" projects down to a total of $66.4 million. Total anticipated obligations could then reach $184.7 million, which is $6.2 million above the $178.5 million available. The intent is to have contingency projects available if necessary.**

However, if a large project funs into snags or if bids are lower than anticipated, some ARRA money could remain unobligated on the February deadline. The Committee may wish to extend the RPL process into the legislative session in order to ensure full use of ARRA funding. DOT&PF forwarded an November 19, 2009 letter from US&DOT (included as backup) that warns of impending deadlines, consequences of missing deadlines, and the necessity of having contingent projects and a means of funding them quickly.

Please see the attached table for authorization and obligation detail.

PREVIOUS LEGISLATIVE CONSIDERATION
None.

Legislative Fiscal Analyst Comment: **In the absence of a legislatively approved capital project to which this RPL can be attached, this RPL makes use of the generic ARRA capital project appropriation in the Governor's Office.**

TIMING ISSUES
To meet the timing requirements of the remaining FHWA ARRA funds, the Department must have project obligation plans completed by February 17, 2010. As stated above, if the ARRA funds are not obligated by this deadline, Alaska risks losing these funds to other states. See attached letter from the Secretary of Transportation to Governor Parnell emphasizing that funds not committed by March 2, 2010 and subsequently obligated as of that date, will be redistributed among the states that have met the requirements.

This project will be ready for construction advertising mid-January 2010 and will be completed within one year. The highway improvements will reduce associated traffic disruptions and the public will see improved mobility, reduced congestion, and a smoother, longer lasting pavement.

The ARRA funds involved must be applied to areas with a population less than 5,000. FHWA is also encouraging the Department that any additional ARRA projects be in areas defined as economically distressed. The Richardson Highway MP 265-267 (Delta Junction Area) meets both of these objectives.

BUDGETARY ISSUES
The project is in the federally approved final Statewide Transportation Improvement Program Amendment #18. This project is 100% federal ARRA funds and requires no state match.

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

November 19, 2009

The Honorable Sean Parnell
Governor of Alaska
Juneau, AK 85007

Dear Governor Parnell:

As you know, the American Recovery and Reinvestment Act of 2009 (Recovery Act) provided $48.1 billion in funding for transportation projects in every State in the country. I am writing to give you a status report on the progress in your State and to urge you to get these projects under way by committing any outstanding funds as expeditiously as possible.

Under the Recovery Act, the U.S. Department of Transportation (USDOT) is providing funds for a wide variety of projects including highways, public transportation, airports, high-speed rail, and shipyards. So far the results have been impressive. More than 6,500 projects are under way across the Nation.

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I urge you to redouble your efforts to move projects through the process as quickly as the law and financial oversight will allow. Your vigilance will help jumpstart the economy and put Americans back to work.

If I can provide further information or assistance, please feel free to call me.

Sincerely yours,

Ray LaHood

University of Alaska

Subject of RPL: Request for ARRA funding	ADN/RPL #: 45-0-1137
Amount Requested: $2,000,000	Appropriation Authority: Sec. 4, Ch. 17, SLA 2009, Page 9, Lines 12-16
Funding Source: Federal Stimulus: ARRA 2009 – Capital	Statutory Authority: AS 14.40.40

PURPOSE
The requested federal stimulus receipt authority will allow the University of Alaska to accept the following award:

USGS: Improvement of the Volcano and other Monitoring Systems and Other Monitoring-Related Activities in Alaska in the amount of $2,000,000 for the period 12/01/2009 through 9/15/2011, award G10AC00028.

PREVIOUS LEGISLATIVE CONSIDERATION
The project was not previously considered. It is a new multi-year federal award received after November 6, 2009 and has not been requested as part of the University's budget.

TIMING ISSUES
On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act of 2009, which authorized short-term federal spending, designed to stimulate the American economy. Federal stimulus receipt authority was not included in the FY10 budget because ARRA funding was not available for application until February 17, 2009.

BUDGETARY ISSUES
This project is directly aligned with the University of Alaska's long term plans and missions for the University of Alaska Fairbanks: "The University of Alaska Fairbanks, the nation's northernmost Land, Sea and Space Grant University and international research center, advances and disseminates knowledge through teaching, research and public service with an emphasis on Alaska, the circumpolar North and their diverse peoples. UAF – America's Arctic University – promotes academic excellence, student success and lifelong learning".

No State General Funds will be used, nor is any match required. The federal stimulus funds will be expended during the period FY10 through FY12. This request adds an additional $2,000,000 to the University's existing federal economic stimulus authority for competitive, discretionary, and incentive grants capital project appropriation contained within Sec. 4, Ch. 17, SLA 2009.

A copy of the award documents and budgets for this project is attached.

Legislative Fiscal Analyst Comment: **This RPL requests approval to spend additional stimulus funds received through a competitive process; no stimulus funds will be diverted from other Alaska projects and no general funds are required. As of December 1, 2009,**

Agency Contact: Michelle Rizk, (907) 450-8187
Legislative Finance Contact: Danith Watts, (907) 465-5435

the University of Alaska has received approval for a total of 39 Competitive ARRA proposals for a total of $68.2 million.

Agency Contact: Michelle Rizk, (907) 450-8187
Legislative Finance Contact: Danith Watts, 465-5435

Michelle Rizk, Associate VP
Budget
(907) 450-8180
(907) 450-8181 fax
Michelle.rizk@alaska.edu

UNIVERSITY of ALASKA
Many Traditions One Alaska

Office of Planning & Budget
SW Administration & Finance
PO BOX 755260
910 Yukon Drive Ste. 108
Fairbanks, AK 99775-5260

November 30, 2009

Steve Hildebrand
Chief Budget Analyst
P.O. Box 110020
Juneau, Alaska 99811

Dear Mr. Hildebrand,

The University of Alaska has received one stimulus award totaling $2 million that is pending approval of stimulus authority from the LB&A Committee before work may begin (see attached spreadsheet). UA is requesting to be able to amend the RPL to include additional grants that may be received between now and the December 16th LB&A Meeting.

Included within the RPL packet are the award documents for the project. Please let me know if additional information is necessary.

Sincerely,

Michelle Rizk

ARRA Award #	Title	Agency	Campus	Amount	Start Date	End Date
G10AC00028	Improvement of the Volcano and other Monitoring Systems and Other Monitoring-Related Activities in Alaska	USGS	UAF	2,000,000	12/1/2009	9/15/2011
				2,000,000		

9-2092
OPS/OAFA (Rev 1/2000)

U.S. DEPARTMENT OF THE INTERIOR
U.S. GEOLOGICAL SURVEY
ARRA ASSISTANCE AWARD

USGS science for a changing world

1 AWARD TYPE	2 AWARD NUMBER	3 REQUISITION NUMBER
___ Grant _X_ Cooperative Agreement	G10AC00028	10-ARRA-V023 Proposal No. SV-ARRA-0028 ATN: ARRA-SV0008T

4 RECIPIENT	5 ISSUED BY
Name & Address: University of Alaska Fairbanks PO Box 757880 109 Administrative Services Center Office of Grants and Contract Administration Fairbanks, AK 99775 Andrew Parkerson-Grey amgray@alaska.edu 907-474-1851 HHS PMS Subaccount Code: G10AC00028	Name & Address: U.S. Geological Survey Office of Acquisition & Grants 12201 Sunrise Valley Drive, MS 205 Reston, VA 20192 Margaret Eastman, Contracting Officer Phone: 703/648-7366 Fax: 703/648-7901 E-Mail: mrussell@usgs.gov

6 APPLICATION TITLE & DATE

Improvement of the Volcano and other Monitoring Systems and Other Monitoring-Related Activities in Alaska, dated September 14, 2009, revised October 23, 2009, October 29, 2009, and November 4, 2009

7 AWARD PERIODS	8 FISCAL DATA
Budget Period: 12/01/09 through 09/15/2011 Total Project Period: 12/01/09 through 09/15/2011 Effective Date: 12/01/09	Federal Share: $2,000,000.00 Non-Federal Share: $0.00 Total Project Cost: $2,000,000.00 Appropriation/Object Class: Obligated: 2009/2010-RA02-00V12 SARAD 411C $2,000,000.00 DCN: G10AC00028

9 PRINCIPAL INVESTIGATOR	10 USGS PROGRAM OFFICE
Stephen McNutt steve@giseis.alaska.edu University of Alaska Fairbanks Geophysical Institute 903 N. Koyukuk Drive PO Box 757320 Fairbanks, AK 99775-7320 907-474-7131	John Eichelberger U.S. Geological Survey 12201 Sunrise Valley Drive, MS 904 Reston, VA 20192 Phone: 703/648-6711

11 ADMINISTRATIVE DATA	12 FAADS DATA
CFDA Number: 15. 818 Program: Volcano Monitoring - ARRA Legislative Authority: 43 USC 36d and the American Recovery and Reinvestment Act of 2009	City Code: 24230 County Code: 90 State Code: 02 Congressional District: 001

13 AUTHORIZED SIGNATURES

_____ _____ Recipient's Signature Date _____ TYPED NAME AND TITLE	_____ _____ Contracting Officer's Signature Date Margaret Eastman, Contracting Officer TYPED NAME AND TITLE

Cooperative Agreement No. G10AC00028

14. SPECIAL TERMS AND CONDITIONS

A. The recipient's application, being the title and date shown in block 6, is hereby incorporated by reference.

B. This award supports the budget project period as specified in block 7.

C. This award shall be administered in accordance with Attachment A, Special Terms and Conditions, and Attachment B General Provisions.

Attachment A

Special Terms and Conditions

1. Method of Payment

A. Until APRIL 1, 2010 (or until notified by the Contracting Officer), the U. S. Geological Survey (USGS) will use the Department of Health and Human Services (HHS) Payment Management System (PMS) to provide electronic invoicing and payment for assistance award recipients.

(1) The Recipient agrees that it has established or will establish an account with PMS. With the award of each grant/cooperative agreement, a sub-account will be set up from which the Recipient can draw down funds.

(2) Instructions for obtaining payments will be provided to the recipients by HHS. Inquiries regarding payment should be directed to:

Division of Payment Management
Department of Health and Human Services
P. O. Box 6021
Rockville, MD 20852
www.dpm.psc.gov
Raynette Robinson (301) 443-9180

B. On and after APRIL 1, 2010 (or as notified by the Contracting Officer), the USGS will be using the Department of the Treasury Automated Standard Application for Payments (ASAP) to provide electronic invoicing and payment for assistance award recipients.

(1) The Recipient agrees that it has established or will establish an account with ASAP. With the award of each grant/cooperative agreement, a sub-account will be set up from which the Recipient can draw down funds.

(2) Instructions for obtaining payments will be provided to the recipients by ASAP. Inquiries regarding payment should be directed to:

www.asap.gov

Regional Financial Center	Time Zone	Phone Number	Business Hours	Mailing Address
Philadelphia	Eastern	(215) 516-8021	7:30 a.m - 4:00 p.m.	P.O. Box 51317 Philadelphia, PA 19115-6317
Kansas City	Central	(816) 414-2100	7:30 a.m - 4:00 p.m.	P.O. Box 12599-0599 Kansas City, MO 64116-0599
San Francisco	Mountain or Pacific	(510) 594-7182	7:30 a.m - 4:00 p.m.	P.O. Box 24700 Oakland, CA 94623-1700

Payments may be drawn in advance only to meet immediate cash disbursement needs.

Payments may be drawn in advance only as needed to meet immediate cash disbursement needs. All payments must be drawn down by September 30, 2011.

2. Definitions

A. Grant Agreement

A grant agreement is the legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient whenever:

(1) the principal purpose of the relationship is the transfer of money, property, services, or anything of value to the State or local government or other recipient in order to accomplish a public purpose of support or stimulation authorized by Federal statute, rather than acquisition, by purchase, lease, or barter, of property or services for the direct benefit or use of the Federal Government; and

(2) no substantial involvement is anticipated between the executive agency, acting for the Federal Government, and the State or local government or other recipient during performance of the contemplated activity.

B. Cooperative Agreement

A cooperative agreement is the legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient whenever:

(1) the principal purpose of the relationship is the transfer of money, property, services, or anything of value to the State or local government or other recipient to accomplish a public purpose of support, or stimulation authorized by Federal statute, rather than acquisition, by purchase, lease, or barter, of property or services for the direct benefit or use of the Federal Government; and

(2) substantial involvement is anticipated between the executive agency, acting for the Federal Government, and State or local government or other recipient during performance of the activity.

C. Grantee/Cooperator

Grantee or cooperator means the nonprofit corporation or other legal entity to which a grant or cooperative agreement is awarded and which is accountable to the Federal Government for the use of the funds provided. The grantee or cooperator is the entire legal entity even if only a particular component of the entity is designated in the award document. For example, a grant or cooperative agreement award document may name as the grantee one school or campus of a university. In this case, the granting agency usually intends, or actually requires, that the named component assume primary or sole responsibility for administering the grant-assisted project or program. Nevertheless, the naming of a component of a legal entity as the grantee or cooperator in a grant or cooperative agreement award document shall not be construed as relieving the whole legal entity from accountability to the Federal Government for the use of the funds provided.

The term "grantee" or "cooperator" does not include secondary recipients such as sub grantees, contractors, etc., who may receive funds from a grantee pursuant to a grant.

D. Recipient

Recipient means grantee or cooperator.

E. Principal Investigator

The Principal Investigator is the individual designated by the Recipient (and approved by the USGS) who is responsible for the technical direction of the research project. The Principal Investigator cannot be changed or become substantially less involved than was indicated in the Recipient's proposal, without the prior written approval of the Contracting Officer.

F. Grants Program Manager

(1) The Grants Program Manager will work closely with the Principal Investigator to ensure that all technical requirements are being met. The Grants Program Manager's responsibilities include, but are not limited to, providing technical advice on the accomplishment of the proposal's objectives; reviewing the technical content of reports and the other information delivered to the USGS; determining the adequacy of technical reports; and conducting site visits, in coordination with the Regional Coordinator and the Contracting Officer, as frequently as practicable.

(2) The Associate Coordinator for the Volcano Hazards Program (VHP) Manager is William Burton, will serve as the Grants Manager, U.S. Geological Survey, MS926A, 12201 Sunrise Valley Drive, Reston, VA 20192. The VHP Program Coordinator is John Eichelberger, U.S. Geological Survey, 904 National Center, 12201 Sunrise Valley Drive, Reston, VA 20192. Neither the VHP Coordinator nor the VHP Program Manager have the authority to issue any technical direction which constitutes an assignment of additional work outside the scope of the award; in any manner causes a change in the total cost or the time required for performance of the award; or change any of the terms, conditions, or general provisions of the award.

G. Regional Coordinator

(1) A Regional Coordinator will work closely with the Grants Program Manager and the Principal Investigator to ensure coordination with other appropriate Principal Investigators and appropriate USGS project scientists working in the same region for overall conformance with USGS program goals and objectives within that region. The Regional Coordinator's responsibilities include, but are not limited to, providing technical advice on the accomplishment of the proposal's objectives; reviewing the technical content of reports and other information delivered to the USGS; determining the adequacy of the technical reports; and conducting site visits, in coordination with the Grants Program Manager and contract personnel, as frequently as practicable.

(2) The Regional Coordinator does not have the authority to issue any technical direction which constitutes an assignment of additional work outside the scope of the award; in any manner causes a change in the total cost or the time required for performance of the award; or changes any of the terms, conditions, or general provisions of the award.

H. Contracting Officer (CO)

Contracting officers are individuals who have been delegated in writing by the USGS Office of Acquisition and Grants as the sole authority designated to obligate Federal funds and create terms and conditions of awards. They are the only individuals who have authority to negotiate, enter into, and administer awards resulting for this program. Contracting officers have responsibility to ensure the effective use of Federal funds.

Functions of the contracting officer include but are not limited to:

(1) Issuing the grant program announcement in coordination with the grants program manager.

(2) Receiving grant proposals and related documents in response to a grant program announcement. The contracting officer as receiving official shall mark all proposals with a control number and the date officially received. He shall notify each applicant of the receipt of its proposal.

(3) Approving the grant program manager's Technical Evaluation Plan, which describes in detail the evaluation process for a competitive grant/cooperative agreement program. The contracting officer shall ensure the openness and fairness of the evaluation and selection process.

(4) Serving in an advisory capacity at peer review panel meetings. He shall interpret grant management policies to panel members.

(5) Notifying grant program applicants whether or not they were selected for funding or of any other disposition of their application.

(6) Negotiating, as necessary, the final grant/cooperative agreement budget.

(7) Issuing grant/cooperative agreement awards and revisions to awards.

(8) Approving invoice payments.

(9) Receiving all requests for changes to an award. The contracting officer shall serve as the mandatory control point for all official communications with the grantee which may result in changing the amount of the grant/cooperative agreement, the grant/cooperative agreement budget, or any other terms and conditions of the grant.

(10) Receiving financial reports required by the terms and conditions of the award.

(11) Closing out grant/cooperative agreement awards when all applicable award requirements have been complied with.

3. Reporting Requirements and Dissemination of Results

Data generated as a part of work funded under this program must be made readily available; there is no provision for PIs to have exclusive access to data for a proprietary period of time. The USGS reserves a royalty-free, nonexclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, the data for Government purposes.

For cooperative agreements under the American Recovery and Reinvestment Act for upgrades to existing volcano monitoring and improving volcano hazard mitigation, USGS will be substantially involved with the PI(s) and other institution staff as upgrades are accomplished. Specifically, the USGS will be substantially involved during the performance of the work. Points of contact (POC) for cooperative agreements will be the Regional Coordinator for the USGS and the PI for the cooperating institution. However, other USGS staff and other staff at the PI's institution may be involved in collaborative discussions. It is expected that there will be frequent contact between the Regional Coordinator and the PI to discuss progress and problems. In the case of field work, joint planning will be necessary to achieve logistical efficiency. The USGS will also provide technical guidance as needed, for example to ensure that data systems are compatible with other parts of the project and with VHP as a whole.

A. **Required reports/documents**. The Principal Investigator or Director, Sponsored Research Office is required to submit the following reports or documents:

Report/Document	**No. of Copies and Method of Transmittal**	**Submit To**	**When Due**
(1) ARRA* Reporting	See Section 3.B(1)	See Section 3.B(1)	See Section 3.B(1)
(2) Final Technical Report	Send Adobe Acrobat PDF file as an email attachment; Maximum size: 10 MB	Grants Program Manager	Within 90 calendar days after the end of project period. **See details of formatting in section B(2) below.**
(3) SF 272 Federal Cash Transactions Report (or its successor SF 425, Federal Financial Report)	Electronic submission	USGS via PMS Electronic 272 System [see Section 3.B(3)]	See Section 3.B(3)
(4) SF 425 Financial Status Report	See Section 3.B(4)	See Section 3.B(4)	See Section 3.B(4)
(5) Final SF 425 Federal Financial	See Section 3.B(5)	See Section 3.B(5)	See Section 3.B(5)

*ARRA – American Recovery and Reinvestment Act

B. **Report preparation instructions.** The Recipient shall prepare the reports/documents in accordance with the following instructions:

(1) *American Recovery and Reinvestment Act (ARRA) Recipient Reporting*

Recipients of Federal financial awards from funds authorized under ARRA must comply with all requirements specified in ARRA (Public Law 111-005), including reporting requirements

outlined in Section 1512 of the Act. The prime recipient is ultimately responsible for the reporting of all data required. Prime recipients may delegate certain reporting requirements to sub-recipeints. Vendors are not awarded funds by the same means as sub-recipients and are not subject to the terms and conditions of the Federal financial assistance award.

Not later than ten (10) days after the end of each calendar quarter, starting with the quarter ending September 30, 2009 and reporting by October 10, 2009, the recipient must submit a report to the ARRA central reporting solution at www.FederalReporting.gov containing the following detailed information:

(a) Total amount of funds received; and of that, the amount spent on projects and activities;
(b) A list of those projects and activities funded by name to include:

- Description
- Completion status
- Estimates on jobs created or retrined;

For infrastructure investments made by State and local governments, the purpose, total costs, rationale for the infrastructure project and contact information of an individual must be provided.

(c) Detailed information on any sub-awards to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282). For any sub-awards equal to or larger than $25,000, the following information:

- Sub-recipeint DUNS
- Sub-recipient CCR information
- Sub-recipient type
- Amount received by sub-recipient
- Amount awarded to sub-recipient
- Sub-award date
- Sub-award period
- Sub-recipient place of performance
- Sub-recipient place of benefit
- Sub-recipient officer names and compenstation (Top 5)

(d) All sub-awards less than $25,000 or to individuals may be reported in the aggregate, as prescribed by the Department of the Interior.

(e) Any vendors receiving funds from the prime recipient or sub-recipients for payments greater than $25,000 must report three additional data elements:

- DUNS or the Name and zip code of the vendor's headquarters
- Expenditure amount
- Expenditure description

(f) Recipients must account for each ARRA award and sub-award separately. Recipients will draw down funds on an ARRA award by ARRA award basis. Pooling or commingling of ARRA award funds with other funds for drawdown or other purposes is not permitted.

(g) Recipients must account for each ARRA award by referencing the assigned CFDA number for each award.

The definition of terms and data elements, as well as any specific instructions for reporting, including required formats, are included in the data dictionary contained in the *Recipient Reporting Data Model* available at http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21-supp2.pdf

(2) *Final Technical Report.* The final technical report shall document and summarize the results of the work. Such reports shall contain a comparison of actual accomplishments to the goals established for the period; reasons why established goals were not met, if applicable; and other pertinent information. The final report shall be submitted within 90 calendar days of the end of the project period.

(a) Submit the Final Technical Report electronically as an Adobe Acrobat PDF file e-mail attachment to: Bill Burton at bburton@usgs.gov, with a copy of the transmittal sent to Margaret Eastman at mrussell@usgs.gov.

(b) Final Technical reports shall consist of the following sections:

(i) Cover page with the following information:
Award Number
Title
Author and Affiliation with Address and zip code
Author's Telephone numbers, fax numbers and E-mail addresses
Term covered by the award (start and end dates)
Submittal Date of Final Technical Report

(ii) Abstract

(iii) Main body of the report shall be single-spaced in 8 ½" x 11" format. The main body of the report shall be formatted double-sided, including figures and bibliography. Oversized pages should be used only if they are critical to convey data or conclusions. Electronic versions of oversized illustrations are also required to be sent with the electronic version of reports.

(3) *Standard Form 272, Federal Cash Transaction Report* (or its successor SF 425, Federal Financial Report) is required quarterly for each PMS/ASAP subaccount. Quarterly reports are due 45 days after the end of each fiscal quarter until the final Federal Financial Report is submitted. Instructions for submitting SF 272/SF 425 can be found at the PMS website:

http://www.dpm.psc.gov/grant_recipient/psc_272_reports/psc_272_reports.aspx?explorer.event=true

On and after APRIL 1, 2010 (or as notified by the Contracting Officer), the SF 425 Federal Financial Report must be submitted by mail to *<insert contact name and address>*.

If after 45 days, recipient has not submitted a report, the account will be placed in a manual review status. Funds may be withheld for accounts with delinquent reports.

(4) *SF425, Federal Financial Report (original)* is required annually and is due 90 calendar days after the end of the annual budget period. Reports will be submitted to the Contracting Officer at the address shown in Block 5 of the award form.

(5) *Final Federal Financial Report*

A. The recipient will liquidate all obligations incurred under the award and submit a final STANDARD FORM 425, FEDERAL FINANCIAL REPORT (which replaces the current SF 269, Financial Status Report) no later than 90 calendar days after the grant/cooperative agreement completion date. Recipient will promptly return any unexpended federal cash advances or will complete a final draw from PMS/ASAP to obtain any remaining amounts due. Once 120 days has passed since the grant/agreement completion date, the PMS/ASAP subaccount for this award may be closed by USGS at any time.

B. Subsequent revision to the final SF 425 will be considered only as follows -

(1) When the revision results in a balance due to the Government, the recipient must submit a revised final Federal Financial Report (SF 425) and refund the excess payment whenever the overcharge is discovered, no matter how long the lapse of time since the original due date of the report.

(2) When the revision represents additional reimbursable costs claimed by the recipient, a revised final SF 425 may be submitted to the Contracting Officer with an explanation. If approved, the USGS will either request and pay a final invoice or reestablish the PMS/ASAP subaccount to permit the recipient to make a revised final draw. Any revised final report representing additional reimbursable amounts must be submitted no later than 1 year from the due date of the original report, i.e., 15 months following the agreement completion date. USGS will not accept any revised SF 425 covering additional expenditures after that date and will return any late request for additional payment to the recipient.

C. **Adherence to reporting requirements. A Recipient's failure to submit the required Final Technical Report and final financial report, generally within 6 months of the end date of the award, will likely result in delay or non-issuance of new awards. Failure to submit a Progress Report for multi-year awards will likely result in delayed renewal of funds.**

4. Adherence to Original Research Objective and Budget Estimate

A. Any commitments or expenditures incurred by the Recipient in excess of the funds provided by this award shall be the responsibility of the Recipient. Expenditures incurred prior to the effective date of this award cannot be charged against award funds.

B. The following requests for change **require advance written approval by the Contracting Officer shown on your award. Your request must be submitted to the Contracting Officer at least 45 calendar days prior to the requested effective date of the change:**

(1) Changes in the scope, objective, or key personnel referenced in the Recipient's proposal.

(2) Request for supplemental funds.

(3) Transfer of funds between direct cost categories when the cumulative amount of transfers during the project period exceeds 10 percent of the total award.

(4) Foreign travel not approved at time of award.

(5) Acquisition of nonexpendable personal property (equipment) not approved at time of award.

(6) Creation of any direct cost line item not approved at time of award.

(7) Any other significant change to the award.

(8) No-cost Extensions to the Project Period. **No cost extensions are discouraged**. The Earthquake Hazards Program (EHP) awards grants and cooperative agreements for research that extends or supplements ongoing research within the USGS. The timely conduct of funded projects is of great importance to the achievement of ARRA and VHP goals. Applicants should consider their time commitments at the time of application for a grant. Requests for no cost extensions will be considered on a case-by-case basis. The USGS reserves the right to limit the length of time and number of no-cost extensions. Please note that no-cost extensions are not intended to be used merely for the purpose of expending unobligated balances. Applicants must supply documentation supporting their request for an extension.
The Recipient **shall include** in the request:

- the cause of the needed extension,
- a description of the remaining work to be completed,
- the proposed new end date, and
- the amount of funds remaining.

A request for an extension that is received by the Contracting Officer after the expiation date shall **not** be honored. Requests for no-cost extensions shall be submitted to the Contracting Officer **at least 45 days** before the grant end date.

C. The Contracting Officer will notify the Recipient in writing within 30 calendar days after receipt of the request for revision or adjustment whether the request has been approved.

5. Nonexpendable Personal Property

(a) The recipient shall comply with 2 CFR Part 215, Section 215.34. Title to nonexpendable personal property acquired wholly or in part with Federal funds shall be vested in the Recipient unless otherwise specified in the award document. The Recipient shall retain control and maintain a property inventory of such property as long as there is a need for such property to accomplish the purpose of the project, whether or not the project continues to be supported by Federal funds. When there is no longer a need for such property to accomplish the purpose of the project, the Recipient shall use the property in connection with other Federal awards the Recipient has received. Under no circumstances shall title to such property be vested in a sub-tier recipient. Disposal of nonexpendable personal property shall be in accordance with the applicable OMB circular.

The following equipment shall be vested:

Equipment	Quantity	Estimated Value per Unit	Estimated Value
Raid/FC Switch	1	$20,000.00	$20,000.00
EBAM Aerosol Sampler	4	$2,302.50	$9,210.00
ATV	1	$6,688.00	$6,688.00
Visualization Equipment Upgrade	1	$10,000.00	$10,000.00

Real-time Kinematic GPS Surveying System	1	$20,000.00	$20,000.00
Development Server	1	$7,000.00	$7,000.00
Backup Server	1	$7,000.00	$7,000.00
UPS, Type 1	4	$575.00	$2,300.00
UPS, Type 2	2	$2,500.00	$5,000.00
Chaparral 25V Infrasound Sensor	4	$875.00	$3,500.00
Electric Field Change Meter	8	$250.00	$2,000.00

6. **Record Retention Period**

Unless a longer period is requested by the award, a Recipient shall retain all records for 3 years after the end of the project period for which it uses USGS award funds.

7. **Pre-agreement Costs**

Pre-agreement costs are not authorized under this program. Costs must be obligated during the project period.

8. **Site Visits**

Site visits may be made by USGS representatives to review program accomplishments and management control systems and to provide technical assistance, as required.

9. **Metric Conversion (43CFR Sec 12.915)**

All progress and final reports, other reports, or publications produced under this award shall employ the metric system of measurements to the maximum extent practicable. Both metric and inch-pound unit (dual units) may be used if necessary during any transition period(s). However, the recipient may use non-metric measurements to the extent the recipient has supporting documentation that the use of metric measurements is impracticable or is likely to cause significant inefficiencies or loss of markets to the recipient, such as when foreign competitors are producing competing products in non-metric units.

10. **Violation of Award Terms**

If a Recipient materially fails to comply with the terms of the award, the Contracting Officer may suspend, terminate, or take such other remedies as may be legally available and appropriate in the circumstances.

11. **Award Closeout**

Awards will be closed out once all requirements have been met. Technical and financial reports must be submitted on time as specified in section 3, above. Failure to adhere to the reporting requirements may result in no future awards.

12. **Partnership with Grantees/Cooperators**

The USGS, through its federal grant/cooperative agreement awards, will collaborate with universities, federal state, local and tribal governments, and private organizations and businesses to provide relevant, timely, objective knowledge and information on natural resources, hazards, and the environment.

13. **Buy American Act Notice (43 CFR Sec. 12.710(c))**

Pursuant to Section 307(b) of the Department of the Interior (DOI) and Related Agencies Appropriations Act, FY 2000, Public Law 106-113, please be advised on the following:

> "In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products."

14. **Buy American - Use of American Iron, Steel, and Manufactured Goods (ARRA Term)**

Recipients may not use any funds obligated under this award for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States unless the Department of the Interior waives the application of this provision. (ARRA Sec. 1605)

15. **Anti-Lobbying (43 CFR Part 18)**

The Recipient shall not use any part of the appropriated funds from the Department of the Interior for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which Congressional action is not complete.

16. **Seat Belt Provision (43 CFR Sec. 12.2(e))**

Recipients of grants/cooperative agreements and/or sub-awards are encouraged to adopt and enforce on-the-job seat belt use policies and programs for their employees when operating company-owned, rented, or personally owned vehicles. These measures include, but are not limited to, conducing education, awareness, and other appropriated programs for their employees about the importance of wearing seat belts and the consequences of not wearing them.

17. **Whistleblower Protection (ARRA Term)**

Section 1553 of Division A, Title XV of the American Recovery and Reinvestment Act of 2009, P.L. 111-5, provides protections for certain individuals who make specified disclosures relating to Recovery Act funds. Any non-federal employer receiving recovery funds is required to post a notice of the rights and remedies provided under this section of the Act.

Each recipient or sub-recipient awarded funds made available under the ARRA shall promptly refer to the Department of the Interior, Office of Inspector General, any credible evidence that a principal, employee, agent, contractor, sub-recipient, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds. (ARRA Sec. 1553)

The Department of the Interior, Office of Inspector General, can be reached at www.doioig.gov or hotline number at (800) 424-5081.

18. <u>No Endorsement Provision (43 CFR 12.2(d))</u>

[Paragraph (B) applies to all awards. The remainder of this provision applies only when:

(1) the principal purpose of the agreement is a partnership where the recipient/partner contributes resources to promote agency programs or publicize agency activities, assists in fundraising, or provides assistance to the agency; and

(2) the agreement authorizes joint dissemination of information and promotion of activities being supported; and

(3) the recipient <u>is not</u> a State government, a local government, or a Federally-recognized Indian tribal government.]

(A) Recipient shall not publicize or otherwise circulate, promotional material (such as advertisements, sales brochures, press releases, speeches, still and motion pictures, articles, manuscripts or other publications) which states or implies governmental, Departmental, bureau, or government employee endorsement of a product, service, or position which the recipient represents. No release of information relating to this award may state or imply that the Government approves of the recipient's work products, or considers the recipient's work product to be superior to other products or services.

(B) All information submitted for publication or other public releases of information regarding this project shall carry the following disclaimer:

The views and conclusions contained in this document are those of the authors and should not be interpreted as representing the opinions or policies of the U.S. Government. Mention of trade names or commercial products does not constitute their endorsement by the U.S. Government.

(C) Recipient must obtain prior Government approval for any public information releases concerning this award which refer to the Department of the Interior or any bureau or employee (by name or title). The specific text, layout photographs, etc. of the proposed release must be submitted with the request for approval.

(D) A recipient further agrees to include this provision in a sub-award to any sub-recipient, except for a sub-award to a State government, a local government, or to a Federally-recognized Indian tribal government.

19. <u>Use of U.S. Flag Air Carriers</u>

Any air transportation to, from, between or within a country other than the U.S. of persons or property, the expense of which will be paid in whole or in part by U.S Government funding, must be performed by, or under a code-sharing arrangement with, a U.S. flag air carrier if service provided by such a carrier is "available" (49 U.S.C. 40118, commonly referred to as the Fly America Act). Tickets (or documentation for electronic tickets) must identify the U.S. flag air carrier's designator code and flight number. See the Federal Travel Regulation §301-10.131 - §301-10.143 for definitions, exceptions, and documentation requirements. (See also Comp. Gen. Decision B-240956, dated September 25, 1991.)

20. DUNS/CCR (ARRA Term)

Recipients must require that first tier sub-recipients begin planning activities, including obtaining a DUNS number (or updating the existing DUNS record), and registering with the Central Contractor Registration (CCR) no later than the first time ARRA data requirements are due.

21. Activities on Private and Other Non-Federal Lands

[Paragraph B applies to all awards. The remainder of this provision applies only when the award involves funds appropriated to the biological research activity of the USGS.]

A. Funds provided for the biological research activity in USGS annual appropriations may not be used to conduct surveys on private property, unless specifically authorized in writing by the property owner.

(i) Accordingly, the recipient shall not enter non-Federal real property for the purpose of collecting information regarding the property, unless the owner of the property has –

- consented in writing to the entry;
- been provided notice of that entry; and
- been notified that any raw data collected from the property must be made available at no costs, if requested by the land owner.

(ii) In this provision, the term "recipient" includes any person that is an officer, employee, or agent of the recipient, including a person acting pursuant to a contract or sub-agreement.

B. The recipient shall comply with applicable State, local, and Tribal government laws, including laws relating to private property rights.

The Recipient shall comply with applicable State, local, and Tribal government laws, including laws relating to private property rights.

22. Access to Research Data

A. By regulation (43 CFR 12.936), recipients that are institutions of higher education, hospitals, or non-profit organizations are required to release research data first produced in a project supported with Federal funds that are cited publicly and officially by a Federal agency in support of an action that has the force and effect of law (e.g., regulations and administrative orders). "Research data" is defined as the recorded factual material commonly accepted in the scientific community as necessary to validate research findings. It does not include preliminary analyses; drafts of scientific papers; plans for future research; peer reviews; communications with colleagues; physical objects (e.g., laboratory samples, audio or video tapes); trade secrets; commercial information; materials necessary to be held confidential by a researcher until publication in a peer-reviewed journal; information that is protected under the law (e.g., intellectual property); personnel and medical files and similar files, the disclosure of which would constitute an unwarranted invasion of personal privacy; or information that could be used to identify a particular person in a research study.

B. These requirements do not apply to commercial organizations or to research data produced by State or local governments. However, if a State or local governmental grantee contracts with an educational institution, hospital, or non-profit organization, and the contract results in covered research data, those data are subject to these disclosure requirements.

C. Requests for the release of research data subject to this policy are required to be made to USGS, which will handle them as FOIA requests under 43 CFR 2.25. If the data are publicly available, the requestor will be directed to the public source. Otherwise, the USGS Contracting Officer/Grants Officer, in consultation with the affected recipient and the PI, will handle the request. This policy also provides for assessment of a reasonable fee to cover recipient costs as well as (separately) the USGS costs of responding.

23. Trafficking in Persons (22 U.S.C. § 7104(g))

A. Provisions applicable to a recipient that is a private entity.

(i) You as the recipient, your employees, sub-recipients under this award, and sub-recipients' employees may not--

(a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
(b) Procure a commercial sex act during the period of time that the award is in effect; or
(c) Use forced labor in the performance of the award or sub-awards under the award.

(ii) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a sub-recipient that is a private entity --

(a) Is determined to have violated a prohibition in paragraph a.1 of this award term; or
(b) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—
1. Associated with performance under this award; or
2. Imputed to you or the sub-recipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement)," as implemented by our agency at 43 CFR Part 42.

B. Provisions applicable to a recipient other than a private entity. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a sub-recipient that is a private entity --

(i) Is determined to have violated a prohibition in paragraph a.1 of this award term; or

(ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—

(a) Associated with performance under this award; or
(b) Inputed to you or the sub-recipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement)," as implemented by our agency at 43 CFR Part 42.

C. Provisions applicable to any recipient.

(i) You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

(ii) Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

(a) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
(b) Is in addition to all other remedies for noncompliance that are available to us under this award.

(iii) You must include the requirements of paragraph a.1 of this award term in any sub-award you make to a private entity.

D. Definitions. For purposes of this award term:

(i) "Employee" means either:

(a) An individual employed by you or a sub-recipient who is engaged in the performance of the project or program under this award; or
(b) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

(ii) "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(iii) "Private entity":
(a) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.
(b) Includes:
1. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).
2. A for-profit organization.

(iv) Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

24. <u>Research Integrity</u>

A. USGS requires that all grant or cooperative agreement recipient organizations adhere to the Federal Policy on Research Misconduct, Office of Science and Technology Policy, December 6, 2001, 65 Federal Register (FR) 76260, http://www.ostp.gov/cs/federal_policy_on_research_misconduct. The Federal Policy on Research Misconduct outlines requirements for addressing allegations of research misconduct, including the investigation, adjudication, and appeal of allegations of research misconduct and the implementation of appropriate administrative actions.

B. The recipient must promptly notify the USGS Project Office when research misconduct that warrants an investigation pursuant to the Federal Policy on Research Misconduct is alleged.

25. <u>Fiscal Integrity</u>

The recipient will notify the USGS Contracting Officer/Grants officer of any significant problems relating to the administrative or financial aspects of the award, such as misappropriation of Federal funds.

26. Program Income

A. The recipient will have no obligation to the Federal Government for program income earned from license fees and royalties for copyrighted material, in accordance with 43 CFR 12.924(h) (for A-110 recipients) or 43 CFR 12.65(e) (for A-102 recipients).

B. If a purpose of this award is to support a conference, symposium, or similar event, income related to that event will be deducted from total allowable costs to determine the net allowable costs before calculating the Government's share of reimbursable costs, as provided in 3 CFR 12.65(g)(1) (for A-102 recipients) or 43 CFR 12.924(b)(3) (for A-110 recipients).

C. If the recipient is an educational institution or nonprofit research organization, any other program income will be added to funds committed to the project by the Federal awarding agency and recipient and be used to further eligible project or program objectives, as described in 43 CFR 12.924(b)(1).

D. For all other types of recipients, any other program income will be deducted from total allowable costs to determine the net allowable costs before calculating the Government's share of reimbursable costs, as provided in 3 CFR 12.65(g)(1) (for A-102 recipients) or 43 CFR 12.924(b)(3) (for A-110 recipients).

27. Wage Rate Requirements (ARRA Term)

Subject to further clarification issued by the Office of Management and Budget and notwithstanding any other provision of law and in a manner consistent with other provisions of ARRA, all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to this award shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code. With respect to the labor standards specified in this section, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of title 40, United States Code. (ARRA Sec. 1606)

28. Schedule of Expenditures of Federal Awards (ARRA Term)

Recipients agree to separately identify the expenditures for each grant award funded under ARRA on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." This identification on the SEFA and SF-SAC shall include the Federal award number, the Catalog of Federal Domestic Assistance (CFDA) number, and amount such that separate accountability and disclosure is provided for ARRA funds by Federal award number consistent with the recipient reports required by ARRA Section 1512(c).

29. Responsibilities for Informing Sub-recipients (ARRA Term)

Recipients agree to separately identify to each sub-recipient, and document at the time of sub-award and at the time of disbursement of funds, the Federal award number, CFDA number, and amount of ARRA funds.

30. 2 CFR §176.50 Award term--Reporting and Registration Requirements under Section 1512 of the American Recovery and Reinvestment Act, Public Law 111-5

(a) This award requires the recipient to complete projects or activities which are funded under the American Recovery and Reinvestment Act of 2009 ("Recovery Act") and to report on use of Recovery Act funds provided through this award. Information from these reports will be made available to the public.

(b) The reports are due no later than ten calendar days after each calendar quarter in which the recipient receives the assistance award funded in whole or in part by the Recovery Act.

(c) Recipients and their first-tier recipients must maintain current registrations in the Central Contractor Registration (www.ccr.gov) at all times during which they have active federal awards funded with Recovery Act funds. A Dun and Bradstreet Data Universal Numbering System (DUNS) Number (www.dnb.com) is one of the requirements for registration in the Central Contractor Registration.

(d) The recipient shall report the information described in section 1512(c) using the reporting instructions and data elements that will be provided online at www.FederalReporting.gov and ensure that any information that is pre-filled is corrected or updated as needed.

31. 2 CFR §176.140 Award term- Required Use of American Iron, Steel, and Manufactured Goods—Section 1605 of the American Recovery and Reinvestment Act of 2009

(a) **Definitions**. As used in this award term and condition—

"Manufactured good" means a good brought to the construction site for incorporation into the building or work that has been--

(1) Processed into a specific form and shape; or
(2) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

"Public building" and "public work" means a public building of, and a public work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

"Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.
(b) *Domestic preference*.

(1) This award term and condition implements Section 1605 of the American Recovery and Reinvestment Act of 2009 (Recovery Act)(Pub. L. 111-5), by requiring that all iron, steel, and manufactured goods used in the project are produced in the United States except as provided in paragraph (b)(3) and (b)(4) of this term and condition.

(2) This requirement does not apply to the material listed by the Federal Government as follows: none.

(3) The award official may add other iron, steel, and/or manufactured goods to the list in paragraph (b)(2) of this term and condition if the Federal government determines that—

(i) The cost of the domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the cost of the overall project by more than 25 percent;

(ii) The iron, steel, and/or manufactured good is not produced, or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

(iii) The application of the restriction of section 1605 of the Recovery Act would be inconsistent with the public interest.

(c) *Request for determination of inapplicability of Section 1605 of the Recovery Act.*

(1)(i) Any recipient request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b)(3) of this term and condition shall include adequate information for Federal Government evaluation of the request, including—

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;

(B) Unit of measure;

(C) Quantity;

(D) Cost;

(E) Time of delivery or availability;

(F) Location of the project;

(G) Name and address of the proposed supplier; and

(H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(3) of this term and condition.

(ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this term and condition.

(iii) The cost of iron, steel, and/or manufactured goods material shall include all delivery costs to the construction site and any applicable duty.

(iv) Any recipient request for a determination submitted after Recovery Act funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the recipient could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the recipient does not submit a satisfactory explanation, the award official need not make a determination.

(2) If the Federal government determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the Recovery Act applies, the award official will amend the award to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended award shall reflect adjustment of the award amount, redistribution of budgeted funds, and/or other actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the award official shall adjust the award amount or redistribute budgeted funds by at least the differential established in 2 CFR 176.110(a).

(3) Unless the Federal Government determines that an exception to section 1605 of the Recovery Act applies, use of foreign iron, steel, and/or manufactured goods is noncompliant with section 1605 of the American Recovery and Reinvestment Act.

(d) **Data.** To permit evaluation of requests under paragraph (b) of this term and condition based on unreasonable cost, the Recipient shall include the following information and any applicable supporting data based on the survey of suppliers: FOREIGN AND DOMESTIC ITEMS COST COMPARISON			
Description	Unit of Measure	Quantity	Cost (Dollars)*
Item 1:			
Foreign steel, iron, or manufactured good	_____	_____	_____

32. <u>2 CFR §176.160 Award term- Required Use of American Iron, Steel, and Manufactured Goods (covered under International Agreements)—Section 1605 of the American Recovery and Reinvestment Act of 2009</u>

(a) **Definitions.** As used in this award term and condition—

"Designated country" --

(1) A World Trade Organization Government Procurement Agreement country (Aruba, Austria, Belgium, Bulgaria, Canada, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and United Kingdom;

(2) A Free Trade Agreement (FTA) country (Australia, Bahrain, Canada, Chile, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Mexico, Morocco, Nicaragua, Oman, Peru, or Singapore); or

(3) A United States-European Communities Exchange of Letters (May 15, 1995) country:
Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden, and United Kingdom.

"Designated country iron, steel, and/or manufactured goods" --

(1) Is wholly the growth, product, or manufacture of a designated country; or

(2) In the case of a manufactured good that consist in whole or in part of materials from another country, has been substantially transformed in a designated country into a new and different manufactured good distinct from the materials from which it was transformed.

"Domestic iron, steel, and/or manufactured good" --

(1) Is wholly the growth, product, or manufacture of the United States; or

(2) In the case of a manufactured good that consists in whole or in part of materials from another country, has been substantially transformed in the United States into a new and different manufactured good distinct from the materials from which it was transformed. There is no requirement with regard to the

origin of components or subcomponents in manufactured goods or products, as long as the manufacture of the goods occurs in the United States.

"Foreign iron, steel, and/or manufactured good" means iron, steel and/or manufactured good that is not domestic or designated country iron, steel, and/or manufactured good.

"Manufactured good" means a good brought to the construction site for incorporation into the building or work that has been--

(1) Processed into a specific form and shape; or

(2) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

"Public building" and "public work" means a public building of, and a public work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.
"Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) *Iron, steel, and manufactured goods.*

(1) This award term and condition implements

(i) Section 1605(a) of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) (Recovery Act), by requiring that all iron, steel, and manufactured goods used in the project are produced in the United States; and

(ii) Section 1605(d), which requires application of the Buy American requirement in a manner consistent with U.S. obligations under international agreements. The restrictions of section 1605 of the Recovery Act do not apply to designated country iron, steel, and/or manufactured goods. The Buy American requirement in section 1605 shall not be applied where the iron, steel or manufactured goods used in the project are from a Party to an international agreement that obligates the recipient to treat the goods and services of that Party the same as domestic goods and services. This obligation shall only apply to projects with an estimated value of $7,443,000 or more.

(2) The recipient shall use only domestic or designated country iron, steel, and manufactured goods in performing the work funded in whole or part with this award, except as provided in paragraphs (b)(3) and (b)(4) of this term and condition.

(3) The requirement in paragraph (b)(2) of this term and condition does not apply to the iron, steel, and manufactured goods listed by the Federal Government as follows: none.

(4) The award official may add other iron, steel, and manufactured goods to the list in paragraph (b)(3) of this award term and condition if the Federal government determines that—

(i) The cost of domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, and/or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the overall cost of the project by more than 25 percent;

(ii) The iron, steel, and/or manufactured goods is not produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality; or

(iii) The application of the restriction of section 1605 of the Recovery Act would be inconsistent with the public interest.

(c) *Request for determination of inapplicability of section 1605 of the Recovery Act or the Buy American Act.*

(1)(i) Any recipient request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph(b)(4) of this term and condition shall include adequate information for Federal Government evaluation of the request, including—

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;
(B) Unit of measure;
(C) Quantity;
(D) Cost;
(E) Time of delivery or availability;
(F) Location of the project;
(G) Name and address of the proposed supplier; and
(H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(4) of this term and condition.

(ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this term and condition.

(iii) The cost of iron, steel, or manufactured goods shall include all delivery costs to the construction site and any applicable duty.

(iv) Any recipient request for a determination submitted after Recovery Act funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the recipient could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the recipient does not submit a satisfactory explanation, the award official need not make a determination.

(2) If the Federal government determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the Recovery Act applies, the award official will amend the award to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended award shall reflect adjustment of the award amount, redistribution of budgeted funds, and/or other appropriate actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods.. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the award official shall adjust the award amount or redistribute budgeted funds, as appropriate, by at least the differential established in 2 CFR 176.110(a).

(3) Unless the Federal Government determines that an exception to the section 1605 of the Recovery Act applies, use of foreign iron, steel, and/or manufactured goods other than designated country iron, steel, and/or manufactured goods is noncompliant with the applicable Act.

(d) Data. To permit evaluation of requests under paragraph (b) of this term and condition based on unreasonable cost, the applicant shall include the following information and any applicable supporting data based on the survey of suppliers: FOREIGN AND DOMESTIC ITEMS COST COMPARISON			
Description	Unit of Measure	Quantity	Cost (Dollars)*

Item 1:			
Foreign steel, iron, or manufactured good			
Domestic steel, iron, or manufactured good			
Item 2:			
Foreign steel, iron, or manufactured good			
Domestic steel, iron, or manufactured good			
[List name, address, telephone number, email address, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.] [Include other applicable supporting information.] [* Include all delivery costs to the construction site.]			

33. 2 CFR §176.190 Award term- Wage Rate Requirements under Section 1606 of the Recovery Act

(a) Section 1606 of the Recovery Act requires that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to the Recovery Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

Pursuant to Reorganization Plan No. 14 and the Copeland Act, 40 U.S.C. 3145, the Department of Labor has issued regulations at 29 CFR Parts 1, 3, and 5 to implement the Davis-Bacon and related Acts. Regulations in 29 CFR 5.5 instruct agencies concerning application of the standard Davis-Bacon contract clauses set forth in that section. Federal agencies providing grants, cooperative agreements, and loans under the Recovery Act shall ensure that the standard Davis-Bacon contract clauses found in 29 CFR 5.5(a) are incorporated in any resultant covered contracts that are in excess of $2,000 for construction, alteration or repair (including painting and decorating).

(b) For additional guidance on the wage rate requirements of section 1606, contact your awarding agency. Recipients of grants, cooperative agreements and loans should direct their initial inquiries concerning the application of Davis-Bacon requirements to a particular federally assisted project to the Federal agency funding the project. The Secretary of Labor retains final coverage authority under Reorganization Plan Number 14.

34. 2 CFR §176.210 Award term- Recovery Act Transactions listed in Schedule of Expenditures of Federal Awards and Recipient Responsibilities for Informing Sub-recipients

(a) To maximize the transparency and accountability of funds authorized under the American Recovery and Reinvestment Act of 2009 (Public Law 111-5)(Recovery Act) as required by Congress and in accordance with 2 CFR 215, subpart ___. 21 "Uniform Administrative Requirements for Grants and Agreements" and OMB A-102 Common Rules provisions, recipients agree to maintain records that identify adequately the source and application of Recovery Act funds.

(b) For recipients covered by the Single Audit Act Amendments of 1996 and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," recipients agree to separately identify the expenditures for Federal awards under the Recovery Act on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by OMB Circular A-133. This shall be accomplished by identifying expenditures for Federal awards made under Recovery Act separately on the SEFA, and as separate rows under Item 9 of Part III on the SF-SAC by CFDA number,

and inclusion of the prefix "ARRA-" in identifying the name of the Federal program on the SEFA and as the first characters in Item 9d of Part III on the SF-SAC.

(c) Recipients agree to separately identify to each sub-recipient, and document at the time of sub-award and at the time of disbursement of funds, the Federal award number, CFDA number, and amount of Recovery Act funds. When a recipient awards Recovery Act funds for an existing program, the information furnished to sub-recipients shall distinguish the sub-awards of incremental Recovery Act funds from regular sub-awards under the existing program.

(d) Recipients agree to require their sub-recipients to include on their SEFA information to specifically identify Recovery Act funding similar to the requirements for the recipient SEFA described above. This information is needed to allow the recipient to properly monitor sub-recipient expenditure of ARRA funds as well as oversight by the Federal awarding agencies, Offices of Inspector General and the Government Accountability Office.

35. <u>Other Standard Terms and Conditions</u>

All other grant policy terms and conditions contained in applicable Department of the Interior Grant Policy Statements apply unless they conflict or are superseded by the following terms and conditions implementing the American Recovery and Reinvestment Act of 2009 (ARRA) requirements below. Recipients are responsible for contacting their grant managers for any needed clarifications. Sub-awards include sub-grants and sub-contracts issued from this award.

Attachment B

COST PRINCIPLES, AUDIT, AND ADMINISTRATIVE REQUIREMENTS

The Recipient shall be subject to the following OMB circulars and regulations, which are incorporated herein by reference. Copies of these Circulars can be obtained from the Internet at: *http://www.whitehouse.gov/omb/circulars/index.html*.

I. OMB Circulars and Regulations

A. Educational Institutions

- 2 CFR 220, Cost Principles for Educational Institutions (OMB Circular No. A-21)
- OMB Circular No. A-110, Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, hospitals, and Other Non-profit Organizations, as implemented in 2 CFR 215 and 43 CFR Part 12, Subpart F.
- OMB Circular No. A-133, Audits of States, Local Governments and Non-Profit Organizations, as implemented in 43 CFR Part 12, Subpart A: Administrative and Audit Requirements and Cost Principles for Assistance Programs

B. State and Local Governments

- 2 CFR 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)
- OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments; as implemented in 43 CFR Part 12, Subpart C
- OMB Circular No. A-133, Audits of States, Local Governments and Non-Profit Organizations, as implemented in 43 CFR Part 12, Subpart A: Administrative and Audit Requirements and Cost Principles for Assistance Programs

II. ADDITIONAL REGULATIONS

This award is subject to the following additional Government-wide regulations:

(1) 2 CFR 180, Government Debarment and Suspension (Non-procurement)
(2) 2 CFR 1400, Department of the Interior Non-procurement Debarment and Suspension

This award is subject to the following additional regulations of the U.S. Department of the Interior:

(3) 43 CFR Part 12, Subpart E: Buy American Requirements for Assistance Programs
(4) 43 CFR Part 17, Subpart A: Nondiscrimination on the Basis of Race, Color, or National Origin
(5) 43 CFR Part 17, Subpart B: Nondiscrimination on the Basis of Handicap
(6) 43 CFR Part 17, Subpart C: Nondiscrimination on the Basis of Age
(7) 43 CFR Part 17, Subpart E: Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of the Interior
(8) 43 CFR Part 18, New Restrictions on Lobbying
(9) 43 CFR Part 41, Nondiscrimination on the basis of sex in education programs or activities receiving Federal financial assistance *[Applies only if this award provides assistance to an education program or student(s).]*
(10) 43 CFR Part 43, Government-wide Requirements for Drug Free Workplace

Subject: University of Alaska ARRA Approvals during Legislative Session
From: Wendy Redman <wredman@alaska.edu>
Date: Wed, 9 Dec 2009 18:03:31 -0900
To: "Senator_Keven_Meyer@legis.state.ak.us" <Senator_Keven_Meyer@legis.state.ak.us>, "Rep. Nancy Dahlstrom" <Representative_Nancy_Dahlstrom@legis.state.ak.us>
CC: "Sen. Lyman Hoffman" <Senator_Lyman_Hoffman@legis.state.ak.us>, "Sen. Charlie Huggins" <Senator_Charlie_Huggins@legis.state.ak.us>, "Senator_Bert_Steadman@legis.state.ak.us" <Senator_Bert_Steadman@legis.state.ak.us>, "Senator_Linda_Menard@legislstate.ak.us" <Senator_Linda_Menard@legislstate.ak.us>, "Rep. Mike Hawker" <Representative_Mike_Hawker@legis.state.ak.us>, "Rep. Mark Neuman" <Representative_Mark_Neuman@legis.state.ak.us>, "Rep. Bill Thomas" <Representative_Bill_Thomas@legis.state.ak.us>, "Rep. Mike Doogan" <Representative_Mike_Doogan@legis.state.ak.us>, Mark Hamilton <mark.hamilton@alaska.edu>, Michelle Rizk <michelle.rizk@alaska.edu>, Joe Trubacz <Joe.Trubacz@alaska.edu>, "Myron J. Dosch" <myron.dosch@alaska.edu>, David Teal <David_Teal@legis.state.ak.us>, "karen.rehfeld@alaska.gov" <karen.rehfeld@alaska.gov>

December 9, 2009

Senator Kevin Meyer, Chairman

Representative Nancy Dahlstrom, Vice Chairman

Legislative Budget and Audit Committee

Alaska State Legislature

120 4th Street

State Capitol, Room 3

Juneau, Alaska 99801

Dear Senator Meyer and Representative Dahlstrom:

The decision of the Legislature to require that all American Recovery and Reinvestment Act (ARRA) funds be reviewed and approved separately is understandable given the possibility of ongoing state fiscal requirements. The efficient handling of this process by Legislative Finance and the LB&A Committee during the interim has allowed the approvals to proceed without any major difficulty for the University, and we thank you for your attention and consideration.

In the first year of the ARRA much of the "regular" research funding from federal agencies moved to the ARRA funding stream. As a result, the LB&A Committee has had the unexpected opportunity to review and approve much of the routine research activity at the University, rather than specific grants that were sought and received under the ARRA guidelines. We're expecting this circumstance to change somewhat as the ARRA funds are spent down, but it may be another year before that happens.

With the session set to begin in January, and the ARRA funds expected to continue being

distributed during that 90-day period, I question how the approvals will be made during this time. My understanding is that though there is no specific prohibition, the LB&A Committee has not historically made appropriation decisions when the Legislature is in session.

If you are inclined, the University could implement a practice that is used in unusual situations where time sensitive grant projects must proceed ahead of the receipt of funding. When there is sufficient evidence that final award documents are forthcoming, the University Controller allows start-up expenditures while waiting for the funding to materialize. Obviously, in these sorts of cases, the evidence of pending award must be significant, such as legislative action or agency award letters. This is a standard accounting practice, but it would only work with sufficient and specific receipt authority in the FY10 budget for ARRA projects.

Given the circumstances, there seem to be several options that would meet the Legislature's desire to keep close tabs on the ARRA funds as well as the desire to accept and expend federal funds in an efficient manner:

1. Appropriate FY10 ARRA receipt authority of $15 million for the University to cover the estimated balance of the fiscal year; and continue with monthly reports to LB&A and House and Senate Finance Committees; or,

2. Appropriate a FY10 bridging account of $1m in ARRA receipt authority to be used during the 90 day Legislative Session to provide start-up for time-sensitive projects; and continue with monthly reports to LB&A and House and Senate Finance Committees; or

3. Continue with monthly LB&A meetings to review and approve ARRA grants as they are received.

There may be other options that aren't obvious to me, and I welcome any suggestions you may have.

Again, thank you for your efforts to make this review process as efficient and productive as possible.

Sincerely,

Wendy Redman, Executive Vice President

University of Alaska Statewide System

cc: Senator Lyman Hoffman

Senator Charlie Huggins

Senator Bert Stedman

Senator Linda Menard

Representative Mike Hawker

Representative Mark Neuman

Representative William Thomas, Jr.

Representative Mike Doogan

Mark Hamilton, President

Michelle Rizk, Director, SW Budget Development

Joe Trubacz, Vice President, SW Finance

Myron Dosch, UA Controller

David Teal, Legislative Finance

Karen Rehfeld, Office of Management & Budget