

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE Division of Legislative Finance



P.O. Box 113200
Juneau, AK 99811-3200
(907) 465-3795
FAX (907) 465-1327
www.legfin.akleg.gov

MEMORANDUM

DATE: October 1, 2015

TO: Legislative Budget and Audit Committee

FROM: David Teal, Director

SUBJECT: Preparation for the October 7, 2015 LB&A Meeting

OMB submitted the following FY15 RPLs for consideration at the October 7, 2015 Legislative Budget and Audit Committee meeting. These RPLs, along with Legislative Finance comments, are posted on our web site at <http://www.legfin.akleg.gov>.

| RPL# | Agency | Subject | Amount | Fund Source |
|-----------|----------------------------|---|-------------|---|
| 10-6-5006 | Natural Resources | Federal and Local Funded Forest Resource and Fire Program Projects | \$4,000,000 | Federal Receipts (1002) |
| 06-6-0217 | Health and Social Services | General Relief / Temporary Assisted Living Client Functional Assessment | \$175,000 | Mental Health Trust Authority Receipts (1092) |

If you have any questions that you want an agency to address at the meeting, please call us so we can help ensure the agency has a response prepared.

Department of Natural Resources
RDU: Fire Suppression, Land & Water Resources
Component: Forest Management and Development

| | |
|--|--|
| Subject of RPL: Federal and Local Funded Forest Resource and Fire Program Projects | ADN/RPL #: 10-6-5006 |
| Amount requested: \$ 4,000,000 | Appropriation Authority: Sec1 Ch23 SLA2015 pg 30 ln31 |
| Funding source: \$4,000,000 Federal Receipts (1002) Multi-Year Operating (FY16-FY18) | Statutory Authority: AS 41.17.055 |

PURPOSE

The purpose of this project is to collect, analyze and use forest resource information in order to implement sound sustainable forest management practices across southeast Alaska, while offering training and developing job opportunities for rural residents in natural resource fields. Emphasis on federal lands will enable the Tongass National Forest to transition from an old-growth dependent timber sale program to a program based on young growth, while maintaining a viable forest products industry.

In 2013, the Secretary of Agriculture issued Memorandum 1044-09, Addressing Sustainable Forestry in Southeast Alaska, directing the Tongass National Forest “to speed the transition away from old-growth timber harvesting and towards a forest industry that utilizes second growth – or young growth – forests.” The Secretary also emphasized that the transition must take place “in a way that preserves a viable timber industry that provides jobs and opportunities for residents of Southeast Alaska.”

In response to the Memorandum, the Tongass National Forest created a federal advisory committee (the Tongass Advisory Committee, or TAC) to provide advice and recommendations for developing an ecologically, socially, and economically sustainable forest management strategy on the Tongass National Forest that emphasized a shift to young growth management.

In May 2015, the TAC provided the U.S. Forest Service (USFS) with a set of consensus based, collaboratively defined recommendations designed to meet this goal. Inherent to these recommendations was a focus on community health and economic vitality, as described in the Committee’s Vision... *“Southeast Alaska is comprised of prosperous, resilient communities that have the opportunity to predictably use and benefit from the diversity of forest resources to achieve the cultural, social, economic, and ecological health of the region for current and future generations.”*

The TAC members were selected based on their deep knowledge and their willingness to work collaboratively on new approaches, practices, and responses to historically contentious management challenges. Their recommendations provide a rare opportunity to foster new partnerships, cooperation, and agreement in Southeast Alaska that benefits both communities and the land.

The Alaska Division of Forestry (ADOFF) and the USFS will work collaboratively with members of the TAC, communities, and other partners to maximize inclusion, transparency, accountability and ownership as recommended by the TAC. This cooperative effort will improve existing young

growth information, increase economic opportunities for local communities in both the short- and long-term, and utilize the expertise of ADOF.

In addition to the natural resource benefits, this project ensures cooperation between the parties to:

- A. Improve upon and collect more Timber and Resource Inventory Data on the Tongass National Forest to ensure that young-growth forest health is maintained and enhanced as the transition from old-growth to young- growth forest management proceeds;
- B. Provide workforce development and employment opportunities for residents of rural communities;
- C. Assess infrastructure across land ownerships to provide access to and improve the economic feasibility of young growth management;
- D. Engage in an All Lands/All Hands Southeast Alaska wide Forest Resources Assessment and provide funding for sound young-growth forest management practices across landowners with a focus on overall forest and ecosystem health that will support economic needs of communities.

USFS is currently working with stakeholders and timber purchasers on the Tongass National Forest to convert from mostly harvesting old growth timber to mostly harvesting young growth timber over the next 10-15 years.

Both the State of Alaska and the USFS are seeking to: promote small business creation, expansion and retention; improve access to capital; create quality jobs and sustainable economic growth; promote job training and educational opportunities; and maximize a forest restoration economy and by-product use.

USFS shall reimburse ADOF for actual expenses incurred, not to exceed \$4,000,000.00.

PREVIOUS LEGISLATIVE CONSIDERATION

No previous RPLs for this request have been considered.

TIMING ISSUES

The federal grant funding was not anticipated and therefore is not funded in the current FY2016 budget. Documentation of the funding is available and attached. The funds are imminent; the agreement has been signed by all parties as of June 2015. The federal funds were available in July 2015, and the project has an anticipated life of two to three years. Approval is needed at this time to be able to take advantage of good weather and daylight to begin field work in Southeast Alaska.

If the funding is delayed or disapproved, the work will not be done and the data will not be available for continued planning and scheduling of timber sales on the Tongass National Forest.

BUDGETARY ISSUES

This funding fits into long-term plans, missions and measures for ADOF because the timber supply from the Tongass National Forest is critical to survival of the Southeast timber industry.

State timber sale work can be combined with the federally funded work to cover the additional expenses and match requirements.

Line item distribution of the proposed expenditure:

| | |
|-------------------|------------|
| Personal Services | \$ 486,000 |
| Travel | \$ 34,000 |

Agency contact – John (Chris) Maisch: 451-2666 (office), 590-3190 (mobile)
LFD Contact – Alexei Painter: 465-5434

| | |
|-------------|-------------|
| Services | \$3,477,500 |
| Commodities | \$ 2,500 |
| Total | \$4,000,000 |

| | |
|--------------------|--|
| Personal Services: | 24 months, Range 20, Forester Project Coordinator 12 months, Range 18, Forester 6 months, Range 18 GIS Specialist 6 months, Range 22 Forester Cruise/Inventory Specialist |
| Travel: | 34 trips throughout Southeast Alaska for project development and management and field work training and quality control. |
| Services: | Cooperative agreements with non-profit organizations. |
| Commodities: | Field and office supplies. |

This is one-time grant funding which is eligible for use for two to three years through USFS. There will be no future pressure for general fund dollars. This grant will provide funding for 48 staff months for positions located in Ketchikan, Juneau, and Haines. One existing position would be funded, PCN 10-9245, as well as an undetermined number of long-term and/or short-term non-perms.

Legislative Fiscal Analyst Comment: This RPL was initially presented as a capital budget request. However, the request does not meet the criteria for the capital budget and is better suited for the operating budget. In response to LFD's comments, the department changed the request to a multi-year operating budget item for a three-year period.

There are no technical issues with this RPL.

| | Appropriation | General | Other |
|---|---------------|---------|------------|
| | Allocations | Funds | Funds |
| | ***** | ***** | |
| Emergency Medical Services Match for | 500,000 | 500,000 | |
| Code Blue Project (HD 1-40) | | | |
| | ***** | ***** | |
| ***** Department of Military and Veterans Affairs ***** | | | |
| | ***** | ***** | |
| Army Guard Facilities Projects (HD 15) | 15,150,000 | | 15,150,000 |
| Deferred Maintenance, Renewal, Repair | 11,622,200 | | 11,622,200 |
| and Equipment (HD 1-40) | | | |
| State Homeland Security Grant Programs | 4,500,000 | | 4,500,000 |
| (HD 1-40) | | | |
| | ***** | ***** | |
| ***** Department of Natural Resources ***** | | | |
| | ***** | ***** | |
| Abandoned Mine Lands Reclamation | 3,200,000 | | 3,200,000 |
| Federal Program (HD 1-40) | | | |
| Coastal Impact Assistance Program | 5,000,000 | | 5,000,000 |
| Funds (HD 6) | | | |
| Cook Inlet Oil and Gas Resources and | 800,000 | 400,000 | 400,000 |
| Statewide Energy Database (HD 1-40) | | | |
| Federal and Local Government Funded | 1,800,000 | | 1,800,000 |
| Forest Resource and Fire Program | | | |
| Projects (HD 1-40) | | | |
| National Historic Preservation Fund | 800,000 | 150,000 | 650,000 |
| (HD 1-40) | | | |
| National Recreational Trails Federal | 1,700,000 | 200,000 | 1,500,000 |
| Grant Program (HD 1-40) | | | |
| Snowmobile Trail Development Program | 250,000 | 250,000 | |
| and Grants (HD 1-40) | | | |
| Upgrade and Repair of Critical Volcano | 500,000 | | 500,000 |
| Monitoring Instruments (HD 1-40) | | | |

Federal and Local Government Funded Forest Resource and Fire Program Projects**FY2016 Request: \$1,800,000**
Reference No: 37769**AP/AL:** Appropriation**Project Type:** Life / Health / Safety**Category:** Natural Resources**Location:** Statewide**House District:** Statewide (HD 1-40)**Impact House District:** Statewide (HD 1-40)**Contact:** Jean Davis**Estimated Project Dates:** 07/01/2015 - 06/30/2020**Contact Phone:** (907)465-2422**Brief Summary and Statement of Need:**

This project provides receipt authority for federal and local government funded projects including competitive grant awards for hazardous fuels reduction, Firewise and prevention education, special forest disease surveys, forest restoration projects, biomass inventories, towns and cities targeted for community forestry projects and tree plantings, forest stewardship plans, and agreements for one time local government funded field projects.

| Funding: | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | Total |
|-----------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| 1002 Fed Rcpts | \$1,400,000 | \$1,400,000 | \$1,400,000 | \$1,400,000 | \$1,400,000 | \$1,400,000 | \$8,400,000 |
| 1108 Stat Desig | \$400,000 | \$400,000 | \$400,000 | \$400,000 | \$400,000 | \$400,000 | \$2,400,000 |
| Total: | \$1,800,000 | \$1,800,000 | \$1,800,000 | \$1,800,000 | \$1,800,000 | \$1,800,000 | \$10,800,000 |

| | | | | |
|---|---|---|--|--|
| <input type="checkbox"/> State Match Required | <input type="checkbox"/> One-Time Project | <input type="checkbox"/> Phased - new | <input type="checkbox"/> Phased - underway | <input checked="" type="checkbox"/> On-Going |
| 0% = Minimum State Match % Required | <input type="checkbox"/> Amendment | <input type="checkbox"/> Mental Health Bill | | |

Operating & Maintenance Costs:

| | <u>Amount</u> | <u>Staff</u> |
|----------------------|---------------|--------------|
| Project Development: | 0 | 0 |
| Ongoing Operating: | 0 | 0 |
| One-Time Startup: | 0 | 0 |
| Totals: | 0 | 0 |

Prior Funding History / Additional Information:

Sec1 Ch18 SLA2014 P57 L32 SB 119 \$1,800,000
Sec1 Ch16 SLA2013 P71 L29 SB 18 \$1,500,000
Sec1 Ch17 SLA2012 P124 L17 SB 160 \$1,000,000
Sec1 Ch5 SLA2011 P91 L21 SB 75 \$1,800,000
Sec7 Ch43 SLA2010 P3 L22 SB 221 \$1,800,000
Sec1 Ch15 SLA2009 P17 L25 75 \$3,500,000
Sec13 Ch29 SLA2008 P153 L6 221 \$3,000,000

Project Description/Justification:

This project provides receipt authority for one-time federal and local government funded projects. These projects include, competitive grant awards for hazardous fuels reduction, firewise and prevention education, special forest disease surveys, forest restoration projects, biomass inventories, towns and cities targeted for community forestry projects and tree plantings, forest stewardship plans, and agreements for one-time local government funded field projects, including fuel mitigation. This project meets the mission of continued protection, development and management of the state's natural resources by enlisting cooperation at the local level throughout Alaska.

These federal grants are typically awarded and spent up to five years based on the individual types of grants. On average, the appropriations for this project are expended as follows:

1st fiscal year - 30%
2nd fiscal year - 20%
3rd fiscal year - 20%
4th fiscal year - 18%
5th fiscal year - 12%

| Line Item | Amount |
|---------------------------|------------------|
| 71000 - Personal Services | 0.0 |
| 72000 - Travel | 0.0 |
| 73000 - Contractual | \$1,800.0 |
| 74000 - Commodities | 0.0 |
| 75000 - Capital Outlay | 0.0 |
| 77000 - Grants | 0.0 |
| Total Request | \$1,800.0 |

What was accomplished?

Federally supported State Fire Assistance, Forest Health, Urban & Community Forestry, and Stewardship programs were successfully implemented, leveraging the state's resources in the continued protection, development and management of the state's natural resources by enlisting cooperation at the local level throughout Alaska.

FS Agreement No. 15-CS-11100106-809
Cooperator Agreement No. _____

CHALLENGE COST SHARE AGREEMENT
Between The
ALASKA DIVISION OF FORESTRY
And The
USDA, FOREST SERVICE
PACIFIC NORTHWEST REGION
STATE AND PRIVATE FORESTRY

This CHALLENGE COST SHARE AGREEMENT is hereby made and entered into by and between the Alaska Division of Forestry, hereinafter referred to as "ADOF," and the USDA, Forest Service, Pacific Northwest Region, State and Private Forestry, hereinafter referred to as the "U.S. Forest Service," under the authorities: Department of Interior and Related Agencies Appropriation Act of 1992, Pub. L. 102-154 and the Wyden Authority (Public Law 105-277, Section 323 as amended by Public Law 109-54, Section 434).

Background: In 2013, the Secretary of Agriculture issued Memorandum 1044-09, Addressing Sustainable Forestry in Southeast Alaska, directing the Tongass National Forest "to speed the transition away from old-growth timber harvesting and towards a forest industry that utilizes second growth – or young growth – forests." The Secretary also emphasized that the transition must take place "in a way that preserves a viable timber industry that provides jobs and opportunities for residents of Southeast Alaska."

In response to the Memorandum, the Tongass National Forest created a federal advisory committee (the Tongass Advisory Committee, or TAC) to provide advice and recommendations for developing an ecologically, socially, and economically sustainable forest management strategy on the Tongass National Forest that emphasized a shift to young growth management.

In May 2015, the TAC provided the Forest Service with a set of consensus based, collaboratively defined recommendations designed to meet this goal. Inherent to these recommendations was a focus on community health and economic vitality, as described in the Committee's Vision... *"Southeast Alaska is comprised of prosperous, resilient communities that have the opportunity to predictably use and benefit from the diversity of forest resources to achieve the cultural, social, economic, and ecological health of the region for current and future generations."*

The TAC members were selected because of their deep knowledge and their willingness to work collaboratively on new approaches, practices, and responses to historically contentious management challenges. Their recommendations provide a rare opportunity to foster new partnerships, cooperation, and agreement in Southeast Alaska that benefits both communities and the land.

Title: Young-Growth Transition for Southeast Alaska



I. PURPOSE:

The purpose of this agreement is to document a cooperative effort between the parties to collect, analyze and use forest resource information in order to implement sound sustainable forest management practices across southeast Alaska, while offering training and developing job opportunities for rural residents in natural resource fields. Emphasis on federal lands will enable the Tongass National Forest to transition from an old-growth dependent timber sale program to a program based on young growth, while maintaining a viable forest products industry.

The Alaska Division of Forestry and the Forest Service will work collaboratively with members of the TAC, communities, and other partners throughout the Scope of Work, Attachment A, to maximize inclusion, transparency, accountability and ownership as recommended by the TAC. This cooperative effort will improve existing young growth information, increase economic opportunities for local communities in both the short- and long-term, and utilize the expertise of the Alaska Division of Forestry in accordance with the following provisions and the hereby incorporated Statement of Work and Financial Plan, Attachments A and B.

In addition to the natural resource benefits, this agreement documents the cooperation between the parties to:

- A. Improve upon and collect more Timber and Resource Inventory Data on the Tongass National Forest to ensure that young-growth forest health is maintained and enhanced as the transition from old-growth to young- growth forest management proceeds.
- B. Provide workforce development and employment opportunities for residents of rural communities.
- C. Assess infrastructure across land ownerships to provide access to and improve the economic feasibility of young growth management.
- D. Engage in an All Lands/All Hands Southeast Alaska wide Forest Resources Assessment and provide funding for sound young-growth forest management practices across landowners with a focus on overall forest and ecosystem health that will support economic needs of communities.

II. STATEMENT OF MUTUAL BENEFIT AND INTERESTS:

The State of Alaska Department of Natural Resources, Division of Forestry is participating in implementation of the Alaska National Interest Lands Conservation Act (ANILCA). The mission of the State of Alaska's ANILCA Program is to monitor implementation and advocate for the special provisions of ANILCA that are unique to Alaska and to ensure that State interests are appropriately considered. One of the priority objectives is to protect access and development opportunities for natural resources located on inholdings and adjacent non-federal lands.



The U.S. Forest Service is currently working with stakeholders and timber purchasers on the Tongass National Forest to convert from mostly harvesting old growth timber to mostly harvesting young growth timber over the next 10-15 years.

Both the State of Alaska and the U.S. Forest Service are seeking to:

- promote small business creation, expansion and retention;
- improve access to capital;
- create quality jobs and sustainable economic growth;
- promote job training and educational opportunities; and
- maximize a forest restoration economy and by-product use.

In Consideration of the above premises, the parties agree as follows:

III. ADOF SHALL:

- A. LEGAL AUTHORITY. ADOF shall have the legal authority to enter into this agreement, and the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project, which includes funds sufficient to pay the nonfederal share of project costs, when applicable.
- B. USE OF GOVERNMENT OWNED VEHICLES. U.S. Forest Service vehicles may be used for official U.S. Forest Service business only in accordance with FSH 7109.19, ch. 60, the requirements established by the region in which performance of this agreement takes place, and the terms of this agreement.
- C. BUILDING AND COMPUTER ACCESS BY NON-U.S. FOREST SERVICE PERSONNEL. ADOF may be granted access to U.S. Forest Service facilities and/or computer systems to accomplish work described in the Operating Plan or Statement of Work. All non-government employees with unescorted access to U.S. Forest Service facilities and computer systems must have background checks following the procedures established by USDA Directives 3800 series. Those granted computer access must fulfill all U.S. Forest Service requirements for mandatory security awareness and role-base advanced security training, and sign all applicable U.S. Forest Service statements of responsibilities.
- D. Work with the members of the Tongass Advisory Committee, community members, and Tongass National Forest personnel to build upon and develop a more robust and accurate stand exam database for more accurate and longer-term projections, as well as collect more current and refined inventory information in support of potential landscape-scale young-growth projects.

IV. THE U.S. FOREST SERVICE SHALL:

- A. PAYMENT/REIMBURSEMENT. The U.S. Forest Service shall reimburse ADOF for the U.S. Forest Service's share of actual expenses incurred, not to exceed \$4,000,000.00, as shown in the Financial Plan. The U.S. Forest Service shall make



payment upon receipt of ADOF's quarterly invoice. Each invoice from ADOF must display the total project costs for the billing period, separated by U.S. Forest Service and ADOF share. In-kind contributions must be displayed as a separate line item and must not be included in the total project costs available for reimbursement. The final invoice must display ADOF's full match towards the project, as shown in the financial plan, and be submitted no later than 90 days from the expiration date.

Each invoice must include, at a minimum:

1. ADOF name, address, and telephone number.
2. Forest Service agreement number.
3. Invoice date.
4. Performance dates of the work completed (start & end).
5. Total invoice amount for the billing period, separated by Forest Service and ADOF share with in-kind contributions displayed as a separate line item.
6. Display all costs, both cumulative and for the billing period, by separate cost element as shown on the financial plan.
7. Cumulative amount of Forest Service payments to date.
8. Statement that the invoice is a request for payment by "reimbursement."
9. If using SF-270, a signature is required.
10. Invoice Number, if applicable.

The invoice shall be forwarded to:

EMAIL: asc_ga@fs.fed.us

FAX: 877-687-4894

POSTAL: USDA Forest Service
Albuquerque Service Center
Payments – Grants & Agreements
101B Sun Ave NE
Albuquerque, NM 87109

B. Process requests if U.S. Forest Service housing is being used.

1. Prepare housing assignment agreements for each individual authorized to be housed in U.S. Forest Service quarters. Ensure that the housing assignment agreement has been signed and approved prior to individuals residing in the quarters unit.
2. Ensure that any individual housed in U.S. Forest Service quarters, related to this agreement, follows policies and administrative guidance enforced in FSH 6409.11. This includes having rental costs included and paid for by U. S. Forest Service in the SPA as calculated by the Internet Management Information System (iQMIS).
3. Agreement must be signed at least three days prior to residing in any U.S. Forest Service quarters unit and sent to the appropriate housing/tenant manager.



4. Notify the Cooperator at least two weeks prior to canceling a signed housing assignment agreement if conditions change and the FS needs the space. A modification to the agreement will be required.
5. Quarters shall be used for residence purposes only. Participants must utilize the approved and supplied quarters.
6. If U.S. Forest Service Housing or quarters are not available, the U.S. Forest Service can provide subsidies for housing, if necessary, as documented in each SPA, prior to members beginning work.

V. IT IS MUTUALLY UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES THAT:

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

Principal Cooperator Contacts:

| Cooperator Program Contact | Cooperator Administrative Contact |
|--|---|
| Jim Eleazer State of Alaska Division of Forestry 550 West 7 th Suite 1450 Anchorage, AK 99501 907-269-8473 jim.eleazer@alaska.gov | Arlene Weber-Sword State of Alaska Division of Forestry 550 West 7 th Suite 1450 Anchorage, AK 99501 907-269-8471 arlene.weber-sword@alaska.gov |

Principal U.S. Forest Service Contacts:

| U.S. Forest Service Program Manager Contact | U.S. Forest Service Administrative Contact |
|--|--|
| Michael Shephard U.S. Forest Service State & Private Forestry 161 E. 1st Ave. Door 8 Anchorage, AK 99501 907-743-9451 mshephard@fs.fed.us | Sheila Walker U.S. Forest Service Olympic National Forest 1835 Black Lake Blvd SW, Suite A Olympia, WA 98512 360-956-2298 swalker@fs.fed.us |

- B. **NOTICES.** Any communications affecting the operations covered by this agreement given by the U.S. Forest Service or ADOF are sufficient only if in writing and delivered in person, mailed, or transmitted electronically by e-mail or fax, as follows:

To the U.S. Forest Service Program Manager, at the address specified in the agreement.



To ADOF, at the address shown in the agreement or such other address designated within the agreement.

Notices are effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

- C. PARTICIPATION IN SIMILAR ACTIVITIES. This agreement in no way restricts the U.S. Forest Service or ADOF from participating in similar activities with other public or private agencies, organizations, and individuals.
- D. ENDORSEMENT. Any of ADOF's contributions made under this agreement do not by direct reference or implication convey U.S. Forest Service endorsement of ADOF's products or activities.
- E. USE OF U.S. FOREST SERVICE INSIGNIA. In order for ADOF to use the U.S. Forest Service insignia on any published media, such as a Web page, printed publication, or audiovisual production, permission must be granted from the U.S. Forest Service's Office of Communications (Washington Office). A written request will be submitted by the U.S. Forest Service State and Private Forestry in Alaska to the Office of Communications Assistant Director, Visual Information and Publishing Services prior to use of the insignia. The U.S. Forest Service State and Private Forestry in Alaska will notify the ADOF when permission is granted.
- F. NON-FEDERAL STATUS FOR COOPERATOR PARTICIPANT LIABILITY. ADOF agree(s) that any of their employees, volunteers, and program participants shall not be deemed to be Federal employees for any purposes including Chapter 171 of Title 28, United States Code (Federal Tort Claims Act) and Chapter 81 of Title 5, United States Code (OWCP), as ADOF hereby willingly agree(s) to assume these responsibilities.
- Further, ADOF shall provide any necessary training to ADOF's employees, volunteers, and program participants to ensure that such personnel are capable of performing tasks to be completed. ADOF shall also supervise and direct the work of its employees, volunteers, and participants performing under this agreement.
- G. MEMBERS OF U.S. CONGRESS. Pursuant to 41 U.S.C. 22, no member of, or delegate to, Congress shall be admitted to any share or part of this agreement, or benefits that may arise therefrom, either directly or indirectly.
- H. NONDISCRIMINATION. The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information



(Braille, large print, audiotape, and so forth.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

- I. **ELIGIBLE WORKERS.** ADOF shall ensure that all employees complete the I-9 form to certify that they are eligible for lawful employment under the Immigration and Nationality Act (8 USC 1324a). ADOF shall comply with regulations regarding certification and retention of the completed forms. These requirements also apply to any contract awarded under this agreement.
- J. **SYSTEM FOR AWARD MANAGEMENT REGISTRATION REQUIREMENT (SAM).** ADOF shall maintain current information in the System for Award Management (SAM) until receipt of final payment. This requires review and update to the information at least annually after the initial registration, and more frequently if required by changes in information or agreement term(s). For purposes of this agreement, System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a Cooperative. Additional information about registration procedures may be found at the SAM Internet site at www.sam.gov.
- K. **STANDARDS FOR FINANCIAL MANAGEMENT.**
 1. **Financial Reporting**

ADOF shall provide complete, accurate, and current financial disclosures of the project or program in accordance with any financial reporting requirements, as set forth in the financial provisions.
 2. **Accounting Records**

ADOF shall continuously maintain and update records identifying the source and use of funds. The records shall contain information pertaining to the agreement, authorizations, obligations, unobligated balances, assets, outlays, and income.
 3. **Internal Control**

ADOF shall maintain effective control over and accountability for all U.S. Forest Service funds. ADOF shall keep effective internal controls to ensure that all United States Federal funds received are separately and properly allocated to the activities described in the award/agreement and used solely for authorized purposes.
 4. **Source Documentation**



ADOF shall support all accounting records with source documentation. These documentations include, but are not limited to, cancelled checks, paid bills, payrolls, contract documents. These documents must be made available to the U.S. Forest Service upon request.

- L. **LIMITATION OF FUNDS.** U.S. Forest Service funds in the amount of \$4,000,000.00 are currently available for performance of this agreement through June 30, 2017. The U.S. Forest Service's ability to provide additional funding is contingent upon the availability of appropriated funds from which payment can be made. There is no legal liability on the part of the Forest Service for any payment above this amount until ADOF receives notice of availability confirmed in a written modification by the Forest Service.
- M. **PROGRAM INCOME – PARTNERSHIP AGREEMENTS.**
1. ADOF shall apply the standards set forth in this Provision to account for program income earned under the agreement.
 2. If any program income is generated as a result of this agreement, the income must be applied using the deduction alternative. The deduction alternative means that program income must be deducted from total allowable costs to determine the net allowable costs, unless otherwise approved by the Signatory Official. Program income must be used for current costs unless the Federal agency authorizes otherwise. Program income which ADOF did not anticipate at the time of the award must be used to reduce the Federal agency and ADOF's contributions rather than to increase the funds committed to the project.
 3. Unless the terms and conditions of the agreement provide otherwise, ADOF shall have no obligation to the U.S. Government regarding program income earned after the end of the project period.
 4. Costs incident to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the agreement and they comply with the Cost Principles, if applicable.
 5. Unless the terms and conditions of the agreement provide otherwise, ADOF shall have no obligation to the U.S. Government with respect to program income earned from license fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions produced under an agreement. However, Patent and Trademark Amendments (35 U.S.C. 18) apply to inventions made under an experimental, developmental, or research awards.
- N. **OVERPAYMENT.** Any funds paid to ADOF in excess of the amount entitled under the terms and conditions of this agreement constitute a debt to the Federal Government. The following must also be considered as a debt or debts owed by ADOF to the U.S. Forest Service:



- Any interest or other investment income earned on advances of agreement funds; or
- Any royalties or other special classes of program income which, under the provisions of the agreement, are required to be returned;

If this debt is not paid according to the terms of the bill for collection issued for the overpayment, the U.S. Forest Service may reduce the debt by:

1. Making an administrative offset against other requests for reimbursement.
2. Withholding advance payments otherwise due to ADOF.
3. Taking other action permitted by statute (31 U.S.C. 3716 and 7 CFR, Part 3, Subpart B).

Except as otherwise provided by law, the U.S. Forest Service may charge interest on an overdue debt.

- O. AGREEMENT CLOSEOUT. Within 90 days after expiration or notice of termination the parties shall close out the agreement.

Any unobligated balance of cash advanced to ADOF must be immediately refunded to the U.S. Forest Service, including any interest earned in accordance with 2 CFR Part 200, Subpart D, 200.305.

Within a maximum of 90 days following the date of expiration or termination of this agreement, all financial performance and related reports required by the terms of the agreement must be submitted to the U.S. Forest Service by ADOF.

If this agreement is closed out without audit, the U.S. Forest Service reserves the right to disallow and recover an appropriate amount after fully considering any recommended disallowances resulting from an audit which may be conducted later.

- P. PROGRAM PERFORMANCE REPORTS The parties to this agreement shall monitor the performance of the agreement activities to ensure that performance goals are being achieved.

Performance reports must contain information on the following:

- A comparison of actual accomplishments to the goals established for the period. Where the output of the project can be readily expressed in numbers, a computation of the cost per unit of output, if applicable.
- Reason(s) for delay if established goals were not met.
- Additional pertinent information.



ADOF shall submit quarterly performance reports to the U.S. Forest Service Program Manager. These reports are due 30 days after the reporting period. The final performance report shall be submitted either with ADOF's final payment request, or separately, but not later than 90 days from the expiration date of the agreement.

- Q. RETENTION AND ACCESS REQUIREMENTS FOR RECORDS. ADOF shall retain all records pertinent to this agreement for a period of no less than 3 years from the expiration or termination date. As used in this provision, records includes books, documents, accounting procedures and practice, and other data, regardless of the type or format. ADOF shall provide access and the right to examine all records related to this agreement to the U.S. Forest Service Inspector General, or Comptroller General or their authorized representative. The rights of access in this section must not be limited to the required retention period but must last as long as the records are kept.

If any litigation, claim, negotiation, audit, or other action involving the records has been started before the end of the 3-year period, the records must be kept until all issues are resolved, or until the end of the regular 3-year period, whichever is later.

Records for nonexpendable property acquired in whole or in part, with Federal funds must be retained for 3 years after its final disposition.

- R. FREEDOM OF INFORMATION ACT (FOIA). Public access to agreement records must not be limited, except when such records must be kept confidential and would have been exempted from disclosure pursuant to Freedom of Information regulations (5 U.S.C. 552).). Requests for research data are subject to 2 CFR 215.36.

Public access to culturally sensitive data and information of Federally-recognized Tribes may also be explicitly limited by P.L. 110-234, Title VIII Subtitle B §8106 (2009 Farm Bill).

- S. TEXT MESSAGING WHILE DRIVING. In accordance with Executive Order (EO) 13513, "Federal Leadership on Reducing Text Messaging While Driving," any and all text messaging by Federal employees is banned: a) while driving a Government owned vehicle (GOV) or driving a privately owned vehicle (POV) while on official Government business; or b) using any electronic equipment supplied by the Government when driving any vehicle at any time. All cooperators, their employees, volunteers, and contractors are encouraged to adopt and enforce policies that ban text messaging when driving company owned, leased or rented vehicles, POVs or GOVs when driving while on official Government business or when performing any work for or on behalf of the Government.

- T. PUBLIC NOTICES. It is the U.S. Forest Service's policy to inform the public as fully as possible of its programs and activities. ADOF is/are encouraged to give public notice of the receipt of this agreement and, from time to time, to announce progress and accomplishments. Press releases or other public notices should include a statement substantially as follows:



"State and Private Forestry of the U.S. Forest Service, Department of Agriculture"

ADOF may call on the U.S. Forest Service's Office of Communication for advice regarding public notices. ADOF is/are requested to provide copies of notices or announcements to the U.S. Forest Service Program Manager and to U.S. Forest Service's Office of Communications as far in advance of release as possible.

- U. FUNDING EQUIPMENT. Federal funding under this agreement is not available for reimbursement of ADOF's purchase of equipment. Equipment is defined as having a fair market value of \$5,000 or more per unit and a useful life of over one year.
- V. PROPERTY IMPROVEMENTS. Improvements placed on National Forest System land at the direction or with the approval of the U.S. Forest Service becomes property of the United States. These improvements are subject to the same regulations and administration of the U.S. Forest Service as would other National Forest improvements of a similar nature. No part of this agreement entitles ADOF to any interest in the improvements, other than the right to use them under applicable U.S. Forest Service regulations.
- W. CONTRACT REQUIREMENTS. Any contract under this agreement must be awarded following ADOF's established procurement procedures, to ensure free and open competition, and avoid any conflict of interest (or appearance of a conflict). ADOF must maintain cost and price analysis documentation for potential U.S. Forest Service review. ADOF is/are encouraged to utilize small businesses, minority-owned firms, and women's business enterprises.
- X. GOVERNMENT-FURNISHED PROPERTY. ADOF may only use U.S. Forest Service property furnished under this agreement for performing tasks assigned in this agreement. ADOF shall not modify, cannibalize, or make alterations to U.S. Forest Service property. A separate document, Form AD-107, must be completed to document the loan of U.S. Forest Service property. The U.S. Forest Service shall retain title to all U.S. Forest Service-furnished property. Title to U.S. Forest Service property must not be affected by its incorporation into or attachment to any property not owned by the U.S. Forest Service, nor must the property become a fixture or lose its identity as personal property by being attached to any real property.

Cooperator Liability for Government Property.

1. Unless otherwise provided for in the agreement, ADOF shall not be liable for loss, damage, destruction, or theft to the Government property furnished or acquired under this contract, except when any one of the following applies:
 - a. The risk is covered by insurance or ADOF is/are otherwise reimbursed (to the extent of such insurance or reimbursement).



- b. The loss, damage, destruction, or theft is the result of willful misconduct or lack of good faith on the part of ADOF's managerial personnel. ADOF's managerial personnel, in this clause, means ADOF's directors, officers, managers, superintendents, or equivalent representatives who have supervision or direction of all or substantially all of ADOF's business; all or substantially all of ADOF's operation at any one plant or separate location; or a separate and complete major industrial operation.
2. ADOF shall take all reasonable actions necessary to protect the Government property from further loss, damage, destruction, or theft. ADOF shall separate the damaged and undamaged Government property, place all the affected Government property in the best possible order, and take such other action as the Property Administrator directs.
3. ADOF shall do nothing to prejudice the Government's rights to recover against third parties for any loss, damage, destruction, or theft of Government property.
4. Upon the request of the Grants Management Specialist, ADOF shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation, including the prosecution of suit and the execution of agreements of assignment in favor of the Government in obtaining recovery.
- Y. OFFSETS, CLAIMS AND RIGHTS. Any and all activities entered into or approved by this agreement will create and support afforestation/ reforestation efforts within the National Forest System without generating carbon credits. The U.S. Forest Service does not make claims of permanence or any guarantees of carbon sequestration on lands reforested or afforested through partner assistance. The U.S. Forest Service will provide for long-term management of reforested and afforested lands, according to applicable Federal statute regulations and forest plans.
- Z. U.S. FOREST SERVICE ACKNOWLEDGED IN PUBLICATIONS, AUDIOVISUALS AND ELECTRONIC MEDIA. ADOF shall acknowledge U.S. Forest Service support in any publications, audiovisuals, and electronic media developed as a result of this agreement.
- AA. NONDISCRIMINATION STATEMENT – PRINTED, ELECTRONIC, OR AUDIOVISUAL MATERIAL. ADOF shall include the following statement, in full, in any printed, audiovisual material, or electronic media for public distribution developed or printed with any Federal funding.

"In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs.)"

To file a complaint alleging discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington DC 20250-9410 or call toll



free voice (866) 632-9992, TDD (800)877-8339, or voice relay (866) 377-8642. USDA is an equal opportunity provider and employer."

If the material is too small to permit the full statement to be included, the material must, at minimum, include the following statement, in print size no smaller than the text:

"This institution is an equal opportunity provider."

BB. REMEDIES FOR COMPLIANCE RELATED ISSUES. If ADOF materially fail(s) to comply with any term of the agreement, whether stated in a Federal statute or regulation, an assurance, or the agreement, the U.S. Forest Service may take one or more of the following actions:

1. Temporarily withhold cash payments pending correction of the deficiency by ADOF or more severe enforcement action by the U.S. Forest Service;
2. Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance;
3. Wholly or partly suspend or terminate the current agreement for ADOF's program;
4. Withhold further awards for the program, or
5. Take other remedies that may be legally available, including debarment procedures under 2 CFR Part 417.

CC. TERMINATION BY MUTUAL AGREEMENT. This agreement may be terminated, in whole or part, as follows:

1. When the U.S. Forest Service and ADOF agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated.
2. By 30 days written notification by ADOF to the U.S. Forest Service setting forth the reasons for termination, effective date, and in the case of partial termination, the portion to be terminated. If the U.S. Forest Service decides that the remaining portion of the agreement does not accomplish the purpose for which the award/agreement was made, the Forest Service may terminate the award upon 30 days written notice in its entirety.

Upon termination of an agreement, ADOF shall not incur any new obligations for the terminated portion of the agreement after the effective date, and shall cancel as many outstanding obligations as possible. The U.S. Forest Service shall allow full credit to ADOF for the United States Federal share of the non-cancelable obligations properly



incurred by ADOF up to the effective date of the termination. Excess funds must be refunded within 60 days after the effective date of termination.

- DD. ALTERNATE DISPUTE RESOLUTION – PARTNERSHIP AGREEMENT. In the event of any issue of controversy under this agreement, the parties may pursue Alternate Dispute Resolution procedures to voluntarily resolve those issues. These procedures may include, but are not limited to conciliation, facilitation, mediation, and fact finding.
- EE. DEBARMENT AND SUSPENSION. ADOF shall immediately inform the U.S. Forest Service if they or any of their principals are presently excluded, debarred, or suspended from entering into covered transactions with the Federal Government according to the terms of 2 CFR Part 180. Additionally, should ADOF or any of their principals receive a transmittal letter or other official Federal notice of debarment or suspension, then they shall notify the U.S. Forest Service without undue delay. This applies whether the exclusion, debarment, or suspension is voluntary or involuntary.
- FF. INTERNATIONAL TRAVEL. When U.S. Forest Service funds are used, and no Federal, statutory exceptions apply, ADOF shall ensure that any air transportation of passengers and property is provided by a carrier holding a United States Government issued certificate in compliance with the International Air Transportation Fair Competitive Practices Act of 1974, 49 U.S.C. 40118 (Fly American Act).
- GG. COPYRIGHTING. ADOF is/are granted sole and exclusive right to copyright any publications developed as a result of this agreement. This includes the right to publish and vend throughout the world in any language and in all media and forms, in whole or in part, for the full term of copyright and all renewals thereof in accordance with this agreement.
- No original text or graphics produced and submitted by the U.S. Forest Service must be copyrighted. The U.S. Forest Service reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for Federal Government purposes. This right must be transferred to any sub-agreements or subcontracts.
- This provision includes:
- The copyright in any work developed by ADOF under this agreement.
 - Any right of copyright to which ADOF purchase(s) ownership with any Federal contributions.
- HH. PUBLICATION SALE. ADOF may sell any publication developed as a result of this agreement. The publication may be sold at fair market value, which is initially defined in this agreement to cover the costs of development, production, marketing, and distribution. After the costs of development and production have been recovered, fair market value is defined in this agreement to cover the costs of marketing,



printing, and distribution only. Fair market value must exclude any in-kind or Federal Government contributions from the total costs of the project.

- II. MODIFICATIONS. Modifications within the scope of this agreement must be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized, signatory officials, prior to any changes being performed. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change. The U.S. Forest Service is not obligated to fund any changes not properly approved in advance.
- JJ. COMMENCEMENT/EXPIRATION DATE. This agreement is executed as of the date of the last signature and is effective through June 30, 2017, at which time it will expire. The expiration date is the final date for completion of all work activities under this agreement.
- KK. AUTHORIZED REPRESENTATIVES. By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective areas for matters related to this agreement. In witness whereof, the parties hereto have executed this agreement as of the last date written below.

JOHN "CHRIS" MAISCH
State Forester
Alaska Department of Natural Resources,
Division of Forestry

6/29/15
Date

TERESA RAAF
Director, State and Private Forestry
Alaska and Pacific Northwest Regions

6/30/15
Date



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Director, State and Private Forestry
Alaska and Pacific Northwest Regions

6/30/15
Date

Attachment A
Statement of Work
(Revised 06/26/2015)

Task 1: Improve and Expand Timber and Resource Inventory Data on the Tongass National Forest

- A. Young Growth Stands older than 55 years (approximately 35,000 acres; intent is to inventory all Young Growth stands > 55 years old; any stands to be excluded will be mutually agreed upon)
- Perform a reconnaissance inventory that includes collecting plot data with a sample intensity of one plot per five acres to provide total volume of available timber by species and to also collect other quantitative and/or qualitative data in order to determine amount of acres of fall down in our older young-growth stands.
 - Collect form class data to develop volume equations, volume tables, and volume basal area ratio tables by species.
 - Specifically, identify potential reductions to suitable and available YG acres due to presently unknown impacts to operability; including streams, soils, cliffs, karst and other important resource protection objectives.
 - Identify / Map Logging Systems and Transportation Needs - This will include an inventory of existing roads, landings and other logging systems and other transportation needs; determine harvest system by stand.
 - Resource inventory information to improve project design at the stand level, to meet diverse resource management objectives, for non-timber uses such as recreation, scenery, wildlife, fisheries, etc.
 - Reconnaissance plots will follow established and agreed upon U.S. Forest Service protocols, agreed quality control and quality assurance measures for all collected information.
- B. Young Growth Stands between 40 and 55 years of age (approx. 15,000 acres of the ~40,000 acres; specific acreage TBD depending on later specific operational decisions mutually agreed upon by both parties)
- Expanded Existing Stand Exam Inventory: This task focuses on increasing the amount of young-growth acres sampled for use in the Forest Projection and Planning System (FPS) model, to allow increased accuracy on growth and yield projections for Young Growth stands likely to be harvested in the next 10-20 year timeframe. Model predictions for growth and volume accretion can assist industry operators in making informed business decisions based on a predictable supply of YG timber coming from managed stands in SE Alaska.
 - Stand Exams will follow established U.S. Forest Service common stand exam (CSE) protocols, agreed quality control and quality assurance measures for all collected information. Stands will be sampled on a one plot per five acre intensity.
- C. Old Growth Bridge Timber (a 20,000 acre subset of approx. 30,000 acre pool)
Collect information on suitable and available old growth "Bridge Timber" stands within the Phase 1 land base, consistent with Tongass Advisory Committee Recommendations related to Bridge Timber objectives. Crew effort will be prioritized in the following order and will focus

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on most accessible acres first within the following working circles: POW, Kake, Ketchikan, Wrangell, Hoonah (based on concentrations of older/oldest young growth on the Tongass). Logical consideration of units will guide final selection of stand inventory acres (crews will not bypass stands with more challenging access issues once they are in an area).

- Identify potential reductions to suitable and available old growth acres due to presently unknown impacts to operability; including streams, soils, cliffs, karst and other important resource protection objectives.
- Identify / Map Logging Systems and Transportation Needs - This will include an inventory of existing roads, landings and other logging systems and other transportation needs. Determine harvest system by stand, provide a general timber type, stocking and merchantability assessment.
- Resource inventory information to improve project design at the stand level, to meet non-timber resource management objectives such as recreation, scenery, wildlife, fisheries, etc. Sampling will be conducted on a one plot per 10 acres intensity; this reconnaissance does not include the collection of timber resource common stand exam information but rather will utilize a reconnaissance plot similar to the one used in the 55 year and older stands. The intent of this survey is to determine the viability and feasibility of inclusion in a bridge timber program.

D. What Type of Information is Most Important? (This will be mutually agreed upon in an updated Methodology Paper, Appendix A.):

- Feasibility of operations in the stand to determine net-downs or acreage reductions from various factors (physiography, as well as resource limitations such as stream buffers, karst, cliffs, etc.)
- Basic quantitative measures of volume per acre / basal area, etc. to help define timber values for appraisal purposes
- Other resource attributes that affect feasibility and may provide for integrated resource decision-making (wildlife habitat condition / utilization, snags, coarse woody debris, understory vegetation, fish habitat, etc.)
- Specific methodology is outlined in the attached Appendix A (YG Inventory Methodology Paper); methodology for the old growth inventory will be mutually agreed to (and slightly different) from the Young Growth as there will be more complex tree quality information.

E. Quality Control - Data quality will be a shared task between ADOF & U.S. Forest Service.

- Ten certification plots will be required for each crew following the data collection field training workshop.
- For the first two weeks following field certification, 5% of each crew's plots will be inspected on a frequency of once/per week. ADOF check cruisers.
- After the first two weeks of plot installation, 5% of each crew's plots will be inspected on a biweekly frequency. ADOF check cruisers.

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- For the first two weeks following field certification, 5% of ADOF check cruiser plots will be inspected on a frequency of once per week. U.S. Forest Service check cruisers.
- After the first two weeks of plot installation, 5% of ADOF check cruiser plots will be inspected on a biweekly frequency. U.S. Forest Service check cruisers.

F. Assumptions used to calculate crew productivity and acres surveyed. As work commences these assumptions and target acres will be revised and agreed upon by all parties as needed.

- AK Division of Forestry approach has considered a Maximum of ten (10), 2-person crews for the total project. 8 is more likely. And additional 2-4 Supervisors for will be needed for these crews. 1 Project Manager overall will be assigned.
- Expected Production and costs – 10 plots per day @ \$120 per plot = \$1200 per day
- + An additional \$200 per day for overall logistics = \$1400 per crew per day.
- Production is expected at greater than 14,200 plots @ 5ac. each = 70,000 acres of inventory).

G. Expected accomplishments

- 35,000 acres of 55+ Young Growth
- 15,000 acres of 40-55+ Young Growth (additional funds will be sought to inventory another 20,000 ac. of YG in this age class)
- 20,000 acres Old Growth Bridge volume (additional funds will be sought to inventory another 10,000 ac. of potential bridge timber)
- Total = 70,000 acres inventoried

COST ESTIMATE for Task 1: \$2,500,000 – [\$2,119,183 + \$380,817 (ADOF indirect)]

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Task 2: All Lands/All Hands Southeast Alaska-wide Engagement

There is strong agreement on the below objectives. Specific details by all stakeholders and additional organizations working on community forestry initiatives etc. will take time to fully address. Additional meetings in July will be held to expand and mutually agree on specific work elements based on the below.

A. Provide Workforce Development and Employment Opportunities for Residents of Rural Communities

Train and utilize local crews as much as feasible to train the next generation of Southeast Alaska forestry workers.

- Design and implement rural workforce training programs to maximize local benefit from upcoming young growth and forest stewardship activities.
 - Consider patterning after the successful 'fire academy' model used in interior Alaska.
- Soft infrastructure projects typically leverage more dollars over time and contribute to the success of hard infrastructure projects (experience from the Northwest Economic Adjustment initiative).

Work in partnership with entities such as Tribes, local communities, cooperative extensions, vocational institutions, community based organizations and other agencies to identify authorities and tools that would facilitate training and leverage funding.

B. Improve Infrastructure Across Land Ownerships to Provide Access to and Improve the Economic Feasibility of Young Growth Management

- Develop an all lands / all hands plan for infrastructure in southeast Alaska based on the working circle concept and build upon the recently completed Strategies to Maintain a Viable Timber Industry in Southeast Alaska – a report by The Working Forest Group. The infrastructure plan should consider both uplands and marine infrastructure needs.
- Evaluate and act on opportunities to reduce transportation costs associated with Transition Timber projects; including and not limited to reciprocal agreements, road use agreements; log storage and export facilities for appraisal purposes.
- Estimate and prioritize key infrastructure needs to maximize operability.... across ownerships for next 5-10 years.

C. Complete Forest Resources Assessment and Provide Financial Assistance for Sound Young Growth Forest Management Practices Across Landownerships

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- Conduct an outreach program; contact all non-federal landowners in southeast Alaska and assess their willingness to participate in a collaborative approach to management of forest lands within the region.
- Develop Forest Stewardship Plans for qualifying landowners.
- Conduct an inventory on participating landowners forested lands to determine forest management needs.
- After needs are determined, begin implementing on the ground work projects; projects could include stand exams, pre-commercial thinning, planting, volume estimates (cruise) on older stands
- Use this work to continue development of Southeast Alaska workforce in rural communities.

COST ESTIMATE for Task 2: **\$1,500,000 – [\$1,271,510 + \$228,490 (ADOF indirect)]**

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Products:

1. Finalize design of specific work elements and acres where work will occur for Timber and Resource Inventory. Design will be reviewed and agreed to by all interested parties. This will also include finalizing all QC/QA processes and data certification as well as handing processes of ancillary data such as maps, photographs etc. Organize a field workshop to test run the methodology and data collection activities described in the agreement, the intent is to have the State and FS perform that as soon equipment and software are available.
 - Target Date: August 15, 2015
2. Complete inventory work on stands older than 55 years.
 - a. All data QA/QC and into GIS databases.
 - b. All other resource data documented and mapped.
 - c. Final written assessments of each stand inventoried.
 - Target Date: October 15, 2016
3. Complete stand exam analysis assessment
 - a. All data QA/QC and into GIS databases.
 - b. All other data provided.
 - c. Final written assessments.
 - Target Date: December 1, 2017
4. Prioritize infrastructure needs assessments and use agreements.
 - a. List of infrastructure needs by location.
 - b. Prioritize infrastructure development by 5 year periods; 5, 10 and 15 years out.
 - Target Date: December 1, 2015
5. Building on the workforce skills and capacity created through the resource inventories, develop a strategy to help local communities secure the long-term economic benefits of land management. Work in partnership with a non-profit, community college or similar entity.
 - Target Date: May 1, 2016
6. Develop assessment of all needs across all lands for southeast Alaska.
 - a. Work with all cooperating Native Corporations and other interested parties to complete Modify this agreement to add additional partners as interest arises.
 - Target Date: Feb 1, 2016

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7. Conduct non-federal landowners assessment.

Provides guidance to where, when, and what activities will be funded via this cost-share agreement on state and private lands.

- Target Date: May 1, 2016

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Appendix A: Based on June 25th meeting in Ketchikan

YOUNG GROWTH SAMPLING FOR PLANNING AND FEASIBILITY (PRE-PROJECT RECON)
PROTOCOLS
55 YEAR +

Sample Grid:

- Plot every 5 acres (approximate), 466 feet X 466 feet. U.S. Forest Service will generate grids/State will prioritize the units/plots to do.

Sample Design:

- Identify units by anticipated logging system: Ground Base, Cable, and Helicopter. U.S. Forest Service will provide unit maps
 - This will aide in determining cost/revenue viability and refine acres to proceed with in further analysis and preparation.
- Basal Area Factors: Select a basal area factor that yields an average tree count of 6- 8 trees/plot.
 - Basal Area Factors ranging between 40 will deliver the desired 6-8 trees/plot. Breakpoint dbh = 5
 - Select one Basal Area Factor per unit.
- Measure tree data will be collected on a frequency of one measure tree for every 10 tally trees per species/group.
- Tally trees will be grouped as good tree/bad tree.
 - Good tree is a normally formed, healthy tree for its species; have average or better height and bowl taper for its diameter and age. Good trees commonly have a dominate or codominant social position and have little defect.
 - Bad tree is poorly formed for its species; exhibits depauperate height and poor bowl taper for its diameter and age. Bad Trees commonly have an intermediate or suppressed social position and have notable, multiple defects or is visibly culled.

Sample Measurements:

- Plot centers will be systematically established on a plot grid, oriented in cardinal directions. RP flags will be utilized to reference 'First' plots for initiation of the sample in a unit or when a plot grid traverse transects a road. Noted on RP flags will be azimuth and distance to plot#, date and foresters initials. .
 - Flagging will be hung 100' before arriving to a plot along the traverse from the previous plot. Noted on traverse flags will be azimuth and distance to plot#, date and foresters initials.
 - Plot location tolerance will be +/- 2 ft. and +/- 2 degrees. From the 100' flag. Flagging will be hung on either side of plot center. Flagging on plot center will be noted with unit #, plot #, Forester's initials. Crews may note valid reasons for deviation.

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- Trees will be tallied using variable plot sampling. **ALL BORDERLINE TREES WILL BE MEASURED FOR LIMITING DISTANCE.**
- Tally tree data will include:
 - Species
 - Diameter estimates in 2 inch diameter classes.
 - Good tree/Bad Tree group
 - Presence of hemlock fluting Y/N
 - Estimated Total Tree Height.
- **Measure Tree:** data will be collected on a frequency of one tree/every 10 trees tallied/species/species group.
 - Diameter breast height to nearest inch. (4 ½ feet above root collar).
 - Total tree height.
 - Merchantable bole height to a 5 in top.
 - Good tree/Bad tree.
 - Form Class @ 17.5'. (Above root collar). Relaskop bar ratio of: bars @17.5'/Bars @ DBH.
- **Site Trees:** will be tallied using variable plot sampling. **ALL BORDERLINE TREES WILL BE MEASURED FOR LIMITING DISTANCE.**
 - Dominant or Co dominant, normally formed trees will be selected as site trees.
 - Try to use a measure tree, if not, record species, height, diameter and
 - Radial increment age and 5yr/10yr growth will be measured.
 - First dominant tree every 3rd plot regardless of species.

Forest service shall provide user guide/tatum aides. State shall provide excel spreadsheet from Kruzer per unit.

Stand Tree Metrics: generated from this simple sample will aide in assessing stand/unit characteristics and timber sale unit viability. Metrics expanded from this raw data will include:

- Stand Tables/species/strata (2 inch diameter classes).
- Volume (gross/net)/ac/species/strata.
- QMD/species/strata.
- Average Basal Area/ac/species/strata
- Relative density or stand density index/species/strata
- \$/ac/species/unit
- GIS Map representation of where these various stand characteristics are physically located in the sale area. **Location Based Stratification.**
- Information will also be able to be input into FPS

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INTEGRATED RESOURCE PROTOCOLS
YOUNG GROWTH INVENTORY

A suite of Integrated Resource Attributes will be collected. Two fixed area plots will be installed to collect these data along with Physiographic, Stream and Karst features.

- Snags will be collected on the variable radius plot
 - Observed number of cavities will be recorded.

The number of Coarse Woody Material – 4 photos will be taken in cardinal directions at plot center starting from north, take photos at approximately 45-degree angle to the ground.

6.8' Radius Plot Seedling Sample: will be nested around the variable plot center.

- Accomplished fixed radius sample as first order of business after establishing plot center to ensure seedlings are tallied before being destroyed by conducting variable plot sample.
 - Enter seedling count of 1-10 or >10 of individuals observed per species.

6.8' Radius Plot will be nested around the variable sample plot center.

- Understory vegetative condition attributes will be recorded.
 - Percent cover and average height of shrubs, forbs, and grasses.
 - Important deer habitat species subset will be identified along with percent cover and height.
- Forest Service shall provide key ring plant photo identification.
- Nests or dens present – note if you come across any in the stand
- Legacy/Remnant Trees will be identified if tallied on the variable radius plot—will be tallied/with estimated heights/diameters and marked as 'remnant'.
- Snag data will be collected on the variable radius plot and noted as a snag.
- Bearded Lichens. Presences or no. note if you come across any in the variable radius plot.

Physiographic features will be collected at plot center.

- Slope %.
- Aspect noted in azimuth.
- Slope position, upper third, middle third or lower third.
- Elevation contours will be on plot grid maps.

Streams will be observed whenever crossed during plot grid traversing. Specific stream features noted will include:

- GPS coordinates when stream is crossed.
- Bank to bank horizontal width.
- Fish (fry or otherwise) present yes/no.
- Gradient percent of the stream – upstream and downstream

Karst: TBD.

Attachment A
Statement of Work
(Revised 06/26/2015)

Quality Assurance/Quality Control

Data quality will be a shared task between ADOF & U.S. Forest Service.

- Ten certification plots will be required for each crew following the data collection field training workshop.
- For the first two weeks following field certification, 5% of each crew's plots will be inspected on a frequency of once/per week. ADOF check cruisers.
- After the first two weeks of plot installation, 5% of each crew's plots will be inspected on a biweekly frequency. ADOF check cruisers.
- For the first two weeks following field certification, 5% of ADOF check cruiser plots will be inspected on a frequency of once per week. U.S. Forest Service check cruisers.
- After the first two weeks of plot installation, 5% of ADOF check cruiser plots will be inspected on a biweekly frequency. U.S. Forest Service check cruisers.

U.S. Forest Service

OMB 0596-0217
FS-1500-17C

Attachment **B**

USFS Agreement No.: **15-CS-11100106-809**
Cooperator Agreement No.:

Mod No.

This Financial Plan may not be used to collect funds AND disburse funds on the same agreement. Separate agreements must be used in this situation.

Agreements Financial Plan (Medium Form)

1. Financial Plan Matrix: Note: All columns may not be used. Use depends on source and type of contribution(s).

| COST ELEMENTS (Direct Costs) | FOREST SERVICE CONTRIBUTIONS | | | COOPERATOR CONTRIBUTIONS | | | (g) TOTAL |
|---------------------------------|------------------------------|--|---------------------------------|--------------------------|----------------|----------------------|----------------|
| | (a) Noncash | (b) Volunteer Labor (In-Kind) | (c) Cash to Cooperator | (d) Noncash | (e) In-Kind | (f) Other Federal | |
| Salaries/Labor | \$125,222.40 | \$0.00 | \$486,000.00 | \$41,120.00 | \$0.00 | \$0.00 | \$652,342.40 |
| Travel | \$15,000.00 | \$0.00 | \$34,000.00 | \$21,000.00 | \$0.00 | \$0.00 | \$70,000.00 |
| Equipment | \$102,000.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$102,000.00 |
| Supplies/Materials | \$0.00 | \$0.00 | \$2,500.00 | \$0.00 | \$0.00 | \$0.00 | \$2,500.00 |
| Printing | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Other | \$25,000.00 | \$0.00 | \$2,882,045.00 | \$1,376,138.00 | \$0.00 | \$0.00 | \$4,283,183.00 |
| Other | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Subtotal | \$267,222.40 | \$0.00 | \$3,404,545.00 | \$1,438,258.00 | \$0.00 | \$0.00 | \$5,110,025.40 |
| Cooperator Indirect Costs | | | \$595,454.92 | \$0.00 | | | \$595,454.92 |
| FS Overhead Assessment | \$0.00 | | | | | | \$0.00 |
| Gross Total | \$267,222.40 | \$0.00 | \$4,000,000.00 | \$1,438,258.00 | \$0.00 | \$0.00 | \$5,705,480.32 |

| Matching Costs Determination | |
|------------------------------|---------|
| Total Forest Service Share = | (h) |
| (a+b+c)/(g) = (h) | 74.79% |
| Other Federal Contribution = | (i) |
| (f)/(g) = (i) | 0.00% |
| Total Federal Share = | (j) |
| (h+i) = (j) | 74.79% |
| Total Cooperator Share | (k) |
| (d+e)/(g) = (k) | 25.21% |
| Total | (l) |
| (j+k) = (l) | 100.00% |

FS Non-Cash Contribution Cost Analysis Column

Cost element sections may be deleted or lines may be hidden, if not applicable. Line items may be added or deleted as needed. The Standard Calculation sections provide a standardized formula for determining a line item's cost, e.g. $\text{cost/day} \times \# \text{ of days} = \text{total}$, where the total is calculated automatically. The Non-Standard Calculation sections provide a write-in area for line items that require a calculation formula that is other than the standardized formulas, e.g. instead of salaries being calculated by $\text{cost/day} \times \# \text{ of days}$, costs may be calculated simply by a contracted value that is not dependent on days worked, such as $1 \text{ employee} \times \$1,200/\text{contract} = \$1,200$. Be sure to review your calculations when entering in a Non-Standard Calculation, and provide a brief explanation of units used to make calculation, e.g. '1 month contract,' on a line below the figures.

| | | |
|-----------------------------|--|---------------------|
| Total Salaries/Labor | | \$125,222.40 |
|-----------------------------|--|---------------------|

| Travel | | | | | |
|--|-----------|------------|------------|--|-------------|
| Standard Calculation | | | | | |
| Travel Expense | Employees | Cost/Trip | # of Trips | | Total |
| Lump Sum | 3 | \$5,000.00 | 1.00 | | \$15,000.00 |
| | | | | | \$0.00 |
| | | | | | \$0.00 |
| | | | | | \$0.00 |
| | | | | | \$0.00 |
| Non-Standard Calculation | | | | | |
| Lump Sum Travel costs expected for 3 Key Personnel | | | | | |
| Total Travel | | | | | \$15,000.00 |

| Equipment | |
|-----------|------|
| 1 | 1000 |
| 2 | 1000 |
| 3 | 1000 |
| 4 | 1000 |
| 5 | 1000 |
| 6 | 1000 |
| 7 | 1000 |
| 8 | 1000 |
| 9 | 1000 |
| 10 | 1000 |
| 11 | 1000 |
| 12 | 1000 |
| 13 | 1000 |
| 14 | 1000 |
| 15 | 1000 |
| 16 | 1000 |
| 17 | 1000 |
| 18 | 1000 |
| 19 | 1000 |
| 20 | 1000 |
| 21 | 1000 |
| 22 | 1000 |
| 23 | 1000 |
| 24 | 1000 |
| 25 | 1000 |
| 26 | 1000 |
| 27 | 1000 |
| 28 | 1000 |
| 29 | 1000 |
| 30 | 1000 |
| 31 | 1000 |
| 32 | 1000 |
| 33 | 1000 |
| 34 | 1000 |
| 35 | 1000 |
| 36 | 1000 |
| 37 | 1000 |
| 38 | 1000 |
| 39 | 1000 |
| 40 | 1000 |
| 41 | 1000 |
| 42 | 1000 |
| 43 | 1000 |
| 44 | 1000 |
| 45 | 1000 |
| 46 | 1000 |
| 47 | 1000 |
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| 49 | 1000 |
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| 82 | 1000 |
| 83 | 1000 |
| 84 | 1000 |
| 85 | 1000 |
| 86 | 1000 |
| 87 | 1000 |
| 88 | 1000 |
| 89 | 1000 |
| 90 | 1000 |
| 91 | 1000 |
| 92 | 1000 |
| 93 | 1000 |
| 94 | 1000 |
| 95 | 1000 |
| 96 | 1000 |
| 97 | 1000 |
| 98 | 1000 |
| 99 | 1000 |
| 100 | 1000 |

| Standard Calculation | | | | | | | | | |
|----------------------|--|--|--|--|--|--|--|--|--|
|----------------------|--|--|--|--|--|--|--|--|--|

| Piece of Equipment | # of Units | Cost/Unit | # of Days | | Total |
|--------------------|------------|------------|-----------|--|-------------|
| Data Logger | 20.00 | \$3,400.00 | | | \$68,000.00 |
| Misc. Field Gear | 20.00 | \$1,700.00 | | | \$34,000.00 |
| | | | | | \$0.00 |
| | | | | | \$0.00 |

Non-Standard Calculation

| Total Equipment | |
|-----------------|-----|
| 1 | 1 |
| 2 | 2 |
| 3 | 3 |
| 4 | 4 |
| 5 | 5 |
| 6 | 6 |
| 7 | 7 |
| 8 | 8 |
| 9 | 9 |
| 10 | 10 |
| 11 | 11 |
| 12 | 12 |
| 13 | 13 |
| 14 | 14 |
| 15 | 15 |
| 16 | 16 |
| 17 | 17 |
| 18 | 18 |
| 19 | 19 |
| 20 | 20 |
| 21 | 21 |
| 22 | 22 |
| 23 | 23 |
| 24 | 24 |
| 25 | 25 |
| 26 | 26 |
| 27 | 27 |
| 28 | 28 |
| 29 | 29 |
| 30 | 30 |
| 31 | 31 |
| 32 | 32 |
| 33 | 33 |
| 34 | 34 |
| 35 | 35 |
| 36 | 36 |
| 37 | 37 |
| 38 | 38 |
| 39 | 39 |
| 40 | 40 |
| 41 | 41 |
| 42 | 42 |
| 43 | 43 |
| 44 | 44 |
| 45 | 45 |
| 46 | 46 |
| 47 | 47 |
| 48 | 48 |
| 49 | 49 |
| 50 | 50 |
| 51 | 51 |
| 52 | 52 |
| 53 | 53 |
| 54 | 54 |
| 55 | 55 |
| 56 | 56 |
| 57 | 57 |
| 58 | 58 |
| 59 | 59 |
| 60 | 60 |
| 61 | 61 |
| 62 | 62 |
| 63 | 63 |
| 64 | 64 |
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| 66 | 66 |
| 67 | 67 |
| 68 | 68 |
| 69 | 69 |
| 70 | 70 |
| 71 | 71 |
| 72 | 72 |
| 73 | 73 |
| 74 | 74 |
| 75 | 75 |
| 76 | 76 |
| 77 | 77 |
| 78 | 78 |
| 79 | 79 |
| 80 | 80 |
| 81 | 81 |
| 82 | 82 |
| 83 | 83 |
| 84 | 84 |
| 85 | 85 |
| 86 | 86 |
| 87 | 87 |
| 88 | 88 |
| 89 | 89 |
| 90 | 90 |
| 91 | 91 |
| 92 | 92 |
| 93 | 93 |
| 94 | 94 |
| 95 | 95 |
| 96 | 96 |
| 97 | 97 |
| 98 | 98 |
| 99 | 99 |
| 100 | 100 |

\$102,000.00

Supplies/Materials

| |
|-----------------------------|
| Standard Calculation |
|-----------------------------|

| Supplies/Materials | # of Items | Cost/Item | Total |
|--------------------|------------|-----------|--------|
| | | | \$0.00 |
| | | | \$0.00 |

Non-Standard Calculation

Total Supplies/Materials

\$0.00

Printing

| |
|----------------------|
| Standard Calculation |
|----------------------|

| Paper Material | # of Units | Cost/Unit | Total |
|----------------|------------|-----------|--------|
| | | | \$0.00 |

Non-Standard Calculation

| | |
|-----------------------|--|
| Total Printing | |
|-----------------------|--|

\$0.00

| Other Expenses | |
|----------------|--|
| Advertising | |
| Commissions | |
| Freight | |
| Insurance | |
| Interest | |
| Legal | |
| Postage | |
| Repairs | |
| Supplies | |
| Taxes | |
| Travel | |
| Wages | |
| Other | |
| Total | |

| | |
|-----------------------------|--|
| Standard Calculation | |
|-----------------------------|--|

| Item | # of Units | Cost/Unit | Total |
|-----------------|------------|------------|-------------|
| Housing Support | 5.00 | \$5,000.00 | \$25,000.00 |
| | | | \$0.00 |
| | | | \$0.00 |
| | | | \$0.00 |

Non-Standard Calculation

| | |
|--------------------|--|
| Total Other | |
|--------------------|--|

| | |
|--|-------------|
| | \$26,000.00 |
|--|-------------|

| | |
|------------------------------|---------------------|
| Subtotal Direct Costs | \$267,222.40 |
|------------------------------|---------------------|

\$267,222.40

Forest Service Overhead Costs

| | | | | |
|-------------------------|-----------------------|--------------|--|--------|
| Current Overhead Rate | Subtotal Direct Costs | | | Total |
| | | \$267,222.40 | | \$0.00 |
| Total FS Overhead Costs | | | | \$0.00 |

| | |
|-------------------|---------------------|
| TOTAL COST | \$267,222.40 |
|-------------------|---------------------|

\$267,222.40

WORKSHEET FOR

FS Cash to the Cooperator Cost Analysis Column

Use this worksheet to perform the cost analysis that supports the lump sum figures provided in the matrix. NOTE: This worksheet auto populates the relevant and applicable matrix cells.

Cost element sections may be deleted or lines may be hidden, if not applicable. Line items may be added or deleted as needed. The Standard Calculation sections provide a standardized formula for determining a line item's cost, e.g. cost/day x # of days=total, where the total is calculated automatically. The Non-Standard Calculation sections provide a write-in area for line items that require a calculation formula that is other than the standardized formulas, e.g. instead of salaries being calculated by cost/day x # of days, costs may be calculated simply by a contracted value that is not dependent on days worked, such as 1 employee x \$1,200/contract= \$1,200. Be sure to review your calculations when entering in a Non-Standard Calculation, and provide a brief explanation of units used to make calculation, e.g. '1 month contract,' on a line below the figures.

| Salaries/Labor | | | | |
|-----------------------------|--|-------------|-------------|--------------|
| Standard Calculation | | | | |
| Job Description | | Cost/Month | # of Months | Total |
| Project Coordinator | | \$9,900.00 | 24.00 | \$237,600.00 |
| GIS specialist | | \$8,800.00 | 6.00 | \$52,800.00 |
| Cruise/Inventory specialist | | \$12,800.00 | 6.00 | \$76,800.00 |
| Forester | | \$9,900.00 | 12.00 | \$118,800.00 |
| | | | | \$0.00 |

Non-Standard Calculation

| | |
|-----------------------------|---------------------|
| Total Salaries/Labor | \$486,000.00 |
|-----------------------------|---------------------|

| Travel | | | | |
|-----------------------------|-----------|------------|------------|-------------|
| Standard Calculation | | | | |
| Travel Expense | Employees | Cost/Trip | # of Trips | Total |
| Project Coordinator | 1 | \$1,000.00 | 21.00 | \$21,000.00 |
| Forester | 1 | \$1,000.00 | 10.00 | \$10,000.00 |
| Cruise/Inventory specialist | 1 | \$1,000.00 | 3.00 | \$3,000.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |

Non-Standard Calculation

| | |
|---------------------|--------------------|
| Total Travel | \$34,000.00 |
|---------------------|--------------------|

| Equipment | | | | |
|----------------------|------------|----------|-----------|--------|
| Standard Calculation | | | | |
| Piece of Equipment | # of Units | Cost/Day | # of Days | Total |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |

| |
|---------------------------------|
| Non-Standard Calculation |
|---------------------------------|

| | |
|------------------------|---------------|
| Total Equipment | \$0.00 |
|------------------------|---------------|

| Supplies/Materials | | | | |
|----------------------|------------|-----------|-------|--------|
| Standard Calculation | | | | |
| Supplies/Materials | # of Items | Cost/Item | Total | |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |

| | |
|---------------------------------|------------|
| Non-Standard Calculation | |
| Office and field - 2 years | \$2,500.00 |

| | |
|---------------------------------|-------------------|
| Total Supplies/Materials | \$2,500.00 |
|---------------------------------|-------------------|

| Printing | | | | |
|----------------------|------------|-----------|-------|--------|
| Standard Calculation | | | | |
| Paper Material | # of Units | Cost/Unit | Total | |
| | | | | \$0.00 |

| | |
|---------------------------------|--------|
| Non-Standard Calculation | |
| | \$0.00 |

| | |
|-----------------------|---------------|
| Total Printing | \$0.00 |
|-----------------------|---------------|

| Other Expenses | | | | |
|---------------------------------|------------|-----------|-------|------------|
| Standard Calculation | | | | |
| Item | # of Units | Cost/Unit | Total | |
| Coordinator cell phone contract | 24.00 | \$86.00 | | \$2,064.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |

| | |
|---------------------------------|-----------------------|
| Non-Standard Calculation | |
| Inventory/Stand Exam contracts | \$1,900,000.00 |
| State & Private lands contracts | \$979,981.00 |
| Total Other | \$2,882,045.00 |

| | |
|------------------------------|-----------------------|
| Subtotal Direct Costs | \$3,404,545.00 |
|------------------------------|-----------------------|

| |
|----------------------------------|
| Cooperator Indirect Costs |
|----------------------------------|

| Current Overhead Rate | Subtotal Direct Costs | Total |
|-----------------------------------|-----------------------|---------------------|
| 17.49% | \$3,404,545.00 | \$595,454.92 |
| Total Coop. Indirect Costs | | \$595,454.92 |

| | |
|-------------------|-----------------------|
| TOTAL COST | \$4,000,000.00 |
|-------------------|-----------------------|

WORKSHEET FOR

Cooperator Non-Cash Contribution Cost Analysis Column

Use this worksheet to perform the cost analysis that supports the lump sum figures provided in the matrix.

NOTE: This worksheet auto populates the relevant and applicable matrix cells.

Cost element sections may be deleted or lines may be hidden, if not applicable. Line items may be added or deleted as needed. The Standard Calculation sections provide a standardized formula for determining a line item's cost, e.g. $\text{cost/day} \times \# \text{ of days} = \text{total}$, where the total is calculated automatically. The Non-Standard Calculation sections provide a write-in area for line items that require a calculation formula that is other than the standardized formulas, e.g. instead of salaries being calculated by $\text{cost/day} \times \# \text{ of days}$, costs may be calculated simply by a contracted value that is not dependent on days worked, such as $1 \text{ employee} \times \$1,200/\text{contract} = \$1,200$. Be sure to review your calculations when entering in a Non-Standard Calculation, and provide a brief explanation of units used to make calculation, e.g. '1 month contract,' on a line below the figures.

| Salaries/Labor | | | | |
|---|--|----------|-----------|-------------|
| Standard Calculation | | | | |
| Job Description | | Cost/Day | # of Days | Total |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| Non-Standard Calculation | | | | |
| State Forester - 10% of his annual salary for 2 years | | | | \$41,120.00 |
| Total Salaries/Labor | | | | \$41,120.00 |

| Travel | | | | |
|--------------------------|-----------|------------|------------|-------------|
| Standard Calculation | | | | |
| Travel Expense | Employees | Cost/Trip | # of Trips | Total |
| State Forester | 1 | \$1,500.00 | 14.00 | \$21,000.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| Non-Standard Calculation | | | | |
| Total Travel | | | | \$21,000.00 |

| Equipment | | | | |
|----------------------|------------|----------|-----------|--------|
| Standard Calculation | | | | |
| Piece of Equipment | # of Units | Cost/Day | # of Days | Total |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |

| |
|---------------------------------|
| Non-Standard Calculation |
|---------------------------------|

| | | |
|------------------------|--|---------------|
| Total Equipment | | \$0.00 |
|------------------------|--|---------------|

| | | | | |
|-----------------------------|--|------------|-----------|--------|
| Supplies/Materials | | | | |
| Standard Calculation | | | | |
| Supplies/Materials | | # of Items | Cost/Item | Total |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |

| |
|---------------------------------|
| Non-Standard Calculation |
|---------------------------------|

| | | |
|---------------------------------|--|---------------|
| Total Supplies/Materials | | \$0.00 |
|---------------------------------|--|---------------|

| | | | | |
|-----------------------------|--|------------|-----------|--------|
| Printing | | | | |
| Standard Calculation | | | | |
| Paper Material | | # of Units | Cost/Unit | Total |
| | | | | \$0.00 |

| | | |
|---------------------------------|--|---------------|
| Non-Standard Calculation | | \$0.00 |
|---------------------------------|--|---------------|

| | | |
|-----------------------|--|---------------|
| Total Printing | | \$0.00 |
|-----------------------|--|---------------|

| | | | | |
|-----------------------------|--|------------|-----------|--------|
| Other Expenses | | | | |
| Standard Calculation | | | | |
| Item | | # of Units | Cost/Unit | Total |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |
| | | | | \$0.00 |

| |
|---------------------------------|
| Non-Standard Calculation |
|---------------------------------|

| | |
|--|-----------------------|
| Southeast infrastructure development (CIP 39187 as of 08/17/2015) | \$1,376,138.00 |
|--|-----------------------|

| | |
|--------------------|-----------------------|
| Total Other | \$1,376,138.00 |
|--------------------|-----------------------|

| | |
|------------------------------|-----------------------|
| Subtotal Direct Costs | \$1,438,258.00 |
|------------------------------|-----------------------|

| |
|----------------------------------|
| Cooperator Indirect Costs |
|----------------------------------|

| | | | |
|-----------------------|-----------------------|--|--------|
| Current Overhead Rate | Subtotal Direct Costs | | Total |
| | \$1,438,258.00 | | \$0.00 |

| | |
|-----------------------------------|---------------|
| Total Coop. Indirect Costs | \$0.00 |
|-----------------------------------|---------------|

| | |
|-------------------|-----------------------|
| TOTAL COST | \$1,438,258.00 |
|-------------------|-----------------------|

**Health and Social Services
Senior and Disabilities Services
General Relief/Temporary Assisted Living**

| | |
|---|---|
| Subject of RPL: General Relief /Temporary Assisted Living Client Functional Assessment | ADN/RPL #: 06-6-0217 |
| Amount requested: \$175,000 | Appropriation Authority: Sec1 Ch24 SLA2015 pg5 ln11 (HB73) |
| Funding source: \$175,000 Mental Health Trust Authority Authorized Receipts (1092) Operating | Statutory Authority: AS 47.33, Assisted Living Homes |

Legislative Fiscal Analyst Comment: The General Relief Assistance (GRA) Program is a state-funded program designed to be a safety net for vulnerable adults to meet immediate, basic needs. The program provides a temporary source for assistive living home placement for Alaskans facing extreme financial crisis. At the time of the FY16 budget submission, there were 565 Alaskans receiving GRA services. The legislature accepted the Governor's FY16 decrement request for \$789.8 UGF (a 9.7 percent decrease from FY15) which was expected to result in a decline in the number of clients served.

PURPOSE

This is a one-time request for \$175.0 Mental Health Trust Authority Authorized Receipts (MHTAAR) for the General Relief/Temporary Assisted Living program ("the program") within the Division of Senior and Disabilities Services. Funds will be used to contract for both a functional assessment of current program clients and a survey of their housing preferences, needs driven by a FY2016 \$789.8 general fund reduction to the program. The department must rapidly identify other appropriate housing and services alternatives for some portion of current program clients, thus reducing projected FY2016 General Relief costs. Without funding to hire an outside contractor and given current division staffing limitations, it might otherwise be a year before the division will be able to complete this body of work.

The Department of Health and Social Services, Divisions of Senior and Disabilities Services and Behavioral Health have been working collaboratively to reform the program in coordination with other major systems changes. It is imperative that the timing of these reform efforts align with the September 2015 award of the Alaska Housing Finance Corporation "811" grant and the department's implementation of Home and Community Based Services Medicaid Reform (1915 (i)/(k) state plan options).

Legislative Fiscal Analyst Comment: The department is asking for funding to do initial assessments of all GRA clients in order to determine eligibility for the AHFC 811 housing grant (and perhaps other programs that can reduce GF costs). SDS staff is insufficient to tackle the initial assessments of all GRA clients. Once the initial assessments are completed, existing staff will be able to perform ongoing assessments.

Savings resulting from implementation of the 1915(i) or (k) State Plan options won't occur for several years because these State Plan options, if implemented, will not be effective until FY18. For this RPL, the options appear to be irrelevant.

PREVIOUS LEGISLATIVE CONSIDERATION

There has not been previous legislative consideration for this type of client assessment and alternative options identification.

Legislative Fiscal Analyst Comment: While there may not have been specific legislative consideration of client assessments, the department did propose a \$789.8 UGF decrement that the legislature accepted. It now appears that the decrement was too large; the department claims that it has insufficient funds (without approval of this RPL) to invest in actions required to achieve the savings necessary to absorb the decrement approved in the FY16 budget.

The situation raises a legal/technical question regarding the role of the LB&A Committee in balancing two contradictory facts:

1. the legislature cannot delegate its power of appropriation to a committee, and
2. the legislature and the agencies cannot foresee every need for additional receipts.

Balance is achieved by allowing the LB&A Committee to review requests for additional receipts for purposes already approved by the legislature. The process is clear for capital RPLs, which can add money to a project approved by the legislature but cannot provide money for a project that has not been approved by the legislature. The process is less clear for operating RPLs, which frequently request authority to spend additional receipts for activities that fit within the responsibilities of the agency.

This RPL is complicated by the fact that it effectively overrides a portion of a decrement accepted by the full legislature. Arguably, the RPL process cannot be used to reverse a decision by the full legislature because doing so effectively delegates the power of appropriation to the committee. On the other hand, the Committee could take the view that the decrement was simply over-aggressive and that approval of this RPL reflects approval of the department's attempts to find alternative ways to reduce UGF costs while maintaining/improving services.

TIMING ISSUES

In order to manage the \$789.8 reduction to the current year program, the department must assess current General Relief recipients to determine if they may be candidates for alternative housing options, such as long-term supportive housing. Supportive housing links decent, safe, affordable, community-based housing with flexible, voluntary support services designed to help the individual remain housed and live a more productive life in the community. Through the "811" grant, the Alaska Housing Finance Corporation is able to offer housing vouchers to eligible individuals, who will also be required to contribute 30% of their income towards offsetting housing costs. Individuals will be supported through Medicaid State Plan and/or Behavioral Health grant services.

On August 29, 2015 the Alaska Mental Health Trust Authority Board of Trustees approved the \$175.0 MHTAAR grant award to the Division of Senior and Disabilities Services for the remainder of FY2016.

Delay or denial of this request for additional restricted revenue authority may result in the department creating a waiting list for the General Relief/Temporary Assisted Living program, and may negatively impact successful implementation of the “811” grant program.

Legislative Fiscal Analyst Comment: The Alaska Housing Finance Corporation (AHFC) will begin soliciting housing providers for vacancies beginning November 2015 and may have housing available as soon as December 2015.

BUDGETARY ISSUES

The collaborative aim of the Alaska Housing Finance Corporation, through the “811” grant, and the division is to provide housing services to eligible Alaskans in the least restrictive setting. These MHTAAR funds will allow the department to target those General Relief clients potentially eligible for supportive housing options, and to manage the reduced General Relief budget. Through the proposed client functional assessment, the department anticipates being able to decrease the number of persons utilizing General Relief for Assisted Living Homes, and decrease the length of stay for those currently served by the program.

Funds will be used for a one-time contract with no anticipated future need to request associated general funds. The department does not anticipate impact to staffing levels and no additional funds will be required for positions. Upon RPL approval, the department will commence with procuring services.

The General Relief/ Temporary Assisted Living component lapsed \$192.3 in FY2015; however, the program received a year-end \$275.5 general fund transfer from the Division of Behavioral Health, Services for Severely Mentally Ill component to help cover a projected deficit.

Legislative Fiscal Analyst Comment: A total of 200 housing vouchers are expected to be available through the 811 grant (not all will be available to GRA clients). The department anticipates that 60 GRA clients will be able to move into section 811 housing, and that up to \$566.2 of UGF could be saved in FY16 if that occurs.

Agency Contact and Telephone:

Sana Efird, Assistant Commissioner of Finance and Management Services, 465-1630

OMB Approved: _____ Date: _____

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

October 1, 2015

SUBJECT: RPL for General Relief/Temporary Assisted Living Client
Functional Assessment (Work Order No. 29-LS1121)

TO: Representative Mike Hawker
Attn: Paulyn Swanson

FROM: Megan A. Wallace 
Legislative Counsel

You have asked for an opinion as to the validity of RPL 06-6-0217, which requests that an appropriation to the Department of Health and Social Services, Senior and Disabilities Services under "General Relief/Temporary Assisted Living," made in the mental health operating budget,¹ be increased based on the receipt of additional Mental Health Trust Authority Authorized Receipts ("MHTAAR") under AS 37.07.080(h). The RPL further states that "[o]n August 29, 2015, the Alaska Mental Health Trust Authority Board of Trustees approved the \$175.0 MHTAAR grant award to the Division of Senior and Disabilities Services for the remainder of FY2016." For the reasons stated below, it is my opinion that the RPL is valid.

The Legislative Fiscal Analyst reviewing the RPL commented that the "RPL is complicated by the fact that it effectively overrides a portion of a decrement accepted by the full legislature. Arguably, the RPL process cannot be used to reverse a decision by the full legislature because doing so effectively delegates the power of appropriation to the committee."² Alternatively, the Fiscal Analyst stated that this RPL may simply reflect "the department's attempts to find alternative ways to reduce UGF costs while maintaining/improving services."

As you know, AS 37.07.080(h) provides that an "increase of an appropriation item based on additional federal or other program receipts" may be expended upon request of the governor to the Legislative Budget and Audit Committee (LB&A). After the governor requests "approval" of LB&A for expenditure of federal funds, the governor may authorize the expenditure under AS 37.07.080(h)(3), even if LB&A denies the request and regardless of the reasons for LB&A's opposition.

¹ See sec. 1, ch. 24, SLA 2015, page 5, line 11.

² A copy of the RPL with comments was attached to your request.

The RPL at issue seeks an increase to an existing appropriation item in the mental health operating budget based on the availability of additional MHTAAR funds recently granted by the Alaska Mental Health Trust Authority Board of Trustees ("Board") to the department. Consequently, in my opinion, the RPL process has been properly utilized to increase an appropriation based on additional program receipts and does not delegate the power of appropriation to the committee in this instance.

As it relates to the grant of MHTAAR funds, the Board appears to have sufficient authority under AS 47.30.056, which states, in relevant part:

(a) The money in the mental health trust settlement income account established in AS 37.14.036 shall be used as provided in AS 37.14.041, including to

(1) provide an integrated comprehensive mental health program as required by this section;
(2) meet the authority's annual administrative expenses; and
(3) offset the effect of inflation on the mental health trust fund.

(b) Expenditures under (a)(1) of this section must provide for a reasonable level of necessary services to persons who

(1) are mentally ill;
(2) have an intellectual disability, a developmental disability, or both;
(3) are chronic alcoholics suffering from psychoses;
(4) as a result of senility, suffer major mental illness; and
(5) need mental health services, as the legislature may determine.

(c) The integrated comprehensive mental health program for which expenditures are made under this section

(1) must give priority in service delivery to persons who, as a result of a mental disorder or of a disorder identified in (b) of this section,

(A) may require or are at risk of hospitalization; or

(B) experience such major impairment of self-care, self-direction, or social and economic functioning that they require continuing or intensive services;

(2) may, at the discretion of the board, include services to persons who are not included under (b) or (c)(1) of this section.

In addition, AS 37.14.041 provides:

(a) Money in the mental health trust settlement income account

may only be used for the following purposes:

(1) the awarding of grants and contracts in fulfillment of the authority's purpose to ensure an integrated comprehensive mental health program for the state;

(2) obtaining private and federal grants for a purpose described in (1) of this subsection;

(3) soliciting gifts, bequests, and contributions for a purpose described in (1) of this subsection;

(4) reimbursement to

(A) the Alaska Permanent Fund Corporation for the costs of managing the principal of the mental health trust fund; and

(B) the Department of Natural Resources for the cost of managing mental health trust land;

(5) offsetting the effect of inflation on the value of the principal of the mental health trust fund; and

(6) subject to AS 37.07 (Executive Budget Act), meeting the necessary administrative expenses of the authority that are required for it to properly discharge its responsibilities.

(b) If money in the mental health trust settlement income account is not needed to meet the necessary expenses of the state's integrated comprehensive mental health program, the authority shall transfer the money to the unrestricted general fund for expenditure through legislative appropriation for other public purposes.

Furthermore, as it relates to the Board's authority to issue grants, 20 AAC 40.250 provides:

(a) If the board identifies a specific purpose or need that is consistent with the purposes and goals of the comprehensive program, the board may award an authority grant to one or more designated recipients to provide money to serve that purpose or need.

(b) A proposal for a designated grant under this section may be initiated by the board, a board committee, the authority staff, a beneficiary-related agency, or a mental health service provider.

(c) The board will determine the amount and term of a designated grant awarded under this section.

(d) Unless otherwise specified in the grant, a designated grant under this section is subject to the terms and conditions for authority grants set out in 20 AAC 40.300 - 20 AAC 40.415.

(e) A decision of the board to make a designated grant under this section is a final decision of the authority. A person adversely affected by the decision may appeal to the superior court in accordance with the Alaska Rules of Appellate Procedure.

Representative Mike Hawker
October 1, 2015
Page 4

AS 37.07.080(h) allows the governor to utilize the LB&A process to increase an appropriation based upon receipt of additional program receipts. Because the Board has recently made a grant to the department to use the additional MHTAAR funds, it is my opinion that the RPL and appropriation increase are valid. The Board also appears to have sufficient authority under AS 47.30.056, AS 37.14.041, and 20 AAC 40.250 to make the grant and expend the MHTAAR funds. Furthermore, if a person is adversely affected by the Board's decision to grant the additional MHTAAR funds, they may appeal the decision to the superior court.

If you have any further questions, please advise.

MAW:dla
15-474.dla



LAWS OF ALASKA

2015

Source
CCS HB 73

Chapter No.
24

AN ACT

Making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

| | | Appropriation | General | Other |
|----|---|-------------------|-------------------|------------------|
| | | Allocations | Funds | Funds |
| 1 | | | | |
| 2 | | | | |
| 3 | Nursing | 98,200 | | |
| 4 | Women, Children and Family | 865,000 | | |
| 5 | Health | | | |
| 6 | Chronic Disease Prevention | 10,000 | | |
| 7 | and Health Promotion | | | |
| 8 | Senior and Disabilities Services | 17,926,800 | 16,208,900 | 1,717,900 |
| 9 | Senior and Disabilities | 3,371,400 | | |
| 10 | Services Administration | | | |
| 11 | General Relief/Temporary | 740,300 | | |
| 12 | Assisted Living | | | |
| 13 | Senior Community Based | 4,641,600 | | |
| 14 | Grants | | | |
| 15 | Community Developmental | 8,132,300 | | |
| 16 | Disabilities Grants | | | |
| 17 | Commission on Aging | 146,400 | | |
| 18 | Governor's Council on | 894,800 | | |
| 19 | Disabilities and Special | | | |
| 20 | Education | | | |
| 21 | Departmental Support Services | 459,800 | 459,800 | |
| 22 | Commissioner's Office | 109,800 | | |
| 23 | HSS State Facilities Rent | 350,000 | | |
| 24 | Medicaid Services | 67,778,400 | 67,778,400 | |
| 25 | No money appropriated in this appropriation may be expended for an abortion that is not a | | | |
| 26 | mandatory service required under AS 47.07.030(a). The money appropriated for Health and | | | |
| 27 | Social Services may be expended only for mandatory services required under Title XIX of the | | | |
| 28 | Social Security Act and for optional services offered by the state under the state plan for | | | |
| 29 | medical assistance that has been approved by the United States Department of Health and | | | |
| 30 | Human Services. | | | |
| 31 | No money appropriated in this appropriation may be expended for services to persons who are | | | |
| 32 | eligible pursuant to 42 United States Code section 1396a(a)(10)A)(i)(VIII) and whose | | | |
| 33 | household modified adjusted gross income is less than or equal to one hundred thirty-three | | | |

2015 Legislature - Operating Budget Transaction Change Detail - FY16 Final CC Structure

Numbers and Language

Appropriation: Senior and Disabilities Services
Allocation: General Relief/Temporary Assisted Living

Agency: Department of Health and Social Services

| Transaction Title | Trans Type | Total Expenditure | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants | Misc | PFT | PPT | TMP |
|---|------------|-------------------|-------------------|--------|----------|-------------|----------------|---------|----------|-----|-----|-----|
| FY15 Conference Committee | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | 7,373.4 | | | | | | | | | | |
| 1037 GF/MH (UGF) | | 740.3 | | | | | | | | | | |
| FY15 Conference Committee Total | ConfCom | 8,113.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8,113.7 | 0.0 | 0 | 0 | 0 |
| *** FY15 Conference Committee *** | | | | | | | | | | | | |
| | | 8,113.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8,113.7 | 0.0 | 0 | 0 | 0 |
| FY15 Authorized Total | | | | | | | | | | | | |
| *** Changes from FY15 Conference Committee to FY15 Authorized *** | | | | | | | | | | | | |
| | | 8,113.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8,113.7 | 0.0 | 0 | 0 | 0 |
| FY15 Management Plan Total | | | | | | | | | | | | |
| *** Changes from FY15 Authorized to FY15 Management Plan *** | | | | | | | | | | | | |
| | | 8,113.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8,113.7 | 0.0 | 0 | 0 | 0 |
| FY16 Adjusted Base Total | | | | | | | | | | | | |
| *** Changes from FY15 Management Plan to FY16 Adjusted Base *** | | | | | | | | | | | | |
| | | 8,113.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8,113.7 | 0.0 | 0 | 0 | 0 |
| AMD: Reduce Individual Benefits under the General Relief Assistance Program | Dec | -789.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -789.8 | 0.0 | 0 | 0 | 0 |
| 1004 Gen Fund (UGF) | | -789.8 | | | | | | | | | | |
| 16 Governor's Amended + Total | | | | | | | | | | | | |
| *** Changes from 16 Governor's Amended + to FY16 Final Op Budget *** | | | | | | | | | | | | |
| | Veto | -3,291.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -3,291.8 | 0 | 0 | 0 |
| FY2016 Governor Veto | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | -3,291.8 | | | | | | | | | | |
| Reverse FY2016 Governor Veto | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | Inc | 3,291.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3,291.8 | 0 | 0 | 0 |
| FY16 Final Op Budget Total | | | | | | | | | | | | |
| | | 7,323.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7,323.9 | 0.0 | 0 | 0 | 0 |

Component: General Relief/Temporary Assisted Living

Contribution to Department's Mission

Provide temporary assisted living to protect Alaska's vulnerable adults.

Core Services

- Provide temporary assisted living for vulnerable adults over the age of 18, as referred by Adult Protective Services investigators or community health professionals.

Key Component Challenges

- Housing and service provision capacity development is a key need for many Alaskan communities. The Alaska Commission on Aging predicts that the senior population in Alaska will increase from 55,237 in 2010 to 76,502 by the year 2015. The fraction of this population that requires significant assistance from the state will grow proportionately to the overall senior population.
- Current state resources for adult protective services are limited. Community resources such as local police and medical personnel are one source of reporting suspected elder abuse or neglect.

Significant Changes in Results to be Delivered in FY2017

No changes in results delivered.

Major Component Accomplishments in 2015

- The General Relief/Temporary Assisted Living program served approximately 1,000 clients in FY2014. The division worked closely with care coordinators, hospital discharge planners, assisted living homes, family members and local law enforcement and court systems to determine eligibility for the General Relief Program, manage Assisted Living Home invoice and match vulnerable adults with assisted living homes.
- Established increased adherence to the General Relief Regulations
- Revamped Assisted Living Home invoicing process to decrease turnaround time from a month or more to two weeks or less.

Statutory and Regulatory Authority

| | |
|-------------------|---|
| AS 47.65 | Service Programs for Older Alaskans and Other Adults |
| PL 98-459 | Public Law, Title III Older Americans Act, as Amended |
| AS 47.24 | Protection of Vulnerable Adults |
| AS 47.33 | Assisted Living Homes |
| 45 CFR, Part 1321 | Code of Federal Regulations |
| 7 AAC 47.300 | General Relief Assisted Living Home Care |
| 7 AAC 43.170 | Conditions for Payment |
| 42 CFR, Part 440 | Code of Federal Regulations, Services: General Provisions |
| 7 AAC 43 | Medical Assistance |
| AS 44.29.020 | Department of Health and Social Services (Duties of department) |

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF SENIOR AND DISABILITIES SERVICES

SEAN PARNELL, GOVERNOR

3601 C Street, Suite 310
Anchorage, Alaska 99503
Phone: 907-269-3666
Fax: 907-269-3973

May 7, 2014

Mark Romick, Planning Director
Alaska Housing Finance Corporation (Applicant)
Planning and Program Development Department
P.O. Box 101020
Anchorage, Alaska 99510-1020

RE: HUD 811 Project Rental Assistance Demonstration Program

Dear Mr. Romick,

The Department of Health and Social Services/Division of Senior & Disabilities Services (DHSS/SDS) is in support of the PRA Demo Program as evidenced by the Inter-Agency Partnership Agreement signed on May 7, 2014. Additionally, the Division commits the following resources to the program for the initial five-year Cooperative Agreement performance period.

| | |
|--|---------------|
| Rental Subsidy (to set rent at 47% AMI) | \$ 899,241.75 |
| Annual Salary/Fringe for staff involved in PRA Demo activities | \$ 19,675.04 |
| Five-Year Commitment Salary/Fringe | \$ 98,375.20 |

The DHSS/SDS looks forward to working collaboratively with the Alaska Housing Finance Corporation and the Department of Housing and Urban Development on the development of this innovative program.

Sincerely,



Duane Mayes
Director, Division of Senior & Disabilities Services

MEMO

DATE: September 11, 2015

TO: Sana Efird, DHSS Assistant Commissioner
Duane Mayes, DHSS SDS Division Director

FROM: Kevin Buckland, Trust CFO *Kevin Buckland*

SUBJECT: Trust authorization for \$175,000 FY16 MHTAAR (OMB Fund Code 1092)
grant for General Relief Assisted Living Care Assessments Project.

During an August 26, 2015 meeting of the Alaska Mental Health Trust Authority Board of Trustees, the full board approved a \$175,000 FY16 MHTAAR grant award to the DHSS Division of Senior and Disability Services (SDS). It is expected that SDS will utilize the funds to conduct up to 700 functional assessments, screenings and housing preference surveys of individuals receiving General Relief Assisted Living Care program services.

A copy of the memo reviewed and approved during the meeting is attached.

Because the funds are not already included in the FY16 operating budget, the department will require RPL approval to receive and expend the unbudgeted MHTAAR funding. Please feel free to use this memo as backup for your request to OMB and, if approved, the Legislative Budget & Audit Committee.

We expect that DHSS will account for this project under IRIS Fund 1092; APGRP "H008" and APTYP "H084." Please advise if that is not accurate.

If you have any questions please contact myself or the appropriate associate here at The Trust. Thank you.

cc: Jeff Jessee, Trust CEO
Steve Williams, Trust COO
Amanda Lofgren, Trust Program Officer
Kat Roch, Trust Budget Controller
Sarah Woods, DHSS FMS Deputy Director
Adam Bryan, OMB Capital Budget Coordinator

To: Mary Jane Michael, Interim Finance Committee Chair
Date: July 26, 2015
Re: FY16 Unobligated Funds - MHTAAR
Fiscal Year: 2016
Amount: \$175,000
Grantee: Alaska Department of Health and Social Services, Senior and Disabilities Services
Project Title: General Relief Assisted Living Care Assessments

MEMO

REQUESTED MOTION:

Recommend the full board of trustees approve a \$175,000 FY16 MHTAAR grant to Alaska Department of Health and Social Services, Senior and Disability Services for the General Relief Assisted Living Care Assessments project.

Assigned Program Officer: Nancy Burke/ Amanda Lofgren

The following is excerpted from the prospective grantee's application.

PROJECT DESCRIPTION

This request is for one time systems enhancement funding for the General Relief Assisted Living Care (GR) program. The Department of Health and Social Services, Divisions of Senior and Disabilities Services and Behavioral Health have been working collaboratively to reform the entire GR program in coordination with major systems changes. DHSS has limited staff resources dedicated to reforming the GR program. Without funding to hire an outside contractor to conduct functional assessments and a housing preference survey, it will most likely take more than a year for staff to complete. It is imperative that these reform efforts align with the Alaska Housing Finance Corporation 811 grant that is starting September 2015 and the Department of Health and Social Services Home and Community Based Services Medicaid Reform (1915 (i)/(k) state plan options).

Program Overview:

The General Relief Assisted Living Care programs provide a safety net of assisted living home care for individuals who are not eligible for Medicaid Waiver services and cannot pay for this care in full on their own. It is a valuable service and fills a gap in the services system. Over the years, this program has also been used as a default supported housing program when services are unavailable in a community. This has led to increased program costs and people living in a level of care that is higher than necessary, often with little connection to the community.

The development of available housing units through the 811 project provides new opportunities to transition GR residents to supported housing units. Both Divisions believe that there are many people currently using the GR programs to pay for assisted living home care that could be living more independently and inclusively in the community through supported housing. The existing system identifies the assisted living home administrator or staff as the main point of contact to define a resident's service

needs, which has inherent conflict of interest as there is monetary loss associated with a person no longer needing or wanting assisted living home care.

To date, individuals receiving General Relief services have not ever received a functional assessment to identify their current needs and preferences for housing and services. Contracting out the assessments will be the most efficient way to complete them in a uniform manner. The entire population of residents using GR has not been assessed using the same tool across both programs. A baseline is critical to moving forward with identifying the preferences and service needs of this group.

The 811 project workgroup proposes using the DLA-20 and a modified housing preference survey used in Georgia to inform the GR programs. A short TBI screening is also being considered. The DLA-20 is a verified survey that identifies risk, ability to live independently, and service areas where support is needed. It is also an assessment that is being considered for future use with the 1915i. Since GR residents are one of the groups likely to be eligible for services provided through a future 1915i, it would have an added benefit of piloting this assessment tool prior to committing to its future use. GR program staff will attend the training for the DLA-20 assessment.

Completion of these assessments will have significant benefits on both GR programs. It will be a way for the programs to collaborate to ensure that residents served are utilizing the right level of care and accessing resources that support independence. People who would benefit from supported housing in the community can enjoy more self-sufficiency and inclusion. The GR programs can focus resources on residents that need assisted living home care instead of paying assisted living home rates for supported living services.

The General Relief program received a \$780,000 budget cut in FY16. As the Department continues forward with Medicaid reform activities, having quantitative data will be important to ensure that GR program recipients access more appropriate services in a more cost effective delivery model.

EVALUATION CRITERIA

How Much Did You Do:

- Up to 700 assessments, TBI screenings and housing preference surveys will be conducted with this grant.

How Well Did You Do:

- Assessments to be completed by 10/30/15.
- Using the assessment data, identify 60 people served by GR who can transfer to Permanent Supported Housing by 6/30/16.

Is Anyone Better Off:

- GR recipients will be able to enjoy greater independence if assessed as needing and wanting supported housing services.
- The GR programs will have a better understanding of the needs of the residents served to make future program improvements.

SUSTAINABILITY

Once the GR programs have a baseline of assessments, the new interdisciplinary team will identify an ongoing assessment process. An ongoing challenge for the GR program has been not having detailed information about residents served available.

There are several grantees that have the ability to conduct ongoing assessments and several options have been considered including the ADRC, ILCs, Senior In-Home and CMHCs. Once more is known about the GR population one or more of these grantees will be selected to conduct the ongoing assessments. We are not looking toward the grantees for the initial assessment because of the need to expedite the completion of this work. This will also give the Department time to explore initial and ongoing financial support from Medicaid admin funding to sustain these efforts.

ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING

| | |
|---|---------|
| Mental Illness | 500 |
| Developmental Disabilities: | 50* |
| Alzheimer's Disease & Related Dementias: | 50* |
| Substance Abuse: | 150* |
| Traumatic Brain Injuries: | unknown |
| Non-Beneficiaries: | unknown |
| Many people receiving GR can be described as fitting into more than one category. *Based on anecdotal information | |

BUDGET

| | |
|--|--|
| Contractual Costs | \$175,000 |
| Contractual Costs Narrative: | Contract Estimate: \$210 per assessment bundle |
| | |
| Total Amount to be Funded by the Trust | \$175,000.00 |
| Total Amount Funded by Other Sources | \$0 |