



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: James Reardon, Commissioner of Finance & Management
From: Nathan Lavery, Fiscal Analyst
Date: December 13, 2011
Subject: JFO #2535, #2536, #2537, #2538

No Joint Fiscal Committee member has requested that the following items be held for review:

JFO #2535 – One limited service position in the Department of Health. This position will develop, organize and optimize a variety of Geographic Information System (GIS) applications and data sets. Funding for this position has already been approved (JFO 2022, 2406), but the duties were performed by a contractor. Approving this request would convert this contracted position to a limited service position.
[JFO received 11/10/11]

JFO #2536 – One limited service position in the Agency of Administration. This position will provide administrative support for the Exchange Planning grant. Funding for this position has already been approved (JFO 2468).
[JFO received 11/10/11]

JFO #2537 – \$70,000 grant from the U.S. Department of Agriculture to the Vermont Agency of Agriculture, Food & Markets. These funds will be used to contract for the design of water quality monitoring stations on 5-10 farm sites, and to provide construction inspection services, as part of the Water Quality Monitoring project.
[JFO received 11/10/11]

JFO #2538 – \$75,365 grant from the U.S. Centers for Disease Control and Prevention (CDC) to the Vermont Department of Health. These funds will be used to contract with the Coalition for a Tobacco Free Vermont and the Center for Public Health and Tobacco Policy at New England Law to expand Vermont's Tobacco Control Program. The contractors will provide training, research-based communication tools, and a statewide assessment of tobacco retail outlet numbers, as well as helping the department secure voluntary participation by state funded colleges/universities in a 100% smoke-free campus policy. This grant is awarded under the Affordable Care Act (ACA).
[JFO received 11/10/11]

The Governor's approval may now be considered final. We ask that you inform the Secretary of Administration and your staff of this action.

cc: Harry Chen, Commissioner
Chuck Ross, Secretary
Michael Clasen, Deputy Secretary



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members
From: Nathan Lavery, Fiscal Analyst
Date: November 10, 2011
Subject: Grant Request

Enclosed please find five (5) items that the Joint Fiscal Office has received from the administration, including two limited service position requests.

JFO #2534 – \$363,768 grant from the U.S. Small Business Administration to the Vermont Department of Economic, Housing and Community Development. These funds will be used to help businesses defray the costs of participating in international trade shows, trade missions, and international business matchmaking services for the purpose of increasing exports in precision manufacturing, aeronautics, and specialty foods and tourism.
[JFO received 11/07/11]

JFO #2535 – **One limited service position** in the Department of Health. This position will develop, organize and optimize a variety of Geographic Information System (GIS) applications and data sets. Funding for this position has already been approved (JFO 2022, 2406), but the duties were performed by a contractor. Approving this request would convert this contracted position to a limited service position.
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participation by state funded colleges/universities in a 100% smoke-free campus policy. This grant is awarded under the Affordable Care Act (ACA).

[JFO received 11/10/11]

Please review the enclosed materials and notify the Joint Fiscal Office (Nathan Lavery at (802) 828-1488; nlavery@leg.state.vt.us) if you have questions or would like an item held for legislative review. Unless we hear from you to the contrary by November 23 we will assume that you agree to consider as final the Governor's acceptance of these requests.

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

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

Agency of Administration

JFO 2537

**STATE OF VERMONT
 FINANCE & MANAGEMENT GRANT REVIEW FORM**

Grant Summary:		This U.S. Natural Resources Conservation Service (NRCS) grant is for capital investments in design and construction inspection services for water quality field monitoring stations to be installed on participant landowners' farms.			
Date:		10/31/2011			
Department:		Agriculture, Food and Markets			
Legal Title of Grant:		AGO A&E Contract for Design & Construction Inspection Services for Water Quality Monitoring Stations.			
Federal Catalog #:		10.912			
Grant/Donor Name and Address:		USDA Natural Resources Conservation Service, 356 Mountain View Drive, Suite 105, Colchester, VT 05446			
Grant Period:		From:	To:		
		8/9/2011	2/9/2013		
Grant/Donation		\$70,000			
	SFY 1	SFY 2	SFY 3	Total	Comments
Grant Amount:	\$70,000	\$	\$	\$70,000	
Position Information:		# Positions	Explanation/Comments		
		0			
Additional Comments:		There is no match required with this grant.			
Department of Finance & Management		[Signature]		(Initial)	
Secretary of Administration		[Signature]		(Initial)	
Sent To Joint Fiscal Office				Date 11/8/11	

RECEIVED
 NOV 10 2011
JOINT FISCAL OFFICE

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

BASIC GRANT INFORMATION				
1. Agency:		Vermont Agency of Agriculture		
2. Department:		Agricultural Resource Management		
3. Program:		Water Quality		
4. Legal Title of Grant:		AGO A&E Contract for Design & Construction Inspection Services for Water Quality Monitoring Stations		
5. Federal Catalog #:		10.912		
6. Grant/Donor Name and Address: USDA Natural Resource Conservation Service 356 Mountain View Drive, Suite 105 Colchester, VT 05446				
7. Grant Period:		From:	8/9/2011	To: 2/9/2013
8. Purpose of Grant: Agricultural Water Quality Improvements in Lake Champlain Watershed				
9. Impact on existing program if grant is not Accepted: This grant provides federal capital investments in the design and planning of agricultural best management practice field monitoring to determine phosphorus reduction potentials which will help Vermont farmers to meet their obligations under the Clean Water Act and future requirements of the Lake Champlain TMDL from the Environmental Protection Agency.				
10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 2012	FY	FY	
Personal Services	\$	\$	\$	
Operating Expenses	\$	\$	\$	
Grants	\$70,000	\$	\$	
Total	\$70,000	\$	\$	
Revenues:				
State Funds:	\$	\$	\$	
Cash	\$	\$	\$	
In-Kind	\$	\$	\$	
Federal Funds:	\$	\$	\$	
(Direct Costs)	\$70,000	\$	\$	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:	\$	\$	\$	
Grant (source)	\$	\$	\$	
Total	\$70,000	\$	\$	
Appropriation No:	2200040000		Amount:	\$70,000
				\$
				\$
				\$

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

		\$
		\$
		\$
	Total	\$70,000

PERSONAL SERVICE INFORMATION

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

Appointing Authority Name: Charles Ross Agreed by: CRR (initial)

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

12a. Equipment and space for these positions: Is presently available. Can be obtained with available funds.

13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):	Signature: <u>Claude R. Ross</u>	Date: <u>10-27-11</u>
	Title: <u>Secretary</u>	
	Signature: <u>[Signature]</u>	Date: <u> </u>
	Title: <u> </u>	

14. SECRETARY OF ADMINISTRATION

<input checked="" type="checkbox"/> Approved:	(Secretary or designee signature) <u>[Signature]</u>	Date: <u>11/3/11</u>
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15. ACTION BY GOVERNOR

<input checked="" type="checkbox"/> Accepted	(Governor's signature) <u>[Signature]</u>	Date: <u>11/8/11</u>
<input type="checkbox"/> Rejected		

16. DOCUMENTATION REQUIRED

Required GRANT Documentation

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

End Form AA-1

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

DUPLICATE ORIGINAL

U.S. Department of Agriculture
Natural Resources Conservation Service

NRCS-ADS-093
3/2011

NOTICE OF GRANT AND AGREEMENT AWARD

1. Award Identifying Number 69-1644-11-03		2. Amendment No. N/A		3. Award/Project Period 09/01/2011 - 03/31/2013		4. Type of Award Instrument Cooperative Agreement	
5. Agency (Name and Address) Natural Resources Conservation Service Vermont State Office 356 Mountain View Drive Colchester, VT 05446				6. Recipient Organization (Name and Address) Vermont Agency of Agriculture, Food, and Markets 116 State Street Montpelier, VT 05620 DUNS: 80-9376718 EIN: 03-6000264			
7. NRCS Program Contact: Kip Potter Vicky M. Drew Jim Wood		8. NRCS Administrative Contact: Pat Pickett		9. Recipient Program Contact: Laura DiPietro		10. Recipient Administrative Contact: Mary Morrison	
11. CFDA Number 10.912 EQIP		12. Authority Environmental Quality Incentives Program, (EQIP) 16 USC 3839aa-3829aa-9, 3841, 7CFR Part 1466		13. Type of Action New Agreement		14. Project Director	

15. Project Title/Description:
AGO A&E Contract for Design & Construction Inspection Services for Water Quality Monitoring Stations

16. Entity Type: Profit Nonprofit Higher Education Federal State/Local Indian/Native American
 Other

17. Funding:		18. Accounting and Appropriation Data	
	<u>Federal</u> <u>Non-Federal</u>	<u>Financial Code</u>	<u>Amount</u> <u>Fiscal Year</u> <u>Treasury Symbol</u>
Previous Total		1176T50	\$70,000 2011 1211004
Current Total	\$70,000		
Grand Total	\$70,000		

APPROVED BUDGET

Personnel	\$	Fringe Benefits	\$
Travel	\$	Equipment	\$
Supplies	\$	Contractual	\$ 70,000
Construction	\$	Other	\$
Total Direct Cost	\$ _____	Total Indirect Cost	\$ _____
Total Federal Funds Awarded	\$ 70,000	Total Non-Federal Funds	\$ _____
Total Approved Budget	\$ _____		

This agreement is subject to applicable USDA NRCS statutory provisions and Financial Assistance Regulations. In accepting this award or amendment and any payments made pursuant thereto, the undersigned represents that he or she is duly authorized to act on behalf of the awardee organization, agrees that the award is subject to the applicable provisions of this agreement (and all attachments), and agrees that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by NRCS to have been overpaid, will be refunded or credited in full to NRCS.

ACCEPTED BY

Name and Title of Authorized Government Representative VICKY M. DREW STATE CONSERVATIONIST		Signature <i>James C. Wood, acting</i>	Date 8/19/11
Name and Title of Authorized Recipient Representative CHARLES R. ROSS, SECRETARY VAAFM		Signature <i>Charles R. Ross</i>	Date 8-8-11

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NONDISCRIMINATION STATEMENT

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, etc.) 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, SW., Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

PRIVACY ACT STATEMENT

The above statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. Section 522a).

INSTRUCTIONS FOR NOTICE OF GRANT/AGREEMENT AWARD

1. Award Identifying Number:
Agreement number
2. Amendment No.:
Amendment number (if applicable)
3. Award/Project Period:
Start and end date of project
4. Type of Award Instrument:
Cooperative, Grant, or Contribution
5. Agency:
Name, Address, City, State, ZIP Code
6. Recipient Organization:
Name, Address, City, State, ZIP Code, DUNS (Data Universal Numbering System), and EIN (employee identification number)
7. NRCS Program Contact:
Name and contact information of person to be contacted on matters involving the programmatic aspects of the agreement
8. NRCS Administrative Contact:
Name and contact information of person to be contacted on matters involving the administrative aspects of the agreement
9. Recipient Contact:
Name and contact information of person to be contacted on matters involving the technical aspects of the agreement
10. Recipient Administrative Contact:
Name and contact information of person to be contacted on matters involving the administrative aspects of the agreement
11. CFDA Number:
The Catalog of Federal Domestic Assistance number under which assistance is requested
12. Authority:
Authority under which the agreement is entered into
13. Type of Action:
Select one type of action:
 - i. New Agreement.—Agreement awarded for the first time
 - ii. Amendment/Revision.—Any change in financial obligation or deliverables
 - iii. Extension.—Extend performance period
14. Project Director:
Name and contact information of recipient's project director or principal investigator (if applicable)
15. Project Title/Description:
Brief description of the purpose of the agreement
16. Entity type:
Type of recipient
17. Funding:
Federal amount of the award and the non-Federal amount to be contributed to the project
18. Accounting/Appropriation Date:
Provide the following:
 - i. Financial Code.—Accounting classification code
 - ii. Amount.—Self explanatory
 - iii. Fiscal Year.—Self explanatory
 - iv. Treasury symbol.—Self explanatory
19. Approved Budget:
Totals for each budget category

STATEMENT OF WORK FOR COOPERATIVE AGREEMENT

BETWEEN THE

UNITED STATES DEPARTMENT OF AGRICULTURE
NATURAL RESOURCES CONSERVATION SERVICE

AND

THE VERMONT AGENCY OF AGRICULTURE, FOOD & MARKETS

Relative to: America's Great Outdoors Water Quality Projects

This agreement is entered into by and between the USDA, Natural Resources Conservation Service hereinafter referred to as the "NRCS" and "The Vermont Agency of Agriculture, Food & Markets", hereinafter referred to as "VAAFMM".

I. PURPOSE

This award is for The Vermont Agency of Agriculture, Food & Markets hereafter referred to as "VAAFMM", to solicit and administer a contract for Architect and Engineering Services as part of their role in providing coordination of all Partners contributing funds and/or staff time to accomplish the Water Quality Monitoring project primarily funded through the NRCS America's Great Outdoors Initiative.

II. AUTHORITY

Environmental Quality Incentives Program (EQIP), 16 U.S.C. 3839aa-3839aa-9, 3841, 7 CFR Part 1466 (CFDA 10.912)

III. OBJECTIVES

The America's Great Outdoors initiative encourages NRCS to engage partners in accomplishing projects. Many Partner agencies in Vermont have enthusiastically participated in planning/strategy development meetings, and have indicated willingness to contribute funds and/or staff time to accomplish the Water Quality Monitoring Projects in Vermont. This agreement provides funding for the VAAFMM to contract with an Architect and Engineering Firm to design and provide construction inspection services for the water quality monitoring stations to be installed on participating landowner's farms. Implementation of these stations will be coordinated between the landowner, VAAFMM, and the A&E firm, with partial funding for construction available in landowner contracts. VAAFMM will also work with the A&E firm in sampling, monitoring, and report writing, however funding for these activities is not included in this agreement.

IV. RESPONSIBILITIES OF THE PARTIES

A. NRCS will:

1. Provide funding in the amount not to exceed \$70,000 towards the work described under the expected accomplishment and deliverables of this agreement.
2. Provide any necessary guidance and direction to the VAAFM to ensure deliverables are accomplished in a timely manner.
3. Review project deliverables for proper format and acceptable documentation.
4. Upon review and approval of the accomplishments and deliverables along with proper documentation submit payment for the costs attributable to the completion of the work set forth in this agreement.
5. Provide the following as contacts:

	<u>Technical Contact</u>	<u>Administrative Contact</u>
Name:	Kip Potter	Pat Pickett
Address:	356 Mountain View Dr. Colchester, VT 05446	356 Mountain View Dr. Colchester, VT 05446
Phone:	(802) 951-6796 X 238	(802) 951-6796 X224
Fax:	(802) 655-0638	(802) 655-0638
Email:	kip.potter@vt.usda.gov	pat.pickett@vt.usda.gov

B. VAAFM will:

1. Accomplish the deliverables on time according to the milestones outlined in this agreement.
2. Contact the NRCS technical contact for any needed clarification or guidance throughout the project.
3. Submit all deliverables with sufficient time for review and necessary revision prior to the final approval.
4. Comply with the attached General Terms and Conditions.
5. Submit an accrual report to NRCS by the 11th day of the month before close of the Federal fiscal year quarter, i.e., March 11, June 11, September 11, and December 11 to NRCS administrative contact.
6. Submit a progress report with each request for advance or reimbursement (SF-270) documenting the activities accomplished during the billing period.
7. Provide the following as contacts:

	<u>Technical Contact</u>	<u>Administrative Contact</u>
Name:	Laura DiPietro	Mary Morrison
Address:	116 State Street Montpelier, VT 05620	116 State Street Montpelier, VT 05620
Phone:	(802) 828-1289	(802) 828-3567
Fax:	(802) 828-1410	(802) 828-1410
Email:	laura.dipietro@state.vt.us	mary.morrison@state.vt.us

V. EXPECTED ACCOMPLISHMENTS AND DELIVERABLES

The following items are defined deliverables for this agreement and will be completed by VAAFM:

1. Issue a Request for Proposals, negotiate, sign, and administer a contract for Architect and Engineering Services to design water quality monitoring stations on 5-10 farm sites, and to provide construction inspection services during implementation.
2. Make payment to the A&E contractor in three phases: upon completion and acceptance of preliminary design, final design, and construction inspection services.
3. Ensure design and construction oversight on each site meets specifications for NRCS Practice Standard 799, Monitoring and Evaluation.

VI. PERIOD OF PERFORMANCE

Project timeline will begin with the date of the last signature on the agreement and shall remain in effect for 18 months.

This Grant Agreement may be suspended or cancelled by either party by giving written notice at least 30 days in advance. Upon cancellation VAAFM will reimburse NRCS the remaining amounts unpaid and unobligated to the A&E contractor.

No changes, modification, or amendments in the terms and conditions of the Grant Agreement shall be effective unless reduced to writing, numbered, and signed by the duly authorized representative of the USDA and Grantee.

VII. MILESTONES

Task	Date for Completion
1. Issue a Request for Proposals	September 1, 2011
2. Negotiate and sign contract	November 1, 2011
3. Receive preliminary designs	October, 2011 – February, 2012
4. Receive final design	November, 2011 – March, 2012
5. Oversee Construction	November, 2011 – June 30, 2012

UNITED STATES DEPARTMENT OF AGRICULTURE
NATURAL RESOURCES CONSERVATION SERVICE

VERMONT AGENCY OF AGRICULTURE,
FOOD & MARKETS

By: James C. Ward, acting

By: Charles R. [Signature]

Title: State Conservationist

Title: Secretary Ag Food + Mkts

Date: 8/19/11

Date: 8-8-11

**NATURAL RESOURCES CONSERVATION SERVICE
U.S. DEPARTMENT OF AGRICULTURE**

**GENERAL TERMS AND CONDITIONS
GRANTS AND COOPERATIVE AGREEMENTS**

I. APPLICABLE REGULATIONS

a. The recipient, and recipients of any subawards under this award, agree to comply with the following regulations, as applicable. (The full text of Code of Federal Regulations references may be found at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1>.)

- (1) 7 CFR Section 3015.205, "General Provisions for Grants and Cooperative Agreements with Institutions of Higher Education, Other Nonprofit Organizations, and Hospitals"
- (2) 7 CFR Part 3016, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments"
- (3) 7 CFR Part 3017, "Governmentwide Debarment and Suspension (Nonprocurement)"
- (4) 7 CFR Part 3018, "New Restrictions on Lobbying"
- (5) 7 CFR Part 3019, "Uniform Administrative Requirements for Grant and Other Agreements with Institutions of Higher Education, Hospitals, and Nonprofit Organizations"
- (6) 7 CFR Part 3021, "Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)"
- (7) 7 CFR Part 3052, "Audits of States, Local Governments, and Nonprofit Organizations"
- (8) 2 CFR Part 215, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations"
- (9) Office of Management and Budget (OMB) Circular No. A-102, "Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments" (including Indian Tribal governments)
- (10) 2 CFR Part 25, "Universal Identifier and Central Contractor Registration"
- (11) 2 CFR Part 170 "Reporting Subaward and Executive Compensation Information"

b. The recipient, and recipients of any subawards under this award, assures and certifies that it will comply with the following regulations, as applicable. (The full text of Code of Federal Regulations references may be found at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1>.)

- (1) 7 CFR Part 3017, "Governmentwide Debarment and Suspension (Nonprocurement)"
- (2) 7 CFR Part 3018, "New Restrictions on Lobbying"
- (3) 7 CFR Part 3021, "Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)"
- (4) 7 CFR Part 3052, "Audits of States, Local Governments, and Nonprofit Organizations"
- (5) Public Law 109-282, "Federal Funding Accountability and Transparency Act of 2006"
- (6) 2 CFR Section 175, "Award Term for Trafficking in Persons"

- c. Allowable project costs will be determined in accordance with the authorizing statute, the purpose of the award, and to the extent applicable to the type of organizations receiving the award, regardless of tier. The following portions of the Code of Federal Regulations are hereby incorporated by reference (the full text of Code of Federal Regulations references may be found at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1>):

- (1) 2 CFR Part 220, "Cost Principles for Institutions of Higher Education"
- (2) 2 CFR Part 225, "Cost Principles for State and Local Governments (Including Certain Indian Tribal Governments)"
- (3) 2 CFR Part 230, "Cost Principles for Nonprofit Organizations"
- (4) 48 CFR Part 31, "Contract Cost Principles and Procedures"

II. UNALLOWABLE COSTS

The following costs are not allowed:

- a. Costs above the amount authorized for the project
- b. Costs incurred after the expiration of the award including any no-cost extensions of time
- c. Costs that lie outside the scope of the approved project and any amendments thereto
- d. Compensation for injuries to persons or damage to property arising from project activities

This list is not exhaustive. Questions about the allowability of particular items of costs should be directed to the NRCS administrative contact identified in the award.

III. CONFIDENTIALITY

- a. Activities performed under this award may involve access to confidential and potentially sensitive information about governmental and landowner issues. The term "confidential information" means proprietary information or data of a personal nature about an individual, or information or data submitted by or pertaining to an organization. This information must not be disclosed without the prior written consent of NRCS.
- b. The recipient's personnel will follow the rules and procedures of disclosure set forth in the Privacy Act of 1974, 5 U.S.C. Section 552a, and implementing regulations and policies with respect to systems of records determined to be subject to the Privacy Act. The recipient's personnel must also comply with privacy of personal information relating to natural resources conservation programs in accordance with section 1244 of Title II of the Farm Security and Rural Investment Act of 2002 (Public Law 107-171).

IV. PRIOR APPROVAL REQUIREMENTS

The following are the most common situations requiring prior approval. However, the recipient is also bound by any other prior approval requirements of the applicable administrative provisions and Federal cost principles.

- a. Purpose or Deliverables.—When it is necessary for the recipient to modify the purpose or deliverables, the recipient must submit a written request and justification for the change along with the revised purpose or deliverables of the award to the NRCS administrative contact. The request should contain the following:
 - 1. Grant or agreement number
 - 2. Narrative explaining the requested modification to the project purpose or deliverables
 - 3. A description of the revised purpose or deliverables
 - 4. Signatures of the authorized representative, project director, or both
- b. Subcontractual Arrangement.—The recipient must submit a justification for the proposed subcontractual arrangements, a statement of work to be performed, and a detailed budget for

the subcontract to the NRCS administrative contact. Subcontractual arrangements disclosed in the application do not require additional postaward approval.

c. Absence or Change in Project Leadership.—When a project director or the person responsible for the direction or management of the project—

1. Relinquishes active direction of the project for more than 3 consecutive months or has a 25 percent or more reduction in time devoted to the project, the grantee must notify the NRCS administrative contact in writing, identifying who will be in charge during the project director's absence. The notification must include the qualifications and the signature of the replacement, signifying his or her willingness to serve on the project.
2. Severs his or her affiliation with the grantee, the grantee's options include—
 - i. Replacing the project director. The grantee must request written approval of the replacement from the NRCS administrative contact and must include the qualifications and the signature of the replacement signifying his or her willingness to serve on the project.
 - ii. Subcontracting to the former project director's new organization. The grantee must request approval from the administrative contact to replace the project manager and retain the award, and to subcontract to the former project director's new organization certain portions of the project to be completed by the former project director.
 - iii. Relinquishing the award. The grantee must submit to the NRCS administrative contact a signed letter by the grantee and the project director that indicates that the grantee is relinquishing the award. The letter must include the date the project director is leaving and a summary of progress to date. A final Standard Form (SF) 425 reflecting the total amount of funds spent by the recipient must be attached to the letter.
3. Transfers the award to his or her new organization, the authorized organization's representative at the new organization must submit the following to the NRCS administrative contact as soon as the transfer date is firm and the amount of funds to be transferred is known:
 - i. The forms and certifications included in the application package
 - ii. A project summary and work statement covering the work to be completed under the project (deliverables and objectives must be the same as those outlined in the approved proposal)
 - iii. An updated qualifications statement for the project director showing his or her new organizational affiliation
 - iv. Any cost-sharing requirements under the original award transfer to the new institution; therefore, cost-sharing information must be included in the proposal from the new organization

Note: The transfer of an award from one organization to another can take up to 90 days to accomplish, which may result in a delay in the project director resuming the project at the new organization.

d. Budget Revisions.—Budget revisions will be in accordance with 7 CFR Section 3015.115.

e. No-Cost Extensions of Time.—When a no-cost extension of time is required, the recipient must submit a written request to the NRCS administrative contact no later than 30 days before the expiration date of the award. The request must contain the following:

- The length of additional time required to complete the project and a justification for the extension
- A summary of progress to date

- An estimate of funds expected to remain unobligated on the scheduled expiration date
- A projected timetable to complete the portions of the project for which the extension is being requested
- Signature of the grantee and the project director
- A status of cost sharing to date (if applicable)

Note: An extension will not exceed 12 months. Only in exceptional cases will more than one extension be granted. Requests for no-cost extensions received after the expiration of the award will not be granted.

V. PAYMENTS

- a. Payment by NRCS to the entity will be made monthly or quarterly (whichever is mutually agreed upon by both parties) on a reimbursable or advanced basis upon completion of work outlined herein. Payment will be executed upon the submission of a properly executed form SF-270. The SF-270 must cite the agreement number, remittance address, and billing period. The SF-270 must be sent to the NRCS program contact at the address identified in block 7 of the Notice of Grant/Agreement Award.
- b. Unless otherwise specified in the award, the recipient must receive payments through electronic funds transfers.
- c. Recipients requesting advances should request payments in amounts necessary to meet their current needs pursuant to procedures contained in the Federal administrative provisions and **31 CFR Part 205**.
- d. The method of payment between the recipient and its contractors will be in accordance with the policies and procedures established by the recipient except that the contractors may not use the USDA Office of Financial Management/National Finance Center method to request payments. If the grantee makes advance payments to contractors, the grantee must ensure that the timing of such payments is designed to minimize elapsed time between the advance payment and the disbursement of funds. Payment requests from the grantee's contractors will not be sent to NRCS for review or approval.
- e. Accounting records for all costs incurred under this award must be supported by source documentation. Such documentation includes, but is not limited to, canceled checks, paid bills, payroll records, and subcontract award documents. Labor cost charges to this award must be based upon salaries actually earned and the time actually worked on this award. All project costs must be incurred within the approved project period of this award, including any approved no-cost extension of time. Costs that cannot be supported by source documentation or that are incurred outside of the approved project period and budget may be disallowed and may result in award funds being returned to the Federal Government by the recipient.

VI. FINANCIAL REPORTING

- a. Recipients must submit a Federal Financial Report (FFR), SF 425 and 425A, in accordance with the following schedule (recipients may download the applicable form at <http://www.forms.gov>):

Quarterly Schedule

October 1 to December 31

January 1 to March 31

April 1 to June 30

July 1 to September 30

Report Due Date

January 31

April 30

July 30

October 30

Reports must be submitted on an accrual accounting basis. Failure to submit reports in accordance with the above schedule may result in suspension or termination of award.

- b. A final Report must be submitted no later than 90 days after the completion of the award. For final FFRs, reporting end date must be the end date of the project or agreement period. The reports should be submitted to the NRCS administrative contact identified in award notifications.

VII. PERFORMANCE MONITORING AND REPORTING

- a. The recipient is responsible for monitoring day-to-day performance and for reporting to NRCS. If the project involves subcontractual arrangements, the recipient is also responsible for monitoring the performance of project activities under those arrangements to ensure that approved goals and schedules are met.
- b. Every 6 months the recipient must submit a written progress report. Each report must cover—
 - 1. A comparison of actual accomplishments with the goals and objectives established for the reporting period and, where project output can be quantified, a computation of the costs per unit of output.
 - 2. The reasons why goals and objectives were not met, if appropriate.
 - 3. Additional pertinent information including, where appropriate, analysis and explanation of cost overruns or high unit cost.
- c. The recipient must submit a final performance report within 90 days after completion of project.

VIII. SPECIAL PROVISIONS

- a. The recipient assures and certifies that it will comply with the minimum-wage and maximum-hour provisions of the Federal Fair Labor Standards Act.
- b. Employees of NRCS will participate in efforts under this agreement solely as representatives of the United States. To this end, they may not participate as directors, officers, employees, or otherwise serve or hold themselves out as representatives of the recipient. They also may not assist the recipient with efforts to lobby Congress or to raise money through fundraising efforts. Further, NRCS employees must report to their immediate supervisor any negotiations with the recipient concerning future employment and must refrain from participation in efforts regarding such parties until approved by the agency.
- c. Employees of the recipient will not be considered Federal employees or agents of the United States for any purposes under this agreement.

IX. PATENTS, INVENTIONS, COPYRIGHTS, AND ACKNOWLEDGMENT OF SUPPORT AND DISCLAIMER

- a. Allocation of rights of patents, inventions, and copyrights must be in accordance with 7 CFR Section 3019.36. This regulation provides that small businesses normally may retain the principal worldwide patent rights to any invention developed with USDA support.
- b. In accordance with 37 CFR Section 401.14, each subject invention must be disclosed to the Federal agency within 2 months after the inventor discloses it in writing to contractor

personnel responsible for patent matters. Invention disclosure statements pursuant to 37 CFR Section 401.14(c) must be made in writing to:

Acquisitions Division
Grants and Agreements Team
1400 Independence Avenue, SW.
Room 5221 South Building
Washington, DC 20250

- c. USDA receives a royalty-free license for Federal Government use, reserves the right to require the patentee to license others in certain circumstances, and requires that anyone exclusively licensed to sell the invention in the United States must manufacture it domestically.
- d. The following acknowledgment of NRCS support must appear in the publication of any material, whether copyrighted or not, and any products in electronic formats (World Wide Web pages, computer programs, etc.) that is substantially based upon or developed under this award:
 - “This material is based upon work supported by the Natural Resources Conservation Service, U.S. Department of Agriculture, under number [recipient should enter the applicable award number here].”

In addition, all publications and other materials, except scientific articles or papers published in scientific journals, must include the following statement:

- “Any opinions, findings, conclusions, or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the views of the U.S. Department of Agriculture.”

The recipient is responsible for ensuring that an acknowledgment of NRCS is made during news media interviews, including popular media such as radio, television, and news magazines, that discuss in a substantial way work funded by this award.

X. COST-SHARING REQUIREMENTS

- a. If the award has specific cost-sharing requirements, the cost-sharing participation in other projects may not be counted toward meeting the specific cost-share requirement of this award, and must come from non-Federal sources unless otherwise stated in the applicable program announcement.
- b. Should the recipient become aware that it may be unable to provide the cost-sharing amount identified in this award, it must—
 1. Immediately notify the NRCS administrative contact of the situation.
 2. Specify the steps it plans to take to secure replacement cost sharing.
 3. Indicate the plans to either continue or phase out the project in the absence of cost sharing.
- c. If NRCS agrees to the organization's proposed plans, the recipient will be notified accordingly. If the organization's plans are not acceptable to NRCS, the award may be subject to termination. NRCS modifications to proposed cost sharing revisions are made on a case-by-case basis.
- d. Failure by the recipient to notify NRCS in accordance with paragraph (b) above may result in the disallowance of some or all the costs charged to the award, the subsequent recovery by NRCS of some of the NRCS funds provided under the award, and possible termination of the

award, and may constitute a violation of the terms and conditions of the award so serious as to provide grounds for subsequent suspension or debarment.

- e. The recipient must maintain records of all project costs that are claimed by the recipient as cost sharing as well records of costs to be paid by NRCS. If the recipient's cost participation includes in-kind contributions, the basis for determining the valuation for volunteer services and donated property must be documented.

XI. PROGRAM INCOME

Income derived from patents, inventions, or copyrights will be disposed of in accordance with the recipient's own policies. General program income earned under this award during the period of NRCS support must be added to total project funds and used to further the purpose and scope of this award or the legislation under which this award is made.

XII. NONEXPENDABLE EQUIPMENT

Recipients purchasing equipment or products with funds provided under this award are encouraged to use such funds to purchase only American-made equipment and products. Title to nonexpendable equipment purchased with award funds will vest in the recipient upon completion of the award project and acceptance by NRCS of required final reports. When equipment is no longer needed by the recipient and the per-unit fair market value is less than \$5,000, the recipient may retain, sell, or dispose of the equipment with no further obligation to NRCS. However, if the per-unit fair market value is \$5,000 or more, the recipient must submit a written request to the NRCS administrative contact for disposition instructions.

XIII. LIMIT OF FEDERAL LIABILITY

The maximum financial obligation of NRCS to the recipient is the amount of funds indicated in the award as obligated by NRCS. However, in the event that an erroneous amount is stated on the approved budget, or any supporting document relating to the award, NRCS will have the unilateral right to make the correction and to make an appropriate adjustment in the NRCS share of the award to align with the Federal amount authorized.

XIV. MODIFICATIONS AND TERMINATIONS

NRCS may amend or modify the award through an exchange of correspondence between authorized officials of the recipient and NRCS. The award is subject to termination if NRCS determines that the recipient has failed to comply with the terms and conditions of the award. In the event that the award is terminated, the financial obligations of the parties will be those set forth in 7 CFR Part 3015, Subpart N.

XV. AWARD CLOSEOUT

Award closeout is the process by which NRCS determines that all required project activities have been performed satisfactorily and all necessary administrative actions have been completed.