



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: James Reardon, Commissioner of Finance & Management
From: Nathan Lavery, Fiscal Analyst
Date: February 15, 2011
Subject: JFO #2482

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

JFO #2482 — \$550,000 grant from the Bill & Melinda Gates Foundation to the Department of Libraries. This grant will be used to support fiber broadband connectivity for 53 public libraries throughout the state. This effort will be part of the Vermont FiberConnect project.
[JFO received 2/09/11]

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: Martha Reid, State Librarian



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members
From: Nathan Lavery, Fiscal Analyst
Date: February 4, 2011
Subject: Grant Request

Enclosed please find one (1) request that the Joint Fiscal Office has received from the administration.

JFO #2482 — \$550,000 grant from the Bill & Melinda Gates Foundation to the Department of Libraries. This grant will be used to support fiber broadband connectivity for 53 public libraries throughout the state. This effort will be part of the Vermont FiberConnect project. **Expedited review has been requested for this item.**

These documents are being distributed in advance of the formal convening of the Joint Fiscal Committee in order to provide members with additional review time. Should the committee Chair ultimately grant expedited review, committee members will be contacted shortly thereafter with a request to waive the statutory review period and accept this item.

In accordance with the procedures for processing such requests, we ask you to review the enclosed 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.

cc: Martha Reid, State Librarian

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

BASIC GRANT INFORMATION				
1. Agency:		Administration		
2. Department:		Libraries		
3. Program:		BTOP - FiberConnect Project		
4. Legal Title of Grant:		Opportunity Online Broadband-BTOP		
5. Federal Catalog #:				
6. Grant/Donor Name and Address: Bill & Melinda Gates Foundation P.O. Box 23350 Seattle, WA 98102				
7. Grant Period:		From: 8/4/2010	To: 6/30/2013	
8. Purpose of Grant: Support the extension of the proposed fiber optic cable network to public library facilities as middle mile community anchor premises and provide E-rate application training and support for local libraries participating in the BTOP project by providing required Project matching funds and other financial support.				
9. Impact on existing program if grant is not Accepted: Public Library facilities won't have access to fiber optic cable impacting thousands of Vermont citizens that use broadband at their libraries.				
10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 2011	FY 2012	FY 2013	
Personal Services	\$75,000	\$75,000	\$	E-rate/admin.
Operating Expenses	\$	\$	\$	
Grants	\$200,000	\$200,000	\$	VTA matching funds
Total	\$75,000	\$75,000	\$	
Revenues:				
State Funds:	\$	\$	\$	
Cash	\$	\$	\$	
In-Kind	\$	\$	\$	
Federal Funds:	\$	\$	\$	
(Direct Costs)	\$	\$	\$	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:	\$275,000	\$275,000	\$	B & M Gates Foundation
Grant (source)	\$	\$	\$	
Total	\$275,000	\$275,000	\$	
Appropriation No:	1130010000	Amount:	\$550,000	
			\$	
			\$	

REC'D JAN 04 2011

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

		\$
		\$
		\$
		\$
		\$
	Total	\$

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: Martha Reid Agreed by: MR (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>Martha Reid</u>	Date: <u>1/4/11</u>
	Title: <u>STATE LIBRARIAN</u>	
	Signature:	Date:
	Title:	

14. SECRETARY OF ADMINISTRATION

<input checked="" type="checkbox"/> Approved:	(Secretary or designee signature) <u>Neal F. Welch</u>	Date: <u>1/4/11</u>
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15. ACTION BY GOVERNOR

<input checked="" type="checkbox"/> Accepted	(Governor's signature) <u>[Signature]</u>	Date: <u>1/4/11</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



JFO 2482

State of Vermont
Department of Libraries
109 State Street
Montpelier, VT 05609--0601

Tel: 802-828-3261
Fax: 802-828-2199

Agency of Administration

To: Joint Fiscal Office
From: Martha Reid, State Librarian
Date: January 5, 2011

A handwritten signature in cursive script that reads "Martha Reid".

Subject: Request to Expedite - Grant to Department of Libraries from the Bill & Melinda Gates Foundation

Attached you will find paperwork confirming that the Department of Libraries has received a \$550,000 Opportunity Online Broadband Grant from the Bill & Melinda Gates Foundation. The grant will come in two payments over two years; the first payment of \$275,000 is currently deposited in an account overseen by the Agency of Administration Business Office.

The grant was made to support fiber broadband connectivity for the 53 public libraries included in the Vermont FiberConnect project. Under the Direction of the Vermont Telecommunications Authority (VTA), this project is funded with a \$33 million federal Broadband Technology Opportunity Program (BTOP) grant from the National Telecommunications and Information Administration (NTIA). The Department of Libraries is a grant partner. Both the BTOP grant and our Gates Foundation grant award are well documented with the full knowledge and approval of Governor Douglas and Secretary of Administration Neale Lunderville.

The Department of Libraries is currently working on an agreement with the VTA to ensure that the Gates Foundation money will be used only to support the part of the project that brings fiber to public libraries and to protect the interests of our Department and the 53 libraries. During this process I (belatedly) learned of the AA-1 form requirement and the need for your office to give approval.

VTA has requested that we have our agreement ready by the end of the week so they can complete agreements with Sovernet, their major project partner. Unfortunately, we have only now been informed we need to have the AA-1 form approved by all parties before proceeding. For this reason, I ask you to please take prompt action on this approval and help us expedite the process.

Thank you.

comply with lobbying, gift and ethics rules applicable to the Project under local, state, federal or foreign law.

Investment of Grant Funds. Grant funds must be invested in highly liquid investments (such as interest-bearing bank accounts) with the primary objective of preservation of principal so that they are available for the Project. The Foundation requires you to report the amount of any interest or other income generated by the grant funds, including currency conversion gains (collectively "Interest"). Any Interest must be used for the Project. At the end of the Grant Period, any remaining Interest must be applied to another of your Foundation-funded projects (current or under consideration).

Subgrants and Subcontracts. You have the exclusive right to select subgrantees and subcontractors for the Project. The Foundation has not earmarked the use of the grant funds for any specific subgrantee or subcontractor. You, and not the Foundation, are responsible for ensuring that all subgrantees and subcontractors use grant funds consistent with this Grant Agreement and the Proposal. Neither you nor your subgrantees or subcontractors may make any statement or otherwise imply to donors, investors, media or the general public that the Foundation directly funds the activities of any subgrantee or subcontractor. Any agreements with subgrantees and subcontractors you engage to assist with the Project must include the following language: "Your organization has been selected to participate in this Project at our discretion. You may not make any statement or otherwise imply to donors, investors, media or the general public that you are a direct grantee of the Bill & Melinda Gates Foundation ("Foundation"). You may state that Vermont Department of Libraries is the Foundation's grantee and that you are a subgrantee or subcontractor of Vermont Department of Libraries for the Project."

Payments and Reports. This table shows the deliverables (including reports) and milestones for this grant. Where indicated, the Foundation's payment is contingent on satisfaction of the listed deliverable and/or milestone. The Foundation may authorize changes to the payment and reporting schedules from time to time where appropriate. The Foundation will confirm any such changes in writing.

Payment Date	Payment Amount	Milestone or Deliverable	Due by
August 2010	\$275,000	Countersigned Foundation Grant Agreement	August 5, 2010
N/A	N/A	Copies of quarterly and final financial reports, quarterly and final performance progress reports, baseline project plans, and any other report submitted by the Lead Applicant to NTIA	Simultaneous with submission to NTIA
August 2011	\$275,000	Progress Report from VDL on the library portion of the Project and on E-rate application training and support	June 1, 2011
N/A	N/A	Final Report from VDL on the library portion of the Project and on E-rate application training and support	November 30, 2012
Award Total	\$550,000		

Report Guidelines. Please submit the reports listed above electronically to your Program Coordinator, Ralene Simmons at Ralene.Simmons@gatesfoundation.org. You also agree to submit other reports that the Foundation may reasonably request.

Record Maintenance and Inspection. The Foundation requires that you maintain adequate records for the Project to enable the Foundation to easily determine how the grant funds were expended. Your books and records must be made available for inspection by the Foundation or its designee at reasonable times to permit us to monitor and conduct an evaluation of operations under this grant.

BILL & MELINDA
GATES *foundation*

PQ Box 23350
Seattle, WA 98102, USA
V 206/709.3100
F 206/709.3180
www.gatesfoundation.org

July 20, 2010

Martha Reid
State Librarian
Vermont Department of Libraries
109 State Street
Montpelier, VT 05609-0601

**Re: U.S. Programs Grant Number OPP1015360
Opportunity Online Broadband - BTOP**

Dear Ms. Reid:

The Bill & Melinda Gates Foundation (the "Foundation") is pleased to award Vermont Department of Libraries ("VDL") a grant in the amount of \$550,000 for the period beginning on the date you sign this agreement (the "Start Date") to June 30, 2013 (the "Grant Period"). This agreement (the "Grant Agreement") contains the terms and conditions of this grant.

Charitable Purpose of the Grant. The charitable purpose of this grant to support the extension of the proposed fiber optic cable network to public library facilities as middle mile community anchor premises and provide E-rate application training and support for local libraries participating in the Broadband Technology Opportunities Program (BTOP) project (the "Project") by providing required Project matching funds and other financial support. The Foundation's support is for the Project, as described in our letter of commitment dated March 10, 2010; the Vermont Telecommunications Authority's (VTA) final application submitted to National Telecommunications and Information Administration (NTIA); and VDL's proposal for E-rate application training and support. We understand that VTA is the Lead Applicant for the BTOP proposal to NTIA and that VDL is a partner in VTA's BTOP project.

Tax-Exempt Status. VDL confirms it is a governmental unit within the meaning of sections 170(b)(1)(A)(v) and 170(c)(1) of the Internal Revenue Code of 1986 because it is a state, or a political subdivision, agency or instrumentality of a state, or the United States federal government, or the District of Columbia. You agree to advise us immediately if there is any change in your organization's exempt status during the Grant Period.

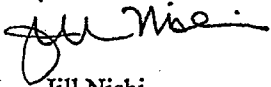
Use of Grant Funds. Grant funds may only be used for the Project. Any grant funds unexpended or uncommitted at the end of the Grant Period must be promptly returned to the Foundation. You may not use the grant funds for any indirect costs or to reimburse any expenses you chose to incur prior to the Start Date.

Political Campaign/Lobbying Activity. Grant funds may not be used to influence the outcome of any election for public office or to carry on any voter registration drive. There is no agreement, oral or written, permitting the grant funds to be directed to or earmarked for lobbying activity or other attempts to influence local, state, federal, or foreign legislation. You confirm that the amount of funds received from the Foundation each year for this Project, including any other grant funds awarded by the Foundation for the Project, will not exceed the amount budgeted each year for non-lobbying activities. You agree to

Please sign and return this Grant Agreement to Kumi Kato, Grants Assistant. Please keep a copy for your records. If you have questions, please contact Jana Fry, Grants Administrator, at (206) 709-3439 or Jana.Fry@gatesfoundation.org.

On behalf of the Foundation, may I extend every good wish for the success of your work.

Sincerely,

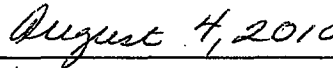


Jill Nishi
Deputy Director, U.S. Libraries

Vermont Department of Libraries, by its authorized representative, agrees to the terms and conditions of this Grant Agreement.



Martha Reid
State Librarian



Date

Compliance. The Foundation has the right at its discretion to terminate or suspend the grant or withhold payment if (a) the Lead Applicant is determined to be out of compliance by NTIA; (b) the Foundation is not reasonably satisfied with your progress on the Project; or (c) significant leadership or other changes occur that the Foundation believes may threaten the Project; or (d) you fail to comply with any term or condition of this Grant Agreement. On termination, if requested by the Foundation, you agree to promptly return to the Foundation any unspent and uncommitted grant funds (as of the date of termination) previously distributed to you by the Foundation for the Project. You agree to notify the Foundation immediately if the Lead Applicant is audited by NTIA and submit copies of any findings to Ralene Simmons at Ralene.Simmons@gatesfoundation.org.

Research and Evaluation. The Foundation values research and evaluation of the projects it funds. You agree to inform the Foundation of any research or evaluation you conduct or commission regarding the Project and to provide to the Foundation a copy of any report or findings from the research or evaluation. The Foundation or its evaluation partner will notify you in writing of your inclusion in any research project undertaken by the Foundation. If you are selected to participate in Foundation-sponsored research or evaluation for the Project, you agree to (a) allow and facilitate the Foundation's evaluation partner to implement an evaluation plan; (b) identify an on-site evaluation coordinator who will serve as a contact; (c) facilitate the collection of data; and (d) permit the Foundation to disseminate the results of the research or evaluation. The Foundation's evaluation partner will provide appropriate privacy and other protections to participants.

Grant Announcements, Public Reports and Use of Foundation Name and Logo. The Foundation will include information on this grant in our periodic public reports and may make grant information public at any time on its web page and as part of press releases, public reports, speeches, newsletters, and other public documents. If you wish to issue a press release or announcement regarding the award of this grant, you must obtain advance approval from the Foundation of the press release and the date of release. You also agree to obtain advance approval from the Foundation for any other use of the Foundation's name or logo. The Foundation requests an opportunity to review and comment on subsequent press releases or reports that are directly related to the grant. Please contact Allison Davis, Vice President at GMMB, at 206.352.8598 or allison.davis@gmmb.com at least two weeks before any press release, announcement or other publication date.

Counterparts: Original. This Grant Agreement, including any amendments, may be executed in counterparts which, when taken together, will constitute one Grant Agreement. Copies of this Grant Agreement will be equally binding as originals and faxed or scanned and emailed counterpart signatures will be sufficient to evidence execution, though the Foundation may require you, the grantee, to deliver original signed documents.

Assignment. This Grant Agreement or any of the rights or obligations under this Grant Agreement may not be assigned without the Foundation's prior written consent. An assignment includes (a) any transfer of the Project; (b) an assignment by operation of law, including a merger or consolidation, or (c) the sale or transfer of all or substantially all of your organization's assets.

Entire Agreement, Severability and Amendment. This Grant Agreement is our entire agreement and supersedes any prior oral or written agreements or communications between us regarding its subject matter. The provisions of this Grant Agreement are severable so that if any provision is found to be invalid, illegal, or unenforceable, such finding shall not affect the validity, construction, or enforceability of any remaining provision. This Grant Agreement may be amended only by a mutual written agreement of the parties.

VENDOR ID	NAME	PAYMENT NUMBER	CHECK DATE		
VT-97-05609-00	State of Vermont Department of Libraries	00117105	8/12/2010	094551	
OUR VOUCHER NUMBER	YOUR INVOICE NUMBER	DATE	AMOUNT	AMOUNT PAID	NET
GFPMT1015361	PMT1015361	8/12/2010	\$275,000.00	\$275,000.00	OPP1015360 - Martha Reid \$275,000.00
			\$275,000.00	\$275,000.00	\$275,000.00

MENT

BILL & MELINDA
GATES foundation
 PO Box 23350
 Seattle, Washington 98102
 206.709.3100

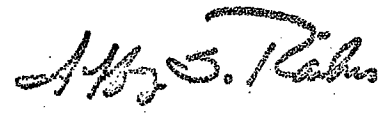
WELLS FARGO BANK, N.A.
 BELLEVUE, WA 98004
 11-24/1210(8)

94551

DATE	AMOUNT
8/12/2010	\$ 275,000.00

PAY Two Hundred Seventy Five Thousand Dollars And 00 Cents

to the order of State of Vermont Department of Libraries



Authorized Signature

MP

Security Features Included Details on back

BILL & MELINDA
GATES foundation

PO Box 23350
Seattle, WA 98102, USA
V 206/709.3100
F 206/709.3180
www.gatesfoundation.org

November 3, 2010

NOV 09 2010

Ms. Martha Reid
State Librarian
Vermont Department of Libraries
109 State Street
Montpelier, VT 05609-0601

Dear Ms. Reid, *Martha*

On behalf of the Bill & Melinda Gates Foundation, I want to congratulate you on receiving a Broadband Technology Opportunities Program (BTOP) award from NTIA! I know that you are now running full-steam ahead on implementing your BTOP project, but I wanted to take a brief moment to share our excitement on this notable accomplishment.

We are thrilled that the federal government recognized the critical role that public libraries play in providing broadband access to communities, and selected the proposal you collaborated on with your partners, to help meet the goals of BTOP and the American Recovery and Reinvestment Act.

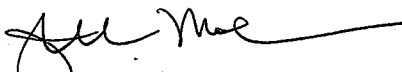
It is an important achievement that the public library community is so well-represented in the pool of BTOP grantees, and it spotlights the critical role that the library community plays in providing Americans with opportunities online.

Of the 14 state libraries that the Gates Foundation worked with, 12 received BTOP awards. The foundation was able to leverage its investments three-fold, and exponentially expand the number of public libraries we could assist in improving their Internet connectivity for patrons. This was an unprecedented opportunity for the library community, and you rose to the occasion with confidence, leadership, and skill.

Although your work is just beginning, we believe you are on the path to success. Your local, BTOP project launch meeting, and your carefully crafted BTOP proposal provide a strong blueprint for your team to build from. We encourage you to continue to strengthen your partnerships and maintain the momentum you have gained through this experience. Your communities depend on it.

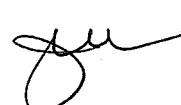
Thank you for your commitment to providing public access to technology in your state. We look forward to our continued partnership with you.

Sincerely,



Jill Nishi
Deputy Director, U.S. Libraries & Special Initiatives

Martha - Congrats again! Thank you again for your tremendous leadership! Have a great launch event in December!



BILL & MELINDA
GATES foundation

JUL 26 2010

PO Box 23350
Seattle, WA 98102, USA
V 206/709.3100
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www.gatesfoundation.org

July 20, 2010

The Honorable James H. Douglas
Governor of Vermont
Pavilion Building
109 State Street
Montpelier, VT 05609-0101

Dear Governor Douglas,

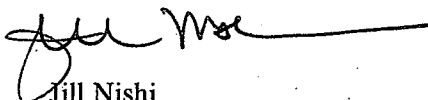
On behalf of the Bill & Melinda Gates Foundation, I would like to congratulate the Vermont Telecommunications Authority (VTA) and the Vermont Department of Libraries, representing the state of Vermont, for receiving an award from the National Telecommunications and Information Administration's (NTIA) Broadband Technology Opportunities Program (BTOP) to expand broadband access in your state. We are pleased to support this work with a grant of \$400,000 to the Vermont Department of Libraries to support the extension of the Vermont Fiber Link—a fiber optic Internet cable network—to public libraries as part of VTA's BTOP project. This grant will help the state library make a required, local funding contribution to the BTOP project. The foundation will also provide the state library with a \$150,000 grant to help increase access to federal E-rate funding for libraries to sustain their broadband connections.

As the prolonged recession continues and joblessness persists in many communities, providing resources that will immediately help residents find economic opportunity is critical. There is no better way to provide the quality technology access that people need to find jobs and seek financial stability—today and in the future—than by supporting public libraries. These community anchor institutions connect patrons to information online, and help them use it to search and apply for jobs, find government services, conduct financial planning, and develop small businesses.

Public libraries play an important role in connecting all people to free, high-quality access to the Internet. In fact, a recent study from the Institute of Museum and Library Services found that more than one-third of Americans ages 14 and older—roughly 77 million people—used a public library computer or wireless network to access the Internet last year to find employment, further their education, and seek important health information. Ensuring public libraries can continue to provide high-speed Internet access for communities is a smart investment in Vermont's future.

We thank you for your support of Vermont's public libraries and appreciate your commitment to helping them provide quality access to technology for communities.

Sincerely,



Jill Nishi
Deputy Director, U.S. Libraries

CC: Chris Campbell, Executive Director, Vermont Telecommunications Authority
Martha Reid, State Librarian, Vermont Department of Libraries
Neale Lunderville, Secretary, Vermont Agency of Administration
Tom Evslin, Chief Technology Officer, State of Vermont