

# DNR Grants Management Lake Pepin Response

**From:** Sherman-Hoehn, Katherine (DNR) <katherine.sherman-hoehn@state.mn.us>  
**Sent:** Tuesday, March 19, 2024 5:05 PM  
**To:** Mark Johnson <mark.johnson@lsohc.mn.gov>  
**Cc:** Sandy Smith <sandy.smith@lsohc.mn.gov>; Joe Pavelko <Joe.Pavelko@lsohc.mn.gov>; Weber, Monica (DNR) <Monica.Weber@state.mn.us>  
**Subject:** FW: OHF Lake Pepin Follow Up

Good afternoon Mark,

After talking with Monica Weber, I wanted to update you on the status of the Lake Pepin Legacy Alliance (ML 2019, 1st Sp. Session, Ch. 2, Art. 1, Sec. 2, subd 5(o)) project's compliance with their grant agreement with the DNR. They are currently out of compliance with the requirement to complete timely reports on the use of advance payments.

The grant agreement requires compliance with the approved LSOHC accomplishment plan, which requires quarterly reconciliation reports of all receipts, showing costs spend and the full amount being reconciled within a year. The grant agreement also requires full reconciliation within a year, consistent with Office of Grants Management policy 08-08 on Payments.

We have not received reconciliation reports adequate to fulfill this criteria.

As you know, we have coordinated with LSOHC staff and met with Lake Pepin multiple times in an attempt to help them provide the necessary reporting, including reminding the Lake Pepin Legacy Alliance at the beginning of this project that reporting was required whether or not spending had occurred. I greatly appreciate the work your staff have been doing to ensure a workable path forward to ensure the Lake Pepin Legacy Alliance becomes compliant with their reporting requirements.

In order for us to administer any extension, the Lake Pepin Legacy Alliance will need to become compliant with its required reporting to date. We will not execute a grant agreement amendment until they are able to do so, or show that they have the capacity to comply with the requirements.

I am happy to answer any questions you may have; please let me know if there's anything more I can provide.

Thanks,  
Katherine

**Katherine Sherman-Hoehn**  
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**From:** Rylee Hince <rylee@lakepepinlegacyalliance.org>  
**Sent:** Tuesday, March 12, 2024 1:28 PM  
**To:** Sandy Smith <sandy.smith@lsohc.mn.gov>  
**Cc:** Weber, Monica (DNR) <Monica.Weber@state.mn.us>; Mark Johnson <mark.johnson@lsohc.mn.gov>; Joe Pavelko <Joe.Pavelko@lsohc.mn.gov>  
**Subject:** Re: OHF Lake Pepin Follow Up

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Thank you, Sandy.

I've forwarded your email to the Corps and the WDNR and will work on putting together the response / explanations for the extension. I obviously can't go back in time to the original proposal, but I had no idea how long this project would take when we set out to fund it. My understanding was that a big part of the delay was due to the fact we were included in a pilot program (providing more federal dollars) and the guidance for project planning was stalled. At that point it was out of my hands.

I apologize for not completing the quarterly reports in a timely fashion. I did not follow through on my responsibility there because no money had been spent. In hindsight, I should have reported that right away to keep staff better apprised of the delays. After the years of waiting for the project to finally begin, they broke ground while I was on maternity leave in a 2-person organization. I'm humbled to be part of a unique multi-state / federal / local partnership and realize now that we probably needed a fiscal sponsor.

I will have the letter of request for the extension by the deadline of March 20th.

Thank you,

Rylee