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EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL GENERAL OPERATING PROCEDURES

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EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL GENERAL OPERATING PROCEDURES

TRUSTEE COUNCIL

1. *Basic Governing Procedures.* The current edition of *Roberts Rules of Order* will govern the Trustee Council. All provisions of these rules of order will apply to Trustee Council deliberations unless the Trustee Council unanimously decides to proceed differently.

2. *Trustee Council Membership.* The following officials act on behalf of the public as trustees: the Attorney General of the State of Alaska; the Commissioner of the Alaska Department of Environmental Conservation; the Commissioner of the Alaska Department of Fish and Game; the Secretary of the United States Department of Agriculture; the Secretary of the United States Department of the Interior; and the Administrator of the National Oceanic and Atmospheric Administration, United States Department of Commerce. Each Trustee may designate a representative to serve on the Trustee Council. Any such designation shall be in writing and the designation shall be maintained in the official record. In the event a Trustee Council member is precluded from attending a meeting or must be excused during a meeting, an alternate may exercise voting privileges on behalf of the Trustee Council member. Alternates shall be designated in writing and the designation shall be maintained in the official record or an alternate may be identified at the meeting and so stated for the record.

3. *Quorum.* A quorum of two-thirds (2/3) of the total Trustee Council membership including at least two state members and two federal members shall be required to convene a meeting. All decisions shall be made by unanimous agreement of the six Trustee Council members, their designee or their alternate, except that a quorum may approve the agenda, take public testimony and adjourn a meeting.

4. *Chair.* The Trustee Council shall designate a chair to preside at each meeting. The chair shall alternate meeting-to-meeting between the state and federal trustee members. The chair may participate in discussion and debate at the meetings and shall vote on all questions before the Trustee Council.

5. *Trustee Council Action.* All matters before the Trustee Council which require a vote, make a recommendation, approve or disapprove an item, or otherwise render a decision shall require the unanimous agreement of the six Trustee Council members, their designee or their alternate. All actions by the Trustee Council shall be taken at duly convened meetings except as provided in Section 10, Emergency Action.

6. *Recusal.* In the event a Trustee Council member believes he or she must recuse himself or herself from voting, the Trustee Council member may request the decision be deferred until a designated alternate is available to vote.

7. *Meetings.* Meetings shall be held at times and locations determined by the Trustee Council. The Executive Director shall, to the maximum extent possible, provide a proposed agenda and appropriate briefing materials to the Trustee Council members at least 10 days in advance of the meeting. All materials from the public or from agency personnel for inclusion on that meeting's agenda shall be turned into the Executive Director at least 15 days before the meeting.

8. *Executive Sessions.* Executive sessions shall be kept to a minimum and shall be used only for discussion of matters concerning confidential personnel issues, litigation or legal advice, habitat acquisition negotiations, confidential archaeological information, confidential fisheries information or other matters included under AS 37.14.430, AS 44.62.310 (c) or other applicable State or Federal laws.

9. *Minutes of Trustee Council Meetings.* All meetings shall be recorded electronically or by a court reporter, and said records shall, along with the written, approved meeting notes, constitute the official record of the Trustee Council's actions.

10. *Emergency Action.* In the event of an emergency requiring Trustee Council action before a meeting can be held in accordance with the procedures described herein, the Executive Director shall poll the Trustee Council and take action by unanimous agreement. Any decisions of the Trustee Council shall be reflected in the official record of the Trustee Council along with justification regarding the need to take emergency action. In addition, any emergency action taken shall be ratified at the next meeting of the Trustee Council.

ORGANIZATIONAL STRUCTURE

1. *General.* Pursuant to the agreement between the State of Alaska and the United States, the Trustee Council has created the position of Executive Director to manage the day-to-day administrative functions of the Trustee Council and the overall restoration program.

2. *Trustee Council Office.* Under supervision of the Executive Director, the Trustee Council Office is responsible for: (1) facilitating communication between the federal and state governments, the Trustee Council members, the Science Panel, and the Public Advisory Committee; (2) maintaining the official record of the Trustee Council's actions; (3) soliciting project proposals and administering the proposal process, including supporting the Science Panel and any additional subcommittees and working groups that are formed to advise on the scientific development of the program; (4) preparing and analyzing financial and project status information; (5) developing and implementing procedures to achieve the goals and objectives of the Trustee Council; (6) performing and/or overseeing special and ongoing projects; and (7) public outreach and public participation.

3. *Trustee Agencies.* Under supervision of the agency's Trustee Council member,

each Trustee agency is responsible for administrative oversight of projects funded to or through their agencies. This oversight shall include (1) ensuring that the procedures described herein, and the appropriate state or federal procedures, are followed, including compliance with the National Environmental Policy Act and (2) ensuring that projects funded meet their stated objectives and schedules, and are accomplished consistent with the funds authorized.

PROPOSAL SOLICITATION AND REVIEW

1. *Invitation.* At least annually the public, private sector, non-profit groups, and government agencies will be invited to submit proposals for funding based on identified restoration priorities and needs.

2. *Review.* Proposals will receive policy, content, budget, and legal review before being subject to peer review and recommendations by independent scientists, the Science Panel, Agency Liaisons, and the Public Advisory Committee. A draft annual work plan, including funding recommendations from Trustee Council designees, will be available for public review and comment.

- a. *Non-Distribution Agreement/Confidentiality Statement:* Project proposals received in response to the *Invitation for Proposals* each year are closely held within the review process until Trustee Council approval is complete, at which time funded proposals are released to the public. The Science Panel reviews the project proposals and makes recommendations to the Executive Director as a part of the funding process. Members of the Public Advisory Committee (PAC) and other Trustee Council designees may also be asked to review the project proposals. A non-distribution agreement and confidentiality statement will be signed by each reviewer. The reviewer will agree not to distribute the project proposals to others, nor discuss them with anyone that has not been approved by the Executive Director. The agreement does not preclude the reviewer from discussing the project proposal with an individual or group that has been established as part of the review process by the Executive Director: an example of such a group is the Science Panel.
- b. *Conflict of Interest Statement.* Anyone reviewing full proposals will be asked to sign a statement that disavows any financial conflict of interest between themselves and the funding decisions of the Trustee Council.

3. *Approval.* Based on recommendations received during the review processes and as presented within the draft work plan, the Executive Director shall make a recommendation to the Trustee Council on which proposals should be funded. The Trustee Council, in open session, shall review the Executive Director's recommendation. The Trustee Council may make changes to the proposals or include terms and conditions of funding as the Trustee Council deems appropriate. Upon unanimous approval, the recommendation shall be adopted by the Trustee Council.

4. *Multi-Year Projects.* For multi-year projects, the Executive Director's recommendation shall include the number of years of funding to be provided for each project. Multi-year funded projects are reviewed and approved annually by the Trustee Council.

PROJECT REPORTS

1. *Quarterly Project Status Reports.* Within thirty days following the end of each quarter, the investigator for each project approved by the Trustee Council shall submit a status report to the Executive Director. The report contents, format, and review procedures shall be determined by the Executive Director.

2. *Annual Project Reports.* Annually, the investigator for each continuing project approved by the Trustee Council shall submit a report to the Executive Director. A continuing project is one that was initiated with the expectation that it was multi-year. The report deadline, contents, format, and review procedures shall be determined by the Executive Director. A copy of each report shall be placed in the Trustee Council's official record.

3. *Final Project Reports.* Upon completion of each project approved by the Trustee Council, or a determination by the Trustee Council to no longer fund a project, the investigator shall submit a report to the Executive Director. The report deadline, contents, format, and review procedures shall be determined by the Executive Director. A copy of each report shall be placed in the Trustee Council's official record and at ARLIS (Alaska Resources Library & Information Services).

PROJECT DATA

1. *Metadata and Data.* During the course of the project and at its completion, the investigator shall submit metadata ("data about data") and project data according to Trustee Council approved data policies. The metadata and project data contents, format, and review procedures shall be determined by the Executive Director.

HABITAT PROTECTION AND ACQUISITION

1. *General.* Habitat Protection and Acquisition is an important means of restoring injured resources and the services that are dependent upon those resources. Habitat Protection and Acquisition may include the purchase of lands or interests in land such as conservation easements, mineral rights, or timber rights.

2. *Parcel Nomination.* Only those parcels nominated by a willing seller shall be considered for purchase. The Executive Director shall prepare and maintain written procedures regarding nomination of parcels.

3. *Parcel Evaluation.* Nominated parcels shall be evaluated based on their importance to the conservation and protection of marine and coastal resources, ecosystems, and habitats in order to aid in the overall recovery of, and to enhance the long-term health and viability of, those resources injured by the oil spill and the spill area ecosystem.

4. *Terms and Conditions.* By unanimous agreement of the six Trustees, their designee or their alternate, a resolution shall be adopted authorizing the purchase of land or ownership rights. The resolution shall set forth the terms and conditions appropriate for the identified parcel(s).

5. *Title and Management.* The title of any lands or ownership rights shall be specified in the resolution adopted by the Trustee Council. All land acquired shall be managed in accordance with the terms and conditions of the Trustee Council.

6. *Public Review and Comment.* Prior to final Trustee Council action, reasonable public notice shall be given and the public shall be provided an opportunity to comment.

7. *Application or Notification for Disbursement.* Upon certification from the Executive Director that the terms and conditions set forth in a resolution have been satisfied, the Alaska Department of Law and the United States Department of Justice shall be requested to provide notice to the United States District Court for the District of Alaska regarding the expenditure of funds. Concurrently, as appropriate, the Executive Director shall provide the custodian of the Investment Fund(s) with payment instructions.

PUBLIC PARTICIPATION

1. *General.* The Trustee Council recognizes that public participation in the restoration program is an integral part of the process. To that end, the public is invited to review, comment on and participate in the development and implementation of the restoration program.

2. *Exxon Valdez Oil Spill Public Advisory Committee.* By order of the District Court for the District of Alaska, the Public Advisory Committee is to advise the Trustees, appointed to administer the fund established in settlement of United States v. Exxon Corporation, Civil Action No. A91-082, and State of Alaska v. Exxon Corporation, Civil Action No. 091-083, both in the United States District Court for the District of Alaska, in all matters described in Paragraph V.A.1 of the MOA referenced above. The overall procedures for the Public Advisory Committee are contained in a Charter unanimously approved by the Trustee Council and signed by the Secretary of the United States Department of the Interior. The Public Advisory Committee consists of members recommended by the Trustee Council and appointed by the Secretary of the United States Department of the Interior.

3. *Public Notice.* Reasonable public notice shall be given for all meetings of the Trustee Council. The notice shall include, when possible, publication in one or more

newspapers of general circulation in the following communities: Anchorage, Cordova, Homer, Juneau, Kenai, Kodiak, Seward, and Valdez and distribution of the public notice to radio stations broadcasting to these communities as well as in Chenega Bay, Tatitlek, Whittier, Seldovia, Port Graham, Nanwalek, and Kodiak area villages. To the maximum extent possible, reasonable public notice shall also be provided to other communities within the spill area. The public notice shall identify the purpose of the meeting and include a reasonable opportunity for public comment.

4. *Access to Information.* Except where documents are confidential under state or federal law, the public shall have access to the official record of the Trustee Council's actions and information regarding proposed or completed projects or other activities funded by the Trustee Council.

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL FINANCIAL PROCEDURES

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EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL FINANCIAL PROCEDURES

SETTLEMENT FUNDS

1. *Joint Trust Funds.* The Joint Trust Funds consist of all payments received or to be received by the United States and the State of Alaska pursuant to the Agreement and Consent Decree issued in *United States v. Exxon Corporation, et al.* (No. A91-082 CIV) and *State of Alaska v. Exxon Corporation, et al.* (No. A91-083 CIV), including any interest accrued thereon.

2. *Court Registry Investment System.* Pursuant to Court Order and in accordance with the Terms of the Memorandum of Agreement and Consent Decree, from December 1991 through October 5, 2000, the Joint Trust Funds were placed in an interest-bearing account in the Court Registry Investment System (CRIS) administered through the United States District Court for the Southern District of Texas. The CRIS established two accounts – the *Exxon Valdez Oil Spill Settlement Account* and the *CRIS – Exxon Valdez Reserve Fund* to receive and hold the Joint Trust Funds. Although the Joint Trust Funds were moved in October 2000 from the Court Registry System to the Alaska Department of Revenue, Division of Treasury, the Court Registry Investment System is still an investment option for the Trustee Council.

3. *Investment Fund(s).* The Governments sought and obtained Congressional approval to expand options for investment of the settlement proceeds. Public Law 106-113, the Consolidated Appropriations Act, 2000, was enacted November 29, 1999. Section 350 of H.R. 3423, authorizes deposit of all or a portion of the Joint Trust Funds previously received, or to be received, by the Governments in the Natural Resource Damage Assessment and Restoration Fund or accounts outside the United States Treasury or both. See section on Investment Fund.

4. *CRIS Disbursement.* Upon joint application of counsel for the United States and the State of Alaska, the United States District Court for the District of Alaska orders the disbursement of funds for purposes consistent with the Memorandum of Agreement and Consent Decree. The joint application shall consist of legal documents required by the Court and documentation demonstrating the unanimous agreement of the Trustee Council. When appropriate, interest earned on the federal and state accounts and/or unobligated balances from prior years' Work Plans shall be subtracted from the disbursement.

5. *Investment Fund(s) Disbursement.* Upon unanimous approval of the Trustee Council, the Alaska Department of Law and the United States Department of Justice shall be requested to notify the United States District Court for the District of Alaska. The notification shall consist of legal documents required by the Court and documentation demonstrating the unanimous agreement of the Trustee Council. Concurrently, the

Alaska Department of Law and the United States Department of Justice shall be requested to provide the custodian(s) of the Investment Fund(s) with payment instructions. When appropriate, interest earned on the federal and state accounts and/or unobligated balances from prior years' authorizations shall be subtracted from the disbursement.

6. *Authority to Spend.* No obligations shall be incurred until such time as a Court Order is entered by the United States District Court for the District of Alaska or a notification is filed with the United States District Court for the District of Alaska and any terms and conditions placed on the funding by the Trustee Council have been met.

7. *Federal Account.* In accordance with federal law, funds required for federal project implementation are deposited in the Natural Resource Damage Assessment and Restoration (NRDA&R) Fund managed by the Department of the Interior.

8. *State Account.* In accordance with state law, funds required for state project implementation are deposited in the *Exxon Valdez* Oil Spill Settlement Fund.

INVESTMENT FUND

1. *General.* Under Public Law 106-113 (1999), some or all of the joint trust funds may be deposited in the Natural Resource Damage Assessment and Restoration Fund or accounts outside the United States Treasury, or both. Where the Trustee Council exercises this authority, it is responsible for the prudent investment of the settlement funds in income-producing obligations and other instruments or securities that have been determined by unanimous vote of the Trustee Council to have a high degree of reliability and security.

2. *Policies.* The Trustee Council shall adopt written investment policies to protect and manage an Investment Fund(s).

3. *Asset Allocation.* The Trustee Council recognizes that strategic asset allocation is the single most important policy decision affecting investment return and risk for an Investment Fund. At least annually, the Trustee Council shall evaluate its strategic asset allocation.

4. *Reporting.* Revenues and disbursements associated with the Investment Fund shall be reported to the Trustee Council on a monthly basis. Fees assessed by the Alaska Department of Revenue for the Investment Fund shall be paid on a quarterly basis.

PROJECT AUTHORIZATION

1. *General.* Authorization to expend personal services, travel, contractual, commodities, equipment and general administration funds shall be consistent with the project budgets approved by the Trustee Council.

2. *Fiscal Year.* Unless otherwise approved by the Trustee Council, the fiscal year begins on October 1 and ends on September 30. In the event the Trustee Council approves a project with a different fiscal year, the fiscal year must be clearly stated in the approval motion. In the event the Trustee Council approves, in a single approval motion, multiple fiscal years of funding for a project, the project must be designated as a "multiple-year project" in the approval motion and the fiscal year in which the funds will lapse must be specified in the approval motion. In the event the Trustee Council approves a capital project, the designation as a capital project must be clearly stated in the approval motion.

3. *Adjustments between Projects.* As long as an adjustment does not alter the underlying scope or objectives of the affected projects, agencies have the authority to move funds into or out of projects up to the cumulative amount of \$10,000 or up to 10% of the authorized level of funding for each affected project, whichever is less. Justification and supporting documentation as to the reason for all such adjustments shall be maintained by the agencies. All such adjustments must be reported to the Executive Director in the Annual Financial Report. For further information regarding the Annual Financial Report, refer to the Accounting section of these procedures.

4. *Adjustments between Line Items.* As long as an adjustment does not alter the underlying scope or objectives of the project, agencies are authorized to move, within a single project, budgeted funds between line items and may change detailed items of expenditure to accommodate circumstances encountered during budget implementation. Justification and supporting documentation as to the reason for all such adjustments must be maintained by the agencies. All such adjustments must be reported to the Executive Director in the Annual Financial Report. For further information regarding the Annual Financial Report, refer to the Accounting section of these procedures.

5. *Adjustments between Fiscal Years of a Multiple-year Project.* As long as an adjustment does not alter the underlying scope or objectives of the project, agencies are authorized to carry forward budgeted funds to the subsequent fiscal year of a multiple-year project. Justification and supporting documentation as to the reason for all such adjustments must be maintained by the agencies. All such adjustments must be reported to the Executive Director in the Annual Financial Report. For further information regarding the Annual Financial Report, refer to the Accounting section of these procedures.

6. *Revisions.* Trustee Council action is required to move amounts greater than that authorized in section 3 above. Trustee Council action is also required if the adjustment changes the scope or objectives of a project, establishes a new project, or terminates an approved project before its scheduled completion. In the event the proposed adjustment changes the scope or objectives of a project, establishes a new project, or terminates an approved project before its scheduled completion, the public shall be given a reasonable opportunity to review and comment on the proposed change prior to action of the Trustee Council.

PROJECT COSTS

1. *Direct Project Costs.* Direct costs are those costs that can be identified with or linked to a specific project.

2. *Indirect Project Costs.* Indirect costs are those costs that are incurred for common or joint projects and therefore cannot be identified readily and specifically with a specific project. In the case of governmental agencies, indirect costs are covered through a general administration formula. The appropriate indirect rate for contractors shall be approved on a case-by-case basis.

3. *General Administration Formula.* The general administration formula is used to reimburse governmental agencies for indirect project costs incurred in implementing the restoration program. The general administration formula is nine percent of each project's direct costs. General administration funds may be spent at the agency's discretion provided they are spent on indirect costs incurred in implementing activities funded by the Trustee Council. Agencies are entitled to 100% of their budgeted general administration funds regardless of how much of their budgeted direct project funds have been expended.

4. *Unallowable Costs.* Restoration funds shall be used only for costs that directly benefit Trustee Council approved projects with the exception of reimbursement of general administration (i.e., indirect) costs that are calculated in accordance with the general administration formula.

5. *Bonuses.* Bonuses for personnel working on Trustee Council funded activities are allowable costs. Agencies shall follow their standard operating procedures in determining bonus awards. Bonuses shall be considered an indirect project cost and, if awarded, shall be paid with general administration funds.

ACCOUNTING

1. *General.* It is the responsibility of agency personnel and certifying officers to make certain that all actions are based on sound accounting and budgetary practices.

2. *Source Documentation.* Adequate justification and supporting documentation shall be maintained for each project.

3. *Appropriateness.* Expenditures charged to a project shall be directly attributable to or allocated to the project benefiting from the activity. Salaries and benefits may be charged for the time an individual is working directly on a project, when supported by time sheets and when work performed by such individuals is necessary to the project.

4. *Reasonableness.* Costs attributable to a project shall be necessary and reasonable to

achieve the objectives of the project and be consistent with the policies and procedures governing other activities of the agency.

5. *Segregation.* Accounts shall be properly designed and maintained to ensure that funds are expended in accordance with Trustee Council approval.

6. *Expended (Outlays).* The term expended shall be defined as the actual outlay of funds through the issuance of checks or warrants, the disbursement of cash, or the electronic transfer of funds. The term expenditure shall be defined as the act of expending.

7. *Obligation (Encumbrances).* The term obligation shall be defined as a commitment to acquire goods or services during the fiscal year or, for multiple-year projects, a commitment to acquire goods or services prior to the project's specified lapse date. The term obligation shall also be used to accommodate contracts where the length of time for completion of the service extends into the following fiscal year or, for a multiple-year project, beyond the project's specified lapse date. An obligation is a commitment to pay and should not be considered an expenditure until the goods or services have been received and the invoice paid. Funds approved for contracts in which the length of time for completion of the service extends into the following fiscal year may be obligated at year end or, for a multiple-year project, prior to the project's specified lapse date. As a general rule, agencies shall have one year from a project's specified lapse date to satisfy all obligations.

8. *Reporting: Annual Financial Reports.* By January 31 of each year, agencies shall report to the Executive Director the total expended for each project, plus any valid obligations relating to the fiscal year just ended. The report shall reflect the total amount authorized by line-item, any revisions approved by the Trustee Council, any adjustments between projects, any adjustments between line-items, and, for multiple-year projects, any adjustments between fiscal years.

LAPSE

1. *General.* Subject to the exceptions noted in sections 2 and 3 below, the unexpended and unobligated balance of a project shall lapse on September 30 of the fiscal year for which the project was approved. However, an undisclosed obligation may be established and/or paid during the Close-Out Period.

2. *Multiple-year Projects.* The unexpended and unobligated balance of a multiple-year project shall be carried forward to the lapse date specified by the Trustee Council in the project's approval motion. On September 30 of the fiscal year specified by the Trustee Council, the unexpended and unobligated balance shall lapse.

3. *Capital Projects.* The unexpended balance of a capital project shall be carried forward for two subsequent fiscal years. At the end of the three year period, the

unexpended and unobligated balance shall lapse. Trustee Council action is required to extend the project lapse date beyond the three year period.

4. *Close-out Period.* During the months of October, November and December (through December 31), agencies may pay from funds from the fiscal year just ended on September 30 an expense that was undisclosed during that fiscal year. In addition, agencies may establish obligations to accommodate an expense that was undisclosed during that fiscal year. Any such payments or obligations must be reported to the Executive Director in the Annual Financial Report. For further information regarding the Annual Financial Report, refer to the Accounting section of these procedures.

5. *Expenses Discovered after the Close-out Period.* Expenses discovered after the Close-out Period (i.e., after December 31) may be charged to the subsequent year's project budget if the project has multiple years of funding and sufficient funds are available. In the event there is no subsequent year's project budget, or in the event the agency determines that insufficient funds are available to charge the expense to the subsequent year's budget, authority to adjust a prior year Annual Financial Report is required. During the months of January through June, authority to adjust a prior year Annual Financial Report may be provided by the Executive Director. For expenses discovered after June, authority to adjust a prior year Annual Financial Report may be provided by the Trustee Council.

EQUIPMENT

1. *Definition.* Equipment shall be defined as non-expendable items having an estimated life of more than one year and a unit value greater than \$1,000.

2. *Title and Use.* Equipment shall be used for the project for which it was acquired.

- a. Items with an original per unit cost of under \$5,000 shall belong to the acquiring agency. At the end of a project, if the equipment was purchased by a contractor, the agency may, at its discretion and if agency regulations allow, transfer the title to the contractor.
- b. Items with an original per unit cost of \$5,000 and over shall belong to the acquiring agency on behalf of the Trustee Council. At the end of a project that has equipment with an original per unit cost of \$5,000 or more, the Executive Director shall determine if the equipment item shall be used for another Trustee Council project or if the item shall remain with the acquiring agency. If the equipment shall be used for another Trustee Council project administered by an agency other than the acquiring agency, the title for the equipment shall be transferred to the agency administering the new project. If the equipment shall remain with the acquiring agency, and it was purchased by a contractor, the agency may, at its discretion and if agency regulations allow, transfer the title to the contractor.

This section shall apply to all equipment purchased under the restoration program, for projects already in progress or completed as well as for projects funded in the future.

3. *Surplus.* Equipment that belongs to the acquiring agency shall be surplus in accordance with agency procedures.

4. *Inventory.* Property records shall be maintained in accordance with agency procedures.

5. *Repair, Maintenance and Safeguarding.* The repair, maintenance and safeguarding of equipment purchased with joint funds shall be accomplished in accordance with agency procedures.

6. *Disposal.* Equipment that ceases to function shall be disposed of in accordance with agency procedures.

7. *Reporting.* By December 31 of each year, agencies shall report all equipment with an original per unit cost of \$5,000 or more to the Executive Director. The report shall include a description of the equipment (make and model), date the equipment was purchased, the purchase price, where the equipment is located and the condition of the equipment. The report shall also identify the project that is using the equipment.

CONTRACTS

1. *General.* Agencies shall ensure that contracts for professional and non-professional services are accomplished in accordance with the terms, conditions, and specifications of the project approved by the Trustee Council and in accordance with applicable Federal and State laws.

2. *Definitions.* Professional services means contracts for professional, technical, or consultant services that result in the production of a report or the completion of a task, and includes analysis, evaluation, prediction, planning, or developing a recommendation. Non-professional services means contracts for services that are primarily manual in nature, and includes boat charters, printing, and other. Non-professional services contracts usually provide a service rather than resulting in a product or report.

3. *Named Recipient.* In the event the Trustee Council determines that, in order to carry out its mandate under the Memorandum of Agreement and Consent Decree, a particular person or entity should implement all or a portion of a project through a state Trustee agency, the Trustee Council may, by unanimous vote, name a contract recipient. The approval motion shall include the reason for selecting the contract recipient. If the contracting agency determines that an award to an entity different than that named by the Trustee Council would better serve the program, the basis of that determination shall be stated in writing to the Executive Director and forwarded to the Trustee Council for approval.

4. *Indirect Rates.* The appropriate indirect rate for contractors shall be determined on a project by project basis or through a memorandum of understanding with a contractor that provides for a consistent rate and methodology.

5. *Equipment.* Equipment purchased by the contractor shall remain the property of the contracting agency unless other conditions prevail. See section on Equipment, Title and Use, for specific details.

6. *Special Considerations.* All notes and other data developed by the contractor shall remain the sole property of the contracting agency.

GRANTS

1. *General.* Grants may be used as a procurement mechanism, but only to the extent they are permitted under existing state and federal laws. Federal Trustee agencies were given grant authority specific to the Trustee Council's program under Public Law 106-113 (1999).

AUDITS

1. *General.* The purpose of an audit is to ensure public trust and accountability regarding the use of settlement funds. An audit provides credibility to the information reported by or obtained from management by independently acquiring and evaluating the evidence.

2. *Definition.* The term audit includes both financial and performance audits.

3. *Readiness.* When an agency receives funding from the Trustee Council, the agency assumes certain responsibilities with respect to those funds. These include ensuring that source documentation is organized and available for review, internal controls are documented and individuals knowledgeable about the projects are available to answer questions.

4. *Contracts.* Contractors who receive funding for professional or non-professional services are not automatically subject to an annual audit. However, this does not preclude the Trustee Council or the agency from making a determination that an audit is required in addition to an agency's review of expenditure documentation and work produced by a contractor.

5. *State and Federal Audits.* Each Federal agency and the State of Alaska have audit functions. In the event an audit is performed on a Trustee Council funded activity, a copy of the audit shall be provided to the Executive Director.

6. *External Audits.* All external audits shall be conducted in accordance with

Governmental Auditing Standards. In addition, the firm and the staff assigned to conduct the audit shall be independent of the Trustee Council, the funding agencies, the Alaska Department of Revenue, the Court Registry Investment System, Exxon Corporation, Exxon Shipping Company and Exxon Pipeline Company.

APPENDIX A: FEDERAL INTERNAL PROCEDURES

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION FUND

1. *Segregation.* All principal and interest shall be accounted for separately by the Department of the Interior, Office of the Secretary. Each disbursement shall be assigned an appropriate account, sub-activity and/or project number when deposited to the aggregate Natural Resource Damage Assessment and Restoration Fund within the Federal Reserve Bank. Confirmation of the deposit shall be provided to the Treasury Department, which reconciles the deposit with the Federal Reserve Bank.

2. *Investments.* By law, the funds may only be invested in Treasury Securities and all ownership is maintained in the name of the Natural Resource Damage Assessment and Restoration Fund. Based on an estimate of cash flow requirements, the Department of the Interior, Office of the Secretary generates instructions for investment and forwards the instructions to the National Business Center. The National Business Center develops and submits an Investment Confirmation Letter that indicates which account investments are being purchased, the scheduled maturity dates and the investment type(s) to the Department of Treasury, which purchases the securities. At maturity, interest income is paid directly to the account.

3. *Reports.* Quarterly, the Department of the Interior shall report interest income to the Executive Director. In addition, all disbursements to the federal agencies shall be reported to the Executive Director. By March 31 of each year, the Department of Interior shall report to the Executive Director all lapsed funds returned to the Natural Resource Damage Assessment and Restoration Fund by the federal agencies.

AUTHORIZATION

1. *General.* Congress permanently appropriated funding approved by the Trustee Council in Section 207 of Public Law 102-227. However, all authorization is subject to compliance with any terms and conditions imposed by the Trustee Council.

2. *Budget and Reports.* Under Section 207, agencies are required to comply with directions published by the Federal Office of Management and Budget. This includes submitting a budget for the upcoming fiscal year and documentation associated with the current and prior fiscal year.

3. *Obligation Authority.* Prior to the obligation of any funds, agencies must first complete the allocation process required by their respective budget offices to establish codes for each project. The allocation process provides the authority, amount of funding and the guidance with which to obligate funds.

4. *Instructions for Transfer.* Federal agencies are required to submit an annual cash

flow plan to the United States Department of the Interior, Office of the Secretary, Natural Resource Damage Assessment and Restoration Office, and instructions regarding the transfer of settlement funds. The instructions shall specify the purpose of the transfer, which account the funds are to be transferred to, and an estimate of cash flow requirements. Unless the transfer represents a one-time payment, the cash flow estimate shall be structured on a quarterly basis. Any change in cash flow requirements that occurs during the fiscal year shall be communicated to the United States Department of the Interior, Office of the Secretary, Natural Resource Damage Assessment and Restoration Office, in writing. A change is defined as a decrease in the cash flow requirement due to an unanticipated delay in a project or an increase in the cash flow requirement due to an unanticipated change in the schedule, or subsequent Trustee Council action.

5. *Fund Transfers.* The vehicle used for transfers is a SF1151, a non-expenditure transfer. The SF1151 is initiated, prepared, and approved by the Natural Resource Damage Assessment & Restoration Office, Office of the Secretary and then sent to Treasury where the funds are transferred within the Treasury system.

6. *Return of Unobligated Balances.* On March 15 of each year, federal agencies must return to the Natural Resource Damage Assessment and Restoration Fund the unobligated balance for the fiscal year just ended. Concurrently, the agencies must return any recovery of prior year obligations. Agencies are required to submit to the United States Department of the Interior, Office of the Secretary, Natural Resource Damage Assessment and Restoration Office, a report reflecting the total unobligated balance for the fiscal year just ended and the amount of funding recovered from prior year obligations. The report submitted must also indicate the date the agency intends to return the funds. The vehicle used for transfers is a SF1151, non-expenditure transfer. The Department of the Interior shall report the total unobligated balance for the fiscal year just ended and the amount of funding recovered from prior year obligations to the Executive Director by March 31 of each year.

APPENDIX B: STATE INTERNAL PROCEDURES

EXXON VALDEZ OIL SPILL SETTLEMENT FUND

1. *Segregation.* All principal and interest shall be accounted for separately by the Alaska Department of Revenue, Division of Treasury. Each disbursement shall be deposited in a Department of Law sub-account, *Exxon Valdez Oil Spill Settlement Fund*. Confirmation of the deposit shall be provided by the bank to the Alaska Department of Revenue.

2. *Investments.* The Alaska Department of Revenue, Division of Treasury shall calculate the daily income amount and provide for daily compounding (including weekends and holidays). The income shall be credited to the fund and posted in the Alaska State Accounting System on a monthly basis.

3. *Reports.* The Alaska Department of Revenue, Division of Treasury shall report income earned to the Executive Director on a monthly basis.

AUTHORIZATION

1. *General.* Pursuant to Alaska Statute 37.14.405(a), a state agency may not expend money received from the trust unless the expenditure is in accordance with an appropriation made by law. However, prior to the expenditure of funds, Trustee Council approval must be obtained, the notice filed, any terms and conditions placed on the funding by the Trustee Council met, and the funds transferred from the Investment Fund to the *Exxon Valdez Oil Spill Settlement Fund*, if necessary.

2. *Budget and Reports.* To meet the requirements of Alaska Statute 37.14.415, agencies are required to comply with directions published by the State Office of Management and Budget, Division of Budget Review. Alaska Statute 37.14.415 states: The state trustees shall

- a. submit to the governor and the legislature by December 15 of each year a report setting out, for each object or purpose of expenditure, the amounts approved for expenditure from the trust during the preceding fiscal year and the amounts actually expended during the preceding fiscal year;
- b. prepare and submit, under AS 37.07, a budget for the next fiscal year setting out, for each object or purpose of expenditure, the Trustees' estimate of the amounts that are, during the next fiscal year, to be funded by the trust and expended by state agencies; and
- c. prepare and submit to the legislature, at the same time the budget for state agency expenditures is submitted under (b) of this section, a proposal setting out, for each object or purpose of expenditure, the trustees' estimate of the amounts that are to be funded by the trust in the next fiscal year and that are not included in the budget submitted under (2) of this section.

3. *Legislative Budget and Audit Committee.* Alaska Statute 37.14.405(b) allows agencies to meet the requirements of an appropriation conditioned on compliance with the program review provisions of AS 37.07.080(h). In accordance with the procedures of the Alaska Office of Management and Budget (OMB), agencies are required to submit a request to OMB for transmittal to the Legislative Budget and Audit Committee.

4. *Expenditure Authority.* Authorization to receive and expend shall be recorded in the Alaska State Accounting System within the *Exxon Valdez* Oil Spill Settlement Fund. Following legislative action, OMB will record the authorization by approving an Authorized Budget Transaction (AB).

APPENDIX C: INVESTMENT FUND(S)

1. *General.* The Trustee Council, through appropriate state and/or federal agencies, may contract for investment, custodial or depository services on a discretionary or non-discretionary basis, with the State and Federal governments, or with independent investment management firms, banks, financial institutions or trust companies by designation through appointments, contracts or letters of authority.

2. *Segregation.* All principal and interest shall be accounted for separately by the custodian.

3. *Reports.* The custodian shall provide to the Executive Director financial reports on a monthly basis. The monthly report shall reflect all activity associated with the Investment Fund(s) including the date and amount of each transaction, any pending transactions, interest received, purchases, sales and other transactional data on a day-to-day basis. In addition, the custodian shall provide a monthly report which sets forth the opening balance in the Investment Fund(s), associated transactions and a reconciliation to the final balance. The investment manager shall provide to the Executive Director a suite of financial and performance reports on a monthly basis. The monthly financial report shall contain an asset appraisal which sets forth all of the assets held by the Investment Fund(s). The report shall provide detailed information such as cost and market value, current yield and percentage of each investment and sector. In addition, the investment manager shall provide monthly and cumulative performance reports. The performance reports shall include a comparison to the benchmarks approved by the Trustee Council.

4. *Investments.* By unanimous consent, the Trustee Council shall determine the strategic asset allocation and bands. The Executive Director shall have discretion to move assets among asset categories provided that such actions are consistent with movement of the actual asset allocation within the variability bands of the Trustee Council's strategic asset allocation policy. The Executive Director shall make the necessary adjustments to the initial target allocation within 30 calendar days. The Executive Director shall report any asset shifts at the next Trustee Council meeting. Such reports shall include a description of the rationale for the shift.

5. *Performance.* The Trustee Council shall identify benchmarks to evaluate Investment Fund(s) performance. Performance shall be evaluated relative to the identified benchmarks and also relative to an appropriate peer group of competitive alternatives. On a biannual basis, performance shall be presented to the Trustee Council.

6. *Fees.* No fees shall be assessed by the custodian except as approved in advance by the Trustee Council.

02.01.07

Exxon Valdez Oil Spill Trustee Council
Procedures for the Preparation and Distribution of Reports

Adopted June 27, 2007



Exxon Valdez Oil Spill Trustee Council
Procedures for the Preparation and Distribution of Reports

Adopted June 27, 2007

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Exxon Valdez Oil Spill Trustee Council

Procedures for the Preparation and Distribution of Reports

Adopted June 27, 2007

INTRODUCTION

These *Procedures for the Preparation and Distribution of Reports* provide instructions regarding the preparation, peer review, printing and distribution of final and annual reports for projects funded by the Exxon Valdez Oil Spill Trustee Council. Quarterly reports address administrative reporting requirements. Principal investigators shall work with their agency liaisons to fulfill their quarterly reporting obligations as outlined in the *Invitation for Proposals* and the *General Operating Procedures of the Trustee Council*.

Unless otherwise specified by the Trustee Council Office, each project funded by the Trustee Council shall ultimately produce a final report that has been subjected to the Trustee Council's peer review process. In the case of multi-year projects, an annual report shall also be prepared each year until the project is completed, at which time a final report shall be prepared. Subject to the approval of the Trustee Council Office, on a project-by-project basis, journal articles or manuscripts may be used to fulfill requirements for the preparation of final reports (See page 7).

These *Procedures for the Preparation and Distribution of Reports* update and supersede earlier versions of this document and should be read together with the report writing guidelines published by the *Journal of Wildlife Management*:

Messmer, T. and M. Morrison. 2006. Unified manuscript guidelines for The Wildlife Society peer-reviewed publications, *Journal of Wildlife Management*, 70(1):304-320,

www.wildlife.org/publications/wild-70-01-guide_304%20320_ebook1.pdf

To the extent that there are any inconsistencies between these *Procedures for the Preparation and Distribution of Reports* and the guidance provided by Messmer, T. and M. Morrison (2006), the instructions provided in these *Procedures* shall be followed.

The primary changes in these *Procedures*, as compared to the previous version of this document (July 2002), clarify the peer review process and apply consistency to final report procedures for all projects funded by the Trustee Council.

The Trustee Council encourages principal investigators to publish the results of their work in peer-reviewed journals. All manuscripts shall include the Disclaimer Statement on page 8. Manuscripts or journal articles may be used to help satisfy final report requirements. (See *Use of Manuscripts for Final Report Writing*, page 7.)

FINAL REPORTS

Purpose: A final report for a project must be a comprehensive report addressing all the objectives identified over the course of the entire study. The final report shall address the original objectives of the study as identified in the approved proposal and account for any changes in the objectives. The principal investigator for a project is responsible for the submission and production of a final report. To ensure report obligations are met, future project funding is dependent upon completion of project deliverables.

Project Numbers: For purposes of identification each project is assigned a number. Natural Resource Damage Assessment (NRDA) projects are designated by alpha-numeric project numbers (e.g., MM6 for “Marine Mammal Study 6” or FS2 for “Fish/Shellfish Study 2”). Restoration projects, Gulf Ecosystem Monitoring and Research Program (GEM) projects, and other projects funded by the Trustee Council each have a five or six-digit project number (e.g., 95225, 030452). The first two digits identify the fiscal year in which the project was authorized; the last three or four digits provide a specific project identifier. Those projects funded between FY 1993 and FY 2002 have five digits; those funded for FY 2003 and after have six digits.

I. Preparation: Final Reports

- A. Final Report Format** – Authors shall follow the format set out below to prepare final reports. Reports shall meet normal scientific standards of completeness and detail that shall permit an independent scientific reader to evaluate the reliability and validity of the methods, data and analyses.
- 1. Report Cover** – The report shall have a front and back cover of quality cover stock. To ensure consistent appearance, the color shall be goldenrod. An example of a final report cover is provided. (Attachment A) A final report cover shall:
 - a. identify the report, using the appropriate series title, as a
 - (1.) Restoration Project final report – series title: *Exxon Valdez* Oil Spill Restoration Project Final Report, or
 - (2.) Gulf Ecosystem Monitoring and Research Project final report – series title: *Exxon Valdez* Oil Spill Gulf Ecosystem Monitoring and Research Project Final Report, or
 - (3.) other series that may be designated by the Trustee Council;

- b. provide the report title;
- c. include the project identification number;
- d. identify the author(s) with appropriate affiliation(s);
- e. include the date (month and year) of publication; and
- f. include the following non-discrimination statement toward the bottom of the page on the inside front cover:

“The *Exxon Valdez* Oil Spill Trustee Council administers all programs and activities free from discrimination based on race, color, national origin, age, sex, religion, marital status, pregnancy, parenthood, or disability. The Council administers all programs and activities in compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, and Title IX of the Education Amendments of 1972. If you believe you have been discriminated against in any program, activity, or facility, or if you desire further information, please write to: EVOS Trustee Council, 441 West 5th Avenue, Suite 500, Anchorage, Alaska 99501-2340; or O.E.O. U.S. Department of the Interior, Washington D.C. 20240. “

- 2. **Title Page** – The Title Page of the report shall immediately follow the report cover page on white bond paper and be identical in terms of content and format to the front of the report cover page. (Attachment A)
- 3. **Study History, Abstract, Key Words, Project Data and Citation** – Following the Title Page, the report shall include, on not more than two pages: (1) a study history; (2) an abstract; (3) key words; (4) summary of data gathered during the project; and (5) a recommended citation for the final report. (Attachment A)
 - a. **Study History** – A brief study history shall include reference to any prior project numbers; changes in the title of the project or report over time; annual reports or other reports which contributed to the final report; and citation of publications that have preceded publication of the final report.
 - b. **Abstract** – An abstract, with a maximum length of 200 words (limit for processing through the National Technical Information Service), shall enable readers to quickly identify the basic content of the report, determine its relevance to their interests and thus decide

whether to read the document in its entirety. If the final report consists of several chapters or manuscripts (See Use of Manuscripts for Report Writing, page 7), the abstract shall summarize the entire report. Do not use abbreviations or acronyms in the abstract.

- c. **Key Words** – A short list of key words (up to 12 in alphabetical order) shall be provided. Include words from the title and others that identify: (1) common and scientific names of principal organisms, if any; (2) geographic area or region; (3) phenomena and entities studied (e.g., behavior, reproduction); (4) methods (only if the report describes a new or improved method); and (5) other words not covered above but useful for indexing.
 - d. **Project Data** – A summary of the data collected during the project shall be provided in order to preserve the opportunity for other researchers and the public to access this data in the future. The summary shall: (1) describe the data; (2) indicate the format of the available data collections; (3) identify the archive in which the data have been stored or the custodian of the data (including contact name, organization, address, phone/fax, e-mail, and web address where data may be acquired); and (4) indicate any access limitations placed on the data. Limiting access requires pre-approval by the Trustee Council Office.
 - e. **Citation** – A recommended citation for the final report shall be provided. See Attachment A for the correct citation format.
4. **Remainder of Report** – After the Study History, Abstract, Key Words, Project Data and Citation, the report shall continue as follows:
- a. **Table of Contents, including Lists of Tables, Figures and Appendices.**
 - b. **Executive Summary** – The executive summary shall:
 - (1.) consolidate principal points of the report in one place and provide enough detail for the reader to digest the significance of the report without having to read it in full;
 - (2.) be written so that it can stand independently of the report (i.e., it must not refer to figures, tables or references contained elsewhere and all acronyms, uncommon symbols, and abbreviations must be spelled out);
 - (3.) not exceed four single-spaced pages;
 - (4.) concisely state the objectives, methods, results and conclusions of the report; and

- (5.) be organized in the same manner as the report it summarizes.

c. Introduction – The introduction shall:

- (1.) present first, with all possible clarity, the nature and scope of the problem investigated, including the general area in which field activities were conducted; and
- (2.) review pertinent literature, state the method(s) of investigation and briefly state principal results.

d. Objectives – The statement of objectives shall be the same as the objectives identified in the approved proposal. If the objectives have changed, describe what has changed and why.

e. Methods – The discussion of methods shall include a clear description of the study area. To the extent the methodology differs from that described in the proposal, explain the reason for the deviation.

f. Results – The presentation of results shall provide an objective and clear presentation of the data collected.

g. Discussion – The discussion section shall:

- (1.) interpret the study results and explore the meaning and significance of the findings, including alternative interpretations of the results;
- (2.) discuss whether the study hypotheses are upheld or disproven;
- (3.) note where there are unanswered questions; and
- (4.) where appropriate, cite relevant findings from other *Exxon Valdez* oil spill restoration studies, including GEM studies, and published literature.

- h. **Conclusions** – This shall be a brief, clear statement of the conclusions that are apparent from the discussion. Major unanswered questions shall be identified.
- i. **Acknowledgments**
- j. **Literature Cited**
- k. **Other References** – If there is a need to list references other than the literature cited (e.g., personal communications), these references shall be identified in this section.

B. Technical Format – The following guidelines shall help provide consistent formatting:

1. Word Processing Conventions

a. Standard Settings

Line

<i>Line spacing:</i>	single
<i>Hyphenation:</i>	off (i.e., do not hyphenate at right margin)
<i>Justification:</i>	left (i.e., do not right-justify margins)
<i>Margins:</i>	1 inch at top, bottom 1 inch left, right
<i>Tabs:</i>	every 0.5"
<i>Widow Protection:</i>	yes

Page

<i>Page numbering:</i>	bottom center
<i>Header:</i>	none

Font

<i>Times:</i>	12 point
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Note: If Times is not available, some other serif font shall be used (e.g., Palatino, Bookman or New Century Schoolbook).

- b. Literature Citations** – In the Literature Cited section, start each citation with a hanging indent as shown below:

Byrd, G.V., D. Gibson, and D.L. Johnson. 1974. The birds of Adak Island, Alaska. Condor 76:288-300.

2. Other Conventions

- a. Use italics, rather than underlining, for Latin names and for *Exxon Valdez*.
- b. Use good quality white paper 8.5 x 11" (215 x 280mm) or metric size A4.
- c. Do not use dot matrix printers to print the report.
- d. When referring to the oil spill that occurred because the *Exxon Valdez* ran aground, use *Exxon Valdez* oil spill. After the first mention of the *Exxon Valdez* oil spill, refer to it simply as the spill.
- e. Clearly define any acronyms. Avoid the use of acronyms completely in the Abstract and Executive Summary.
- f. Use the terms "damages" and "injury" as defined by CERCLA regulations (See 43 CFR 11.14):
 - (1.) "Damages" means the amount of money sought by the natural resource trustee as compensation for injury, destruction or loss of natural resources.
 - (2.) "Injury" means a measurable adverse change, either long or short-term, in the chemical or physical quality or the viability of a natural resource resulting either directly or indirectly from exposure to a discharge of oil. Injury encompasses the phrases "destruction" and "loss."
 - (3.) "Destruction" means the total and irreversible loss of a natural resource.
 - (4.) "Loss" means a measurable adverse reduction of a chemical or physical quality or viability of a natural resource.

C. Use of Manuscripts for Final Report Writing – The Trustee Council encourages principal investigators to publish the results of their work in peer-reviewed journals. *With the approval of the Science Director, on a project-by-project basis, manuscripts or journal articles may be used to help satisfy project final report writing requirements.* When a manuscript is used to fulfill report requirements, it is strongly preferred that the manuscript be in draft form before it has been submitted to a journal to allow duplication without violation of copyright or publication rights. (See the section on *Copyright and Publication Rights*, page 8.).

1. **Authority to Use Manuscripts** – Principal investigators shall contact the Science Director at the Trustee Council Office to request authority to use a manuscript(s) as the body of a final report.
2. **Objectives** – Because final reports are the primary and permanent record of how Trustee Council funds have been spent and what has been accomplished with those funds, it is necessary that these reports address all of the objectives for which the Trustee Council has provided funds.
 - a. If all of the project's objectives are completely described within one or more manuscripts being prepared for publication, a copy of the manuscript(s) may be submitted as the entire body of the report. (See Standard Format requirements in the next section.)
 - b. If a project's objectives are not all described completely within one or more manuscripts, the manuscript(s) may serve as a portion of the report. For example, if only two of five project objectives are addressed in a manuscript, the report shall include – in addition to the manuscript – information on the three objectives not covered in the manuscript. The two objectives covered by the manuscript shall be referenced in the report as appropriate (e.g., in the Methods and Results sections) and substantially integrated into the Discussion section, where there shall be an overall discussion of the project. In such cases, the combination of the manuscript and additional report material shall present an organized, integrated and complete account of project activities and results.
3. **Standard Format** – Every report, regardless of whether it is in the standard format or includes manuscripts, shall adhere to the formatting prescribed for the Report Cover, Title Page, Study History, Abstract, Key Words, Project Data and Citation (See Final Report Format, page 2).
4. **Copyright and Publication Rights** – When a manuscript is used to fulfill report writing requirements, it must be in a form that can be duplicated freely and posted on the Trustee Council website. This may require obtaining permission from the publisher. When appropriate:
 - a. The author shall provide the Trustee Council Office with a copy of the publisher's written permission to duplicate and post the article as part of the report.
 - b. The statement "This article is reprinted with permission from the publisher." shall precede the journal article(s) in the report.
5. **Disclaimer Statement** – Investigators seeking to publish the results of Trustee Council sponsored projects shall include the following statement with all manuscripts:

“The research described in this paper was supported by the *Exxon Valdez* Oil Spill Trustee Council. However, the findings and conclusions presented by the author(s) are their own and do not necessarily reflect the views or position of the Trustee Council.”

6. **Reprints** – Investigators who publish the results of Trustee Council sponsored projects shall provide the Trustee Council Office (attention: Science Director) 3 reprints of any published manuscript. The Trustee Council Office shall provide 1 of the reprints to the Alaska Resources Library and Information Services (ARLIS).
- D. **Due Date** – Draft final reports shall be *submitted for peer review by April 15 of the year following the fiscal year in which project work was completed* unless a different date is specified in the approved proposal or contract. If this due date cannot be met, the principal investigator or liaison shall file an extension request with the Science Director at least 15 days prior to the due date. The request must be in writing and state a reason the report will be late. With approval of the Executive Director, an alternative final report due date may be identified. Draft final reports will undergo the peer review process outlined below. Principal investigators shall address peer review comments as appropriate for the final report. A final report shall be delivered to the Trustee Council office 30 days after receipt of reviewer's comments.

II. Review Process

- A. **Submission of Draft Final Reports for Peer Review** – The principal investigator shall submit 1 paper copy and 1 electronic copy of the draft final report to the Science Director for peer review. The electronic copy shall be submitted as a word processing document (most recent version of Microsoft Word for Windows or WordPerfect) with any figures and tables imbedded.

Science Director	phone: (907) 278-8012
Trustee Council Office	fax: (907) 276-7178
441 W. 5 th Ave., Suite 500	science_director@evostc.state.ak.us
Anchorage, AK 99501	

- B. **Draft Final Report Peer Review and Acceptance Process** – Draft final reports shall be scientifically or technically peer reviewed under the direction of the Science Director:
 1. The Science Director shall secure the services of a minimum of two qualified reviewers who will provide comments, identify questions, and suggest revisions as appropriate for the report.

2. Reviewers will be selected based upon experience, expertise, availability, and objectivity.
 3. Reviewers will be screened to avoid conflicts of interest and shall sign a conflict of interest disclosure form before being selected for a peer review.
 4. Peer reviews will be confidential. Comments will be submitted in writing to the Science Director.
 5. Peer reviewers will be anonymous to the authors of the report and the general public.
 6. The Science Director shall consolidate the peer review comments and provide the consolidated comments and any recommendations in writing to the principal investigator(s).
 7. Final reports shall be revised by the principal investigator to address peer review comments within 30 days of receiving them. The final report shall be resubmitted for final acceptance, as above, by the Science Director. (1 paper copy and 1 electronic copy of the revised final report to the Science Director).
 8. Once the final report is accepted, the Science Director shall notify the principal investigator in writing and send a copy of the letter of acceptance to the project manager and ARLIS.
 9. Final reports will not be distributed from the Trustee Council Office until peer review is complete.
- C. **Final Report Review of Format** – Once the content of the report is accepted by the Science Director, the principal investigator shall prepare the final report for publication.
1. **Format Review** – Within 30 days of the date on which the Science Director accepts the final report, the principal investigator shall remove all references to “draft” from the report and submit the first several pages of the approved final report to ARLIS for format review (i.e., Cover, Title Page, Study History, Abstract, Key Words, Project Data and Citation). These pages can be mailed, faxed, or e-mailed to ARLIS (attention: Carrie Holba):

Carrie Holba
ARLIS
Suite 111, Library Bldg.
3211 Providence Drive
Anchorage AK 99508

phone (907) 786-7660
fax (907) 786-7652
carrie@arlis.org

2. **Revisions** – Within 15 days of receipt of the first several pages of the final report, ARLIS staff shall review it for compliance with the report format standards and notify the principal investigator in writing regarding any changes that need to be made.
3. **Approval** – To be certain that format revisions are made correctly, the principal investigator shall fax or e-mail a copy of the corrected version to ARLIS within 30 days of the format review. The principal investigator shall not reproduce the report until format approval is confirmed in writing by ARLIS.

III. Printing and Distribution Process

- A. **Reproduction and Number of Copies** – Within 60 days of the date of the written confirmation from ARLIS indicating approval of the final report format, the principal investigator shall produce final copies as follows:
 1. **Two-sided Pages** – The body of the report shall be printed in two-sided format to reduce the space needed to store reports.
 2. **Number of Copies** – The principal investigator shall provide a total of 20 paper copies and 2 electronic copies, as follows:
 - a. **18 bound copies, 2 camera-ready copies and 1 electronic copy** of the approved final report to ARLIS, which shall include a copy for the Science Director and a copy for the Trustee Council's official record. A camera-ready copy is an unbound copy of the report as it will appear in its final format, except that it is single-sided with blank pages inserted as appropriate. The electronic copy shall be submitted either as an Acrobat Portable Document Format (PDF) file or word processing document (using the most recent versions of Acrobat, Word, or Word Perfect) with all figures and tables imbedded. The preferred Acrobat file format is 'formatted text with graphics' format. Minimally, "PDF searchable image" format may be used if pre-approved by the Trustee Council Office. In either case, the PDF file shall not be secured or locked from future editing, or contain a digital signature from the principal investigator; and
 - b. **1 electronic copy** to the Science Director. The electronic copy shall be submitted either as an Acrobat Portable Document Format (PDF) file or word processing document, according to the requirements listed in the previous section.
- B. **Binding** – Copies of final reports shall be bound using PERFECT binding. Smaller reports may be bound with black tape or comb binding. Very small reports may be bound with staples in three places along the spine, but only

when other binding options are not available. Questions regarding binding shall be directed to ARLIS (attention: Carrie Holba; see address, page 10).

- C. Distribution of Final Reports** – ARLIS shall distribute the bound and camera-ready copies of final reports to the appropriate individuals and libraries. (Attachment C) Final reports shall be posted on the Trustee Council website at www.evostc.state.ak.us.

ANNUAL REPORTS

Purpose: In the case of multi-year projects, an annual report shall be prepared each year until the project is completed, at which time a final report shall be prepared. All NRDA annual reports have been completed, and so are not addressed in this section of the *Procedures*. The principal investigator for a project is responsible for the submission and production of an annual report.

I. Preparation of Annual Reports

- A. Annual Report Format** – Annual reports shall be brief documents (2-3 pages) that include the information listed below. An example of the annual report form, available for downloading from the Trustee Council's web site (www.evostc.state.ak.us) or from the Trustee Council Office upon request, is provided. (Attachment B)

- 1. Project Number**
- 2. Project Title**
- 3. Principal Investigator's Name(s)**
- 4. Time Period Covered by the Report**
- 5. Date of Report**
- 6. Summary of Work Performed** – This section shall include a brief summary of work performed during the reporting period, including any results available to date and their relationship to the original project objectives. Any deviation from the original project objectives, procedures or statistical methods, study area, or schedule shall be included. Any known problems or unusual developments, and any other significant information pertinent to the project, shall also be described.
- 7. Summary of Future Work to be Performed** – This brief summary shall describe work to be performed during the upcoming year, if changed from the original proposal. A description of any proposed

changes in objectives, procedural or statistical methods, study area, or schedule shall be included.

8. Coordination/Collaboration – This section shall describe efforts undertaken during the reporting period to achieve the coordination and collaboration provisions of the proposal, if applicable.

9. Community Involvement/TEK and Resource Management Applications – This section shall describe efforts undertaken during the reporting period to achieve the community involvement/TEK and resource management application provisions of the proposal, if applicable.

10. Information Transfer – This section shall list (1) publications produced during the reporting period, (2) conference and workshop presentations and attendance during the reporting period, and (3) data and/or information products developed during the reporting period.

11. Budget – This section shall explain any differences and/or problems between actual and budgeted expenditures, including any substantial changes in the allocation of funds among line items on the budget form. Any new information regarding matching funds or funds from non-Trustee Council sources for the project shall be included.

B. Due Date – Annual reports shall be submitted by September 1 of each fiscal year for which a project receives funding. The information in the annual reports shall be a key component in the Trustee Council's annual decision to continue funding a project. Failure to submit an annual report by September 1 of each year, or unsatisfactory review of an annual report, will result in withholding of additional project funds, and may result in cancellation of the project or denial of funding for future projects.

II. Review Process: Annual Reports

A. Submission of Annual Report for Review – The principal investigator shall electronically submit the annual report to the Science Director, care of science_director@evostc.state.ak.us. The subject line of the e-mail transmitting the report must include the project number and the words "annual report" (e.g., "035620 Annual Report"). Electronic reports shall be submitted either as an Acrobat Portable Document Format (PDF) file or word processing document (using the most recent versions of Acrobat, Word, or Word Perfect) with all figures and tables imbedded. The preferred Acrobat file format is 'formatted text with graphics' format. Minimally, "PDF searchable image" format may be used if pre-approved by the Trustee Council Office. In either case, the PDF file shall not be secured or locked from future editing, or contain a digital signature from the principal investigator

- B. **Annual Report Review Process** – Annual reports shall be reviewed by the Science Director. Under the guidance of the Science Director, annual reports may also be reviewed by qualified outside peer reviewers. The review process shall be used to determine whether continued funding of the project is warranted and to guide further work on the project. Any written comments on annual reports shall be provided to the principal investigator and kept on file at the Trustee Council Office, available upon request.

III. Distribution of Annual Reports

Annual reports shall be kept on file as public documents at the Trustee Council Office, available upon request. Annual reports shall also be posted on the Trustee Council's website at www.evostc.state.ak.us.

QUARTERLY REPORTS

Quarterly reports address administrative reporting requirements. Principal investigators shall work with their agency liaisons to fulfill their quarterly reporting obligations as outlined in the Invitation for Proposals and the General Operating Procedures of the Trustee Council.

ATTACHMENT A

Exxon Valdez Oil Spill
Restoration Project Final Report

Responses of River Otters to Oil Contamination:
A Controlled Study of Biological Markers

Restoration Project 99348
Final Report

**NOTE: The Report
Cover must be
quality cover stock,
goldenrod in color.**

Merav Ben-David
R. Terry Bowyer
Lawrence K. Duffy

Institute of Arctic Biology
311 Irving Building
University of Alaska Fairbanks
Fairbanks, Alaska 99775

for:

Alaska Department of Fish and Game
Habitat and Restoration Division
333 Raspberry Road
Anchorage, Alaska 99518

September 1999

NOTE: The statement below must be printed on the back of the goldenrod Report Cover.

The *Exxon Valdez* Oil Spill Trustee Council administers all programs and activities free from discrimination based on race, color, national origin, age, sex, religion, marital status, pregnancy, parenthood, or disability. The Council administers all programs and activities in compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, and Title IX of the Education Amendments of 1972. If you believe you have been discriminated against in any program, activity, or facility, or if you desire further information, please write to: EVOS Trustee Council, 441 West 5th Avenue, Suite 500, Anchorage, Alaska 99501-2340; or O.E.O. U.S. Department of the Interior, Washington, D.C. 20240.

Exxon Valdez Oil Spill
Restoration Project Final Report

Responses of River Otters to Oil Contamination:
A Controlled Study of Biological Markers

Restoration Project 99348
Final Report

**NOTE: The Title
Page must be on
white bond paper.**

Merav Ben-David
R. Terry Bowyer
Lawrence K. Duffy

Institute of Arctic Biology
311 Irving Building
University of Alaska Fairbanks
Fairbanks, Alaska 99775

for:

Alaska Department of Fish and Game
Habitat and Restoration Division
333 Raspberry Road
Anchorage, Alaska 99518

September 1999

Responses of River Otters to Oil Contamination:
A Controlled Study of Biological Stress Markers

Restoration Project 99348
Final Report

Study History: Project 99348 originated from the need to better understand the effects of contamination by crude oil on biomarkers in river otters (*Lontra canadensis*). Previous studies demonstrated elevated levels of biomarkers in river otters from oiled areas compared with those from non-oiled areas throughout Prince William Sound, Alaska, shortly following the *Exxon Valdez* oil spill (EVOS). Although the data collected to date strongly indicated a correlation between oil contamination and physiological stress in river otters, this evidence required verification through controlled experiments as identified by the EVOS Trustee Council review process (1997). This 2-year project was conducted at the Alaska SeaLife Center in Seward, Alaska, USA, between April 1998 and March 1999. Additional funding was provided by the Council for completion of 3 manuscripts in FY 2000 for publication in a peer-reviewed journal.

Abstract: In this study, we experimentally determined the effects of oil contamination on river otters. Fifteen wild-caught male river otters were exposed to 2 levels of weathered crude oil (i.e., control, 5 ppm/day/kg body mass, and 50 ppm/day/kg body mass) under controlled conditions in captivity at the Alaska SeaLife Center in Seward, Alaska. Responses of captive river otters to oil ingestion provided mixed results in relation to biomarkers. Although hemoglobin, white blood cells, alkaline phosphatase, and possibly interleukin-6 immunoreactive responded in the expected manner, other parameters did not. Aspartate Aminotransferase Alanine Aminotransferase haptoglobin did not increase in response to oiling or decrease during rehabilitation. In addition, although expression of P450-1A increased in captive river otters during oiling, several inconsistencies in the data complicated data interpretation. Nonetheless, we were able to establish that reduction in hemoglobin led to increase in energetic costs of terrestrial locomotion, decrease in aerobic dive limit, and potential increase in foraging time due to a decrease in total length of submergence during each foraging bout. We offer a theoretical physiological model to describe interactions between the different biomarkers and advocate the exploration and development of other biomarkers that will be independent of the heme cycle.

Key Words: Aerobic dive limit, Alaska, captivity, CYP1A, crude oil, hemoglobin, immuno-histochemistry, liver enzymes, *Lontra canadensis*, lymphocytes, oxygen consumption, quantitative RT-PCR.

Project Data: *Description of data* – data was collected from live animals held in captivity at the Alaska SeaLife Center. Blood and other tissues were sampled and processed in different laboratories. Additional samples are archived at the Institute of Arctic Biology, UAF. *Format* – All data were entered as Excel spreadsheets. *Custodian* – contact Merav Ben-David, Institute of Arctic Biology, 311 Irving Building, University of Alaska Fairbanks, Fairbanks, Alaska 99775.

Citation:

Ben-David, M., R.T. Bowyer, and L.K. Duffy. 1999. Responses of river otters to oil contamination: A controlled study of biological stress markers, *Exxon Valdez* Oil Spill Restoration Project Final Report (Restoration Project 99348), Alaska Department of Fish and Game, Habitat and Restoration Division, Anchorage, Alaska.

EVOS ANNUAL PROJECT REPORT

All recipients of funds from the *Exxon Valdez* Oil Spill Trustee Council must submit an annual project report in the following format by September 1 of each fiscal year for which project funding is received, with the exception of the final funding year in which a final report must be submitted. Satisfactory review of the annual report is necessary for continuation of multi-year projects. Failure to submit an annual report by September 1 of each year, or unsatisfactory review of an annual report, will result in withholding of additional project funds and may result in cancellation of the project or denial of funding for future projects.

PLEASE NOTE: Significant changes in a project's objectives, methods, schedule, or budget require submittal of a new proposal that will be subject to the standard process of proposal submittal, technical review, and Trustee Council approval.

Project Number:

Project Title:

PI Name:

Time Period Covered by Report:

Date of Report:

1. **Work Performed:** Summarize work performed during the reporting period, including any results available to date and their relationship to the original project objectives. Describe and explain any deviation from the original project objectives, procedural or statistical methods, study area, or schedule. Also describe any known problems or unusual developments, and whether and how they have been or can be overcome. Include any other significant information pertinent to the project.
2. **Future Work:** Summarize work to be performed during the upcoming year, if changed from the original proposal. Describe any proposed changes in objectives, procedural or statistical methods, study area, or schedule. **[PLEASE NOTE:** Significant changes in a project's objectives, methods, schedule, or budget require submittal of a new proposal that will be subject to the standard process of proposal submittal, technical review, and Trustee Council approval.]
3. **Coordination/Collaboration:** Describe efforts undertaken during the reporting period to achieve the coordination and collaboration provisions of the proposal, if applicable.

4. **Community Involvement/TEK & Resource Management Applications:**
Describe efforts undertaken during the reporting period to achieve the community involvement/TEK and resource management application provisions of the proposal, if applicable.
5. **Information Transfer:** List (a) publications produced during the reporting period, (b) conference and workshop presentations and attendance during the reporting period, and (c) data and/or information products developed during the reporting period. [PLEASE NOTE: Lack of compliance with the Trustee Council's data policy and/or the project's data management plan will result in withholding of additional project funds, cancellation of the project, or denial of funding for future projects.]
6. **Budget:** Explain any differences and/or problems between actual and budgeted expenditures, including any substantial changes in the allocation of funds among line items on the budget form. Also provide any new information regarding matching funds or funds from non-EVOS sources for the project. [PLEASE NOTE: Any request for an increased or supplemental budget must be submitted as a new proposal that will be subject to the standard process of proposal submittal, technical review, and Trustee Council approval.]

Signature of PI: _____

Project Web Site Address: _____

SUBMIT ANNUAL REPORTS ELECTRONICALLY TO science_director@evostc.state.ak.us. THE REPORTS WILL BE POSTED ON THE TRUSTEE COUNCIL'S WEB SITE AND SHOULD ALSO BE POSTED ON THE PI'S WEB SITE. The subject line of the e-mail transmitting the report must include the project number and the words "annual report" (e.g., "035620 Annual Report"). Electronic reports must be submitted either as an Acrobat Portable Document Format (PDF) file or word processing document (using the most recent versions of Acrobat, Word, or Word Perfect) with all figures and tables imbedded. The preferred Acrobat file format is 'formatted text with graphics' format. Minimally, "PDF searchable image" format may be used if pre-approved by the Trustee Council Office. In either case, the PDF file shall not be secured or locked from future editing, or contain a digital signature from the principal investigator.

ATTACHMENT C

Distribution of Final Reports

The Alaska Resources Library and Information Services (ARLIS) receives and distributes 18 bound copies and 2 camera-ready copies of the final reports as follows:

- ARLIS collection (6 bound, 1 electronic and 1 camera-ready copy)*
- Alaska State Library (4 bound copies)**
- Holmes Johnson Library (Kodiak) (1 bound copy)
- National Marine Fisheries Service Auke Bay Laboratory (1 bound copy)
- National Library of Canada (Ottawa) (1 bound copy)
- National Technical Information Service (1 bound copy and 1 camera-copy for reproduction upon request)
- University of Alaska Anchorage (1 bound copy)
- University of Alaska Southeast (Juneau) (1 bound copy)
- University of Washington Library (1 bound copy)
- Valdez Consortium Library (1 bound copy)

*ARLIS distributes its 6 bound copies as follows:

- 1 to the Trustee Council's Science Director
- 1 to the Trustee Council's official record
- 4 to the ARLIS permanent collection

** The Alaska State Library distributes its 4 copies as follows:

- Alaska State Library
- Alaska Historical Library
- E. E. Rasmuson Library (University of Alaska Fairbanks)
- Library of Congress