Internal Control and Operating Comments

January 29, 1998



INTERNAL CONTROL AND OPERATING COMMENTS AND RECOMMENDATIONS

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INTERNAL CONTROL AND OPERATING COMMENTS AND RECOMMENDATIONS

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TRUSTEE AGENCY RESPONSES

APPENDIX 1

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January 29, 1998

Members, *Exxon Valdez* Oil Spill Trustee Council, Anchorage, Alaska:

Dear Members:

In planning and performing our audit of the financial statements of the Exxon Valdez Oil Spill Trustee Council Trust Funds as of and for the year ended September 30, 1997, we considered the internal control structure used to administer the Trust Funds and used to expend funds related to restoration projects conducted by the Federal and State Trustee Agencies. This was done in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure. We have not considered the internal control structure since the date of our report.

However, during our audit we noted certain matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated January 29, 1998, on the financial statements of the *Exxon Valdez* Oil Spill Trustee Council, Trust Funds. Following our comments, we have listed our internal control and operating comments identified during our fiscal 1996 audit and the status of those comments as of our current year audit.

We have organized our comments by Trustee Agency. Those comments that relate to all Trustee Agencies or to other matters that came to our attention precede the individual Trustee Agency comments.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with appropriate personnel, and will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

We would also like to thank Molly McCammon, Traci Cramer and the members of the Federal and State Trustee Agencies with whom we worked for their assistance during the audit. They worked very intently to ensure that the audit was completed as smoothly and as efficiently as possible.

Elga, Rehteld & Fink

GENERAL COMMENTS

Improve Contract Management

Finding -

Several Trustee Agencies enter into Reimbursable Service Agreements and contracts with other state agencies or contractors to conduct restoration projects as approved by the Exxon Valdez Oil Spill Trustee Council ("Council"). Trustee Agencies are responsible for ensuring public trust and accountability with respect to these projects. ADF&G has included stipulations in their contracts and agreements that require a detail list of expenditures, subtotaled by line item, to support amounts billed. Most contracts also require a narrative project progress report. However, several other Trustee Agencies have not implemented these requirements. With this support, project managers can perform a detailed review of amounts billed, compare those amounts to the budgets for the projects, and determine whether these items are reasonable, valid and represent expenditures of the appropriate fiscal year. Most contractors and state agencies provide this documentation. However, not all contractors and other state agencies do so. In addition, we noted one instance in which ADF&G did not obtain contractually required documentation prior to the project manager approving invoices for payment. Further, we noted inconsistencies between the State Agencies contracts and RSA's with regard to the level of detail support to be provided.

Recommendation -

We recommend that ADF&G continue to require a detail list of expenditures along with progress narratives in their billings to support amounts claimed. We recommend that all other agencies include these stipulations in their contracts and agreements. This detail should be summarized by object code (personnel, travel, contractual, etc.), and should clearly indicate to which federal fiscal year the invoices relate. We also recommend that project managers strictly adhere to this requirement prior to approval for payment. In addition, we recommend project managers undergo training on contract invoice approval procedures.

Indirect Cost Allocation Guidance in OPs

Finding -

The Council's Operating Procedures ("OP") allow for restoration budgets to include costs related to general administration of the projects. These general administration funds are intended to reimburse the Trustee Agencies for indirect costs such as office space, office utilities, fixed telephone charges and all normal agency services for administering the projects. The general administration budgets are calculated based on a percentage of direct project costs -- 15 percent of each project's direct personnel costs, and up to 7 percent of the first \$250,000 of each project's contract costs, plus 2 percent of project costs in excess of \$250,000.

The method for calculating and recovering administrative costs is inconsistent between agencies. This is a result of unclear guidance provided in the OPs regarding whether recoverable general administrative costs are limited to the general administrative budget for each project and whether general administrative costs can be recovered on actual expenditures and encumbered/obligated amounts, or only actual expenditures. As a result, the actual general administration costs recovered by some agencies are higher given specific projects than by other agencies.

Internal Control and Operating Comments - Current Year Comments

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Recommendation -

We recommend that the Trustee Council modify the OPs to provide more explicit guidance regarding the recovery of general administration costs. Specifically, the OPs should address whether the amount of general administration is limited to the projects' general administration portion of the approved budget or if the allowable general administration shall be based on actual direct project costs and encumbrances/obligations. In order for agencies to efficiently and effectively allocate general and administration costs allowed, we recommend that the Trustee Council modify the OPs to allow agencies to calculate allowable general administration costs on actual direct project costs and encumbrances/obligations for personnel and contractual line items.

COURT REGISTRY INVESTMENT SYSTEM - JOINT TRUST ACCOUNT

Reserve Fund Registry Fees

Finding -

Under 28 USC 1913, 1914 (b) and 1930(b), the Clerk of the Court for the United States Courts is allowed to charge a registry fee for administering investment holdings of funds held in their registry accounts. Under this authority, "Investments having a maturity date greater than one year will be assessed the fee at the time the investment instrument matures."

The investments in which the Reserve Funds are placed are zero coupon U.S. Treasury Securities with maturities ranging from November 15, 1997 through 2003, as required by Court Order. CRIS accounts for the earnings and associated registry fees for the Reserve Fund on an accrual basis. Consequently, earnings and associated registry fees are recognized in advance of when actual earnings are received though the maturity of the associated securities. In November 1997, the first of the zero-coupon securities matured. CRIS deducted registry fees from the cash received from the maturity of the first security based on accrued earnings of the total portfolio and the associated registry fees on those earnings. Registry fees should have been deducted only on the earnings of the maturing securities in order to be in compliance with current authority.

Recommendation -

We recommend the Restoration Office communicate with the Clerk of the Court regarding this issue, and recover the registry fees deducted in excess of the statutorily permitted amounts.

Reduce Registry Fees

Finding -

From inception of the Liquidity Account with the Court Registry Investment System (CRIS) to date, CRIS has charged a fee on earnings on Liquidity Account balances. These fees are known as "Registry Fees", and are assessed in accordance with federal statutes. The Registry Fee schedule provides for a 10 percent fee over the first five years that the Joint Trust Account balances are invested in CRIS with a 2.5 percent reduction for each subsequent five-year interval. The following table shows the balances in the Joint Trust Account with CRIS and the registry fees paid each fiscal year since inception. Amounts shown are as of and for the fiscal years ending September 30:

		Liquidity		
Fiscal		Registry		Balance at
Year		Fees Paid	S	eptember 30,
1992	\$	3,189	\$	24,003,798
1993		273,780		123,833,097
1994		308,160		134,813,760
1995		542,728		117,067,523
1996		388,712		112,885,654
1997		257,800		102,673,335
	<u>\$</u>	1,774,369		

CRIS, which is administered by the Court Clerk for the U.S. District Court for the Southern District of Texas, operates in a manner substantially different from the usual process used by Court Clerks in administering registry funds like the Joint Trust Account. The structure used to administer CRIS allows for minimal involvement by the Court Clerk's staff and, therefore, the costs to administer CRIS are much lower than costs to administer other registry funds. Based on our understanding of CRIS, the Registry Fee charged the Joint Trust Account greatly exceeds the costs incurred by the Court Clerk in administering CRIS. In addition, our discussions with the Court Clerk indicate that there may be some flexibility in the rate charged.

Recommendation -

Due to the significance of this matter, we provided the Executive Director with a letter dated February 1, 1996, explaining this issue and recommended that immediate action be initiated. During 1997, the Council filed an application requesting a restoration of fees paid to date and a waiver of future fees with the U.S. District Court. This application was withdrawn during 1997, due to a lack of resolution. We therefore recommend the Council identify whether there are other, more advantageous, entities with which to place invested funds.

Registry Fee Overcharge

Finding -

As noted above, the Registry Fee schedule provides for a 2.5 percent reduction after the first five-year interval that funds are invested in CRIS. The reduction in the fee from 10 percent to 7.5 percent charged to the Joint Trust Account balances should have taken effect December 13, 1996. Based on our review of registry fee charges, the reduction didn't take effect until February 5, 1997. This resulted in an overcharge of Registry Fees of approximately \$13,300 during the period from December 13, 1996 to February 5, 1997, excluding lost investment income.

Recommendation -

We recommend the Council pursue the recovery of the overcharged registry fees.

Improve Disbursements Process

Finding -

As noted in our prior audit, when disbursements are made from the Joint Trust Account with CRIS to the Federal and State governments, the Court Clerk in Houston transfers the appropriate amount to the Court Clerk for the U.S. District Court, District of Alaska in Anchorage. This transfer occurs within the U.S. Treasury system. The Court Clerk in Anchorage then issues checks, as stipulated in the Joint Applications for Disbursement, to the State or Federal governments. Because of the administrative procedures involved, the time lag between when the funds are liquidated in CRIS and when the checks are again reinvested in the interest-bearing trust funds maintained by the State and Federal Governments is at least seven days. During this time lag, the funds are obviously not earning interest. We estimate that during fiscal 1995, 1996 and 1997, the interest lost due to this time lag was approximately \$95,000, \$90,000 and \$57,000, respectively.

Based on discussions with the Court Clerks in Anchorage and Houston in the prior year, the Anchorage Court Clerk does not have the ability to wire transfer funds. However, the Houston Court Clerk does. (Apparently the Houston Clerk is one of two or three Court Clerks in the country that has the ability to initiate wire transfers.) It appears that the Houston Court Clerk could make the wire transfers directly from Houston. The Anchorage Clerk would generate a voucher to initiate the transfer and fax this voucher to Houston prior to the wire transfer. In this manner, the Anchorage Court continues to control the disbursement process.

Internal Control and Operating Comments - Current Year Comments

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Recommendation -

Due to the significance of this matter, we provided the Executive Director with a letter dated February 1, 1996, explaining this issue and recommended that immediate action be initiated. The Trustee Council requested legal counsel to initiate discussions with the U.S. District Court regarding the ability to electronically transfer disbursements to the Governments. The Court has indicated that this is an issue best resolved by administrative personnel. Accordingly, a letter was sent to the Court requesting assistance in determining the current status of the Court to initiate wire transfers and an analysis of the process outlined in the finding above. The Court administrative personnel have not provided a satisfactory response to this request. We recommend that the Council ensure that staff continues to pursue this issue.

Internal Control and Operating Comments - Current Year Comments

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UNITED STATES, NATURAL RESOURCES DAMAGE ASSESSMENT AND RESTORATION FUND

We have no comments with respect to the United States, Natural Resources Damage Assessment and Restoration Fund.

Internal	Control and Operating Comments -	
Current	Year Comments	

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	STA	ATE	OF	ALASKA.	.EXXON	<i>VALDEZ</i>	OILS	SPILL	SETTLEMENT	TRUST
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We have no comments with respect to the State of Alaska, Exxon Valdez Oil Spill Settlement Trust.

ALASKA DEPARTMENT OF FISH AND GAME

Improve Contract Management

See comment in the General Comment Section.

ALASKA DEPARTMENT OF NATURAL RESOURCES

We have no comments with respect to the Alaska Department of Natural Resources. Our current year audit procedures did not extend to this agency other than specific procedures related to land acquisition expenditures.

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Authority Over Transactions Processing

Finding -

DEC's administrative function is currently structured so that the Internal Auditor in charge of DEC's Exxon Valdez activity does not have sufficient authority over the processing of transactions for which she is responsible. Specifically, transactions relating to establishing and adjusting budget amounts in AKSAS, restricting unexpended balances in AKSAS, and generating reports from AKSAS must be initiated by the Internal Auditor and then forwarded to another individual for processing. During the audit, we noted that some transactions initiated by the Internal Auditor were never processed in AKSAS. This, in part, has led to some of the comments below.

Recommendation -

We recommend that DEC change its structure with respect to Exxon Valdez activity so that the Internal Auditor has the ability to process all transactions as described above.

Fiscal 1998 Project Costs Improperly Charged to Fiscal 1997 Contract Structure

Finding -

During the fiscal 1997 closeout period, \$14,121 in expenditures related to the fiscal 1998 Administration, Public Information and Scientific Management project (#98100) were charged to the fiscal 1997 Administration, Public Information and Scientific Management project (#97100) contract structure. The financial statements for DEC are adjusted to reflect Fiscal 1997 expenditures only. However, an adjustment is needed in AKSAS to correctly reflect these costs in the contract structure.

It is important to ensure that project expenditures are recorded in the appropriate fiscal year for proper project management and to ensure that the amount the Agency reflects as unexpended and available for reductions of future disbursements from CRIS is appropriate. DEC does not have adequate policies and procedures in place to ensure that the contract structure is diligently maintained.

Recommendation -

We recommend that DEC implement policies and procedures to ensure that costs are properly segregated between fiscal years.

Review of Restoration Project Activity

Finding -

During our 1995 fiscal year audit, we identified an instance in which a vendor was inadvertently overpaid by the sum of \$10,000 for services provided to DEC for restoration project activity. When we reviewed this transaction we found that the overpayment was due to an input error during processing of the invoice. Our 1995 fiscal year comment indicated that DEC intended to initiate steps to recover the amount overpaid. However, as of September 30, 1997, DEC had not initiated such action.

Recommendation -

We recommend that DEC initiate actions to recover the amount overpaid.

Restricting Expenditures After Fiscal Year End

Finding -

AKSAS allows the Finance Officers for each Department to place restrictions on unexpended and unencumbered balances. These restrictions will then bar any expenditures or encumbrances against restoration funding without their approval. In Fiscal 1997, all restoration project funding approved by the State's Legislative Budget and Audit Committee lapsed on June 30, 1997. This required the state agencies to lapse and reestablish authorization for the remaining Work Plan fiscal year in order to carry out the 1997 projects. However, AKSAS is not programmed to lapse the reestablished funding until the close of the State fiscal year following the close of the Work Plan fiscal year (i.e. funding from the Council for Work Plan fiscal 1997 reestablished in AKSAS will remain valid until the close of the State's fiscal 1998). Because of the differences in timing for fiscal year ends, the State Trustee Agencies can continue to expend funds related to the Federal fiscal year for nine months following the end of the Federal fiscal year. As was identified during our prior audit, DEC did not place restrictions on the restoration project authorizations that were unexpended and unencumbered.

Recommendation -

For the State Trustee Agencies, lapsing of funds must include placing a restriction on unexpended and unencumbered balances after the three-month "closing" period subsequent to year-end. We recommend that these restrictions be put in place.

UNITED STATES DEPARTMENT OF INTERIOR, FISH AND WILDLIFE SERVICE

Fiscal 1996 Project Costs Improperly Charged to Fiscal 1995 Remaining Authorizations

Finding -

For each fiscal year up to and including Fiscal 1996, the period of time between the beginning of the fiscal year when restoration project funding is approved by the Council and the date that funding becomes available in FFS as an authorization to spend can be several months. This is primarily due to administrative delays associated with the Federal project authorization process. During this period of time, project managers and principal investigators need to, and do, incur expenditures related to the Trustee approved projects, and finance personnel at FWS charge these costs to unexpended and unobligated authorizations remaining from the prior fiscal year. Once the current year funding becomes available in FFS, expenditures incurred relative to the current year projects should be redistributed or transferred from the prior year authorizations to the current year authorizations.

During our prior year audit, we identified \$136,823 in such expenditures and obligations, which were never redistributed. As a result, FFS understates Fiscal 1996 total restoration project expenditures by \$136,823, and understates the unexpended unobligated balance relative to Fiscal 1995 by the same amount. The financial statements for FWS for Fiscal 1996 were adjusted to include these amounts. However, an adjustment is needed in FFS to transfer the costs.

It is important to ensure that project expenditures are recorded in the appropriate fiscal year for proper project management and to ensure that the amount the Agency reflects as unobligated and available for return to NRDA&R is appropriate. FWS does not have adequate policies and procedures in place to ensure that the redistribution occurs. Also, as a result of this error, two projects, #96031 and #96101, were overexpended by the 10% / \$25,000 threshold allowed by the OPs.

As of the end of our current year fieldwork, the necessary adjustment in FFS to redistribute the costs had not taken place.

Recommendation -

We recommend that FWS implement policies and procedures to ensure that redistributions between fiscal years occur when necessary. Also, FWS should obtain Trustee Council ratification for the overexpenditures on projects #96031 and #96101 as required by the OPs. In absence of ratification, the overexpenditure should be returned to NRDA&R.

Segregate and Monitor Expenditure of General Administration

Finding-

Each restoration project budget includes an amount to reimburse the Trustee Agencies for the general administration costs. During our audit of FWS in fiscal year 1995, 1996 and again in the current fiscal year, we noted that FWS does not account for the amounts expended on general administration separately from direct project expenditures to ensure that restoration projects are charged general administration costs in the correct proportion to direct costs as required by the OPs. As a result, FWS has no way to identify whether the general administration budgets have been properly expended. In the absence of this control, FWS cannot ensure that restoration projects are charged general administration costs in the correct proportion to direct costs.

Internal Control and Operating Comments - Current Year Comments

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FWS began to address this issue in Fiscal 1996 by investigating ways to implement our prior recommendations. During our fieldwork in the current year, we discussed the agency's method for tracking general administration costs separately with FWS personnel. Based on these discussions, new procedures will be implemented by FWS for Fiscal 1998 that will adequately resolve the comment in Fiscal 1998.

Recommendation -

We recommend that FWS continue to implement its new general administration tracking methodology in Fiscal 1998.

UNITED STATES DEPARTMENT OF INTERIOR, UNITED STATES GEOLOGICAL SURVEY

Improve Contract Management

See comment in the General Comment Section.

Segregate and Monitor Expenditure of General Administration

Finding-

Each restoration project budget includes an amount to reimburse the Trustee Agencies for general administration costs. During our audit of USGS in fiscal year 1995, fiscal 1996 and again in the current fiscal year, we noted that USGS does not account for the amounts expended on general administration separately from direct project expenditures to ensure that restoration projects are charged general administration costs in the correct proportion to direct costs as required by the OPs. As a result, USGS has no way to identify whether the general administration budgets have been properly expended. In the absence of this control, USGS cannot ensure that restoration projects are charged general administration costs in the correct proportion to direct costs. We identified this same issue as a finding for other DOI bureaus in prior year audits and have noted that USGS is the only agency not to take corrective actions to address this finding.

Recommendation -

We recommend that USGS accounting personnel accumulate and report general administration charges separately from direct project expenditures. Project managers should review month-end reports in order to monitor the expenditure of general administration and direct project expenditures for compliance with budget limits.

UNITED STATES DEPARTMENT OF INTERIOR, NATIONAL PARK SERVICE

We have no comments with respect to the United States Department of Interior, National Park Service. Our current year audit procedures did not extend to this agency other than specific procedures related to land acquisition expenditures.

UNITED STATES DEPARTMENT OF COMMERCE, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Improve Contract Management

See comment in the General Comment Section.

Improve Project Expenditure Control

Finding -

Each Trustee Agency is responsible for developing budgets for each restoration project proposed. These budgets are integrated into the review and approval process used by the Council in determining which projects will be approved and incorporated in the annual Work Plan. The OPs permit Agencies to modify these budgets to accommodate circumstances encountered during budget implementation. We noted that for the Effects of oiled Incubation Substrate on Straying and Survival project (#97076) conducted by National Marine Fisheries Service (NMFS)/Auke Bay Fisheries Laboratory (ABL), items that were administrative in nature or were otherwise not directly attributable to or necessary and reasonable to achieve the objectives of the project approved by the Council were charged against direct project budgets. We noted that of the \$618,800 authorized for the project conducted by ABL, \$10,162 in costs not related to the project were charged as direct project costs.

Recommendation -

We recommend that ABL implement procedures to ensure that expenditures that are administrative in nature, or do not directly benefit the purpose of the project are not charged as direct project costs. The \$10,162 of inappropriately charged costs should be returned to NRDA&R.

Segregate Costs to Appropriate Project

Finding -

As part of the 1997 Restoration Work Plan, the Council approved a Project Management project (#97250) for the purpose of funding Project Managers, who implement and monitor approved projects as a separate project from Administration, Public Information and Scientific Management project (#97100) for the purpose of funding Liaisons, who facilitate the exchange of information among the restoration office and represent their Council member in matters related to the restoration program. During 1997, National Oceanic and Atmospheric Administration (NOAA) charged all costs associated with both projects to #97100. This resulted in #97100 reflecting an overexpenditure of \$28,710, which exceeds the 10% / \$25,000 threshold allowed by the OPs. At the same time, #97250 reflected no expenditures.

Recommendation -

We recommend that NOAA implement procedures to ensure project costs are coded to appropriate project as intended by the Council. The Restoration Office should also determine whether the amount overexpended in project #97100 should be returned to NRDA&R, or whether an adjustment of project management costs to #97250 is appropriate.

Improve Review of Restoration Project Expenditure Activity

Finding -

The project manager for projects conducted through NOAA, NMFS Regional Office has available financial reports that reflect detailed expenditure and obligation activity for each restoration project. These reports are not being reviewed to ensure that amounts charged to projects are proper and represent expenditures of the projects. A review of detail expenditure reports by the project manager is necessary to ensure restoration projects are charged only for proper restoration expenditures, and to ensure that cumulative expenditures do not exceed the amounts budgeted for the projects.

Recommendation -

We recommend that the project manager review detailed project expenditure reports. The project manager should evaluate if project expenditures were properly approved and appropriate for the project, and if cumulative expenditures are within authorized budget limits.

Perform Calculation of General Administration

Finding -

The OPs require that each Agency ensure that general administration costs charged to projects do not exceed the amount allowed based on direct project expenditures. During fiscal 1996 and 1997, NOAA had not implemented procedures to ensure that this occurred. NOAA did place the general administration budgets in separate accounts from the direct project funds, and established sufficient procedures over what expenditures were allowed to be charged to these funds. However, NOAA did not perform calculations to ensure that the total amounts expended in the general administration account did not exceed the amounts allowed based on direct program expenditures. As a result of not performing this calculation, the Agency did not expend more general administration costs, in total, than allowed.

NOAA is working to address this issue and plans to implement procedures to begin monitoring general administration expenditures to ensure they do not exceed the amount allowed based on direct project expenditures during Fiscal 1998.

Recommendation -

We recommend that NOAA establish procedures so that the amount of general administration costs charged to projects does not exceed the amount allowed based on direct project expenditures as required by the OPs.

UNITED STATES DEPARTMENT OF AGRICULTURE, UNITED STATES FOREST SERVICE

We have no comments with respect to the United States Department of Agriculture, United States Forest Service.

Our current year audit procedures did not extend to this agency other than specific procedures related to land acquisition expenditures.

Prior Year Caption Current Status

GENERAL COMMENTS

Obtain Detail from University of Alaska Fairbanks See our comment titled Contract Management in the

Current Year Comments section of this letter.

Improve Review of Restoration Project Activity See our comment in the Current Year Comments section of

this letter specific to NOAA.

COURT REGISTRY INVESTMENT SYSTEM - JOINT TRUST ACCOUNT

Improve Disbursements Process See our comment in the Current Year Comments section of

this letter.

UNITED STATES, NATURAL RESOURCES DAMAGE ASSESSMENT AND RESTORATION FUND

We had no comments with respect to the United States, Natural Resources Damage Assessment and Restoration Fund in our prior audit.

STATE OF ALASKA, EXXON VALDEZ OIL SPILL SETTLEMENT TRUST

We had no comments with respect to the State of Alaska, Exxon Valdez Oil Spill Settlement Trust in our prior audit.

ALASKA DEPARTMENT OF FISH AND GAME

Accurate Recording of Payroll Activity

This issue was resolved in the current year.

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Improve Project Financial and Management This issue was resolved in the current year.

Oversight

Contractor Budgetary Performance This issue was resolved in the current year.

Review of Payroll Disbursements

This issue was resolved in the current year.

Restricting Expenditures after Fiscal Year End

See our comment in the Current Year Comments section of

this letter.

Review of Restoration Project Activity

See our comment in the Current Year Comments section of

this letter.

ALASKA DEPARTMENT OF NATURAL RESOURCES

We had no comments with respect to the Alaska Department of Natural Resources during our prior audit.

UNITED STATES DEPARTMENT OF INTERIOR, FISH AND WILDLIFE SERVICE

Monitor Project Budget Authorizations

This issue was resolved in the current year.

Fiscal 1996 Project Costs Improperly Charged to Fiscal 1995 Remaining Authorizations

See our comment in the Current Year Comments section of

this letter.

Improve Project Financial and Management

Oversight

This issue was resolved in the current year.

Improve Project Monitoring and Budgeting for

Project 96126

This issue was resolved in the current year.

Segregate and Monitor Expenditure of General Administration

See our comment in the Current Year Comments section of

See our comment in the Current Year Comments section of

this letter.

UNITED STATES DEPARTMENT OF INTERIOR, UNITED STATES GEOLOGICAL SURVEY

Improve Transactions Processing and Reporting

This issue was resolved in the current year.

Segregate and Monitor Expenditure of General

Administration

this letter.

Improve Controls over Expenditures

This issue was resolved in the current year.

UNITED STATES DEPARTMENT OF INTERIOR, NATIONAL PARK SERVICE

We had no comments with respect to the United States Department of Interior, National Park Service in our prior audit.

UNITED STATES DEPARTMENT OF COMMERCE, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Preparation of Quarterly Financial Reports

NOAA is implementing procedures in FY'1998 to ensure quarterly reports are prepared timely and accurately.

Improve Project Management

See our comment titled Contract Management in the

Current Year Comments section of this letter.

Improve Implementation of Accounting System

Improvement was noted in the current year.

Perform Calculation of General Administration

See our comment in the Current Year Comments section of

this letter.

UNITED STATES DEPARTMENT OF AGRICULTURE, UNITED STATES FOREST SERVICE

Improve Project Management

Based on discussions with USFS employees there has been no action taken to implement this recommendation. We will address this issue in the Fiscal 1998 audit.

Preparation of Quarterly Financial Reports

Based on discussions with USFS employees this issue was resolved during Fiscal 1997. We will address this issue in the Fiscal 1998 audit.

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178

February 19, 1998



Elgee, Rehfeld & Funk, CPAs 9309 Glacier Highway, Suite B-200 Juneau, Alaska 99801

On behalf of the Trustee Council, I am submitting responses to the general comments and the Court Registry Investment System - Joint Trust Account comments contained in the Exxon Valdez Oil Spill Trustee Council, Internal Control and Operating Comments dated January 29, 1998. Specific agency comments are addressed separately by the affected agency.

GENERAL COMMENTS

Comment: Improve Contract Management

Response: We concur and will facilitate a special class for all agency liaisons and project managers. The class will include development of contracts and agreements to ensure that sufficient documentation is provided with each invoice, as well as invoice approval procedures.

Comment: Indirect Cost Allocation Guidance in the Operating Procedures

Response: We concur that the Operating Procedures are silent regarding whether the allowable general administration is limited to the total general administration budgeted for a project or is based on actual direct project costs and encumbrances/obligations. We will review the procedures with the Restoration Work Force and develop language to provide more explicit guidance regarding the recovery of general administration costs. Once developed, the language will be submitted to the Trustee Council for their consideration.

COURT REGISTRY INVESTMENT SYSTEM - JOINT TRUST ACCOUNT

Comment: Reserve Fund Registry Fees

Response: On behalf of the Trustee Council, the Alaska Department of Law and the United States Department of Justice submitted a letter to the Clerk of the Court on this issue February 5, 1998. A response from the Clerk of the Court has yet to be received. Comment: Reduce Registry Fee

Response: We concur. It is the Trustee Council's belief that the fees charged by the United States Court System are disproportionate to the costs incurred by the Court for this service. As such, we continue to explore other options.

Comment: Registry Fee Overcharge

Response: We concur and will contact the Clerk of the Court regarding the Registry fee overcharge.

Comment: Improve Disbursement Process

Response: We concur. The time lag between when funds are liquidated in the Court Registry Investment System and again reinvested in the interest-bearing trust funds maintained by the State and Federal Governments is unacceptable. Clearly the current practice of issuing a warrant results in lost earnings on recoveries. In addition, since the registry funds are maintained within the Treasury General Account, it could be argued that the Federal Government has the use of the funds until the warrant is presented for payment. Wiring the registry funds directly to the interest-bearing trust accounts would ensure that interest accrued on recoveries is used for the joint purposes as outlined in the Memorandum of Agreement and Consent Decree.

Sincerely, Melly Mc Camm

Molly Mccammon Executive Director

MEMORANDUM

State of Alaska

Department of Environmental Conservation
Office of the Commissioner

TO: Molly McCammon

DATE:

February 20, 1998

Executive Director

Exxon Valdez Trustee Council

FILE NO:

PHONE NO:

465-5066

FROM:

Virginia Fay
Special Assistant

SUBJECT:

EVOS Audit

We have reviewed the relevant portions of the Elgee, Rehfield and Funk audit of the Exxon Valdez Oil Spill restoration projects, and appreciate this opportunity to respond. Our response to each of the recommendations relating to the Department of Environmental Conservation follows.

Recommendation: We recommend that DEC change its structure with respect to Exxon Valdez activity so that the Internal Auditor has the ability to process all transactions.

We concur with this recommendation. The Exxon Valdez program requires special procedures for financial oversight and management. This, in part, results from it funding on a federal fiscal year basis rather than a state fiscal year. We support this recommendation that is now under review by the Financial Services Section.

Recommendation: We recommend that DEC implement policies and procedures to ensure that costs are properly segregated between fiscal years.

We concur with this recommendation with respect to segregating costs, by contract structure, according to federal fiscal years. We are preparing an adjusting journal entry to reallocate July, August and September Administration expenditures to the federal fiscal year contract structure.

Recommendation: We recommend that DEC initiate actions to recover the amount overpaid.

We agree with this recommendation related to a 1995 overpayment to a vendor. We are taking steps to notify the vendor of this overpayment and request reimbursement.

Recommendation: For the State Trustee Agencies, lapsing of funds must include placing a restriction on unexpended and unencumbered balances after the three month "closing" period subsequent to year-end. We recommend that these restrictions be put in place.

We support this recommendation. Restrictions did occur on all but two of the fiscal year 1997 Exxon Valdez projects. Restrictions on those two projects will be processed.



United States Department of the Interior

FISH AND WILDLIFE SERVICE

1011 E. Tudor Rd. Anchorage, Alaska 99503-6199

FEB 19 1998

Ms. Molly McCammon, Executive Director Exxon Valdez Oil Spill Trustee Council 645 G Street, Suite 401 Anchorage, Alaska 99501-3451

Dear Ms. McCammon:

In response to the Fiscal Year 1997 audit document Exxon Valdez Oil Spill Trustee Council, Internal Control and Operating Comments and Recommendations, we offer the following comments and solutions for our agency:

Fiscal Year 1996 Project Costs Improperly Charged to Fiscal Year 1995 Remaining Authorizations

Although this issue was identified in last years audit document, the corrections were not made. Because many of the records have been archived in the Fish and Wildlife Service's Federal Financial System, any actions to redistribute the costs to the correct year and funds may not be possible and would be very time consuming and costly. Instead, we propose to return \$136,823 in unobligated Fiscal Year 1996 to the Trustee Council.

We regret that the appropriate corrective actions (redistributions) did not take place when the problem was first noted, and we have implemented new internal processes as a result of the audit last year, that will avoid future problems of this nature.

Segregate and Monitor Expenditure of General Administration

The Service has implemented a new procedure for tracking these expenditures in Fiscal Year 1998. We believe this new system will comply with the Operating Procedures.

Thank you for the opportunity to respond to the auditor's findings and recommendations. If you have any questions regarding these comments, please contact Catherine Berg at 786-3598.

Sincerely,

David B. Allen

Regional Directo



United States Department of the Interior

U.S. GEOLOGICAL SURVEY BIOLOGICAL RESOURCES DIVISION

Alaska Science Center 1011 E. Tudor Road Anchorage, Alaska 99503

IN REPLY REFER TO:

February 18, 1998

Traci Cramer Administrative Officer, EVOS Trustee Council 645 G Street, Suite 401 Anchorage, AK 99501-3451

Dear Traci,

We have reviewed the draft Internal Audit and Operating Comments developed by Elgee, Rehfeld and Funk for FFY97 funded *EVOS* Restoration Projects. We acknowledge the recommendation made by the auditors that USGS track general administration separately from direct project costs. We will put forth efforts in FFY98 to track those costs separately.

Sincerely,

William K. Seitz, Director

Alaska Biological Science Center



UNITED STATES DEPARTMENT OF COMMERCE National Oceanic and Atmospheric Administration National Marine Fisheries Service Office of Oil Spill Damage Assessment and Restoration P.O. Box 210029 Auke Bay, Alaska 99821 February 20, 1998

Ms. Molly McCammon Executive Director EVOS Trustee Council 645 G Street, Suite 401 Anchorage, AK 99501-3451

Dear Ms. McCammon:

We have reviewed the February 11, 1998 Draft 1997 Internal Controls and Operating Comments prepared by our auditors, Elgee, Rehfeld, and Funk and agree with their findings.

We thank and commend the audit team for their work, and for the opportunity to respond the audit findings. Please contact me if you have any questions.

Sincerely,

Bruce Wright

NOAA Agency Liaison

cc: Steven Pennoyer



EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL TRUST FUNDS FINANCIAL STATEMENTS

and

SUPPLEMENTARY RESTORATION PROJECTS INFORMATION
Fiscal Year Ended September 30, 1997
TOGETHER WITH INDEPENDENT AUDITORS' REPORT



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TRUST FUNDS STATEMENTS

9309 Glacier Highway, Suite B-200 · Juneau, Alaska 99801 Phone: 907-789-3178 · FAX: 907-789-7128

INDEPENDENT AUDITORS' REPORT

Members, Exxon Valdez Oil Spill Trustee Council, Anchorage, Alaska:

We have audited the financial statements of the Exxon Valdez Oil Spill Trustee Council, Trust Funds as of and for the year ended September 30, 1997, as listed in the accompanying table of contents. These financial statements are the responsibility of the Exxon Valdez Oil Spill Trustee Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the financial presentation for the Court Registry Investment System (CRIS), Exxon Valdez Oil Spill Settlement Account (Joint Trust Account - CRIS) is of this account only and is not intended to present the financial position of CRIS or the United States District Court for the Southern District of Texas and the results of their operations, in conformity with generally accepted accounting principles.

As discussed in Note 2, the financial presentation for the U.S. Department of the Interior, Fish and Wildlife Service, Natural Resources Damage Assessment and Restoration Fund (NRDA&R) is of the amounts related to the Exxon Valdez Oil Spill Trustee Council only and is not intended to present the financial position of NRDA&R or the U.S. Department of Interior Fish and Wildlife Service and the results of their operations, in conformity with generally accepted accounting principles.

As discussed in Note 2, the financial presentation for the State of Alaska, Exxon Valdez Oil Spill Settlement Trust (Settlement Trust) is of the Settlement Trust only and is not intended to present the financial position of the State of Alaska or any of its component units and the results of their operations.

As discussed in Note 2, the financial statements for the Joint Trust Account - CRIS and NRDA&R are prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the Joint Trust Account - CRIS and NRDA&R and the financial position of the Settlement Trust as of and for the year ended September 30, 1997, and the results of their operations for the year then ended on the basis of accounting described in Note 2 for the Joint Trust Account - CRIS and NRDA&R, and in conformity with generally accepted accounting principles for the Settlement Trust.

In accordance with Government Auditing Standards, we have also issued our reports dated January 29, 1998, on our consideration of the Exxon Valdez Oil Spill Trustee Council, Trust Funds' internal control over financial reporting and our tests of their compliance with certain provisions of laws, regulations and contracts.

Elger, Rehteld & Fruk

January 29, 1998

UNITED STATE DISTRICT COURT - FIFTH CIRCUIT COURT REGISTRY INVESTMENT SYSTEM EXXON VALDEZ OIL SPILL SETTLEMENT ACCOUNT

STATEMENT OF ASSETS, LIABILITIES AND JOINT TRUST ACCOUNT BALANCE ARISING FROM CASH TRANSACTIONS September 30, 1997

Cash and Investments	\$ 102,673,335
Total Assets	\$ 102,673,335
LIARII ITIES AND IOINT TRUST ACCOUNT RALANCE	

ASSETS:

Liabilities \$
Joint Trust Account Balance - Liquidity Account 54,227,672

Joint Trust Account Balance - Reserve Account 48,445,663

Total Liabilities and Joint Trust Account Balance \$ 102,673,335

UNITED STATE DISTRICT COURT - FIFTH CIRCUIT COURT REGISTRY INVESTMENT SYSTEM EXXON VALDEZ OIL SPILL SETTLEMENT ACCOUNT

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN JOINT TRUST ACCOUNT BALANCE For the Fiscal Year Ended September 30, 1997

Receipts:

Receipts Investment Income - Liquidity Account Investment Income - Reserve Account	\$ 65,000,000 2,993,473 -
Total Receipts	 67,993,473
Disbursements:	
State of Alaska, Exxon Valdez Settlement Trust:	
Fiscal 1997 Natural Resource Damage Assessment	
and Restoration Projects	(1,332,733)
Fiscal 1998 Natural Resource Damage Assessment	
and Restoration Projects	(4,975,772)
Land Acquisition Disbursements	(10,813,625)
Research Infrastructure Improvement Disbursements	(724,000)
Total Disbursements to State of Alaska	 (17,846,130)
U.S. Department of Interior, Natural Resources Damage Assessement and Restoration Fund: Fiscal 1997 Natural Resource Damage Assessment	
and Restoration Projects	(606,559)
Fiscal 1998 Natural Resource Damage Assessment	(333,237)
and Restoration Projects	(5,782,169)
Land Acquisition Disbursements	(53,713,074)
Total Disbursements to United States	(60,101,802)
Court Registry Fees	 (257,860)
Total Disbursements	 (78,205,792)
Deficiency of Receipts Over Disbursements	(10,212,319)
Joint Trust Account Balance, Beginning of Year	112,885,654
Joint Trust Account Balance, End of Year	\$ 102,673,335

UNITED STATE DEPARTMENT OF THE INTERIOR, FISH AND WILDLIFE SERVICE NATURAL RESOURCES DAMAGE ASSESSMENT AND RESTORATION FUND

STATEMENT OF ASSETS, LIABILITIES AND TRUST FUND BALANCE ARISING FROM CASH TRANSACTIONS September 30, 1997

ASSETS:

Cash and Investments	_\$_	22,802,486
Total Assets	\$	22,802,486
LIABILITIES AND FUND BALANCE:		
Liabilities	\$	-
Trust Fund Balance		22,802,486
Total Liabilities and Trust Fund Balance	\$	22,802,486

UNITED STATE DEPARTMENT OF THE INTERIOR, FISH AND WILDLIFE SERVICE NATURAL RESOURCES DAMAGE ASSESSMENT AND RESTORATION FUND

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN TRUST FUND BALANCE For the Fiscal Year Ended September 30, 1997

Receipts:

Contributions - Court Registry Investment System, Joint Trust Account	\$ 60,101,802
Unobligated Balances Returned to NRDA&R:	
U.S. Department of Interior:	
Fish and Wildlife Service	601,997
United States Geological Survey	47,425
National Park Service	51,451
Minerals Management Service	7,576
U.S. Department of Agriculture, United States	
Forest Service	 1,442,287
·	2,150,736
Investment Income	 502,278
Total Receipts	 62,754,816
Disbursements:	
U.S. Department of Interior:	
Fish and Wildlife Service	(16,859,740)
United States Geological Survey	(1,604,100)
National Park Service	(86,700)
Office of the Secretary	(67,400)
Bureau of Indian Affairs	(15,800)
U.S. Department of Agriculture, United States	
Forest Service	(25,137,900)
U.S. Department of Commerce, National Oceanic	
and Atmospheric Administration	 (3,972,600)
Total Disbursements	(47,744,240)
Excess of Receipts Over Disbursements	15,010,576
Trust Fund Balance, Beginning of Year	 7,791,910
Trust Fund Balance, End of Year	\$ 22,802,486

STATE OF ALASKA - EXXON VALDEZ OIL SPILL SETTLEMENT TRUST

BALANCE SHEET September 30, 1997

Λ	CC	E٦	rc	

Cash and Investments	_\$_	20,461,532
Total Assets	\$	20,461,532
LIABILITIES AND FUND BALANCES:		
Liabilities:		
Accounts Payable	\$	3,928,921
Deferred Revenues		5,699,772
Total Liabilities		9,628,693
Fund Balances:		
Reserved for Encumbrances		4,942,648
Unreserved		5,890,191
Total Fund Balances		10,832,839
Total Liabilities and Fund Balances	\$	20,461,532

STATE OF ALASKA - EXXON VALDEZ OIL SPILL SETTLEMENT TRUST

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 1997

Revenues:

Contributions - Court Registry Investment System, Joint Trust Account Interest and Investment Income	\$ 22,342,377 1,783,393
Total Revenues	 24,125,770
Expenditures:	
Current Operating:	
Natural Resources Damage Assessment and Restoration Projects	
Department of Fish and Game	(9,694,906)
Department of Environmental Conservation	(1,819,889)
Department of Natural Resources	(1,522,667)
Total Current Operating	 (13,037,462)
Capital Outlay: Research Infrastructure Improvements - Alaska Department of Fish & Game Land Acquisitions - Alaska Department of	(17,178,804)
Natural Resources	(11,073,625)
Total Expenditures	 (41,289,891)
Deficiency of Revenues Over Expenditures	(17,164,121)
Fund Balances, Beginning of Year	 27,996,960
Fund Balances, End of Year	\$ 10,832,839

NOTES TO TRUST FUNDS FINANCIAL STATEMENTS

Fiscal Year Ended September 30, 1997

1. EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

Formation of the Exxon Valdez Oil Spill Trustee Council

The United States of America (United States) and the State of Alaska (State) entered into a Memorandum of Agreement and Consent Decree (MOA) on August 28, 1991. The MOA was made to maximize the funds available for restoration of natural resources and to resolve the governments' claims against one another relating to the T/V Exxon Valdez Oil Spill (Oil Spill), which occurred on the night of March 23-24, 1989 in Prince William Sound, Alaska. Upon entering into the MOA, the United States and the State believed that the terms of the MOA were in the public interest and would best enable them to fulfill their duties as trustees to assess injuries and to restore, replace, rehabilitate, enhance, or acquire the equivalent of the natural resources injured, lost, or destroyed as a result of the Oil Spill.

Pursuant to the MOA and federal laws, the United States and State act as co-trustees in the collection and joint use of all natural resource damage recoveries for the benefit of natural resources injured, lost or destroyed as a result of the Oil Spill. To manage the co-trustee relationship, the *Exxon Valdez* Oil Spill Trustee Council (Council) was formed.

Exxon Valdez Oil Spill Trustee Council Structure

The Council consists of six trustees, three trustees represent the United States and three trustees represent the State. The United States' trustees are the Secretaries of the United States Departments of Interior and Agriculture and the Administrator of the National Oceanic and Atmospheric Administration (a bureau of the United States Department of Commerce). The State's trustees consist of the Commissioners of the State Departments of Environmental Conservation and Fish and Game, and the Attorney General of the State of Alaska. The MOA allows the President of the United States or the Governor of the State of Alaska to transfer trustee status from one official to another official of their respective governments.

All decisions of the Council must be made by the unanimous agreement of the trustees. The decisions of the United States' trustees must be made in consultation with the United States Environmental Protection Agency. If the trustees cannot reach unanimous consent, either the United States or the State may resort to litigation in the United States District Court for the District of Alaska (Court).

Restoration Office

The Council has established a Restoration Office which is responsible for the coordination and supervision of the activities of the Council. The Restoration Office is managed by an Executive Director who reports directly to the Council. Since the Council exists through the MOA, it and the Restoration Office operate within the framework of the Trustee Agencies. During fiscal 1997, all activities of the Restoration Office were conducted through the Alaska State Departments of Fish and Game and Natural Resources. In addition, the National Oceanic and Atmospheric Administration administered certain parts of the Restoration Office's activities.

The Restoration Office develops an annual budget which, upon approval by the Council, sets forth the anticipated expenditures of the Restoration Office. The Council makes an annual contribution to the State agencies equal to the budget for the Restoration Office. The contributions are made using the disbursements procedures discussed in Note 6.

Termination of the Exxon Valdez Oil Spill Trustee Council

The MOA shall terminate when the United States and the State certify to the Court, or when the Court determines on application by either government, that all activities contemplated under the MOA have been completed.

NOTES TO TRUST FUNDS FINANCIAL STATEMENTS

Fiscal Year Ended September 30, 1997

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Joint Trust Account - CRIS - Court Registry Investment System

As further discussed in Note 5, amounts paid by Exxon Corporation are made directly to the United States and the State for reimbursement of certain costs incurred by them in connection with the Oil Spill. In accordance with the MOA and as ordered by the presiding Court and pending disbursements to the Federal and State trust funds, money that is not directly paid to the United States and the State is 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. An account entitled "Exxon Valdez Oil Spill Settlement Account" (Liquidity Account) was established in CRIS specifically for the Exxon settlement proceeds. A second account (Reserve Account) was established in fiscal 1995 and is intended to be an investment mechanism for funds pertaining to the settlement with Exxon which are anticipated to be held for longer periods of time. Together, Liquidity and Reserve Accounts are referred to as the Joint Trust Account - CRIS.

CRIS is a cash management system developed by the United States District Court for the Southern District of Texas. All amounts placed with the CRIS liquidity account are maintained in United States government treasury securities with maturities of 100 days or less, and are held in the name of Clerk, U.S. District Court, Southern District of Texas at the Federal Reserve Bank. Amounts placed with the CRIS reserve fund are maintained in United States government treasury securities with maturity dates ranging from fiscal 1997 through fiscal 2003, and are held in the name of Clerk, U.S. District Court, Southern District of Texas at the Federal Reserve Bank. The financial presentation for the Joint Trust Account - CRIS is of the Joint Trust Account - CRIS only and is not intended to present the financial position of CRIS or the United States District Court for the Southern District of Texas and the results of their operations.

Upon unanimous approval of the Trustee Council, funds are disbursed to the United States and the State to be expended by the Trustee Agencies in accordance with the Council's wishes. The accompanying financial statements for the Joint Trust Account - CRIS reflect the intent of the disbursements as to natural resource damage assessment and restoration, or the acquisition of land or research infrastructure improvements to further protect the natural resources. The financial statements also reflect the fiscal year which the disbursements are to be expended by the Trustee Agencies.

As allowed under 28 USC 1913, 1914 (b) and 1930(b), the Clerk of the Court for the United States Courts is allowed to charge a registry fee for administering investment holdings of funds held in their registry accounts. During the year ended September 30, 1997, the registry fee charged to the Joint Trust Account - CRIS was ten percent of investment income until December 13, 1996, at which time the fee was adjusted down to seven point five percent in accordance with registry fee assessment provisions. In addition, CRIS has entered into a contract with a Houston, Texas based financial institution to provide investment advisory information, securities trading services, and accounting services at a fee of .025 percent added to the cost of securities purchased by CRIS.

U.S. Department of the Interior, Natural Resources Damage Assessment and Restoration Fund

Disbursements which are made from the Joint Trust Account - CRIS to the United States are deposited in the U.S. Department of the Interior, Fish and Wildlife Service, Natural Resources Damage Assessment and Restoration Fund (NRDA&R). NRDA&R was established pursuant to Public Law 102-154, and is administered by the U.S. Department of Interior, Fish and Wildlife Service. It is a trust fund which was established to hold natural resources damage assessment and restoration settlement proceeds of the United States Government. Public Law 120-229 requires that federal proceeds from the Agreement and Consent Decree (see additional discussion in Note 4) be deposited in NRDA&R, and that all interest earned on these proceeds be available to the Federal Trustees for necessary expenses for assessment and restoration of areas affected by the Oil Spill. Public Law 120-229 also calls for amounts in NRDA&R to be invested by the U.S. Secretary of the Treasury in interest bearing obligations of the United States.

NOTES TO TRUST FUNDS FINANCIAL STATEMENTS

Fiscal Year Ended September 30, 1997

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U.S. Department of the Interior, Natural Resources Damage Assessment and Restoration Fund (Continued)
Disbursements from NRDA&R are made pursuant to the directions of the Council and as approved by the
Court. At the beginning of each fiscal year, the Department of Interior, Fish and Wildlife Service
communicates with each of the United States Trustee Agencies to determine the timing of
disbursements from NRDA&R to each Federal Trustee Agency. Investments are purchased in order to
earn interest on available balances within NRDA&R, and with scheduled maturity dates coincident with
the scheduled date of disbursement.

The financial presentation for NRDA&R is of the amounts related to the Council only and is not intended to present the financial position of NRDA&R or the Department of Interior, Fish and Wildlife Service and the results of their operations.

State of Alaska, Exxon Valdez Oil Spill Settlement Trust

Disbursements which are made from the Joint Trust Account - CRIS to the State are deposited in the State of Alaska, Exxon Valdez Oil Spill Settlement Trust (Settlement Trust). The Settlement Trust is established pursuant to AS 37.14.400. Pursuant to State law a state agency may not expend money from the Settlement Trust unless the expenditure is in accordance with an appropriation made by law. Expenditures of funds are made upon properly approved requests for payment. The total of expenditures and encumbrances (obligations) may not exceed the appropriations to which they pertain.

The Settlement Trust is an expendable trust fund of the State. Expendable trust funds account for assets held by the State in a trustee capacity where the principal and income may be expended in the course of the fund's designated operations.

Upon approval by the Council, the Court, and the State of Alaska, Trustee Agencies make expenditures directly against the Settlement Trust.

The financial presentation for the Settlement Trust is of the Settlement Trust only and is not intended to present the financial position of the State of Alaska or any of its component units and the results of their operations.

Basis of Accounting

Basis of accounting refers to when revenues, expenditures and the related assets and liabilities are recorded in the accounts and financial statements. Specifically, it relates to the timing of the financial measurements made, regardless of the measurement focus applied.

The basis of accounting used by the Joint Trust Account - CRIS, NRDA&R and the Settlement Trust are as follows:

<u>Joint Trust Account - CRIS</u> - The financial statements of the Joint Trust Account - CRIS are prepared on a cash basis of accounting. As such, revenues are recognized when received, and disbursements are recognized when paid.

<u>NRDA&R</u> - The financial statements of NRDA&R are prepared on a cash basis of accounting. As such, revenues are recognized when received, and disbursements are recognized when paid.

NOTES TO TRUST FUNDS FINANCIAL STATEMENTS

Fiscal Year Ended September 30, 1997

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Settlement Trust - The financial statements of the Settlement Fund are accounted for using a current financial resources measurement focus on the modified accrual basis. The Settlement Fund recognizes revenues when the source is measurable and available, and intended for the fiscal year. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Assets are recorded when measurable and due.

Expenditures are recorded when the related liability is incurred. Encumbrance accounting, under which purchase orders and contracts for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary integration of the Settlement Trust. Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

Until June 30, 1997, interest and investment income was allocated to the Settlement Trust as agreed to under a Memorandum of Understanding (MOU) by and between the State Departments of Revenue and Administration effective July 1, 1993. Under the MOU, interest was credited daily to the Settlement Trust by determining the Settlement Trust's daily cash balance and applying the current weekly 180-day Treasury Bill Rates based on the Treasury Bill auctions. Effective July 1, 1997, a new MOU, dated November 26, 1997, superceded the original MOU and modified the method of determining interest income earned by the Settlement Trust. Under the new method, interest income is allocated daily based on actual earnings of the cash management pool of which the Settlement Trust is a part.

Statement Presentation

Separate balance sheets and statements of receipts and disbursements or revenues and expenditures are presented for each of the Joint Trust Account - CRIS, NRDA&R and the Settlement Trust. This is due to the fact that ownership of the Trust Funds rests separately with each of the U.S. District Court, U.S. Department of Interior, Fish and Wildlife Service and the State of Alaska, and the different bases of accounting used by the Trust Funds.

Accounts Payable and Deferred Revenue - Settlement Trust

Accounts payable in the Settlement Trust financial statements include disbursements made against the Settlement Trust subsequent to September 30, 1997, which relate to fiscal 1997 restoration activities.

Deferred Revenues in the Settlement Trust financial statements include amounts received or receivable at September 30, 1997, which are to be expended by the State in fiscal 1998.

3. CASH AND INVESTMENTS

Cash and investments for the Joint Trust Account - CRIS, NRDA&R and the Settlement Trust are as follows:

Joint Trust Account - CRIS - All deposits and investments of the Joint Trust Account - CRIS are held in the name of Clerk, U.S. District Court, Southern District of Texas at the Federal Reserve Bank. At September 30, 1997, the balances held in the CRIS liquidity account are held in U.S. Treasury Bills with maturities less than 100 days, and the balances held in the CRIS reserve fund are held in U.S. Treasury Bills with maturity dates on November 15, in each year from 1997 through 2003. A nominal amount of cash is also included in the balance. There are no uninsured or unregistered deposits or investments. This places all of CRIS's investments and deposits in GASB credit risk category 1*.

NOTES TO TRUST FUNDS FINANCIAL STATEMENTS

Fiscal Year Ended September 30, 1997

3. CASH AND INVESTMENTS (Continued)

NRDA&R - All cash and investments of NRDA&R are held in the name of the U.S. Department of the Interior, Fish and Wildlife Service, Natural Resources Damage Assessment and Restoration Fund at the U.S. Department of the Treasury. At September 30, 1997, substantially all balances are held in U.S. Treasury Bills with maturities ranging from 30 to 300 days. A nominal amount of cash is also included in the balance. There are no uninsured or unregistered deposits or investments. This places all of NRDA&R's investments and deposits in GASB credit risk category 1 *.

Settlement Trust - Cash and Investments of the Settlement Trust represent cash on deposit in banks, and cash invested in various investments as a part of the State's short-term cash management pools. By law, all deposits and investments relating to the Settlement Trust are under the control of the Commissioner of the State Department of Revenue. The State's cash is invested pursuant to State laws which mandate that investments shall be made with the judgment and care exercised by an institutional investor of ordinary professional prudence, discretion and intelligence. All deposits are insured or collateralized with securities held by the State or by its custodian in its name. All investments are insured or registered in the State's name and are held by the State or its custodian. This places all of the State's General Investment Funds deposits and investments, of which the Settlement Trust cash and investments are a part, in GASB credit risk category 1 *.

* GASB Statement No. 3 requires deposits and investments to be categorized to indicate the level of risk assumed by an entity. For investments, category 1 consists of investments that are insured or registered for which the securities are held by the entity or its custodian in the entity's name, category 2 consists of uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the entity's name, and category 3 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent not in the entity's name.

4. CONTRIBUTIONS BY EXXON CORPORATION

Agreement and Consent Decree

On October 8, 1991, the United States, the State, Exxon Corporation (Exxon) and Exxon Shipping Company, and Exxon Pipeline Company entered into an Agreement and Consent Decree (Agreement). The Agreement principally stipulates that Exxon make certain payments, and that all parties release and covenant not to sue or to file any administrative claim against the other parties or specifically identified third parties. Pursuant to the Agreement Exxon is to pay the United States and the State a total of \$900 million as follows:

 Amount
\$ 90,000,000
150,000,000
100,000,000
70,000,000
70,000,000
70,000,000
70,000,000
70,000,000
70,000,000
70,000,000
 70,000,000
\$ 900,000,000
\$

NOTES TO TRUST FUNDS FINANCIAL STATEMENTS

Fiscal Year Ended September 30, 1997

4. CONTRIBUTIONS BY EXXON CORPORATION (Continued)

Agreement and Consent Decree (Continued)

During fiscal 1997, Exxon Corporation made the contribution to the Joint Trust Account - CRIS as required by the Agreement. As further discussed in Note 5, \$5,000,000 of the \$70,000,000 contribution was paid directly to the State of Alaska. The balance of \$65,000,000 was placed with the Joint Trust Account - CRIS.

Reopener for Unknown Injury

In addition to the payment terms discussed above, the Agreement also has a reopener provision that allows the governments to claim an additional \$100 million from Exxon between September 1, 2002, and September 1, 2006, as required for the performance of restoration projects in Prince William Sound and other areas affected by the Oil Spill to restore one or more populations, habitats, or species which, as a result of the Oil Spill, suffered substantial loss or substantial decline in the areas affected by the Oil Spill.

The cost of the restoration projects must not be grossly disproportionate to the magnitude of the benefits obtained, and the reopener is available only for any losses or declines that could not reasonably have been known or anticipated from information available at the time of the Agreement.

5. REIMBURSEMENTS TO THE UNITED STATES AND THE STATE

Under the terms of the Agreement, certain amounts paid by Exxon are to be made directly to the United States and the State. These payments are to be used solely to reimburse them for the following purposes:

- 1. Response and clean-up costs incurred by either of them on or before December 31, 1990 in connection with the Oil Spill;
- 2. Natural resource damages assessment costs incurred by either of them on or before March 12, 1991 in connection with the Oil Spill;
- 3. (State only) Attorneys fees, experts' fees, and other costs incurred by the State on or before March 12, 1991 in connection with litigation arising from the Oil Spill;
- 4. Response and clean-up costs incurred by either of them after December 31, 1990 in connection with the Oil Spill;
- 5. To assess injury resulting from the Oil Spill and to plan, implement, and monitor the restoration, rehabilitation, or replacement of natural resources, natural resource services, or archaeological sites and artifacts injured, lost or destroyed as a result of the Oil Spill, or the acquisition of equivalent resources or services after March 12, 1991; and
- 6. (State only) Reasonable litigation costs incurred by the State after March 12, 1991.

The agreement states that the amounts to be reimbursed to the United States for items one and two above are not to exceed \$67 million. The amounts to be reimbursed to the State for items one, two and three above are not to exceed \$75 million. The agreement does not place a cap on items four and five. The amounts paid to the State for item six above are not to exceed \$1 million per month.

During fiscal 1997, \$5,000,000 was paid to the State of Alaska as a reimbursement pursuant to the Agreement. There were no other reimbursements made to the United States or the State during fiscal 1997 under the Agreement.

NOTES TO TRUST FUNDS FINANCIAL STATEMENTS

Fiscal Year Ended September 30, 1997

6. DISBURSEMENTS FROM JOINT TRUST ACCOUNT - CRIS

Approved Payment Uses

Under the terms of the MOA, amounts paid by Exxon, excluding the reimbursements discussed in the preceding Note, are deposited into the Joint Trust Account - CRIS. These payments are to be used solely to assess injury resulting from the Oil Spill and to plan, implement, and monitor the restoration, rehabilitation, or replacement of natural resources, natural resource services, or archaeological sites and artifacts injured, lost or destroyed as a result of the Oil Spill, or the acquisition of equivalent resources or services.

Project Approval

The Council has developed a solicitation and review process for projects to address the purposes stated above. The outcome of the process is the development of a fiscal year Work Plan, which approves the funding for all projects to be conducted during the fiscal year. For the fiscal year ending September 30, 1997, the following project solicitation and review process was used by the Council:

- 1. In February 1996, the Council published an *Invitation to Submit Restoration Proposals for Fiscal Year 1997*. As part of the Invitation requirements, proposers developed and submitted detailed project descriptions and project budgets for review.
- 2. In May 1996, the Council's Chief Scientist and core revieweres coordinated a preliminary scientific and technical review of the projects. The projects were also discussed by the Council's Executive Director, agencies, and representatives of the Public Advisory Group (the Public Advisory Group consists of members of the public and concerned groups and was appointed by the Secretary of Interior based on the Council's recommendations in accordance with the MOA to help provide meaningful public participation in the injury assessment and restoration process).
- 3. In June 1996, all proposals and the results of the reviews were published in the *Draft Fiscal Year* 1997 Work Plan.
- 4. In August 1996, a public hearing was held on the FY'97 Draft Work Plan and the Public Advisory Group met to advise Trustee Council on the final work plan.
- 5. The majority of approved projects, received funding from the Council in August 1996. In addition to the public review many proposals underwent further technical, budget, policy, and legal review.
- 6. In December 1996, the Council approved six additional research monitoring, and general restoration projects for FY'97 Final Work Plan.

In addition to the process outlined above, the Council has also identified and acquired several tracts of land as permitted by the MOA. The land acquisition support costs are funded through the Work Plan. Land acquisitions are separately approved by the Council.

Interest Income Recovery - NRDA&R and the Settlement Trust

The governments are to report to the Council the amount of interest earned on net available balances in NRDA&R and the Settlement Trust. The Council then recovers the interest reported by reducing subsequent disbursements from the Joint Trust Fund for future projects. During fiscal 1997, disbursements to the United States and the State were reduced by \$493,030 and \$1,456,568 for such interest earnings, respectively.

Unobligated Balance Recovery - NRDA&R and the Settlement Trust

Actual project costs are frequently less than the original project budgets. When this occurs, the United States and the State retain the unspent or unobligated balances. The Council then recovers these balances by reducing subsequent disbursements for new projects. During fiscal 1997, the United States and the State reported total unobligated balances of \$4,652,369. Of this amount, the United States and the State reported \$1,102,442 and \$3,549,927 respectively. These unobligated funds were recovered through reduced project disbursements during the fiscal year ending September 30, 1997.

NOTES TO TRUST FUNDS FINANCIAL STATEMENTS

Fiscal Year Ended September 30, 1997

6. DISBURSEMENTS FROM JOINT TRUST ACCOUNT - CRIS (Continued)

Disbursements from the Joint Trust Account - CRIS

During fiscal 1997, the Council disbursed \$77,947,932 for restoration projects and land acquisition pursuant to the MOA as follows:

Restoration Projects Authorized By the Council	
For 1997 and 1998:	
To be conducted by the United States	\$ 7,984,200
To be conducted by the State	11,315,000
Total	19,299,200
Land Acquisitions and Research Infrastructure	
Improvements Authorized By The Council	
For 1997 and 1998:	
To be acquired by the United States	53,713,074
To be acquired by the State	11,537,625
Total	65,250,699
	84,549,899
Less:	•
Unobligated balances on prior years projects	(4,652,369)
Interest earnings on payments not yet disbursed	` ' ' '
by the United State and State	(1,949,598)
Disbursements from the Joint Trust Account - CRIS	\$ 77,947,932

7. DEFERRED REVENUE

On August 15, 1997, the Court approved the initial funding for restoration projects to be conducted by the Trustee Agencies in fiscal 1998. The disbursement relating to this action was made from the Joint Trust Account - CRIS on August 21, 1997, and the amount disbursed to the State Trustee Agencies' of \$4,975,772 has been recorded as deferred revenue.

As further discussed in Note 8, the Council approved and disbursed \$724,000 for the acquisition of research equipment for the Alaska Sea Life Center. These funds were received by the Settlement Trust prior to September 30, 1997. Expenditure of these funds will be made in fiscal 1998. Accordingly, this amount is included in deferred revenue.

NRDA&R received the United States' disbursement relating to the initial funding for restoration projects to be conducted by the Trustee Agencies in fiscal 1998 prior to September 30 1997. The amount received of \$5,782,169 has been recorded as Receipts - CRIS in the NRDA&R financial statements since NRDA&R is accounted for using the cash basis of accounting, and is part of the ending Trust Fund Balance. However, this money will be made available to the Federal Trustee Agencies in fiscal 1998.

NOTES TO TRUST FUNDS FINANCIAL STATEMENTS

Fiscal Year Ended September 30, 1997

8. REAL PROPERTY ACQUISITIONS

In order to protect the habitat of resources and services injured by the oil spill, the Council, directed its staff to establish a process for the evaluation and acquisition of real property that was imminently threatened by development, or had habitat value. This process was divided into two phases; large parcels, generally those over 1,000 acres, and small parcels, generally those smaller than 1,000 acres.

Large Parcel Acquisitions

The large parcel phase of the land evaluation and acquisition process was initiated in 1992. This evaluation process lead to the consideration of numerous parcels for acquisition by Trustee Agencies. As of September 30, 1997, the Council funded the acquisition, through either the purchase of the property or the acquisition of a limited term conservation, for 420,640 acres, with a total purchase cost of \$229,350,000. Of the total purchase cost, \$184,600,000 is being provided from the Joint Trust Account - CRIS, and \$44,750,000 from other sources.

During fiscal 1997, large parcel acquisitions were completed on 59,520 acres with a total purchase cost of \$34,000,000. Of the total purchase cost, \$24,000,000 is being provided from the Joint Trust Account - CRIS, and \$10,000,000 from other sources.

Two of the acquisitions completed to date are to be paid on an installment basis through fiscal 2002. The following is a summary of the remaining commitments (excluding interest) due from the Joint Trust Account - CRIS as of September 30, 1997:

Fiscal Year Ending

September 30:	
1998	\$ 8,500,000
1999	4,000,000
2000	4,000,000
2001	4,000,000
2002	 11,805,734
	\$ 32,305,734

Pending Large Parcel Acquisitions

The Council has authorized the acquisition of three additional large parcels totaling 176,850 acres with a total cost of \$95,176,440. Of the total purchase cost, \$83,933,094 is to be provided from the Joint Trust Account - CRIS, and \$11,243,346 from other sources. One of these acquisitions was substantially completed subsequent to year-end. This acquisition was for the purchase of 29,636 acres for a total cost of \$14,128,074. Approximately an additional 3,000 is to be acquired under the same purchase agreement during fiscal 1998, pending resolution of certain issues. However, the remaining land, which has an anticipated cost of approximately \$1,250,000, is to be acquired with funds from other sources. The other two acquisitions are also anticipated to be completed during fiscal 1998. In addition, negotiations continue on two other large parcel acquisitions. Currently, the area under negotiation includes approximately 169,909 acres.

Small Parcel Acquisitions

The small parcel phase of the land evaluation and acquisition process was initiated in 1994. In response to a public solicitation, 327 parcels have been nominated for acquisition by the Trustees. The nomination period is open ended, and the Council continues to receive and evaluate nominations. The Council's staff evaluate, score, and rank the parcels, taking into account the resource value of the parcel, adverse impacts from human activity, and potential benefits to management of public lands. To date the Council has expressed interest in acquiring approximately 60 of the nominated parcels.

NOTES TO TRUST FUNDS FINANCIAL STATEMENTS

Fiscal Year Ended September 30, 1997

8. REAL PROPERTY ACQUISITIONS (Continued)

During fiscal 1996, the Council completed the acquisition on the first 14 parcels containing 805 acres with a total cost of \$5,294,700. During fiscal 1997 an additional 18 parcels consisting of 2,756 acres and costing \$7,583,000 were acquired. In addition, offers have been accepted by sellers on 5 parcels which are expected to close during fiscal 1998. These parcels contain 3,440 acres and have a total cost of \$4,464,300. All of the small parcels are purchased under fee simple title, and cash is paid on these parcels at closing. Most of these acquisitions are purchased through the Alaska Department of Natural Resources or the U.S. Department of the Interior, Fish and Wildlife Service, and all parcels acquired to date have been funded full from the Joint Trust Account - CRIS.

Alaska Sea Life Center

On November 2, 1994, the Council approved the disbursement of \$24,956,000 from the Joint Trust Account - CRIS with CRIS to fund the construction of the research infrastructure improvements for the Alaska Sea Life Center in Seward, Alaska which is affiliated with the University of Alaska, School of Fisheries and Ocean Sciences, Institute of Marine Science. The first of two withdrawals to fund the project in the amount of \$12,500,000 was made in September, 1995. The second withdrawal of \$12,456,000 was made in September, 1996. The funds are being expended by the Alaska Department of Fish and Game under a \$24,846,000 cooperative agreement with the City of Seward, Alaska. As of September 30, 1997, \$22,344,000 had been expended under the contract, and \$2,502,000 remained encumbered. The balance of the total disbursement is \$110,000 and is to be retained by the Alaska Department of Fish and Game for contract administration.

During fiscal 1997, the Council approved additional funding for the construction of the Alaska Sea Life Center totaling \$545,600. The additional funds are also being expended by the Alaska Department of Fish and Game. As of September 30, 1997, \$454,000 of the additional funds had been expended, and \$68,648 remained encumbered. The balance of the additional funds is \$22,952 and is to be retained by the Alaska Department of Fish and Game for contract administration.

Also during fiscal 1997, the Council approved funding for the acquisition of research equipment for the Alaska Sea Life Center totaling \$724,000. The additional funds are also being expended by the Alaska Department of Fish and Game. None of these funds had been expended as of September 30, 1997. It is anticipated that all of these additional funds will be expended during fiscal 1998.

9. SUBSEQUENT EVENTS

On January 12, 1998, the Council applied for a disbursement in the amount of \$1,089,000 related to its fiscal 1998 Work Plan for Restoration Projects to be conducted by the Trustee Agencies.

SUPPLEMENTARY INFORMATION

9309 Glacier Highway, Suite B-200 · Juneau, Alaska 99801 Phone: 907-789-3178 · FAX: 907-789-7128

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY RESTORATION PROJECTS INFORMATION

Members, Exxon Valdez Oil Spill Trustee Council, Anchorage, Alaska:

Elger, Rehteld & fruk

We have audited the financial statements of the Exxon Valdez Oil Spill Trustee Council, Trust Funds as of and for the year ended September 30, 1997, as listed in the accompanying table of contents, and have issued our report thereon dated January 29, 1998. These financial statements are the responsibility of the Exxon Valdez Oil Spill Trustee Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Exxon Valdez Oil Spill Trustee Council, Trust Funds, taken as a whole. The accompanying Schedules of Expenditures and Obligations - Budget and Actual on pages 20 through 93, and the Schedules of Fiscal 1995 and 1996 Work Plan Status as of September 30, 1997, on pages 94 and 95, are presented for purposes of additional analysis and are not a required part of the financial statements. With the exception of Alaska Department of Natural Resources; U.S. Department of Agriculture, U.S. Forest Service; and Department of Interior, National Park Service, on which we express no opinion and which are marked "unaudited," the information in these schedules has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

January 29, 1998



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Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game

Department Totals

	Actual Expenditures Budget & Obligations Variance				Variance
Personnel	\$ 3,766,101	\$	3,270,890	\$	495,211
Travel	237,300		152,118		85,182
Contractual	5,700,199		5,802,066		(101,867)
Commodities	305,800		.301,580		4,220
Equipment	 87,800		89,759		(1,959)
Project Total	\$ 10,097,200	_\$_	9,616,413	\$	480,787

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Recovery of Harbor Seals From EVOS: Condition and Health Status Project # 97001

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

			Actual			
	Original	Expenditures				
	 Budget		& Obligations		Variance	
Personnel	\$ -	\$	-	\$	-	
Travel	-		-		-	
Contractual	192,000		191,958		42	
Commodities	-		-		-	
Equipment	 -				_	
Project Total	\$ 192,000	\$	191,958	\$	42	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Mechanisms of Impact and Potential Recovery of Nearshore Vertebrate Predators Project # 97025

	Original Budget			Actual penditures bligations	Variance		
Personnel	\$	_	\$		\$	-	
Travel		-		_		-	
Contractual		410,800		410,808		(8)	
Commodities		-		-		-	
Equipment							
Project Total	\$	410,800	\$.	410,808	\$	(8)	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Community Involvement and Use of Traditional Ecological Knowledge Project # 97052

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual							
	Original Budget		Ex	penditures				
			& Obligations		Variance			
Personnel	\$	35,190	\$	15,081	\$	20,109		
Travel		5,500		755		4,745		
Contractual		301,410		324,992		(23,582)		
Commodities		800		18		782		
Equipment						-		
Project Total	\$	342,900	\$	340,846	\$	2,054		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Monitoring, Habitat Use, and Trophic Interactions of Harbor Seals in PWS Project # 97064

	Actual Expenditures Budget & Obligations Variance							
		Budget	_&(Jongations	Variance			
Personnel	\$	160,310	\$	128,745	\$	31,565		
Travel		8,200		5,016		3,184		
Contractual		89,790		100,985		(11,195)		
Commodities		59,500		65,481		(5,981)		
Equipment		-		4,403		(4,403)		
Project Total	\$	317,800	\$	304,630	\$	13,170		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Administration, Public Information and Scientific Management Project # 97100

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual							
		Original	Ex	penditures				
		Budget		Obligations	Variance			
Personnel	\$	1,088,280	\$	947,190	\$	141,090		
Travel		130,300		89,811		40,489		
Contractual		732,620		646,236		86,384		
Commodities		29,500		21,645		7,855		
Equipment		19,000		33,150		(14,150)		
Project Total		1,999,700	_\$	1,738,032	\$	261,668		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Habitat Protection and Acquisition Support Project # 97126

	Actual							
	Original Budget		Expenditures & Obligations					
					Variance			
Personnel	\$	14,979	\$	8,945	\$	6,034		
Travel		2,800		328		2,472		
Contractual		321		1,533		(1,212)		
Commodities		200		-		200		
Equipment		-						
Project Total	<u>\$</u>	18,300	\$	10,806	\$	7,494		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Tatitlek Coho Salmon Release Program Project # 97127

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	C					
		Budget	<u>& O</u>	bligations	Variance	
Personnel	\$	-	\$	-	\$	-
Travel		-		-		-
Contractual		11,100		11,128		(28)
Commodities		-		-		-
Equipment						
Project Total	\$	11,100	\$	11,128	\$	(28)

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Chugach Native Region Clam Restoration Project # 97131

	Actual Original Expenditures Budget & Obligations				Variance	
Personnel	\$	-	\$	-	\$	-
Travel		-		-		-
Contractual		365,000		365,012		(12)
Commodities		-		-		-
Equipment		-				
Project Total	\$	365,000	\$	365,012	\$	(12)

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game

Salmon Instream Habitat and Stock Restoration - Little Waterfall Barrier Bypass Project # 97139A1

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual							
	Original		Expenditures					
]	Budget		& Obligations		Variance		
Personnel	\$	23,716	\$	20,759	\$	2,957		
Travel		1,000		-		1,000		
Contractual		1,284		4,020		(2,736)		
Commodities		400		1,572		(1,172)		
Equipment						-		
Project Total	\$	26,400	\$	26,351	\$	49		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Port Dick Creek Tributary and Development Project Project # 97139A2

	Actual							
			Expenditures					
			bligations	V	'ariance			
Personnel	\$	42,665	\$	36,410	\$	6,255		
Travel		600		38		562		
Contractual		32,635		36,097		(3,462)		
Commodities		600		2,622		(2,022)		
Equipment				290		(290)		
Project Total	\$	76,500	\$	75,457	\$	1,043		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game

Investigation of Disease Factors Affecting Pacific Herring Populations in PWS Project # 97162

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual							
	Original Budget		Ex	penditures				
			& Obligations		Variance			
Personnel	\$	26,220	\$	23,853	\$	2,367		
Travel		4,000		6,817		(2,817)		
Contractual		486,680		486,874		(194)		
Commodities		35,100		26,968		8,132		
Equipment	,	-		5,730		(5,730)		
Project Total	\$	552,000	\$	550,242	\$	1,758		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game APEX: Barren Island Survey and Historic Review Project # 97163L

	Actual							
	Original		Expenditures					
	1	Budget		& Obligations		Variance		
Personnel	\$	28,800	\$	24,707	\$	4,093		
Travel		-		-		•		
Contractual		-		3,706		(3,706)		
Commodities		-		-		•		
Equipment								
Project Total	\$	28,800	\$	28,413	\$	387		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Generic Discrimination of Prince William Sound Herring Populations Project # 97165

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual						
	Original Budget		Expenditures & Obligations				
					Variance		
Personnel	\$	26,400	\$	23,220	\$	3,180	
Travel		6,000		30		5,970	
Contractual		3,000		9,321		(6,321)	
Commodities		6,200		5,102		1,098	
Equipment							
Project Total	\$	41,600	\$	37,673	\$	3,927	

Exxon Valdez Oil Spill Trustee Council
Alaska Department of Fish and Game
Herring Natal Habitats
Project # 97166
Fiscal Year Ending September 30, 1997

	Actual						
	Original Budget		Expenditures & Obligations		Variance		
Personnel	\$	152,800	\$	151,685	\$	1,115	
Travel		800		1,441		(641)	
Contractual		179,500		165,007		14,493	
Commodities		7,200		16,168		(8,968)	
Equipment		· <u>-</u>		1,840		(1,840)	
Project Total	_\$_	340,300	\$	336,141	\$	4,159	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Isotope Ratio Studies of Marine Mammals in PWS Project # 97170

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual						
	Original Budget		Expenditures & Obligations				
					Variance		
Personnel	\$	-	\$	-	\$	-	
Travel		-		-		-	
Contractual		143,300		143,273		27	
Commodites		-		-		-	
Equipment		-					
Project Total	\$	143,300	\$	143,273	\$	27_	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Kenai Habitat Restoration and Recreation Enhancement Project Project # 97180 Schedule of Expenditures and Obligations - Budget and Actual

		Original Budget	Exp	Actual penditures Obligations	v	ariance
Personnel	\$	96,600	\$	75,378	\$	21,222
Travel		4,700		2,626		2,074
Contractual		76,700		78,576		(1,876)
Commodities		5,500		5,041		459
Equipment				3,510		(3,510)
Project Total	_\$	183,500	\$	165,131	\$	18,369

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Coded Wire Tag Recoveries From Pink Salmon in PWS Project # 97186

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual						
	Original Budget		Expenditures & Obligations				
					Variance		
Personnel	\$	225,600	\$	175,911	\$	49,689	
Travel		11,400		7,807		3,593	
Contractual		33,900		50,361		(16,461)	
Commodites		2,900		8,655		(5,755)	
Equipment				1,871		(1,871)	
Project Total	\$	273,800	\$	244,605	\$	29,195	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Otolith Thermal Mass Marking of Hatchery Reared Pink Salmon in PWS Project # 97188

		Actual Original Expenditures Budget & Obligations			Variance		
Personnel	\$	80,960	\$	70,400	\$	10,560	
Travel		2,600		-		2,600	
Contractual		16,840		27,261		(10,421)	
Commodities		1,600		2,922		(1,322)	
Equipment		18,100		19,435		(1,335)	
Project Total	<u>\$</u>	120,100	\$	120,018	\$	82	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Construction of Linkage Map for Pink Salmon Genome Project # 97190

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

				Actual		
			Ex	penditures		
			& Obligations		Variance	
Personnel	\$	-	\$	-	\$	-
Travel		-		-		-
Contractual		254,500		254,460		40
Commodities		-		-		-
Equipment						
Project Total	_\$_	254,500	\$	254,460	\$	40

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Oil Related Embryo Mortalities in PWS Pink Salmon Populations Project # 97191A

	Actual Original Expenditures Budget & Obligations					Variance		
Personnel	\$	128,320	\$	114,522	\$	13,798		
Travel		11,500		4,961		6,539		
Contractual		47,180		27,568		19,612		
Commodities		19,400		17,059		2,341		
Equipment		2,100		123		1,977		
Project Total	\$	208,500	\$	164,233	\$	44,267		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Genetic Structure of PWS Pink Salmon Project # 97196

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	(Actual Original Expenditures					
		Budget		& Obligations		Variance	
Personnel	\$	139,580	\$	121,400	\$	18,180	
Travel		8,800		12,400		(3,600)	
Contractual		17,120		33,908		(16,788)	
Commodities		30,000		26,292		3,708	
Equipment				1,262		(1,262)	
Project Total	_\$	195,500	\$	195,262	\$	238	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Youth Area Watch Project # 97210

•	Actual							
•	Original		Expenditures					
		Budget	lget & Obligation			Variance		
Personnel	\$	-	\$	-	\$	-		
Travel		-		_		-		
Contractual		150,000		150,000		-		
Commodities		-		-		-		
Equipment				<u> </u>		-		
Project Total	\$	150,000	\$	150,000	\$			

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Documentary on Subsistence Harbor Seal Hunting in PWS Project # 97214-CLO

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual							
	Original Budget		Exp	enditures				
			& O	bligations	Variance			
Personnel	\$	5,040	\$	4,309	\$	731		
Travel		2,800		2,861		(61)		
Contractual		4,260		908		3,352		
Commodities		-		7		(7)		
Equipment		-						
Project Total	\$	12,100	\$	8,085	\$	4,015		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Port Graham Pink Salmon Subsistence Project Project # 97225

	Actual Original Expenditures Budget & Obligations				Variance	
Personnel	\$	-	\$	-	\$	-
Travel		-		-		-
Contractual		74,400		74,365		35
Commodities		-		-		-
Equipment		-				
Project Total	\$	74,400	\$	74,365	\$	35

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Community Based Harbor Seal Management and Biological Sampling Project # 97244

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual							
	Original		Exp	penditures				
		Budget		Obligations	Variance			
Personnel	\$	17,710	\$	15,535	\$	2,175		
Travel		3,900		1,535		2,365		
Contractual		91,690		94,144		(2,454)		
Commodities		1,200		392		808		
Equipment		400				400		
Project Total		114,900	\$	111,606	\$	3,294		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Kametolook River Coho Salmon Project # 97247

	Actual Original Expenditures Budget & Obligations			Variance		
Personnel	\$ 5,870	\$	-	\$	5,870	
Travel	7,300		-		7,300	
Contractual	12,230		31,602		(19,372)	
Commodities	6,000		-		6,000	
Equipment	 -					
Project Total	 31,400	\$	31,602	\$	(202)	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Project Management Project # 97250

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual							
	Original Budget		Ex	penditures				
			& (& Obligations		Variance		
Personnel	\$	403,100	\$	343,042	\$	60,058		
Travel		-		-		-		
Contractual		-		51,261		(51,261)		
Commodities		-		-		-		
Equipment								
Project Total	\$	403,100	\$	394,303	\$	8,797		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Akalura Lake Restoration Project # 97251-CLO

•	Original Budget	Exp	Actual penditures obligations	Variance		
Personnel	\$ 34,420	\$	31,200	\$	3,220	
Travel	-		220		(220)	
Contractual	4,280		9,298		(5,018)	
Commodities	5,000		2,962		2,038	
Equipment	 				-	
Project Total	\$ 43,700	\$	43,680	\$	20	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Delight and Desire Lakes Restoration Project # 97254

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Original Budget	Ex;	 Variance	
Personnel	\$ 104,926	\$	79,738	\$ 25,188
Travel	900		-	900
Contractual	8,774		27,099	(18,325)
Commodities	8,300		8,886	(586)
Equipment	 200			 200
Project Total	\$ 123,100	_\$	115,723	\$ 7,377

Exxon Valdez Oil Spill Trustee Council
Alaska Department of Fish and Game
Kenai River Sockeye Salmon Restoration
Project # 97255-CLO

	Actual Original Expenditures Budget & Obligations				Variance		
Personnel	\$	117,155	\$	115,413	\$	1,742	
Travel		6,700		2,619		4,081	
Contractual		14,445		19,075		(4,630)	
Commodities		20,000		17,751		2,249	
Equipment				2,285		(2,285)	
Project Total	\$	158,300	\$	157,143	\$	1,157	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Sockeye Salmon Overescapement Project Project # 97258A-CLO

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Original Budget	•	Actual penditures Obligations	Variance		
Personnel	\$ 189,715	\$	157,109	\$	32,606	
Travel	3,700		1,117		2,583	
Contractual	16,585		28,591		(12,006)	
Commodities	4,000		5,333		(1,333)	
Equipment	 -		-			
Project Total	 214,000	\$	192,150	\$	21,850	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Restoration of Coghill Lake Sockeye Salmon Stocks Project # 97259-CLO

	Original Budget	•		Variance		
Personnel	\$ 42,320	\$	38,769	\$	3,551	
Travel	1,200		449		751	
Contractual	1,280		6,683		(5,403)	
Commodities	2,000		895		1,105	
Equipment	-		-		_	
Project Total	 46,800	\$	46,796	\$	4	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Port Graham Salmon Stream Enhancement Project # 97263

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Original Expenditures Budget & Obligations				Variance		
Personnel	\$	-	\$	-	\$	-	
Travel		-		-		-	
Contractual		58,000		57,994		6	
Commodities		-		-		-	
Equipment		<u> </u>		<u>-</u>			
Project Total	\$	58,000	\$	57,994	\$	6	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Chenega Chinook Release Program Project # 97272-CLO

	Original Budget			Actual penditures bligations	Variance	
Personnel	\$	-	\$	-	\$	-
Travel		-		-		-
Contractual		45,000		44,266		734
Commodities		-		-		-
Equipment		<u> </u>		-		
Project Total	\$	45,000	\$	44,266	\$	734

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game SEA: Salmon and Herring Predation Project # 97320E

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual							
	Original Budget		Ex	penditures				
			& Obligations		Variance			
Personnel	\$	385,570	\$	380,159	\$	5,411		
Travel		3,200		3,852		(652)		
Contractual		152,030		154,363		(2,333)		
Commodities		43,900		39,361		4,539		
Equipment		47,100		13,879		33,221		
Project Total	\$	631,800	\$	591,614	\$	40,186		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game SEA: Phytoplankton and Nutrients Project # 97320G

	Original Budget			Actual penditures Obligations	Variance	
Personnel	\$	-	\$	-	\$	-
Travel		-		-		-
Contractual		130,000		129,850		150
Commodities		-		-		-
Equipment						-
Project Total	\$	130,000	\$	129,850	\$	150

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game SEA: Zooplankton Project # 97320H

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Original Budget	Variance		
Personnel	\$ -	\$ -	\$	-
Travel	-	-		-
Contractual	136,400	136,425		(25)
Commodities	-	-		-
Equipment		-		
Project Total	\$ 136,400	\$ 136,425	\$	(25)

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game SEA: PWSAC Experimental Fry Release Project # 97320K

				Actual		
	Original		Expenditures			
	1	Budget		bligations	Variance	
Personnel	\$	-	\$	-	\$	-
Travel		-		-		-
Contractual		24,800		22,540		2,260
Commodities		-		-		-
Equipment						
Project Total	\$	24,800	\$	22,540	\$	2,260

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game SEA Trophodynamic Modeling and Validation Through Remote Sensing Project # 97320R

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	(
		Budget	& (Obligations	Variance	
Personnel	\$		\$	-	\$	-
Travel		-		-		-
Contractual		182,100		182,000		100
Commodities		-		-		-
Equipment				-		-
Project Total	\$	182,100	\$	182,000	\$	100

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game SEA: Juvenile Herring Project # 97320T

	Actual							
	Original Expenditures Budget & Obligations		Ex	penditures				
			Obligations	Variance				
Personnel	\$	-	\$	-	\$	-		
Travel		-		-		-		
Contractual		946,700		948,320		(1,620)		
Commodities		-		-		-		
Equipment		•		-				
Project Total	_\$	946,700	\$	948,320	\$	(1,620)		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game

SEA: Somatic and Spawning Energetics of Herring, Pollock and Pink Salmon Project # 97320U

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual							
	Original		Expenditures					
•	Budget			Obligations	Variance			
Personnel	\$	_	\$		\$	-		
Travel		-		-		-		
Contractual		154,400		154,401		(1)		
Commodities		-		-		-		
Equipment								
Project Total	\$	154,400		154,401	\$	(1)		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game SEA: Synthesis and Integration Project # 97320Z1

	Actual							
	Original		_	enditures	** '			
		Budget	<u> & C</u>	bligations	V	ariance		
Personnel	\$	-	\$	-	\$	-		
Travel		-		-		-		
Contractual		61,300		61,311		(11)		
Commodities		-		-		-		
Equipment		· -		-		-		
Project Total	\$	61,300	\$	61,311	\$	(11)		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Fish and Game Harlequin Duck Recovery Monitoring Project # 97427

	Actual						
	Original		Ex	penditures			
		Budget	& Obligations		Variance		
Personnel	\$	189,855	\$	167,410	\$	22,445	
Travel		9,400		7,435		1,965	
Contractual		35,845		44,486		(8,641)	
Commodities		16,500		26,448		(9,948)	
Equipment		900		1,981	<u> </u>	(1,081)	
Project Total	\$	252,500	\$	247,760	\$	4,740	

Exxon Valdez Oil Spill Trustee Council

Alaska Department of Environmental Conservation

Department Totals

	Budget	Actual Expenditures Budget & Obligations Variance						
Personnel	\$ 146,185	\$ 98,660	\$ 47,525					
Travel	43,000	11,023	31,977					
Contractual	3,050,315	3,022,006	28,309					
Commodities	2,200	1,100	1,100					
Equipment	_	1,860	(1,860)					
Project Total	\$ 3,241,700	\$ 3,134,649	\$ 107,051					

Exxon Valdez Oil Spill Trustee Council

Alaska Department of Environmental Conservation

Report Writing: Microbial Sediments Project # 97026-CLO

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	I	Budget	Exp	Actual enditures bligations	Va	ariance
Personnel	\$	-	\$	-	\$	-
Travel		-		-		-
Contractual		15,100		15,100		-
Commodities		-		-		-
Equipment		-				
Project Total		15,100	\$	15,100	\$	_

Exxon Valdez Oil Spill Trustee Council Alaska Department of Environmental Conservation Administration, Public Information and Scientific Management Project # 97100

				Actual					
		Expenditures							
]	Budget	& C	bligations	Variance				
Personnel		49,700	\$	31,665	\$	18,035			
Travel		8,000		4,842		3,158			
Contractual		-		8,084		(8,084)			
Commodities		1,500		609		891			
Equipment		-		1,860		(1,860)			
Project Total		59,200	\$	47,060	\$	12,140			

Exxon Valdez Oil Spill Trustee Council Alaska Department of Environmental Conservation Implementation of the Sound Waste Management Plan Project # 97115

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	 Budget	Expe	enditures oligations	 /ariance
Personnel	\$ -	\$	-	\$ -
Travel	-		-	-
Contractual	1,167,900	1	1,138,770	29,130
Commodities	-		-	-
Equipment	 			
Project Total	\$ 1,167,900	\$ 1	1,138,770	\$ 29,130

Exxon Valdez Oil Spill Trustee Council Alaska Department of Environmental Conservation Chenega-Area Shoreline Residual Oiling Reduction Project # 97291

	 Actual Expenditures Budget & Obligations Variance						
Personnel	\$ 96,485	\$	66,995	\$	29,490		
Travel	35,000		6,181		28,819		
Contractual	1,599,815		1,592,552		7,263		
Commodities	700		491		209		
Equipment	 						
Project Total	\$ 1,732,000	\$.	1,666,219	_\$	65,781		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Environmental Conservation Kodial Waste Management Plan

Project # 97304

		Budget	Ex	Actual penditures Obligations	<u>v</u>	ariance
Personnel	\$	-	\$	•	\$	-
Travel		-		-		-
Contractual		267,500		267,500		· -
Commodities		-		-		-
Equipment				<u> </u>		-
Project Total	_\$	267,500	\$	267,500	\$	<u> </u>

Exxon Valdez Oil Spill Trustee Council Alaska Department of Natural Resources Department Totals Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997 (Unaudited)

			Actual
		Ex	penditures
	Budget	& 0	Obligations
_	420 100	_	256 455

	 Budget		Obligations	 Variance	
Personnel	\$ 428,180	\$	256,455	\$ 171,725	
Travel	27,100		14,940	12,160	
Contractual	1,194,120		1,217,925	(23,805)	
Commodities	19,000		13,157	5,843	
Equipment	 •		6,238	 (6,238)	
Project Total	\$ 1,668,400	_\$_	1,508,715	\$ 159,685	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Natural Resources Archaeological Index Site Monitoring Project # 97007A

Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997 (Unaudited)

	Actual Expenditures						
]	Budget	& C	bligations	\	ariance	
Personnel	\$	58,400	\$	-	\$	58,400	
Travel		11,100		-		11,100	
Contractual		15,300		72,522		(57,222)	
Commodities		3,500		-		3,500	
Equipment		-					
Project Total	\$	88,300	\$	72,522	\$	15,778	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Natural Resources Administration, Public Information and Scientific Management Project #97100 Schedule of Expenditures - Budget to Actual

Fiscal Year Ending September 30, 1997
(Unaudited)

	Actual Expenditures							
	Budget & Obligation				Variance			
Personnel	\$	153,180	\$	121,789	\$	31,391		
Travel		3,000		2,328		672		
Contractual		471,220		455,241		15,979		
Commodities		4,500		7,344		(2,844)		
Equipment				4,424		(4,424)		
Project Total	\$	631,900	\$	591,126	\$	40,774		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Natural Resources Habitat Protection Acquisition Support Project # 97126

Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997 (Unaudited)

		Actual						
			Exp	penditures				
		Budget	& Obligations		Variance			
Personnel	\$	40,710	\$	26,173	\$	14,537		
Travel		4,500		12,050		(7,550)		
Contractual		350,690		276,973		73,717		
Commodities		500		3,770		(3,270)		
Equipment						-		
Project Total	_\$	396,400	\$	318,966	\$	77,434		

Exxon Valdez Oil Spill Trustee Council
Alaska Department of Natural Resources
Archaeological Site Stewardship
Project # 97149
Schedule of Expenditures - Budget to Actual
Fiscal Year Ending September 30, 1997
(Unaudited)

	Actual Expenditures Budget & Obligations Variance							
Personnel	\$	37,390	\$	-	\$	37,390		
Travel		3,700		-		3,700		
Contractual		3,210		39,418		(36,208)		
Commodities		2,000		-		2,000		
Equipment								
Project Total	\$	46,300	\$	39,418	\$	6,882		

Exxon Valdez Oil Spill Trustee Council Alaska Department of Natural Resources Kenai Habitat Restoration & Recreation Enhancement Project Project # 97180

Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997 (Unaudited)

	Actual Expenditures							
Personnel	Budget		Obligations	Variance				
	\$ 96,600	\$	89,379	\$	7,221			
Travel	4,800		562		4,238			
Contractual	221,000		234,224		(13,224)			
Commodities	8,500		2,043		6,457			
Equipment	 		1,814		(1,814)			
Project Total	\$ 330,900	\$	328,022	\$	2,878_			

Exxon Valdez Oil Spill Trustee Council
Alaska Department of Natural Resources
Valdez Duck Flats Restoration
Project #97230
Schedule of Expenditures - Budget to Actual
Fiscal Year Ending September 30, 1997
(Unaudited)

Personnel	Actual Expenditures Budget & Obligations Variance						
	\$	-	\$	-	\$	-	
Travel		-		-		-	
Contractual		67,800		65,440		2,360	
Commodities		-		-		-	
Equipment		-				-	
Project Total	\$	67,800	\$	65,440	\$	2,360	

Exxon Valdez Oil Spill Trustee Council Alaska Department of Natural Resources Project Management Project # 97250

Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997 (Unaudited)

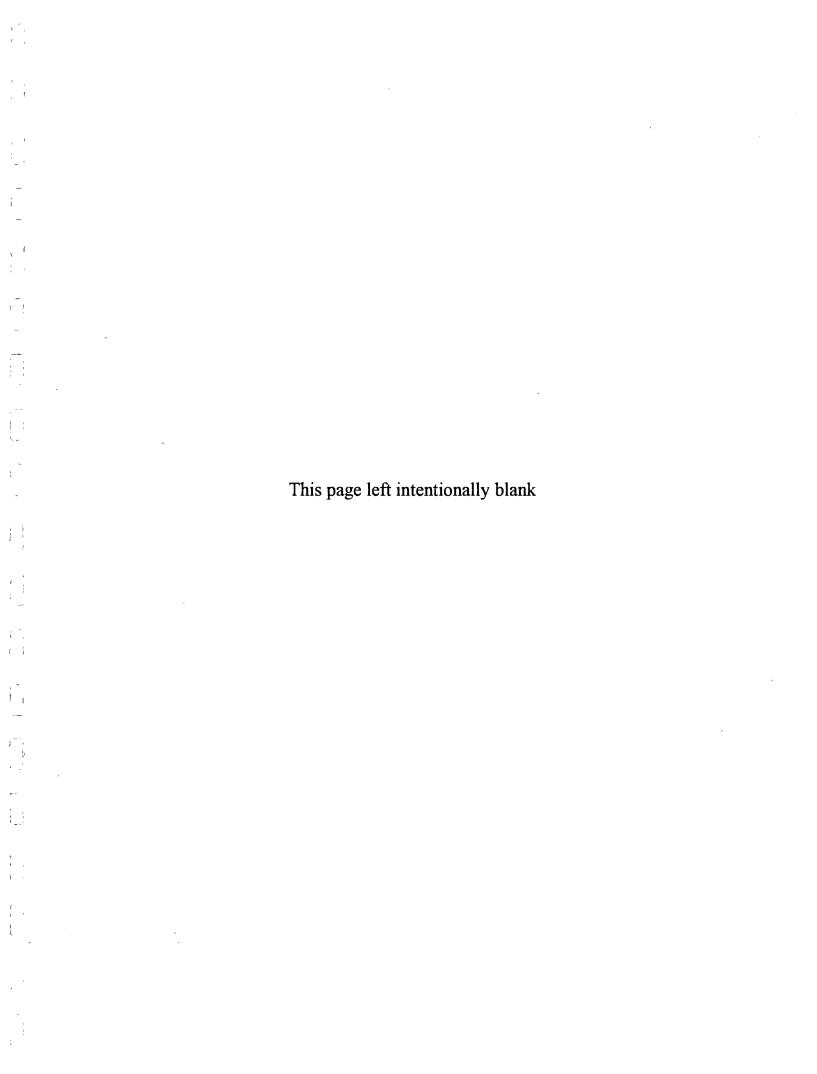
Personnel	Actual Expenditures Budget & Obligations Variance							
	\$	41,900	\$	19,114	\$	22,786		
Travel		-		-		-		
Contractual		-		18,703		(18,703)		
Commodities		-		-		-		
Equipment		_			-			
Project Total	\$	41,900	\$	37,817	\$ ·	4,083		

Exxon Valdez Oil Spill Trustee Council
Alaska Department of Natural Resources
Synthesis of Scientific Findings from EVOS Restoration Process
Project #97300
Schedule of Expenditures - Budget to Actual
Fiscal Year Ending September 30, 1997
(Unaudited)

Personnel	Actual Expenditures Budget & Obligations Variance							
	\$	•	\$	-	\$	-		
Travel		-		-		-		
Contractual		64,900		55,404		9,496		
Commodities		-		-		-		
Equipment				<u> </u>		<u>-</u>		
Project Total	\$	64,900	\$	55,404	\$	9,496		

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Exxon Valdez Oil Spill Trustee Council U.S. Department of Agriculture, U.S. Forest Service Department Totals

		Actual Expenditures Budget & Obligations Variance					
Personnel	\$	612,430	\$	524,845	\$	87,585	
Travel		85,500		80,253		5,247	
Contractual		487,970		363,298		124,672	
Commodities		27,600		21,383		6,217	
Equipment		9,400		1,000		8,400	
Project Total	<u>\$</u>	1,222,900	\$	990,779	\$	232,121	

Exxon Valdez Oil Spill Trustee Council U.S. Department of Agriculture, U.S. Forest Service Archaeological Index Site Monitoring Project # 97007A

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997 (Unaudited)

	Actual Expenditures							
	1	Budget	& C	bligations	Variance			
Personnel	\$	14,410	\$	21,541	\$	(7,131)		
Travel		4,700		210		4,490		
Contractual		4,390		3,587		803		
Commodities		1,500		387		1,113		
Equipment		-		-				
Project Total		25,000	\$	25,725	_\$	(725)		

Exxon Valdez Oil Spill Trustee Council
U.S. Department of Agriculture, U.S. Forest Service
Site Specific Archaeological Restoration
Project # 97007B-CLO
Schedule of Expenditures and Obligations - Budget and Actual

Fiscal Year Ending September 30, 1997
(Unaudited)

	Expenditures Budget & Obligations Variance						
Personnel	\$	15,000	\$	20,131	\$	(5,131)	
Travel		3,400		1,272		2,128	
Contractual		-		122		(122)	
Commodities		1,500		-		1,500	
Equipment				<u> </u>			
Project Total	\$	19,900	\$	21,525	\$	(1,625)	

Exxon Valdez Oil Spill Trustee Council U.S. Department of Agriculture, U.S. Forest Service Survey of Octopuses in Intertidal Habitats Project # 97009D

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997 (Unaudited)

	Actual Expenditures							
]	Budget	& Obligations		Variance			
Personnel	\$	-	\$	-	\$	-		
Travel		-		-		-		
Contractual		48,000		48,000		-		
Commodities		-		-		-		
Equipment		-				-		
Project Total	\$	48,000	\$	48,000	\$	_		

Exxon Valdez Oil Spill Trustee Council U.S. Department of Agriculture, U.S. Forest Service Mechanisms of Impact and Potential Recovery of Nearshore Vertebrate Predators Project # 97025

Personnel	Actual Expenditures Budget & Obligations Variance							
	\$	44,300	\$	45,262	\$	(962)		
Travel		1,700		606		1,094		
Contractual		7,800		8,043		(243)		
Commodities		2,500		2,778		(278)		
Equipment		-		*		-		
Project Total	\$	56,300	\$	56,689	\$	(389)		

Exxon Valdez Oil Spill Trustee Council U.S. Department of Agriculture, U.S. Forest Service Monitoring of Cutthroat Trout and Dolly Varden Habitat Improvement Structures Project # 97043B

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997 (Unaudited)

	Actual Expenditures							
		Budget	& Obligations		Variance			
Personnel	\$	17,290	\$	20,130	\$	(2,840)		
Travel		400		-		400		
Contractual		3,210		3,532		(322)		
Commodities		3,100		362		2,738		
Equipment								
Project Total	\$	24,000	\$	24,024	\$	(24)		

Exxon Valdez Oil Spill Trustee Council
U.S. Department of Agriculture, U.S. Forest Service
Administration, Public Information and Scientific Management
Project # 97100
Schedule of Expenditures and Obligations - Budget and Actual

	Actual Expenditures							
	Budget		& Obligations		Variance			
Personnel	\$	57,300	\$	54,473	\$	2,827		
Travel		10,000		8,949		1,051		
Contractual		-		-		. •		
Commodities		1,500		864		636		
Equipment		-				-		
Project Total	\$	68,800	\$	64,286	\$	4,514		

Exxon Valdez Oil Spill Trustee Council U.S. Department of Agriculture, U.S. Forest Service Habitat Protection and Acquisition Support Project # 97126

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997 (Unaudited)

	Actual Expenditures							
	Budget		& Obligations		Variance			
Personnel	\$	199,220	\$	153,245	\$	45,975		
Travel		22,500		32,616		(10,116)		
Contractual		186,180		86,881		99,299		
Commodities		6,000		5,344		656		
Equipment	~~~	-		-		**		
Project Total	\$	413,900	\$	278,086	\$	135,814		

Exxon Valdez Oil Spill Trustee Council
U.S. Department of Agriculture, U.S. Forest Service
Montague Riparian Rehabilitation Monitoring
Project # 97139C1

Personnel	Actual Expenditures Budget & Obligations Variance						
	\$	7,600	\$	7,415	\$	185	
Travel		900		-		900	
Contractual		-		852		(852)	
Commodities		800		102		698	
Equipment		-			***************************************	***	
Project Total		9,300	\$	8,369	\$	931	

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Agriculture, U.S. Forest Service

Cutthroat Trout and Dolly Varden: Relation Among and Within Populations of Anadromous and Resident Forms

Project # 97145

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997 (Unaudited)

	1	Budget	Actual penditures Obligations	v	ariance
Personnel	\$	67,620	\$ 75,600	\$	(7,980)
Travel		36,600	36,600		-
Contractual		122,480	114,500		7,980
Commodities		2,000	2,000		-
Equipment		1,000	 1,000		
Project Total	\$	229,700	\$ 229,700	\$	-

Exxon Valdez Oil Spill Trustee Council
U.S. Department of Agriculture, U.S. Forest Service
Kenai Habitat Restoration & Recreation Enhancement Project
Project # 97180

	Actual Expenditures Budget & Obligations Variance						
Personnel	\$	38,100	\$	7,455	\$	30,645	
Travel		-		-		-	
Contractual		46,900		77,300		(30,400)	
Commodities		•		245		(245)	
Equipment				9			
Project Total	\$	85,000	\$	85,000	\$		

Exxon Valdez Oil Spill Trustee Council U.S. Department of Agriculture, U.S. Forest Service Eastern PWS Wildstock Salmon Habitat Restoration Project # 97220

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997 (Unaudited)

				Actual			
	Expenditures						
	Budget		& Obligations		Variance		
Personnel	\$	58,060	\$	31,547	\$	26,513	
Travel		1,400		-		1,400	
Contractual		44,940		991		43,949	
Commodities		4,200		7,926		(3,726)	
Equipment		6,400				6,400	
Project Total	\$	115,000	\$	40,464	\$	74,536	

Exxon Valdez Oil Spill Trustee Council U.S. Department of Agriculture, U.S. Forest Service Project Management Project # 97250

Personnel	Actual Expenditures Budget & Obligations Variance					
	\$	51,500	\$	48,804	\$	2,696
Travel		-		-		-
Contractual		-		2,771		(2,771)
Commodities		-		-		-
Equipment						-
Project Total	\$	51,500	\$	51,575	\$	(75)

Exxon Valdez Oil Spill Trustee Council U.S. Department of Agriculture, U.S. Forest Service Sockeye Salmon Stocking at Solf Lake Project # 97256B

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997 (Unaudited)

	Actual Expenditures						
	J	Budget		& Obligations		Variance	
Personnel	\$	18,600	\$	19,980	\$	(1,380)	
Travel		2,800		-		2,800	
Contractual		23,000		13,479		9,521	
Commodities		3,600		1,235		2,365	
Equipment		2,000		-		2,000	
Project Total	\$	50,000	\$	34,694	\$	15,306	

Exxon Valdez Oil Spill Trustee Council
U.S. Department of Agriculture, U.S. Forest Service
Chenega-Area Shoreline Residual Oiling Reduction
Project # 97291
Chedule of Expenditures and Obligations - Budget and A

Actual Expenditures							
	Buaget	& U	bligations	Variance			
\$	12,630	\$	11,399	\$	1,231		
	-		-		-		
	1,070		3,240		(2,170)		
	-		140		(140)		
					_		
\$	13,700	\$	14,779	\$	(1,079)		
	***************************************	1,070	Budget & O \$ 12,630 \$ - 1,070	Budget Expenditures \$ 12,630 \$ 11,399 1,070 3,240 - 140	Expenditures & Obligations Value		

Exxon Valdez Oil Spill Trustee Council U.S. Department of Agriculture, U.S. Forest Service PWS Cutthroat Trout/Dolly Varden Inventory Project # 97302

Personnel	Actual Expenditures Budget & Obligations Variance					
	\$	10,800	\$	7,863	\$	2,937
Travel		1,100		-		1,100
Contractual		-		-		-
Commodities		900		-		900
Equipment		-				
Project Total	\$	12,800	\$	7,863	\$	4,937

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Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service Department Totals

	Expenditures							
		Budget		Obligations	1	/ariance		
Personnel	\$	968,590	\$	782,354	\$	186,236		
Travel		95,400		34,509		60,891		
Contractual		182,310		161,404		20,906		
Commodities		65,200		102,531		(37,331)		
Equipment		21,000		42,042		(21,042)		
Project Total		1,332,500	\$	1,122,840	\$	209,660		

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service Archaeological Index Site Monitoring Project # 97007A

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

Personnel	Actual Expenditures Budget & Obligations Variance							
	\$	10,370	\$	13,057	\$	(2,687)		
Travel		2,600		789		1,811		
Contractual		3,530		886		2,644		
Commodities		-		-		-		
Equipment								
Project Total	\$	16,500	\$	14,732	\$ ·	1,768		

Exxon Valdez Oil Spill Trustee Council
Department of Interior - Fish and Wildlife Service
Administration, Public Information & Scientific Management
Project # 97100

	Actual Expenditures							
		Budget	& C	bligations	Variance			
Personnel	\$	25,900	\$	24,058	\$	1,842		
Travel		-		613		(613)		
Contractual		-		1,275		(1,275)		
Commodities		-		118		(118)		
Equipment								
Project Total	\$	25,900	\$	26,064	\$	(164)		

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service Habitat Protection and Acquisition Support Project # 97126

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

Personnel	Actual Expenditures Budget & Obligations Variance							
	\$	293,480	\$	84,536	\$	208,944		
Travel		42,200		4,817		37,383		
Contractual		55,120		97,417		(42,297)		
Commodities		1,500		4,990		(3,490)		
Equipment				340		(340)		
Project Total	\$	392,300	\$	192,100	\$	200,200		

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service Common Murre Population Monitoring Project # 97144

Personnel	Actual Expenditures Budget & Obligations Variance							
	\$	18,400	\$	47,821	\$	(29,421)		
Travel		5,200		2,996		2,204		
Contractual		46,200		5,265		40,935		
Commodities		2,800		11,404		(8,604)		
Equipment		1,200		2,176		(976)		
Project Total	\$	73,800	\$	69,662	\$	4,138		

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service Archaeological Site Stewardship Project # 97149

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures Budget & Obligations Variance								
Personnel	\$	12,420	\$	15,993	\$	(3,573)			
Travel		3,900		281		3,619			
Contractual		2,680		-		2,680			
Commodities		1,000		123		877			
Equipment				96		(96)			
Project Total	\$	20,000	\$	16,493	\$	3,507			

Exxon Valdez Oil Spill Trustee Council
Department of Interior - Fish and Wildlife Service
Surveys to Monitor Marine Bird Abundance in PWS During Winter and Summer
Project # 97159

Expenditures							
	Budget	_& C	bligations	Variance			
\$	41,600	\$	44,561	\$	(2,961)		
	1,100		1,860		(760)		
	15,400		13,632		1,768		
	2,000		2,133		(133)		
			249		(249)		
\$	60,100	\$	62,435	\$	(2,335)		
	\$	1,100 15,400 2,000	Budget & & C & & & & & & & & & & & & & & & &	Budget & Obligations \$ 41,600 \$ 44,561 1,100 1,860 15,400 13,632 2,000 2,133 - 249	Budget Expenditures \$ 41,600 \$ 44,561 \$ 1,100 1,860 15,400 13,632 2,000 2,133 - 249		

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service Differentiation and Interchange of Harlequin Duck Within the North Pacific Project # 97161

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures Budget & Obligations Variance							
Personnel	\$	28,900	\$	11,791	\$	17,109		
Travel		-		-		-		
Contractual		-		3,947		(3,947)		
Commodities		-		6,522		(6,522)		
Equipment		-		2,232		(2,232)		
Project Total	\$	28,900	_\$	24,492	\$	4,408		

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service APEX: Seabird Interactions Project # 97163B

	Actual Expenditures							
	Budget		& (Obligations	Variance			
Personnel	\$	98,600	\$	101,847	\$	(3,247)		
Travel		9,200		4,655		4,545		
Contractual		6,100		1,579		4,521		
Commodities		700		5,299		(4,599)		
Equipment		3,800		5,313		(1,513)		
Project Total	\$	118,400	\$	118,693		(293)		

Department of Interior - Fish and Wildlife Service

APEX: Kittiwakes

Project # 97163E

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures							
		Budget		Obligations	Variance			
Personnel	\$	108,230	\$	111,021	\$	(2,791)		
Travel		8,700		5,646		3,054		
Contractual		19,370		6,870		12,500		
Commodities		22,000		32,736		(10,736)		
Equipment		11,700		14,384		(2,684)		
Project Total	_\$	170,000	_\$	170,657	\$	(657)		

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service

APEX: Guillemots Project # 97163F

Schedule of Expenditures and Obligations - Budget and Actual

Fiscal Year Ending September 30, 1997

	Actual Expenditures							
	Budget		& Obligations		Variance			
Personnel	\$	96,840	\$	87,858	\$	8,982		
Travel		7,600		6,444		1,156		
Contractual		14,660		10,131		4,529		
Commodities		12,100		20,281		(8,181)		
Equipment		3,300		9,464		(6,164)		
Project Total	\$	134,500	\$	134,178	\$	322		

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service

APEX: Barren Islands Murres and Kittiwakes Project # 97163J

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures							
Personnel		Budget		& Obligations		Variance		
	\$	82,470	\$	85,102	\$	(2,632)		
Travel		6,900		2,292		4,608		
Contractual		8,130		14,546		(6,416)		
Commodities		9,500		5,784		3,716		
Equipment				1,225		(1,225)		
Project Total	_\$	107,000	\$	108,949	_\$	(1,949)		

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service APEX: Large Fish as Samplers Project # 97163K

	E	Actual Expenditures Budget & Obligations Variance					
Personnel	\$	5,090	\$	5,177	\$	(87)	
Travel		500		-		500	
Contractual		1,610		2,450		(840)	
Commodities		2,000		762		1,238	
Equipment				802		(802)	
Project Total	\$	9,200	\$	9,191	\$	9	

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service Marbled Murrelet Productivity Project # 97231

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Budget	Actual penditures Obligations	Variance		
Personnel	\$ 90,390	\$	93,700	\$	(3,310)
Travel	7,500		4,116		3,384
Contractual	9,510		3,406		6,104
Commodities	11,600		12,379		(779)
Equipment	 1,000		5,761		(4,761)
Project Total	\$ 120,000	\$	119,362	_\$	638

Exxon Valdez Oil Spill Trustee Council Department of Interior - Fish and Wildlife Service Project Management Project # 97250

		Exp	penditures		
]	Budget	_& C	bligations	Va	riance
\$	55,900	\$	55,832	\$	68
	-		-		-
	-		-		-
	-		-		-
\$	55,900	\$	55,832	\$	68
		- - -	Budget & C \$ 55,900 \$ - - - -	Budget Expenditures \$ 55,900 \$ 55,832 - - <t< td=""><td>Budget & Obligations Value \$ 55,900 \$ 55,832 \$ - - - - - - - - - - - - - - -</td></t<>	Budget & Obligations Value \$ 55,900 \$ 55,832 \$ - - - - - - - - - - - - - - -

Exxon Valdez Oil Spill Trustee Council Department of Interior - U.S. Geological Survey

Department Totals

		E	Actual xpenditures		
	Budget		Obligations	7	/ariance
Personnel	\$ 495,270	\$	482,374	\$	12,896
Travel	41,800		26,229		15,571
Contractual	937,630		951,036		(13,406)
Commodities	125,400		122,235		3,165
Equipment	 4,000		12,706		(8,706)
Project Total	\$ 1,604,100	\$	1,594,580	\$	9,520

Exxon Valdez Oil Spill Trustee Council Department of Interior - U.S. Geological Survey Mechanisms of Impact and Potential Recovery of Nearshore Vertebrate Predators Project # 97025

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

			Actual				
	Expenditures						
	Budget	&	Obligations		/ariance		
Personnel	\$ 300,840	\$	290,586	\$	10,254		
Travel	36,300		23,277		13,023		
Contractual	731,560		731,789		(229)		
Commodities	72,100		80,573		(8,473)		
Equipment	 2,500		12,706		(10,206)		
Project Total	\$ 1,143,300	\$	1,138,931	\$	4,369		

Exxon Valdez Oil Spill Trustee Council
Department of Interior - U.S. Geological Survey
Administration, Public Information & Scientific Management
Project # 97100
Schedule of Expenditures and Obligations - Budget and Actual

			F	Actual			
			Exp	enditures			
	E	Budget	& O	bligations	Va	Variance \$ - 183 (178) 258	
Personnel	\$	-	\$	-	\$		
Travel		1,600		1,417		183	
Contractual		-		178		(178)	
Commodities		500		242		258	
Equipment							
Project Total	\$	2,100	\$	1,837	\$	263	

Exxon Valdez Oil Spill Trustee Council Department of Interior - U.S. Geological Survey Differentiation and Interchange of Harlequin Duck Populations Project # 97161

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

				Actual		
			-	renditures		
	1	Budget	& C	bligations	V	ariance
Personnel	\$	25,000	\$	24,377	\$	623
Travel		-		-		-
Contractual		-		307		(307)
Commodities		21,400		16,996		4,404
Equipment				-		
Project Total	\$	46,400	\$	41,680	\$	4,720

Exxon Valdez Oil Spill Trustee Council
Department of Interior - U.S. Geological Survey
APEX: Barrren Island Survey & Historic Review
Project # 97163L

			Actuai		
		Exp	enditures		
]	Budget	& O	bligations	Variance	
\$	19,300	\$	19,582	\$	(282)
	-		-		-
	-		-		-
	-		-		-
					-
\$	19,300	\$	19,582	\$	(282)
	-	- - -	Budget & O \$ 19,300 \$	\$ 19,300 \$ 19,582. 	Expenditures & Obligations Value

Exxon Valdez Oil Spill Trustee Council Department of Interior - U.S. Geological Survey

APEX: Response of Seabirds to Forage Fish Density Project # 97163M

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

				Actual			
	Expenditures						
		Budget	& Obligations		Variance		
Personnel	\$	77,050	\$	109,001	\$	(31,951)	
Travel		-		1,118		(1,118)	
Contractual		138,250		109,064		29,186	
Commodities		28,000		24,009		3,991	
Equipment			-	-		-	
Project Total	\$	243,300	\$	243,192	\$	108	

Exxon Valdez Oil Spill Trustee Council
Department of Interior - U.S. Geological Survey

APEX: Black-Legged Kittiwake Controlled Feeding Experiment
Project # 97163N

Schedule of Expenditures and Obligations - Budget and Actual
Fiscal Year Ending September 30, 1997

Personnel	Actual Expenditures Budget & Obligations Variance					
	\$	21,160	\$	4,983	\$	16,177
Travel		2,500		417		2,083
Contractual		4,140		24,698		(20,558)
Commodities		1,700		-		1,700
Equipment		500		-		500
Project Total	<u>\$</u>	30,000	\$	30,098	\$	(98)

Exxon Valdez Oil Spill Trustee Council Department of Interior - U.S. Geological Survey Genetic Study of Murres, Guillemots Murrelets Project # 97169

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

,	Budget	Exp	enditures	Variance	
<u> </u>	-	\$		\$	(3,798)
•	-	•	-	•	-
	59,400		56,000		3,400
	-		-		-
					<u> </u>
\$	59,400	\$	59,798	\$	(398)
		59,400 - -	Budget & O \$ - 59,400	\$ - \$ 3,798 	Budget Expenditures & Obligations V \$ 3,798 \$ 59,400 56,000 - - - -

Exxon Valdez Oil Spill Trustee Council Department of Interior - U.S. Geological Survey Project Management Project # 97250

				Actual penditures			
]	Budget	-	bligations	Va	Variance	
Personnel	\$	27,500	\$	26,662	\$	838	
Travel		-		-		-	
Contractual		-		-		-	
Commodities		-		-		-	
Equipment				-			
Project Total	\$	27,500	\$	26,662	\$	838	

Exxon Valdez Oil Spill Trustee Council Department of Interior - U.S. Geological Survey Ecology and Demographics of Pacific Sand Lance Project # 97306

	Actual Expenditures Budget & Obligations Varian					
Personnel	\$	24,420	\$	3,385	\$	21,035
Travel		1,400		-		1,400
Contractual		4,280		29,000		(24,720)
Commodities		1,700		415		1,285
Equipment		1,000				1,000
Project Total	\$	32,800	\$	32,800	\$	-

Exxon Valdez Oil Spill Trustee Council Department of Interior - National Park Service Department Totals Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997 (Unaudited)

	Actual							
	Expenditures							
	Budget		& C	bligations	Variance			
Personnel	\$	45,390	\$	43,155	\$	2,235		
Travel		4,300		3,249		1,051		
Contractual		35,110		32,341		2,769		
Commodities		1,900		-		1,900		
Equipment		-		1,795		(1,795)		
Project Total		86,700	\$	80,540	\$	6,160		

Exxon Valdez Oil Spill Trustee Council Department of Interior - National Park Service Archaeological Index Site Monitoring Project # 97007A

Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997 (Unaudited)

Personnel	Expenditures Budget & Obligations Variance							
	\$	8,050	\$	403	\$	7,647		
Travel		1,200		-		1,200		
Contractual		3,550		9,217		(5,667)		
Commodities		1,900		-		1,900		
Equipment				1,795		(1,795)		
Project Total	_\$	14,700	\$	11,415	_\$	3,285		

Exxon Valdez Oil Spill Trustee Council Department of Interior - National Park Service Administration, Public Information & Scientific Management Project # 97100 Schedule of Expenditures - Budget to Actual

Fiscal Year Ending September 30, 1997

(Unaudited)

	Actual Expenditures Budget & Obligations Variance							
Personnel	\$	17,300	\$	14,600	\$	2,700		
Travel		-		2,296		(2,296)		
Contractual		-		212		(212)		
Commodities		-		-		-		
Equipment								
Project Total	\$	17,300	\$	17,108	\$	192		

Exxon Valdez Oil Spill Trustee Council Department of Interior - National Park Service Habitat Protection and Acquisition Support Project # 97126 Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997 (Unaudited)

	Actual Expenditures Budget & Obligations Variance							
Personnel	\$	13,540	\$	23,480	\$	(9,940)		
Travel		2,600		-		2,600		
Contractual		8,560		1,027		7,533		
Commodities		-		-		-		
Equipment		_		-		-		
Project Total	\$	24,700	\$	24,507	\$	193		

Exxon Valdez Oil Spill Trustee Council Department of Interior - National Park Service Differentiation and Interchange of Harlequin Duck Within the North Pacific Project # 97161

Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997 (Unaudited)

Personnel	Actual Expenditures Budget & Obligations Variance							
	\$	-	\$	_	\$	-		
Travel		. 500		316		184		
Contractual		23,000		20,784		2,216		
Commodities		-		•		_		
Equipment		•		-				
Project Total	\$	23,500	\$	21,100	\$	2,400		

Exxon Valdez Oil Spill Trustee Council Department of Interior - National Park Service Project Management Project # 97250

Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997 (Unaudited)

Personnel	Actual Expenditures Budget & Obligations Variance						
	\$	6,500	\$	4,672	\$	1,828	
Travel		-		637		(637)	
Contractual		-		1,101		(1,101)	
Commodities		-				•	
Equipment						-	
Project Total	\$	6,500	\$	6,410	\$	90	

Exxon Valdez Oil Spill Trustee Council Department of Interior - Office of the Secretary Department Totals Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997

Personnel	Actual Expenditures Budget & Obligations				Variance	
	\$	52,400	\$	52,835	\$	(435)
Travel		_		-		-
Contractual		15,000		15,734		(734)
Commodities		-				
Equipment						
Project Total	\$	67,400	\$	68.569	S	(1.169)

Exxon Valdez Oil Spill Trustee Council Department of Interior - Office of the Secretary Administration, Public Information and Scientific Management Project # 97100

Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997

Personnel	Actual Expenditures Budget & Obligations Variance						
	\$	52,400	\$	52,835	\$	(435)	
Travel		-		-		-	
Contractual		-		-		-	
Commodities		-		-		-	
Equipment							
Project Total	\$	52,400	\$	52,835	\$	(435)	

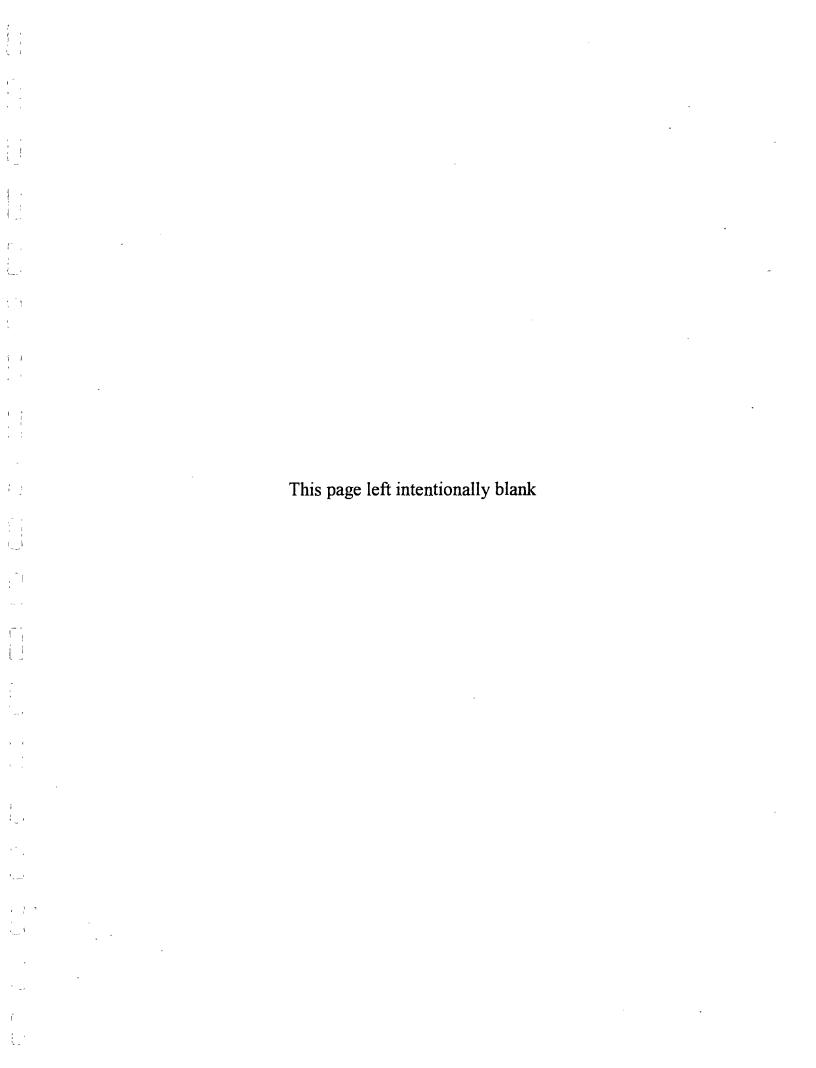
Exxon Valdez Oil Spill Trustee Council
Department of Interior - Office of the Secretary
Habitat Protection and Acquisition Support
Project # 97126
Schedule of Expenditures - Budget to Actual
Fiscal Year Ending September 30, 1997

	Actual Expenditures Budget & Obligations Variance							
Personnel	\$	_	\$	-	\$	-		
Travel		-		-		-		
Contractual		15,000		15,734		(734)		
Commodities		-		-		-		
Equipment		-		<u> </u>		-		
Project Total	\$	15,000	\$	15,734	\$	(734)		

Exxon Valdez Oil Spill Trustee Council Department of Interior - Bureau Of Indian Affairs Archaeological Index Site Monitoring Project # 97286 - Department Totals Schedule of Expenditures - Budget to Actual Fiscal Year Ending September 30, 1997

]	Variance			
Personnel	\$		\$ -	\$	-
Travel		-	-		-
Contractual		15,800	15,800		-
Commodities		-	-		-
Equipment			 		-
Project Total	\$	15,800	\$ 15,800	\$	-





U.S. Department of Commerce, National Oceanic and Atmospheric Administration Department Totals

	Actual Expenditures Budget & Obligations Variance						
Personnel	\$	837,030	\$	788,063	\$	48,967	
Travel		145,300		66,443		78,857	
Contractual		3,033,970		3,035,392		(1,422)	
Commodities		110,900		148,749		(37,849)	
Equipment		20,400		13,415		6,985	
Project Total	\$	4,147,600	\$	4,052,062	· \$	95,538	

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Comprehensive Killer Whale Investigation in PWS Project # 97012-BAA

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures Budget & Obligations Variance						
Personnel	\$	=	\$	-	\$	-	
Travel		-		-	•	-	
Contractual		157,500		156,584		916	
Commodities		-		-		-	
Equipment		•		-			
Project Total	\$	157,500	\$	156,584	\$	916	

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Mechanisms of Impact and Potential Recovery of Nearshore Vertebrate Predators Project # 97025

	Actual Expenditures							
		Budget	& Obligations		Variance			
Personnel	\$	77,660	\$	59,873	\$	17,787		
Travel		17,900		9,561		8,339		
Contractual		40,240		70,832		(30,592)		
Commodities		12,100		6,676		5,424		
Equipment		•						
Project Total	\$	147,900	\$	146,942	\$	958		

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Effects of Oiled Incubation Substrate on Straying and Survival of Wild Pink Salmon

Project # 97076

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures Budget & Obligations Variance							
Personnel	\$	305,550	\$	305,430	\$	120		
Travel		28,900		5,349		23,551		
Contractual		222,350		187,628		34,722		
Commodities		53,600		78,606		(25,006)		
Equipment	·····	8,400		-		8,400		
Project Total	\$	618,800	\$	577,013	\$	41,787		

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Mussel Bed Restoration and Monitoring

Project # 97090-CLO

	Actual Expenditures							
	Budget		& Obligations		Variance			
Personnel	\$	4,300	\$	6,202	\$	(1,902)		
Travel		3,600		1,465		2,135		
Contractual		-		-		-		
Commodities		2,100		287		1,813		
Equipment		*		-		-		
Project Total	\$	10,000	\$	7,954	\$	2,046		

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Administration, Public Information and Scientific Management Project # 97100

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual								
		Expenditures							
		Budget		& Obligations		Variance			
Personnel	\$	55,180	\$	89,371	\$	(34,191)			
Travel		10,000		3,665		6,335			
Contractual		17,120		18,657		(1,537)			
Commodities		1,500		817		683			
Equipment		-		-					
Project Total	\$	83,800	\$	112,510	\$	(28,710)			

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Status and Ecology of Kittlitz's Murrelets in PWS

Project # 97142-BAA

	Actual Expenditures Budget & Obligations Variance							
Personnel	\$	-	\$	-	\$	-		
Travel		-		-		· -		
Contractual		188,500		182,158		6,342		
Commodities		-		-		-		
Equipment								
Project Total	\$	188,500	\$	182,158	\$	6,342		

U.S. Department of Commerce, National Oceanic and Atmospheric Administration

APEX: Forage Fish Assessment Project # 97163A

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures							
		Budget	& Obligations		Variance			
Personnel	\$	-	\$	_	\$	-		
Travel		3,400		1,068	•	2,332		
Contractual		403,100		412,032		(8,932)		
Commodities		-		50		(50)		
Equipment								
Project Total	\$	406,500	\$	413,150	\$	(6,650)		

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration APEX: Fish Diet Overlap

Project # 97163C

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

Actual **Expenditures Budget** & Obligations Variance Personnel 6,330 59,442 (53,112)Travel 8,600 3,108 5,492 Contractual 69,370 14,840 54,530 Commodities 4,000 6,837 (2,837)Equipment 2,632 (2,632)\$ 88,300 **Project Total** \$ 86,859 1,441

U.S. Department of Commerce, National Oceanic and Atmospheric Administration APEX: Seabird Energetics

Project # 97163G

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures Budget & Obligations Variance							
Personnel	\$	_	\$	-	\$	=		
Travel		-		_		-		
Contractual		171,000		169,938		1,062		
Commodities		-		-		-		
Equipment		***		-		· _		
Project Total	\$	171,000	\$	169,938	\$	1,062		

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration APEX: Project Management

Project # 97163I

	Actual							
•		Budget	Expenditures & Obligations		Variance			
Personnel	\$	-	\$	-	\$	-		
Travel		-		, 🕶		-		
Contractual		139,200		138,353		847		
Commodities		-		-		-		
Equipment		•		-		-		
Project Total		139,200	\$	138,353	\$	847		

U.S. Department of Commerce, National Oceanic and Atmospheric Administration APEX: Barren Island Survey and Historic Review Project # 97163L

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures							
	F	Budget	& Obligations		Variance			
Personnel	\$	7,240	\$	28,050	\$	(20,810)		
Travel		2,800		2,361		439		
Contractual		21,260		3,813		17,447		
Commodities		-	,	410		(410)		
Equipment		12,000		<u>-</u>		12,000		
Project Total	\$	43,300	\$	34,634	\$	8,666		

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration APEX: Statistical Review

Project # 97163O

	Actual Expenditures Budget & Obligations Variance							
Personnel	\$	-	\$	-	\$	-		
Travel		-		-		-		
Contractual		21,400		21,269		131		
Commodities		. •		-		-		
Equipment				-				
Project Total	\$	21,400	\$	21,269	\$	131		

U.S. Department of Commerce, National Oceanic and Atmospheric Administration APEX: Modeling

Project # 97163Q

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures Budget & Obligations Variance						
Personnel	\$	-	\$	-	\$	- '	
Travel		-		-		•	
Contractual		69,800		69,245		555	
Commodities		-		-		-	
Equipment	***************************************	•		-			
Project Total	\$	69,800	\$	69,245	\$	555	

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Curation of Seabirds Salvaged from EVOS Project # 97167-BBA

	1	3udget	Actual Expenditures & Obligations Variance \$ - \$ -				
Personnel	\$	b	\$	-	\$	-	
Travel		-		-		-	
Contractual		32,100		31,903		197	
Commodities		, •		-		-	
Equipment				-		-	
Project Total	\$	32,100	\$	31,903	\$	197	

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Pink Salmon Spawning Habitat Recovery Project # 97194

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

		Actual Expenditures						
		Budget		Obligations	Variance			
Personnel	\$	118,100	\$	67,114	\$	50,986		
Travel		2,900		1,928		972		
Contractual		-		63,910		(63,910)		
Commodities		17,300		7,210		10,090		
Equipment				-				
Project Total	_\$	138,300	\$	140,162		(1,862)		

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Pristine Monitoring in Mussels and Predators of Juvenile Pink Salmon & Herring Project # 97195

				Actual			
	Expenditures						
		Budget	& 0	Obligations	Variance		
Personnel	\$	65,090	\$	70,893	\$	(5,803)	
Travel		43,200		29,340		13,860	
Contractual		210		310		(100)	
Commodities		6,800		5,754		1,046	
Equipment		-		8,154		(8,154)	
Project Total	\$	115,300	\$	114,451	\$	849	

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Publication of Sea Otter Data Project # 97223-BBA

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	1	Budget	Exp	Actual penditures bligations	<u>V</u>	ariance
Personnel	\$	-	\$		\$	-
Travel		-		-		-
Contractual		43,000		42,750		250
Commodities		-		-		-
Equipment						
Project Total	\$	43,000	\$	42,750	\$	250

Excon Valdez Oil Spill Trustee Council U.S. Department of Commerce, National Oceanic and Atmospheric Administration

Project Management Project # 97250

Project # 9/250

			Expen	tual ditures		
]	Budget	& Obli	igations	Variance	
Personnel	\$	55,200	\$	-	\$	55,200
Travel		-		~		-
Contractual		-		-		-
Commodities		-		-		-
Equipment						-
Project Total	\$	55,200	\$	-		55,200

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Hydrocarbon Data Analysis, Interpretation and Database Maintenance Project # 97290

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

		Actual Expenditures							
	I	Budget	_	Obligations	Variance				
Personnel	\$	63,490	\$	64,008	\$	(518)			
Travel		4,100		562		3,538			
Contractual		3,210		9,303		(6,093)			
Commodities		5,500		1,094		4,406			
Equipment		-							
Project Total	\$	76,300	\$	74,967	\$	1,333			

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration Chenega-Area Shoreline Residual Oiling Reduction Project # 97291

Actual Expenditures						
\$ 78,		\$	37,680	\$	41,210	
	19,900		8,036		11,864	
	36,910		29,834		7,076	
	8,000		41,008		(33,008)	
			2,629		(2,629)	
\$	143,700	\$	119,187	\$	24,513	
	\$	19,900 36,910 8,000	Budget & & & & & & & & & & & & & & & & & & &	Budget & Obligations \$ 78,890 \$ 37,680 19,900 8,036 36,910 29,834 8,000 41,008 - 2,629	Budget Expenditures & Obligations V \$ 78,890 \$ 37,680 19,900 8,036 36,910 29,834 8,000 41,008 - 2,629	

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration SEA: Confirming Food Webs of Fishes with Stable Isotope Tracers Project # 97320I

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

				Actual							
	Expenditures										
		Budget	& (Obligations	Variance						
Personnel	\$	-	\$	-	\$	-					
Travel		-		-		-					
Contractual		125,400		124,635		765					
Commodities		-		-		-					
Equipment											
Project Total	\$	125,400	\$_	124,635	\$	765					

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration SEA: Information System and Model Development Project # 97320J

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	 Actual Expenditures Budget & Obligations Variance								
Personnel	\$ -	\$	-	\$	-				
Travel	-		-		-				
Contractual	554,500		565,111		(10,611)				
Commodities	-		-		-				
Equipment	 -								
Project Total	\$ 554,500	\$	565,111	\$	(10,611)				

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration SEA: Physical Oceanography

Project # 97320M

Schedule of Expenditures and Obligations - Budget and Actual Fiscal Year Ending September 30, 1997

	Actual Expenditures Budget & Obligations Variance								
Personnel	\$ -	\$	-	\$	-				
Travel	-		-		-				
Contractual	353,400		355,401		(2,001)				
Commodities	-		-		-				
Equipment	 -								
Project Total	\$ 353,400	\$	355,401	\$	(2,001)				

Exxon Valdez Oil Spill Trustee Council

U.S. Department of Commerce, National Oceanic and Atmospheric Administration SEA: Nekton and Plankton Acoustics

Project # 97320N

Schedule of Expenditures and Obligations - Budget and Actual

Fiscal Year Ending September 30, 1997

	Actual Expenditures Budget & Obligations Variance									
Personnel	\$	-	\$	-	\$	-				
Travel		-		-		-				
Contractual		364,400		366,886		(2,486)				
Commodities	•	-		-		_				
Equipment						-				
Project Total	\$	364,400	\$	366,886	\$	(2,486)				

Exxon Valdez Oil Spill Trustee Council Schedule of Fiscal 1995 Work Plan Status as of September 30, 1997

	Budget		Actual Expenditures & Obligations as of 9/30/95		Actual Expenditures & Obligations as of 9/30/96		Actual Expenditures & Obligations as of 9/30/97		Unobligated Balance as of 9/30/97	
Alaska Departments of:		•								
Fish & Game	\$	13,488,100	\$	12,543,504	\$	12,441,209	\$	12,181,923	\$	1,306,177
Environmental Conservation		2,254,200		1,492,970		1,489,502		1,466,016		788,184
Natural Resources		1,730,300		1,161,948		1,162,229	,	1,162,470		567,830
Total State of Alaska		17,472,600		15,198,422		15,092,940		14,810,409		2,662,191
United States Departments of:										
Agriculture, United States Forest Service		2,823,100		2,327,220		2,516,779		2,516,779		306,321
Interior:										
Fish & Wildlife Service		1,532,200		1,266,599		1,267,261		1,267,107		265,093
National Biological Service		765,300		743,106		747,241		747,242		18,058
National Park Service		91,400		63,407		61,706		63,541		27,859
Minerals Management Service		17,400		9,469		9,434		9,434		7,966
Office of the Secretary		71,200		71,200		49,860		49,860		21,340
Commerce, National Oceanic & Atmospheric	С									
Administration		3,242,900		2,965,273		2,964,844		2,946,687		296,213
Total United States		8,543,500		7,446,274		7,617,125		7,600,650		942,850
Totals	\$	26,016,100	\$	22,644,696	\$	22,710,065	\$	22,411,059	\$	3,605,041

See Note 5 of the Notes to Supplementary Information Related to Restoration Projects on Page 98 for additional discussion relating to this schedule.

Exxon Valdez Oil Spill Trustee Council Schedule of Fiscal 1996 Work Plan Status as of September 30, 1997

		Actual Expenditures & Obligations as of		Actual Expenditures & Obligations as of		υ	nobligated Balance as of
	 Budget		9/30/96		9/30/97		9/30/97
Alaska Departments of:							
Fish & Game	\$ 12,618,000	\$	11,758,711	\$	11,656,814	\$	961,186
Environmental Conservation	263,100		261,210		261,288		1,812
Natural Resources	 2,503,900		1,882,384		1,857,455		646,445
Total State of Alaska	 15,385,000		13,902,305		13,775,557		1,609,443
United States Departments of:							
Agriculture, United States Forest Service	2,820,800		2,203,709		1,649,209		1,171,591
Interior:							
Fish & Wildlife Service	1,809,800		1,684,409		1,649,888		159,912
National Biological Service	1,418,700		1,387,139		1,389,265		29,435
National Park Service	81,700		58,107		58,108		23,592
Office of the Secretary	67,200		54,000		52,845		14,355
Commerce, National Oceanic & Atmospheric					•		
Administration	3,981,300		3,925,471		3,929,489		51,811
Total United States	10,179,500		9,312,835		8,728,804		1,450,696
Totals	\$ 25,564,500	\$	23,215,140	\$	22,504,361	\$	3,060,139

See Note 5 of the Notes to Supplementary Information Related to Restoration Projects on Page 98 for additional discussion relating to this schedule.

NOTES TO SUPPLEMENTARY INFORMATION

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

NOTES TO SUPPLEMENTARY INFORMATION RELATED TO RESTORATION PROJECTS

Fiscal Year Ended September 30, 1997

1. PRESENTATION

The information presented in the accompanying Schedules of Expenditures and Obligations - Budget and Actual present the budgets for each project approved by the Exxon Valdez Trustee Council (Council) as included in the Council's Fiscal Year 1997 Work Plan, and any amendments approved thereto, along with expenditures and obligations incurred by the Trustee Agencies in carrying out the Fiscal 1997 restoration projects, only. The information presented is not intended to present the results of operations of any other activities conducted by the Trustee Agencies. Expenditures incurred by the Trustee Agencies in Fiscal 1997 relating to restoration projects of prior years and to the liquidation of prior year encumbrances, is also not presented. The procedures used to develop and implement the project budgets for Fiscal 1997 are discussed in Note 6 to the Trust Fund Financial Statements.

The schedules titled "Department Total" for each agency reflect total budgets, expenditures and obligations for each Trustee Agency.

2. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues, expenditures and the related assets and liabilities are recorded in the accounts and financial statements. Specifically, it relates to the timing of the financial measurements made, regardless of the measurement focus applied.

As discussed in Note 2 to the Trust Fund Financial Statements, the State of Alaska accounts for the expenditure of funds from the State of Alaska, Exxon Valdez Oil Spill Settlement Trust (Settlement Trust) on the modified accrual basis of accounting.

As discussed in Note 2 to the Trust Fund Financial Statements, the United States accounts for the U.S. Department of the Interior, Fish and Wildlife Service, Natural Resources Damage Assessment and Restoration Fund (NRDA&R) on the cash basis of accounting. However, the United States Trustee Agencies use modified accrual accounting to account for the expenditure of funds within each agency. Expenditures are recorded when the related liability is incurred. Encumbrance (obligation) accounting, under which purchase orders and contracts for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary integration of the United States Government. Encumbrances (obligations) outstanding at year-end are included in the Actual Expenditures & Obligations column in the accompanying Schedules of Expenditures and Obligations - Budget and Actual.

3. FINANCIAL OPERATING PROCEDURES

On September 21, 1992, the Council adopted <u>Financial Operating Procedures</u> (Procedures) to be used by the United States and State of Alaska Trustee Agencies in conducting restoration projects. The objective of the Procedures was to ensure public trust and accountability while maximizing the Council's ability to use settlement funds for approved restoration activities. On August 29, 1996, the Trustee Council adopted Procedures that supersede the Operating Procedures adopted by the Trustee Council September 21,1992. The purpose of the adopted Procedures was to provide guidance regarding the authorities and responsibilities of agencies that receive Joint Trust Funds approved by the Trustee Council.

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

NOTES TO SUPPLEMENTARY INFORMATION RELATED TO RESTORATION PROJECTS

Fiscal Year Ended September 30, 1997

3. FINANCIAL OPERATING PROCEDURES (Continued)

Adjustments

The Procedures allow Trustee Agencies to transfer funds into or out of projects up to the cumulative amount of \$25,000 or up to ten percent of the authorized level of funding for each affected project, whichever is less, provided that such transfers will not alter the underlying scope or objectives of the project. Transfers in excess of this amount must be approved by the Council. The budget amounts presented include transfers made between projects by the agencies, which were approved by the Executive Director or were made in accordance with the Procedures.

Single Project Budget Transfers

The Procedures authorize Trustee Agencies to transfer, within a single project, budgeted funds between object classes (such as personnel, travel and contractual costs), and may change detailed items of expenditure, including specific personnel, to accommodate circumstances encountered during budget implementation, provided that such transfers will not alter the underlying scope or objectives of the project. The budget amounts presented do not include such transfers made by the agencies.

General Administration

The Procedures include a provision for general administration costs to be included in the budgets of the restoration projects. Actual recovery of general administrative costs shall be in proportion to actual direct costs and is limited to:

- 1. Fifteen percent of each project's actual personnel costs; and
- 2. Seven percent of the first \$250,000 of each projects actual contractual costs, plus two percent of project's actual contractual costs in excess of \$250,000.

Amounts budgeted and expended on projects for general administration are included in the personnel and contractual lines as appropriate in the accompanying Schedules of Expenditures and Obligations - Budget and Actual.

4. SETTLEMENT TRUST RECONCILIATION

Total Current Operating Expenditures reflected in the State of Alaska, Exxon Valdez Oil Spill Settlement Trust (Settlement Trust), Statement of Revenues, Expenditures and Changes in Fund Balances reconcile to Actual Expenditures and Obligations reflected in the accompanying "Department Totals" Schedules of Expenditures and Obligations - Budget and Actual for each State Trustee Agency as follows:

Actual Expenditures and Obligations, "Department Totals" Schedules of Expenditures and Obligations - Budget and Actual		
Alaska Department of Fish and Game	\$	9,616,413
Alaska Department of Environmental Conservation		3,134,649
Alaska Department of Natural Resources		1,508,715
Total		14,259,777
Add: Prior Years' Encumbrances Liquidated During Fiscal 1997		1,034,845
Less: Encumbrances Outstanding at September 30, 1997 Relating to Fiscal 1997 Restoration Projects		(2,257,160)
Total Current Operating Expenditures, Settlement Trust Statement of Revenues, Expenditures and Changes in Fund Balances	¢	13.037,462
I did Damied	Ψ	15,057,402

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

NOTES TO SUPPLEMENTARY INFORMATION RELATED TO RESTORATION PROJECTS

Fiscal Year Ended September 30, 1997

5. CURRENT STATUS OF 1996 and 1995 WORK PLAN RESTORATION PROJECTS

Total expenditures and obligations relating to 1996 and 1995 Work Plan Restoration Projects for each agency as of September 30, 1997 is presented on pages 94 and 95. This information is included in order to reflect any changes in expenditures and obligations from amounts previously reported.

The significant changes in the amounts previously reported, are due to encumbrances existing at September 30, 1996 which, during fiscal 1997, were liquidated due to incurring less expenditures under contracts than the amounts originally anticipated by the agencies.



ADDITIONAL REPORTS

9309 Glacier Highway, Suite B-200 · Juneau, Alaska 99801 Phone: 907-789-3178 · FAX: 907-789-7128

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Members, Exxon Valdez Oil Spill Trustee Council, Anchorage, Alaska:

We have audited the financial statements of the Exxon Valdez Oil Spill Trustee Council, Court Registry Investment System, Exxon Valdez Oil Spill Settlement Account as of and for the year ended September 30, 1997, and have issued our report thereon dated January 29, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Exxon Valdez Oil Spill Trustee Council, Court Registry Investment System, Exxon Valdez Oil Spill Settlement Account's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Exxon Valdez Oil Spill Trustee Council, in a separate letter dated January 29, 1998.

Internal Control Over Financial Reporting

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In planning and performing our audit, we considered the Exxon Valdez Oil Spill Trustee Council, Court Registry Investment System, Exxon Valdez Oil Spill Settlement Account's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be a material weakness. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Exxon Valdez Oil Spill Trustee Council in a separate letter dated January 29, 1998.

This report is intended for the information of the Exxon Valdez Oil Spill Trustee Council and management. However, this report is a matter of public record and its distribution is not limited.

January 29, 1998

9309 Glacier Highway, Suite B-200 · Juneau, Alaska 99801 Phone: 907-789-3178 · FAX: 907-789-7128

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Members, Exxon Valdez Oil Spill Trustee Council, Anchorage, Alaska:

We have audited the financial statements of the Exxon Valdez Oil Spill Trustee Council, U.S. Department of the Interior, Natural Resource Damage Assessment and Restoration Fund as of and for the year ended September 30, 1997, and have issued our report thereon dated January 29, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Exxon Valdez Oil Spill Trustee Council, U.S. Department of the Interior, Natural Resource Damage Assessment and Restoration Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Exxon Valdez Oil Spill Trustee Council, in a separate letter dated January 29, 1998.

Internal Control Over Financial Reporting

Elger, Rebfold & funk

In planning and performing our audit, we considered the Exxon Valdez Oil Spill Trustee Council, U.S. Department of the Interior, Natural Resource Damage Assessment and Restoration Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be a material weakness. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Exxon Valdez Oil Spill Trustee Council in a separate letter dated January 29, 1998.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Members, Exxon Valdez Oil Spill Trustee Council, Anchorage, Alaska:

We have audited the financial statements of the Exxon Valdez Oil Spill Trustee Council, State of Alaska, Exxon Valdez Oil Spill Settlement Trust as of and for the year ended September 30, 1997, and have issued our report thereon dated January 29, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Exxon Valdez Oil Spill Trustee Council, State of Alaska, Exxon Valdez Oil Spill Settlement Trust's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Exxon Valdez Oil Spill Trustee Council, in a separate letter dated January 29, 1998.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Exxon Valdez Oil Spill Trustee Council, State of Alaska, Exxon Valdez Oil Spill Settlement Trust's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be a material weakness. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Exxon Valdez Oil Spill Trustee Council in a separate letter dated January 29, 1998.

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Elger, Rehfeld & Frank January 29, 1998