

**Chapter 6000**

**Finance/  
Administration**

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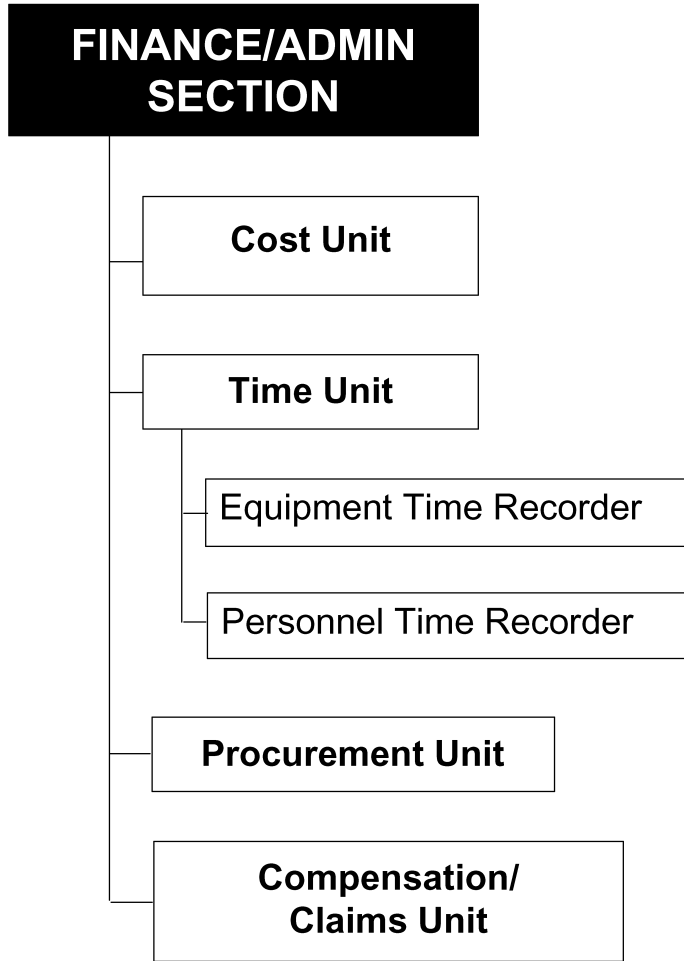
## Finance/Administration

### **6100 Finance/Administration Section Organization**

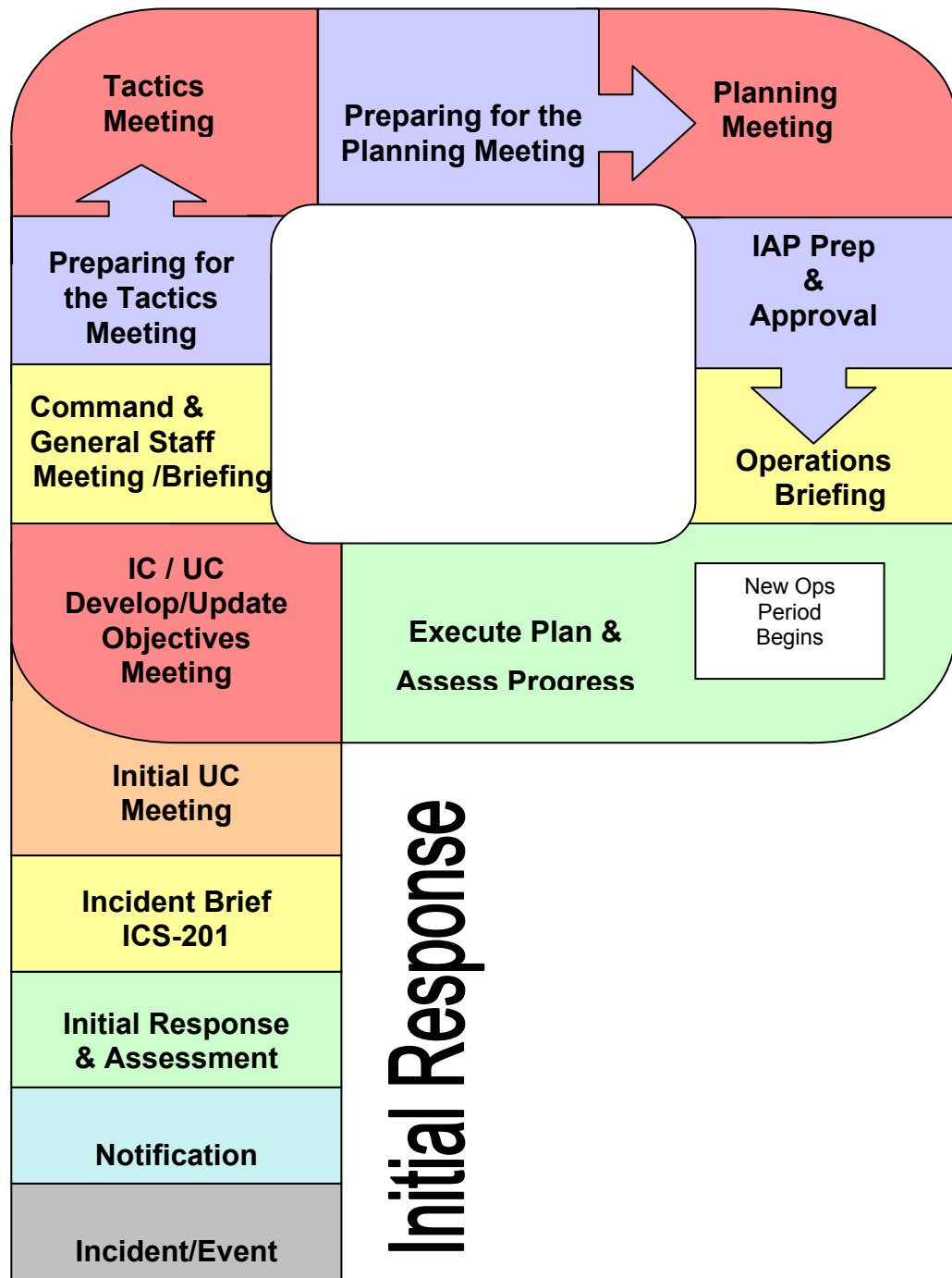
The following is an organizational chart of the Finance/Administrative Section and its subordinate units. It serves as an example and is not meant to be all-inclusive. The functions of the Finance/Administrative Section must be accomplished during an incident; however, they can be performed by one individual or can be expanded, as needed, into additional organizational units with appropriate delegation of authority.

Information regarding the Finance/Administration Section and Staff positions within the command can be found in the Oil Spill Field Operations Guide (FOG) ICS-OS-420-1 dated June 2000. For positions or incident types not addressed by the FOG, refer to the US Coast Guard Incident Management Handbook 2001 Edition, (COMDTPUB P 3120.17 Apr 2001).

**FINANCE/ADMINISTRATION SECTION**



**Figure**



6110 Finance/Administration Section Planning Cycle Guide

## **6200 Roles and Responsibilities**

Finance is usually staffed in large-scale or complex incidents. Since most of the activities of Finance do not require face-to-face communication, these operations may be located remote from the incident site. All functions not assigned by the Section Chief remain the responsibility of the Section Chief.

### **6210 Finance Section Chief Responsibilities**

The Finance Section Chief must provide for the documentation of all incident costs and provide guidance to the IC on financial issues that may have an impact on incident operations. These responsibilities include:

- Future payments;
- Future budgeting;
- Payment of personnel costs;
- Cost recovery;
- Timely administration of contracts;
- Meet with assisting and cooperating company/agency representatives, as required;
- Maintain daily contact with company/ agency(s) administrative headquarters on finance matters;
- Ensure that all personnel time records are transmitted to home company/agency according to policy; and
- Ensure that all obligation documents initiated at the incident are properly prepared and completed.

The Finance Section Chief is responsible for all finance functions needed for an incident. This individual should establish functional Units when needed to maintain an acceptable workload and span of control. Subordinate Finance functions may be combined when workload permits.

The Finance Section Chief should be assigned before implementation of subordinate units to prevent an excessive span of control or information overload for the ICS.

### **6220 Time Unit**

The primary function of the Time Unit is the time keeping required for personnel working at an incident. To do this effectively each agency, the responsible party, and all contractors will need to address this function. To the degree it is integrated into a similar format and procedure, the entire system will work more smoothly. To ensure this happens, each agency, responsible party, contractor, etc., should have some formalized method of checking in and out for all personnel.

The Time Unit Leader responsibilities include:

- Equipment and personnel time records;
- Establish contact with appropriate company/agency personnel/representatives;

- Establish Time Unit objectives;
- Ensure that daily personnel and equipment time recording documents are prepared in compliance with time policies;
- Submit cost estimate data forms to Cost Unit, as required;
- Provide for records security; and
- Ensure that all records are current or complete prior to demobilization.

### **6230 Procurement Unit**

When incident operations require procurement of goods or services from vendors, the Procurement Unit manages this function.

The Procurement Unit Leader responsibilities include:

- Administer all financial matters pertaining to vendor contracts;
- Coordinate with local jurisdictions on plans and supply sources;
- Prepare and sign contracts and land use agreements, as needed;
- Draft memorandums of understanding;
- Establish contracts with supply vendors, as required;
- Interpret contracts/agreements and resolve claims or disputes within delegated authority;
- Coordinate with Compensation/Claims Unit on procedures for handling claims;
- Finalize all agreements and contracts;
- Coordinate use of imprest funds, as required;
- Complete final processing and send documents for payment; and
- Coordinate cost data in contracts with Cost Unit Leader.

### **6240 Compensation/Claims Unit**

The function of the Compensation/Claims Unit involves record-keeping and financial claims related to damages created by the spill.

The Compensation/Claims Unit Leader responsibilities include:

- Overall management and direction of all administrative matters pertaining to compensation-for-injury and claims-related activity for an incident;
- Establish contact with Safety Officer, Liaison Officer, and Company/Agency Representatives;
- Determine the need for Compensation for Injury and Claims Specialists and order personnel, as needed;
- If possible, co-locate Compensation-for-Injury work area with the Medical Unit;
- Coordinate with Procurement Unit on procedures for handling claims; and
- Ensure that all Compensation-for-Injury and Claims documents are up to date and routed to the proper company/agency.

### **6250 Cost Unit**

The principal functions of the Cost Unit are tracking costs, analyzing cost data, making cost estimates, contracts, and recommending cost-saving measures.

Note: It is critical that all parties in the Unified Command adopt consistent cost documentation for later cost recovery from the responsible party, Federal, and/or State funds.

The Cost Unit Leader responsibilities include:

- Collecting all cost data, performing cost-effectiveness analyses, and providing cost estimates and cost-saving recommendations for the incident;
- Coordinate with company/agency headquarters on cost-reporting procedures;
- Obtain and record all cost data;
- Prepare incident cost summaries;
- Prepare resource-use cost estimates for Planning;
- Make recommendations for cost-savings to Finance/Administration Section Chief;
- Maintain cumulative incident cost records;
- Ensure that all cost documents are accurately prepared; and
- Complete all records prior to demobilization.

### **6300 FOSC Access to the Federal Fund**

Authority—Federal removal actions are authorized by the Federal Water Pollution Control Act (FWPCA) and CERCLA if the required elements of jurisdiction exist. In the event of a discharge or release, if the spiller is not acting promptly or is not known, the Federal On-Scene Coordinator (FOSC) may initiate federal removal under the authority of section 311 (o)(1) of the FWPCA or section 104(a) of the CERCLA. The responsible party is liable for government removal costs in accordance with section 311(f) of the FWPCA and section 107 of the CERCLA. Section 300.58 of the National Contingency Plan outlines the types of funds which may be available to remove certain oil and hazardous substances discharge.

### **6310 National Pollution Fund Center**

The National Pollution Fund Center (NPFC) manages the Oil Spill Liability Trust Fund (OSLTF), a source for payment of removal costs and damages resulting from oil spills or incidents that threaten to spill oil into navigable waters of the United States, adjoining shorelines, or the Exclusive Economic Zone (EEZ).

The NPFC:

- Acts as the fiduciary agency for the OSLTF and administers the Coast Guard portion of CERCLA;
- Provides 24-hour funding to FOSCs for immediate removal actions at an incident, to monitor responsible party's actions, or to initiate an assessment of damages to natural resources; and
- Issues Federal Project Numbers (FPN) as requested by a FOSC.

The NPFC operates within a Case Team concept. There are four case teams: Southeast, Gulf Coast, West Coast, and Northeast. Each case team includes legal, financial, natural resource damage claims and OSLTF claims specialists.

### **6320 Accessing the Oil Spill Liability Trust Fund**

The OSLTF (was established by section 311 (k) of the FWPCA and is administered by the Coast Guard. Title 33 CFR subchapter M provides regulatory information on state access to the OSLTF, claims procedures, financial responsibility for vessels, and other topics. Additional information on the OSLTF can be found in “Oil Spill Liability Trust Fund (OSLTF) Funding for Oil Spills” (NPFC PUB 16465.2) and in Chapter 7 of the Coast Guard Marine Safety Manual, Volume VI (COMDTINST M16000.11).

In the event of an oil spill, the FOSC, states, claimants, and trustees can obtain access to federal funds. Federal On-Scene Coordinators (FOSCs) can obtain immediate access to a funding account and ceiling for incident response by accessing the Ceiling and Number Assignment Processing System (CANAPS) on the Internet: [www.uscg.mil/npfc/response/canaps/default.asp](http://www.uscg.mil/npfc/response/canaps/default.asp).

The following funding limitations exist in accessing the OSLTF:

- The maximum, per case, is \$1 billion, or the balance in the OSLTF, whichever is less.
- Removal funding (including response to a substantial threat) and Initiate request funding are limited to the funds available in the OSLTF Emergency Fund.
- There is a maximum of \$500 million per case to satisfy NRD claims and assessments.
- Initiation of NRDA costs may be paid out of the Emergency Fund, subject to its availability and the process through which funding was requested.
- The discharge (or substantial threat of discharge) must impact navigable waters of the United States (including the 200-mile EEZ).

### **6330 Hazardous Substance Response Trust Fund**

A Memorandum of Understanding between the USCG and the EPA allows the USCG to access the Hazardous Substance Response Trust Fund when the USCG undertakes response activities pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), Executive Order 12316, and the provisions of Subpart E of the NCP. When EPA provides the OSC, the OSC has the authority to spend up to \$200,000 in emergency situations. The EPA Regional Administrator has authority to approve Trust Fund expenditures not to exceed \$6,000,000. Expenditures exceeding \$6,000,000 must be approved by EPA Headquarters. When the USCG provides the OSC, the USCG OSC has authority to approve Trust Fund expenditures not to exceed \$50,000. USCG OSCs can receive approval for CERCLA Trust Fund expenditures up to \$250,000 through the Commander, Thirteenth Coast Guard District. For additional expenditures, approval from the EPA Office of

Emergency and Remedial Response (OERR) is necessary. To access the fund, an account number must be obtained from EPA Headquarters.

Other Federal agencies have authority to expend Trust Fund money in accordance with Interagency Agreements (IAG) and Memoranda of Understanding (MOU) with EPA. Reimbursement of agency expenditures will be in accordance with the procedures specified in these IAGs and MOUs. The CERCLA statute allows state access to Superfund monies only through a Cooperative Agreement between EPA and the state.

In accordance to 40 CFR 300.415(b)(2), the Trust Funds may be used to undertake immediate removal actions when the agency providing the OSC determines that such action will prevent or mitigate immediate and significant risk of harm to human life or health or to the environment from such situations as:

- Human, animal, or food chain exposure to acutely toxic substances;
- Contamination of a drinking water supply;
- Fire and/or explosion; and
- Similar acute situations.

In the event of a hazardous substance release or imminent threat of a release, the FOSC can obtain access to federal funds through CERCLA.

- The FOSC determines if federal funds are required and requests a spending ceiling and CERCLA Project Number (CPN) from the NPFC Case Officer/Regional Manager. The FOSC can fund USCG resources contracts, OGAs, and contractor costs through the CPN. (NPFC User Reference Guide, Chapter 3).

CERCLA Access Criteria and Limitations:

- The release or substantial threat of a release of a hazardous substance, pollutant, or contaminant must impact the environment. "Environment" is defined in CERCLA as waters of the U.S., other surface waters, ground water, drinking water supply, land surface or subsurface, or ambient air;
- Removal funding is limited to no more than \$2,000,000 or 12 months duration. EPA may grant incident specific waivers to this requirement;
- FOSCs may only obligate less than \$250,000 for an incident without an approved Action Memorandum. (See NPFC User Reference Guide, Chapter 3, Section entitled "EPA Superfund Removal Procedures-Action memorandum Guidance.");
- There is no provision for state access;
- There is no provision for funding pre-assessment phase activities of NRDA;
- Compensation to claimants damaged by hazardous substances is not available; and
- The substance must not be oil as defined by 33 USC Section 2701(23).

(NPFC User Reference Guide, Chapter 3)

**6400 Other Access to Funds****6410 Access through Pollution Removal Funding Authorizations**

Federal, state, local, and tribal governments assisting the FOSC may receive reimbursable funding authority through a Pollution Removal Funding Authorization (PRFA). The NPFC can be consulted regarding PRFAs, but authorization to establish and use this funding source is provided by the FOSC. PRFAs must be approved by the FOSC.

**6420 State access to the OSLTF**

OPA 90 allows state Governors to request payments of up to \$250,000 from the Oil Spill Liability Trust Fund for removal costs required for the immediate removal of a discharge, or the mitigation or prevention of a substantial threat of a discharge, of oil. Requests are made directly to the FOSC who will determine eligibility. If a state anticipates the need to access the Fund, they must advise the NPFC in writing of the specific individual who is designated to make requests. The designation must include the person's name, title, address, telephone number, and the capacity in which they are employed. FOSCs will provide initial coordination of the request and subsequent coordination and oversight.

**6421 Eligibility for State Access to the OSLTF**

The following eligibility considerations will be evaluated by the FOSC when contacted by the State requesting OSLTF monies:

1. Is the incident eligible for immediate removal under the Clean Water Act, as amended by OPA 90?
2. Is the substance discharged/threatening discharge oil?
3. Did the incident occur after August 18, 1990?
4. Is the aggregate amount of the request equal to or less than \$250,000?
5. Are the proposed actions consistent with the NCP (including the requirement in 40 CFR 300.305 (c) that a reasonable effort was voluntarily made by the discharger to promptly perform removal actions)?
6. Are the proposed level of response, proposed actions, and amounts requested appropriate for the circumstances?
7. Does the State have the means to complete immediate removal?

The FOSC will then notify the state and the NPFC Director of his or her decision.

**6422 Required Record Keeping**

The state shall maintain records of expenditures of fund moneys including:

- Daily expenditures for each individual worker, giving the individual's name, title or position, activity performed, time on task, salary or hourly rate, travel costs, per diem, out-of-pocket or extraordinary expenses, and whether the individual is normally available for oil spill removal;
- Equipment purchased or rented each day, with the daily or hourly rate;
- Miscellaneous materials and expendables purchased each day; and

- Daily contractor or consultant fees, including costs for their personnel and contractor-owned or rented equipment, as well as that of any subcontractor.

The state shall submit a copy of these records and a summary document, stating the total of all expenditures made, to the NPFC within 30 days after completion of the removal actions. A copy of these documents shall also be submitted to the cognizant FOSC.

#### **6430 Lead Administrative Trustee Access to the Fund**

Section 6002 (b) of the Oil Pollution Act of 1990 (OPA90) provides that the OSLTF Emergency Fund is available “to initiate the assessment of natural resource damages” (Initiate/Initiation). For the purpose of this agreement, Initiate activities have been defined as those Preassessment activities as outlined in 15 CFR 990, Subpart D.

Executive Order 12777 limits funding for Initiation to the Federal Trustees, who are as follows:

- Department of the Interior;
- Department of Commerce;
- Department of Agriculture;
- Department of Defense; and
- Department of Energy.

Executive Order 12777 introduced the Federal Lead Administrative Trustee (FLAT) concept to provide a focal point for addressing natural resource issues associated with a specific incident. The NPFC will only accept requests for Initiation from, and normally works directly with, the FLAT. State and Tribal Trustees must work through a FLAT. Those State and Tribal Trustees acting in the event of a spill may join with the designated Federal Trustees to name a FLAT.

#### **Criteria for Initiation**

Threshold. Initiation of a natural resource damage assessment (NRDA) must be in response to an OPA incident, i.e., a discharge or substantial threat of a discharge of oil into or upon the navigable waters or the adjoining shorelines or the exclusive economic zone of the United States.

#### **6440 Claims Against Fund**

Claimants (individuals, corporations, and government entities) can submit claims for uncompensated removal costs or certain damages (natural resources, real/personal property, loss of profits, loss of subsistence use of natural resources, loss of government revenues, and increased costs of government services) caused by the oil spill to the NPFC if the party responsible for the discharge (RP) does not satisfy their claim. The NPFC adjudicates claims and pays those with merit. RPs can submit claims to the NPFC provided that:

- The total of all response costs and damage claims exceed the RP's statutory limit of liability, or
- The spill was solely caused by a third party, an Act of God, or an Act of War.

The categories of uncompensated losses covered by the OSLTF are:

- removal costs;
- real or personal property damages;
- loss of profits or earning capacity;
- loss of subsistence;
- loss of government revenues;
- cost of increased public services; and
- damages to natural resources.

Generally, claims for all costs and damages resulting from an oil pollution incident must be presented first to the responsible party or its guarantor. The guarantor is typically the responsible party's insurer.

#### **6450 State Access to the CERCLA Fund**

Expenditures of Trust Fund money by a State must be in accordance with a contract or cooperative agreement between EPA and that State.

#### **6451 Cost Recovery**

The EPA will make all decisions regarding recovery of expenditures from the Trust Fund. All agencies expending Trust Funds must submit an itemized account of all funds expended in accordance with provisions of contracts, Interagency Agreements (IAG), or Cooperative Agreements with EPA. These agreements must be in place prior to the expenditure of funds.

#### **6452 Reimbursement Procedures**

Reimbursement of agency expenditures will be in accordance with procedures specified in contracts, Interagency Agreements (IAG), or Cooperative Agreements with EPA.

Local governments may request reimbursement of costs to carry out temporary measures without a contract or cooperative agreement. All costs for which local governments are seeking reimbursement must be consistent with the National Contingency Plan and Federal cost principles outlined by the Office of Management and Budget. Reimbursements are limited to \$250,000 per hazardous substance response. In addition, reimbursement must not supplant local government funds normally provided for emergency response. States are not eligible for reimbursement and no state may request reimbursement on its own behalf or on behalf of political subdivisions within the state.

#### **6453 Local and Tribal Government Access to the CERCLA Fund**

Local and federally recognized tribal governments may request reimbursement of costs to carry out temporary measures to protect human health and the environment without a contract or cooperative agreement. All costs for which

local governments are seeking reimbursement must be consistent with the National Contingency Plan and Federal cost principles outlined by the Office of Management and Budget. Reimbursements are limited to \$25,000 per hazardous substance response. In addition, reimbursement must not supplant local government funds normally provided for emergency response. States are not eligible for reimbursement and no state may request reimbursement on its own behalf or on behalf of political subdivisions within the state.

More information on the Local Government Reimbursement (LGR) program maybe found at: [www.epa.gov/osweroe1/content/lgr/](http://www.epa.gov/osweroe1/content/lgr/).

#### **6460 Access to the Washington State Oil Spill Response Account**

The Oil Spill Response Account (OSRA) is provided to “pay for costs associated with the response to spills of crude oil or petroleum products into the navigable waters of the state.” (RCW 90.56.500) A portion of the OSRA is appropriated by the Legislature each biennium. If the appropriated amount is expended on a major spill or a series of smaller spills, additional appropriation authority may be sought from the Office of Financial Management.

#### **6461 Authority to Access to the Washington State Oil Spill Response Account**

These procedures are written under the authority of RCW 90.56, the Oil Spill Prevention and Response Act of 1991. This law established a \$25 million oil spill response fund, paid for by a one cent per barrel tax on the oil industry. The Department of Ecology is charged by Chapter 90.56 RCW to administer the oil spill response account (OSRA).

#### **6462 Activating the Washington State Oil Spill Response Account**

The Oil Spill Response Account may be activated by the director of Ecology or the Program Manager of the Spills Program. The State On-scene Coordinator (SOSC) is authorized to request the account be opened. Funds are currently appropriated to this account and are ready to spend subject to proper approval. When requesting account activation the SOSC or NRDA chair must document what other funding sources were considered, a description of the spill and expected response activities. To qualify for funding through the state OSRA, a spill must fit three criteria:

- The spill must be crude oil or a petroleum into navigable waters of the state;
- Cleanup and/or NRDA response costs are likely to exceed \$50,000; and
- Funding for the response must not immediately be available from a responsible party or the Federal Oil Spill Liability Fund.

#### **6463 Eligible OSRA Costs**

Appropriate spill-related costs include: a) Natural resource damage assessments and related activities (such as investigation to determine volume of oil spilled/recovered and sampling costs to identify the source of the spill); b) Response, containment, wildlife rescue, cleanup, disposal, and associated costs

(such as field investigation for determining causes and response effectiveness); c) Interagency coordination and public information (for both spills and significant threats of spills); and d) Appropriate travel, goods and services, contracts, and equipment.

### **6500 Federal Fund Documentation and Cost Recovery Procedures**

Through Executive Orders the President has delegated certain functions and responsibilities vested to him by the FWPCA and CERCLA to the EPA and the United States Coast Guard. Under CERCLA the Hazardous Substance Response Trust Fund has been set up to fund federal responses to hazardous substances or pollutants or contaminants, as defined by CERCLA that may present an imminent or substantial threat to public health or the environment. Responses to discharges of petroleum products are specifically excluded from CERCLA. Section 311 of the Clean Water Act, as amended by the Oil Pollution Act of 1990, established the Oil Spill Liability Trust Fund (OSLTF) for response to discharges of petroleum products (see 11.3 below). Response includes conducting Natural Resource Damage Assessments and paying claims for removal costs or damages. The EPA and USCG both have access to both funds through memorandums of understanding established between both agencies. Only costs incurred during containment, countermeasures, cleanup and disposal (Phase III) during a Federal Response to an oil pollution incident are recoverable from the Pollution Fund (311 (k)) and must be certified as Phase III costs by the FOSC. The National Contingency Plan (NCP) contains information and procedures with regard to both the FWPCA and the CERCLA, and contains sections dealing with documentation and cost recovery for both acts. Coast Guard Commandant Instruction 16465.1 defines documentation for enforcement and cost recovery. The instruction is incorporated into this plan by reference.

#### **6510 Letters**

- Notice of Federal Interest for an Oil Pollution Incident (Form CG-5549);
- Notice of Federal Assumption; and
- Letter of Designation of Source.

The OSC is responsible for notifying the NPFC of the source of a discharge, actual or potential. The NPFC must also be notified if the source is not identified. Notification may be made by letter, Rapidraft, or message (POLREP or SITREP). The NPFC should be contacted for guidance on procedures, or with any questions relating to this.

- Administrative/Directive Order (To be distributed under separate cover).

#### **6520 Reports**

- FOSC Reports will be submitted as determined necessary by the RRT for a particular incident.

- Pollution Reports (POLREPS) shall be submitted for the coastal zone in accordance with the requirements outlined in Volume VI, Chapter 7.B.5.b of the Marine Safety Manual. The POLREP format can be found in Volume VII of the Marine Safety Manual. In the inland zone, POLREPS shall follow the format outlined in EPA's Superfund Removal Procedures: Removal Response Reporting guidance.

### **6530 Required Washington State OSRA Documentation**

Expenditures for which reimbursement is claimed shall be documented with the understanding that cost recovery options from the responsible party and/or the federal Oil Spill Liability Trust Fund may be pursued. Cost documentation should be sufficient to withstand judicial review due to the potential for litigation with responsible parties. Daily resource reports should be completed as close to the time of activity as is reasonable, and preferably on the day of the activity. Original resource documentation is preferred for cost recovery purposes and it should not be retyped, even if it is handwritten. The following documentation must be submitted with all claims against the account:

An authorization is required for each person for whom cost reimbursement is requested. The authorization shall include a description of that person's job duties specifically relating to the spill response or natural resource damage assessment.

A listing of all agency personnel and the total hours worked for which cost reimbursement is requested.

Copies of the time sheets and travel vouchers which support the information requested above.

Copies of invoices for any purchases or expenditures made.

A narrative description of the agency's involvement in the spills, including general geographic locations of activity and corresponding dates.

A contact person's name and phone number for Ecology's use if questions about billing arise.

Ecology will provide cost documentation forms which may be used to summarize the information listed above. These three forms are:

- Spill Personnel Authorization;
- Spill Personnel Daily Accounting Sheet; and
- Spill Response Daily Purchases/ Contractors/Agency Form.

The signature authority for each form is not required to compute total costs, but rather must certify the activities conducted, then the fiscal or payroll officer for each agency may compute the total costs. The forms are provided for convenience and as a clear method of demonstrating the information required. An

agency may prefer to use another format, but the format must first be reviewed and accepted by the SOSC and Ecology's Finance Representative.

**6540 Washington State OSRA Approval and Reimbursement Process**

**6541 State Agencies**

State agencies are responsible for preparing and submitting daily response or RDA cost estimates to the SOSC, NRDA chair or Ecology's Finance Representative in the Unified Command as appropriate. The SOSC and NRDA chair are responsible for review of source documentation submitted to determine that the work or services documented were authorized and received.

**6542 Contractors**

Contractors are responsible for preparing and submitting daily response costs to the Ecology's Finance Representative. This manager shall review the documentation daily to determine that the work or services documented were authorized and received

**6543 Local Government Agencies, Tribes, and Other Groups not Part of State Government**

Local government agencies, tribes and other groups not part of state government requesting reimbursement of expenses shall be responsible for submitting claims on the correct forms to the SOSC. The claims shall be subject to review and approval by the SOSC.

After the Ecology's Finance Representative has approved an agency's final costs they shall be submitted to the cost recovery coordinator for final formatting and then to Ecology's Fiscal Office. The Fiscal Office shall make the appropriate payments the requesting agencies out of OSRA.

**6544 OSRA Reimbursement Claims Time Limits**

Local government agencies, tribes and other groups not part of state government requesting reimbursement of expenses shall be responsible for submitting claims on the correct forms to the SOSC. The claims shall be subject to review and approval by the SOSC.

After the Ecology's Finance Representative has approved an agency's final costs they shall be submitted to the cost recovery coordinator for final formatting and then to Ecology's Fiscal Office. The Fiscal Office shall make the appropriate payments the requesting agencies out of OSRA.

**6545 OSRA Contracts**

The SOSC or Ecology's Finance Representative shall award any cleanup/spill response contracts funded by OSRA. Ecology's NRDA team representative shall award any resource damage contracts funded by OSRA. The SOSC has signature authority for expenditures that can exceed \$10,000 for emergency contracts. The Section Supervisor, Spill Policy & Planning Section, must approve all

expenditures by the NRDA chair. Central Program's Manager and budget analyst must approve any expenditures greater than \$10,000.

All contracts need to follow the format of the sample contract shown in (figure to be provided at later date). It is identified as a Memorandum of Agreement (MOA). It is also required that Appendix "A" as noted in paragraph 1 of the MOA be completed by the SOSC, Ecology's NRDA team representative, or Ecology Headquarters staff, as appropriate. Appendix "A" must describe the work scope: why it is needed; what work is to be done or what service is provided; the work location; and the standard pay rate. The maximum dollar limit for the contract and the completion date shall be included.

**Example Appendix "A"**

Joe's Oil Skimmers is contracted to remove the petroleum products from Big Pond, Thurston County, Washington to prevent further contamination of the watershed. "Joe's" shall be reimbursed in accordance with the rate sheet attached and identified as "Standard Charges for Personnel and Equipment, Joe's Oil Skimmers"

All work shall be completed by Saturday, October 31, 1993. The maximum allowable charge against this contract is \$2,400.

**6546 OSRA Field Contracts**

In an emergency situation it may be necessary to let a field contract on the spot. This is allowable. An emergency/field contract is required to contain the information noted in 302.4.7 above and is subject to the review detailed in 302.4.7.2 below. The SOSC or State Ecology's Finance Representative may request that the cost recovery coordinator complete this work at headquarters.

"Emergency contracts/amendments are to be filed with OFM and LBC within three working days following the date of execution or commencement of work, whichever occurs first. An emergency means a set of unforeseen circumstances beyond the control of the agency that either presents a real, immediate threat to the proper performance of essential functions or may result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. The filing is to include an attachment which explains:

- The nature of the emergency;
- The threat to the health or safety of individuals, property, or essential state function if immediate action is not taken and an estimate of the potential material loss or damage; and
- How the services of the contractor will alleviate or eliminate the emergency."

State of Washington Policies, Regulations, and Procedures, Part 4, Chapter 3; Effective date: July 1, 1991.

**6547 Obtaining Supplies, Equipment, or Services with a PPR through OSRA**

The SOSOC or a spill responder may obtain supplies, equipment, or services for emergency spill response. Generally, a Preliminary Purchase Request (PPR) must be completed before the delivery of goods and services. Completing a PPR may be delayed until after the purchase ONLY when specific purchase authority or a unique situation occurs. Documentation must follow within three days. The PPR must contain a note explaining why an approved PPR could not be obtained prior to purchase. Unique situation as defined in Ecology's Policy and Procedure Manual as, "...one in which agency staff require an item or service within hours to protect public health and the environment, or to respond to citizen concerns that a situation affects public health or the environment." Once the SOSOC or spill responder determines that a unique situation exists, the merchandise or service shall be obtained with an invoice from the vendor.

**6548 PSRA Contract Review**

Any contract over \$5,000 needs State Office of Financial Management (OFM) approval. This generally takes ten working days. Emergency contracts over \$5,000 may be let and ten filed with OFM within three working days following the date of contract execution or the commencement of services, whichever occurs first. For assistance with OFM filing requirements, call the Department of Ecology Contract Administrator at (360) 407-7031.

**6600 Damage Assessment Procedures**

The National Oceanic and Atmospheric Administration (NOAA) published a final rule to guide trustees in assessing damages to natural resources from discharge of oil. The rule provides a blueprint that enables natural resource trustees to focus on significant environmental injuries, to plan and implement efficient and effective restoration of the injured natural resources and services, and to encourage public and responsible party involvement in the restoration process.

Under the rule, the natural resource damage assessment (NRDA) process is divided into three phases:

- Preassessment: The trustees evaluate injury and determine whether they have the authority to pursue restoration and if it is appropriate to do so;
- Restoration Planning: The trustees evaluate and quantify potential injuries and use that information to determine the appropriate type and scale of restoration actions; and
- Restoration Implementation: The trustees and/or responsible parties implement restoration, including monitoring and corrective actions.

This process is designed to rapidly restore injured natural resources and services to the condition that would have existed had the spill not occurred and to compensate the public for the losses experienced from the date of the spill until the affected natural resources and services have recovered.

**6610 Washington State Damage Assessment Procedures**

Washington's Natural Resource Damage Assessment (NRDA) team is dispatched whenever an oil spill or other water pollution incident involves damage to the State's natural resources. The assessments are conducted pursuant to WAC 173-183 which provides for three possible options: (1) actual studies of resource injuries; (2) estimation of injuries via the state's Compensation Schedule; or (3) direct initiation of restoration activities proposed by the RP. Ecology chairs the state RDA Committee which also includes WDFW, WDNR, WSPR, WOAHP, WDH, and other ad hoc member agencies.

Most RDA payments are deposited into the state Coastal Protection Fund. A steering committee consisting of representatives of the Department of Ecology, Department of Fish and Wildlife, Department of Natural Resources, and Department of Parks and Recreation authorizes expenditures from this fund after consulting impacted local agencies and tribal governments. The moneys are usually used for restoration projects or studies related to the resource damaged and spent in the area where the damages occurred.

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