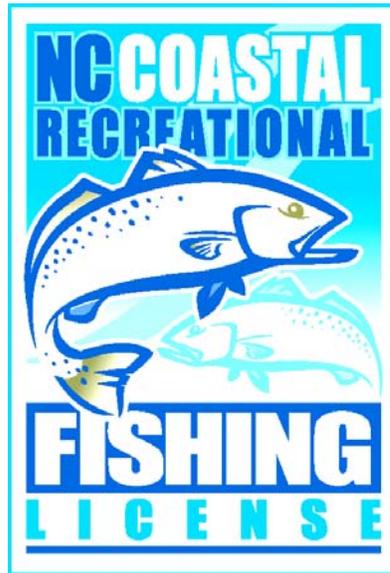


Administrative Procedures for Funding from The Marine Resources Fund and The Marine Resources Endowment Fund



July 9, 2010

ACRONYMS

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|------|--------------------------------------|
| CJRT | CRFL Joint Review Team |
| CPC | CRFL Project Coordinator |
| CRFL | Coastal Recreational Fishing License |
| DMF | Division of Marine Fisheries |
| MFC | Marine Fisheries Commission |
| RFP | Request for Proposals |
| WRC | Wildlife Resources Commission |

Administrative Procedures for Funding from the North Carolina Marine Resources Fund and the North Carolina Marine Resources Endowment Fund

July 9, 2010

I. PURPOSE

The purpose of this document is to define procedures used to disburse funds from the North Carolina Marine Resources Fund and the North Carolina Marine Resources Endowment Fund, as well as the procedures to be used from the time proposals are received from applicants for funds from the North Carolina Marine Resource Fund. The North Carolina Marine Fisheries Commission (MFC) and the North Carolina Wildlife Resources Commission (WRC) are statutorily charged to jointly disburse these funds to manage, protect, restore, develop, cultivate and enhance the marine resources of North Carolina. This document outlines procedures for consideration of project proposals, review, approval, accounting, and reporting.

II. BACKGROUND INFORMATION

A. North Carolina Marine Resources Fund

1. North Carolina General Statute (N.C.G.S.) § 113-175 defines the North Carolina Marine Resources Fund as being comprised of revenues from the **net proceeds from the annual and 10-day Coastal Recreational Fishing License (CRFL) and the CRFL portion of the annual unified fishing and sportsman licenses.**
2. **The purpose of the fund is to enhance the marine resources of the state (N.C.G.S. § 113-175.1). The principal of the fund includes:**
 - a. **Marine resources license revenues;**
 - b. **Proceeds of any gifts, grants, and contributions to the State that are specifically designated for inclusion in the Marine Resources Fund;**
 - c. **Funds realized from the sale, lease, rental, or other grant rights to real or personal property acquired or produced from funds disbursed from the Marine Resources Fund;**
 - d. **Federal aid project reimbursements to the extent that funds disbursed from the Marine Resources Fund originally funded the project for which the reimbursement is made.**

3. **The State Treasurer will hold the fund in a separate account from all other accounts. The State Treasurer will disburse the principal of the Marine Resources Fund and marine resources investment income only upon written direction from both the MFC and WRC.**

B. North Carolina Marine Resources Endowment Fund

1. N.C.G.S. § 113-175 defines the North Carolina Marine Resources Endowment Fund (hereinafter “Endowment Fund”) as being comprised of the **net proceeds from the sale of lifetime CRFL and the CRFL portion of the unified lifetime fishing and lifetime sportsman licenses.**
2. **The purpose of the fund, as outlined in N.C.G.S. § 113-175.5, is to provide the citizens and residents of the State with the opportunity to invest in the future of the marine resources of the State. The principle of the fund includes:**
 - a. **Endowment license revenues;**
 - b. **Proceeds of any gifts, grants, or contributions to the State that are specifically designed for inclusion in the Endowment Fund;**
 - c. **Proceeds of any gifts, grants, or contributions to the MFC or the N. C. Division of Marine Fisheries (DMF) that are not specifically designated for another purpose;**
 - d. **Funds realized from the sale, lease, rental, or other grant of rights to real or personal property acquired or produced from endowment investment income;**
 - e. **Federal assistance project reimbursements to the extent that endowment investment income originally funded the project for which the reimbursement is made;**
 - f. **Transfers to the Endowment Fund;**
 - g. **Any endowment investment income or marine resources license revenue that is credited to the Endowment Fund for the purpose of increasing the principal of the Endowment Fund.**
3. **The State Treasurer will hold the Endowment Fund separate and apart from all other accounts. The State Treasurer will disburse**

the endowment investment income only upon written direction of both the MFC and WRC.

C. Role of the MFC and WRC

1. Approve/adopt the Strategic Plan for the Conservation and Improvement of North Carolina's Marine Resources through Funding for the Coastal Recreational Fishing License (Plan). The Plan provides the overall guidance for establishing funding priorities from the Marine Resources and Endowment funds.
2. Establish annual funding priorities. These priorities will be based on the Program Areas and Objectives described in the Plan.
3. Determine percentage of funds or absolute amount to be released from the Marine Resources and Endowment funds for the upcoming funding cycle.
4. Appoint three members from each respective Commission to form the CRFL Committee that reviews and recommends prioritized projects to be considered for funding. The CRFL Committee recommendations are to be presented to the full MFC and WRC for final approval.
5. **Jointly authorize, through written direction to the State Treasurer, disbursement of the principal of the Marine Resources Fund and marine resources investment income and authorize disbursement of the endowment investment income to manage, protect, restore, develop, cultivate, conserve and enhance the marine resources of the State.**
6. Review the status of funded projects, annually.
7. **Jointly submit to the Joint Legislative Commission on Seafood and Aquaculture by October 1 of each year a report on the Marine Resources Fund and the Marine Resources Endowment Fund that includes the source and amount of all moneys credited to each fund and the purpose and amount of all disbursements for each fund during the prior fiscal year (N.C.G.S. § 113-175.6).**

D. Role of the DMF, WRC staff, and Department of Environment and Natural Resources

1. The DMF and Department of Environment and Natural Resources (DENR) will develop a Strategic Plan for the Conservation and Improvement of North Carolina's Marine Resources through Funding for the Coastal Recreational Fishing License and a list of potential funding priorities to be presented and considered by the MFC and WRC for adoption.
2. The DMF and DENR will conduct all administrative functions (i.e., track proposals through funding process, notify recipients, request funds to be distributed to recipients, serve as technical monitors for some projects, administer the appropriate budget accounts, ensure reports are submitted, etc.) for all proposals received and those granted funding.
3. The DMF and WRC staff will jointly review the technical merit of proposals and determine which meet Plan objectives and funding priorities. DMF and WRC staff will jointly prioritize proposals to be presented to the CRFL Committee.
4. DMF and WRC staff will solicit external peer review for those projects meeting plan objectives and funding priorities, but may be outside the expertise of DMF and WRC staff reviewers.
5. **All proposals to the MFC and the WRC for the disbursement of funds from the Marine Resources Fund and Marine Resources Endowment Fund shall be made by and through the Fisheries Director.**

III. FUNDING PROCESS

- A. General Steps in the Funding Decision Process (per funding cycle).
 1. The MFC and WRC will establish priorities based on program area objectives within the Plan after considering recommendations from the CRFL Committee.
 2. Issue Request for Proposals (RFP) and consider unsolicited proposals.
 3. Fisheries Director forwards all proposals to DMF and WRC staff. A summary list of all proposals is also supplied to CRFL Committee. DMF and WRC staff reviews proposals for technical merit, applicability to the Plan and funding priorities. Notification to applicants to resubmit, if revisions are necessary. Send out for external peer review, if necessary.

4. DMF and WRC staff reviews revised proposals, considers external reviewer comments, and prioritizes recommendations for funding of projects.
5. CRFL Committee reviews and prioritizes recommendations on final proposals.
- 6. Fisheries Director submits the CRFL Committee's prioritized funding recommendations to the MFC and the WRC for approval of funding.**
- 7. MFC and WRC notify the State Treasurer in writing of approved disbursement of funds.**
8. Notify applicants of funded and non-funded projects.
9. Project monitoring is conducted and reporting requirements are reviewed.
10. Fisheries Director accepts final project report and approves final payment.

B. Detailed Steps

Step 1. Establish Priorities Based on Program Area Objective within the CRFL Strategic Plan.

DMF develops initial ideas on funding priorities and the next RFP cycle by February 28th. The 5-year plan for funding the running of the CRFL program by DMF will be reviewed at this meeting. If the 5-year plan is scheduled to end by the next June 30th, a new 5-year plan will be developed.

CJRT meets to review funding priorities, the new RFP, progress reports for continuing projects, make recommendations for subsequent years of funding for multiyear grants, and recommend acceptance of a new 5-year plan, as needed by March 31st.

MFC CRFL AC meets to review funding priorities, the new RFP, progress reports for continuing projects, make recommendations for subsequent years of funding for multiyear grants, and recommend acceptance of a new 5-year plan, as needed by April 15th.

MFC and WRC CRFL Committee will approve funding priorities and the new RFP by April 30th. They will also review progress reports for projects seeking additional years of funding and determine whether to

recommend them for future funding. The CRFL Committee will make recommendations for funding of a new 5-year plan, as needed.

The MFC and WRC will establish, in writing, priorities to be funded during the upcoming grant funding cycle. Priorities will be based on the CRFL Strategic Plan and categorized by Program Area Objective. They will also review progress reports for projects seeking additional years of funding and determine whether to fund them for the next year. The Commissions will make decide on for funding for a new 5-year plan, as needed.

The WRC has empowered its members of the MFC and WRC CRFL Committee to make decisions on their behalf regarding CRFL funding. At this time, the Fisheries Director only needs to submit the CRFL Committee's prioritized funding recommendations to the MFC for approval of funding.

Step 2. The Annual Funding Cycle.

Pending final RFP approval, the annual funding cycle begins on June 1. Request for Proposals (RFP) by DMF will be issued prior to June 1 of each year and project proposals from universities, local North Carolina governmental entities, DMF or WRC will be accepted until the last work day prior to August 1 of each year. The RFP will include the CRFL Strategic Plan, funding priorities, proposal submission guidelines, and submission deadline.

The CRFL Project Coordinator (CPC) will be responsible for sending out the Request for Proposal (RFP) each year. The RFP will be listed on the Division of Marine Fisheries and the Wildlife Resources Commission websites. An RFP database of parties interested in receiving the RFP will be maintained. This RFP database will be maintained continuously and used for sending out the RFP to recipients in future years.

The RFP database will be compiled by listing county managers from all coastal counties and town managers/mayors from each municipality in the coastal counties. Copies of the RFP will also be sent to all biology and marine sciences program directors/department chairs of all North Carolina colleges and universities, both public and private, as well as to all DENR and WRC division directors.

At the time the RFP is initially disseminated, a news release will be sent out to all the media outlets currently contacted concerning the Boating

Infrastructure Grant Program RFP notifying them of the CRFL Fund RFP and giving instructions to contact the CPC for more information.

The CPC will receive inquiries from persons or organizations interested in knowing more about or applying for CRFL grant money. The CPC will add new persons or organizations to the RFP database and be responsible for maintaining the overall accuracy of the database. The CPC will answer all questions from interested parties about the technical aspects of applying for the grants. Persons who wish to discuss the content of their proposal will be referred to an appropriate subject matter expert.

Proposal guidelines are:

- a. Submit proposals in MS Word or Adobe PDF format. Applicants must also submit an original hard copy and 10 copies of the proposal. All proposals and resubmissions must be submitted to the DMF Director.
- b. Proposals are not to exceed 17 pages including figures, tables, drawings, vitae, etc.
- c. Indirect cost rates cannot exceed the indirect rate established for the Division of Marine Fisheries (this rate is established annually). Applicants covered under the DENR UNC Master Agreement follow that policy for setting indirect cost rates.
- d. Proposals are to identify benefits expected from the proposed activities, including users served, economic benefit to the local communities and state, etc.
- e. Proposals for public access must provide estimates on the usage of the facilities, including expected number of people who will use the access site.
- f. Research projects must include a written plan for delivering to DMF, that data gathered or obtained during the course of the project, along with a data dictionary.
- g. The RFP will state that funding will not be available until July 1 of the following year.
- h. Proposals from universities, North Carolina local governments, WRC and DMF will be accepted. Multi-party collaborations are encouraged.

i. Funds will be disbursed annually. Multiple year proposals will be conditionally approved on an annual basis for periods up to five years but continuation of funding for the project is dependent upon satisfactory completion of previous work including timely submission of reports, submission of annual renewal documents, and a determination by the MFC and WRC that the project continues to meet Plan objectives and funding priorities.

Each proposal is to include the following:

Applicant Name: Identify the name of the applicant and/or applicant's organization.

Project Title: A brief statement to identify the project.

Summary/Abstract: The applicant will provide an approximately 250 word abstract or summary of the proposal that will highlight the need, object, approach, and expected results/benefits of their project.

CRFL Strategic Plan Program Area, Objective and Funding Priority: Identify the CRFL Strategic Plan Program Area Objective and funding priority for which the proposal is being applied and identify the funding priority established by the MFC and WRC.

Project Period: The total period of the project proposed for funding. The award period may be for one or multiple years.

Need: Demonstrate the need for assistance.

Objective: Address what is to be accomplished.

Approach: List all procedures necessary to attain each project objective.

Expected Results and Benefits: Identify and document the results or benefits expected from the proposed activities and how the project will help manage, protect, restore, develop, cultivate and enhance the marine resources of North Carolina.

Data Delivery Plan for Research Projects: Provide a written plan describing how all data, analyses, models, etc. generated from the project will be made available to the DMF. The plan must include the format in which data will be submitted.

Geographic Location: The location where the project will be administered and where the project will be conducted.

Milestone Schedule: An activity schedule in table format for the duration of the project, starting with Month 1 and concluding at the end of the requested award period, including a maximum three-month report writing period.

Cost Summary: Detail all costs to be incurred in the project, including, but not limited to (see budget template): personnel, equipment, information technology needs (computers, staff, etc.), travel expenses, etc. Details are to include start-up versus long-term operational costs.

Principal Investigator: The principal investigator(s) is to be listed and vitae for each principal investigator must be attached. Limit each vita to two pages, as any additional information can be provided upon request. If this is not a research or monitoring project identify a key contact.

Other Funded Research: Identify all other funding sources currently being received and other funding sources where applications have been submitted and in which project personnel are involved. Include funding title, funding source, funding objective, amount of funding, length of funding, and principle investigator.

Proposals will be sent by applicants to the attention of the DMF Director. The proposals and all its copies will be received by the CPC. The receipt of the proposal will be logged by the CPC who will verify the affiliation of the submitter as an eligible entity and assign the proposal a unique tracking number that will follow it through its entire lifespan, whether it is funded or not.

Proposals will be classified according to which of the CRFL Strategic Plan Program objectives and type they meet (fish, habitat enhancement, and/or people, research, construction, education).

No late proposals will be accepted. If any proposals are received after the published deadline, the submitter will be notified that their proposal will not be considered for funding in this cycle, but may be resubmitted next year.

After proposals are received, they will be properly logged into the CRFL database. Additionally, the CPC will screen proposals for completeness. If a proposal does not meet guidelines or there are incomplete data, the CPC will contact the applicant to provide the necessary information within ten working days.

Step 3. CJRT Reviews Proposals and Applicability to the CRFL Strategic Plan, Priorities and Identify Deficiencies. Notification to

Applicants to Resubmit, if Revisions are Necessary. Send Out for External Peer Review, if Necessary.

The CPC will submit the summary of proposals to WRC and MFC, as well as post the proposals to the DENR CRFL Intranet. All proposals and supporting documents (abstract/summary pages, CJRT and external reviews, etc.) will be posted to the CRFL Intranet as they are received by the CPC for use by the CJRT. The CPC is responsible for making sure all CJRT members have access to the Intranet by acting as the liaison with DENR IT to grant access. A conference call will be set up by the CPC with CJRT to discuss tasks and appoint one CJRT member as the lead who will lead the discussion of the proposals at the proposal review meeting. Each proposal must be reviewed by a minimum of three CJRT members. Proposals that fall outside the general scope or knowledge of CJRT committee members will be sent out for external review. It is expected that this process will be completed within forty-five days after the closing of the RFP.

The CPC will notify applicants of suggested changes or responses to questions from the CJRT review process. The requested information must be supplied by the stated deadline in the form of a revised proposal in the same format described in Step 3.

The review and evaluation of all written proposals will be limited to items that need to be included, areas that need clarification, organization, additional information needed, etc. to help improve the quality of the proposal. Applicants may be contacted to address questions, concerns, clarification, etc. Based on recommendations from the CJRT and possibly others, the CPC will solicit external peer review for projects meeting plan objectives and funding priorities that may be outside the expertise of DMF and WRC staff reviewers.

Step 4. DMF and WRC Staff Reviews Proposals and Prioritizes Recommendations for Funding of Projects.

CJRT members will be asked to review their proposals prior to the proposal review meeting using a form prepared by the CPC to record their comments. The identity of reviewers will not be disclosed, however, all review forms will remain part of the application file. These reviews will be posted to the CRFL Intranet by the CPC as they are received.

A meeting of the CJRT will be called and chaired by the CPC to review all the proposals and comments received from the external reviewers. CJRT members will rank each proposal within each of the three program areas (Fish, Habitat, and People) as outlined in the CRFL strategic plan.

The CJRT will submit their ranking of recommended funding priority to the Marine Fisheries Commission and Wildlife Resources Commission CRFL Committee through the CPC. The CPC will also provide MFC and WRC CRFL Committee copies of each proposal in numerically ranked order of the projects proposed for funding by the CJRT. These recommendations may include alternate funding levels and specific award conditions according to project guidelines. A list of projects not considered will also be maintained stating the rationale for rejection. It is expected that this process will be completed by October 15th.

Step 5. The MFC CRFL AC meets to discuss the proposals.

The CPC will supply the Marine Fisheries Commission Office with copies of the proposals for dissemination to the CRFL Advisory Committee and summary tables showing how the CJRT ranked each proposal. These materials will be provided to the MFC Liaison Office no later than three weeks prior to the CRFL AC meeting, as determined by DMF's MFC Liaison. The MFC Liaison Office, working with the DMF staff member assigned to facilitate the CRFL AC will be responsible for setting up the meeting, preparing and disseminating meeting materials, running the meeting, and preparing the meeting minutes. The CPC will attend the meeting in an advisory capacity to help answer questions, as necessary. Copies of the meeting minutes will be sent to the CPC.

Step 6. CRFL Committee Reviews and Prioritizes Recommendations on Final Proposals.

The DMF Director will convene a meeting of the MFC and WRC Joint CRFL Committee and CJRT to present the CJRT's slate of proposals recommended for funding. This joint meeting allows the MFC and WRC Joint CRFL Committee and the CJRT to discuss any differences or clarifications in the priority ranking of funding.

The CPC will supply the Marine Fisheries Commission Office with copies of the proposals and abstracts/summaries for dissemination to the MFC and WRC Joint CRFL Committee and summary tables showing how the CJRT ranked each proposal. An additional set of summary tables will be prepared showing how the MFC CRFL AC ranked the proposals. These materials will be provided to the MFC Liaison Office no later than three weeks prior to the MFC and WRC Joint CRFL Committee meeting, as determined by DMF's MFC Liaison. The MFC Liaison Office will be responsible for setting up the meeting, preparing and disseminating meeting materials, and preparing the meeting minutes. The DMF Director will chair the meeting. The CPC will attend the

meeting in an advisory capacity to help answer questions, as necessary. Copies of the meeting minutes will be sent to the CPC.

The MFC and WRC Joint CRFL Committee will develop a list of prioritized proposed projects and forward recommendations through the Division Director to the full MFC and WRC for discussion, review, and approval. Additionally, the CRFL Committee will recommend the total amount of funds to be released from the Marine Resources Fund and Endowment Fund for the upcoming cycle.

It is expected that this process be completed within thirty days following the CJRT meeting and with enough time to prepare materials to disseminate to the full MFC prior to their November/December meeting.

Step 7. Fisheries Director Submits the CRFL Committee's Prioritized Funding Recommendations to the MFC for Approval of Funding.

The full MFC and WRC will review a summary of all submitted proposals from the CRFL Committee, submitted by the Division Director. **To receive funding, both commissions must approve projects.**

The WRC has empowered its members of the MFC and WRC CRFL Committee to make decisions on their behalf regarding CRFL funding. At this time, the Fisheries Director only needs to submit the CRFL Committee's prioritized funding recommendations to the MFC for approval of funding.

Step 8. MFC and WRC Notify the State Treasurer in Writing of Approved Disbursement of Funds.

A letter signed by both the chair of the MFC and the chair of the WRC identifying the approved projects and the assigned staff coordinator will be sent to the State Treasurer through the DMF Administrative Services Office no later than March 1. The CPC as part of the DMF Administrative Services Office will be responsible for monitoring the available funds.

Subsequent to this notification, the CPC will ensure centers are established showing the approved budget for each project.

Step 9. Notify Applicants of Project Funding Status.

A letter detailing the funding recommendations of the MFC and WRC (approved and not approved) will be sent to each applicant by the CPC no later than March 1, but only after the budget centers have been

established and show the approved budget for each project. Letters sent to unsuccessful applicants will summarize the reasons why the proposal was not selected for funding. After the letters have been sent, a news release will be disseminated announcing the proposals selected for funding.

Step 10. Establish Contracts

Proposals selected for funding that are were not submitted by the DMF will have to have a contract established. The CPC is responsible for obtaining all the information necessary to enter contracts into DENR's Contract Processing System (CPS).

Applicants who apply through a university that is a part of the UNC system will follow the UNC master agreement with DENR.

The Project Coordinator will have included in the contract the following special conditions statement: "A request for extension must be received three months prior to the end date of each funding period. If an extension is not requested, contract will end on the termination date and any funds not encumbered will revert back to the Marine Resources Fund."

All projects in which data are collected will be required in the contract special conditions to provide the data and a data dictionary in accordance with the DMF data delivery requirements.

The CPC will insure that all contractors are registered in eProcurement and NC Grants. The CPC will obtain the GIC number for projects that require them and will inform the contractor of their obligation to register in NC Grants and their need to file reports themselves online. The CPC is to help insure the contractors get established in both NC Grants and eProcurement. However, once enrolled in NC Grants, the contractor is the only one who can submit reports. The CPC needs to inform the contractors that NC Grant reporting is separate from the reports required by the CRFL program and failure to file reports in a timely manner may jeopardize future funding.

Contracts may only budget the amount of money and cover the duration of time approved by the MFC and WRC CRFL Committee and reported to the State Treasurer on the letter signed by the Commission Chairs.

DENR has contract authority for a period of up to three years. The MFC and WRC agreed to fund projects only one year at a time. Only if the commissions change this policy and decide to obligate currently available funds for multiple years of funding, may the contract be for longer than one year. No documentation is to be sent to DENR Purchase & Contracts

for any period of time longer than three years when requesting a contract be established. DMF will enter into a one-year contract with two additional one year options. A new contract will need to be established for any projects approved for funding by the two commissions for years remaining after the initial three year contract.

The CPC is to submit the contract request through CPS within five working days of receiving all the necessary documentation from the contractor.

All contracts are to start no sooner than July 1.

Step 11. Project Monitoring is Performed and Reporting Requirements are Reviewed.

Grants awarded to applicants will be administered by the DMF. The CPC is the assigned project administrator and liaison with grantees.

The CPC will maintain electronic copies of all grant documentation as well as hard copies of all reports to be kept with the original grant hard copy documentation. The CPC will ensure that final project reports are available to all who need or request them.

Award Action Requests:

Award action requests are administrative procedures initiated by either the grantee or the grant administrator to modify or manage the grant once the grant has been awarded and a contract executed, if necessary. Some award action requests may result in the need for an amendment to the contract. The CPC has authority to resolve award action requests except in cases where a grantee's request would result in additional expenditure of funds from either the Marine Resources or Marine Endowment Funds. This authority is necessary because many of these actions are purely administrative and given that the MFC and WRC CRFL Committee meets only twice a year, special meetings might have to be called for the CRFL Committee to act. When the CRFL Committee is provided updates on project status, they will be notified of any award action requests that have been acted upon since the Committee received the last update on that project.

Award action requests that can be tracked, processed, and approved by the CPC alone include:

Extension to file a report due to extenuating circumstances (such as hurricanes, unexpected illness of key project personnel, etc.)

No cost time extension

Change in PI
Change in Institution Name
New subaward, transfer, or contract

The CPC will be responsible for tracking and processing, but will need to get recommendations from the CJRT for approving the following award action requests.

Change in Scope
Change in Key Personnel

If a grantee is requesting additional funding for a previously approved CRFL projects, the MFC and WRC CRFL Committee has sole authority to make decisions to accept or deny the request. The CPC is responsible for tracking, and processing the request as well as implementing the CRFL Committee's decision. The process to request additional funding is as follows:

- The Proposer must send a letter to the CPC requesting an amendment of proposal with justifications for additional funding.
- The CRFL Project Coordinator will check on availability of funds. If no funds are available, the Project Coordinator will compose a letter of denial signed by the Director.
- If funds are available, the Project Coordinator will forward the request to the Director of Marine Fisheries, Executive Director of Wildlife Resources Commission and MFC/WRC CRFL Committee. The MFC Liaison Office will call a meeting of the MFC/WRC CRFL Committee for discussion and recommendation. If approved, presented to Marine Fisheries Commission for approval.

Projects funded under the five-year project plan will automatically have their unspent funds reverted back to the Marine Resources Fund.

Projects funded by Commissions (non-RFP) will be required to send a request for extension of funding three months prior to the end of each funding period. If an extension is not requested, any funds not encumbered will revert back to the Marine Resources Fund.

The CPC will formally notify the DMF Director as each project is completed.

The CPC will request an annual report for all CRFL funded projects. The Division of Marine Fisheries project reports that are biological in nature shall be reviewed by the Biological Review Team. Scientific/biological non-DMF project reports shall be reviewed by the staff member who is assigned to the project as the technical monitor. Administrative report projects shall be reviewed for completeness by the Grants supervisor. All

reports that are reviewed and determined to be acceptable shall be submitted to the CPC for acceptance and posted to the CRFL portion of the website.

The CPC will create an annual report that summarizes current, ongoing, and past completed projects to include, but not limited to, grant recipient, abstract, summary of progress to date, title of the final report, and overall project award amount, as applicable. It shall also include a status report of the Marine Resources Fund and the Marine Resources Endowment Fund that includes the source and amount of all moneys credited to each fund and the purpose and amount of all disbursements for each fund. This report will be written on behalf of the MFC and WRC to be submitted to the Joint Legislative Commission on Seafood and Aquaculture by October 1 for the preceding fiscal year.

The CPC will work with grantees to ensure they submit progress, final, and financial reports on time. The CPC will monitor requests for extensions to close out or no cost time extensions to allow work to continue, etc.

The decision to rescind an award or to cancel an award can be made by the MFC and WRC Joint CRFL Committee for any reason they deem fit. The CPC, in consultation with the CJRT, may rescind an award in cases where the Division of Marine Fisheries is unable to establish a contract with the grantee. The DMF WRC Joint CRFL Committee will be notified at their next meeting of projects where DMF is unable to establish a contract.

Grant recipients will submit reports as specified in the award letter to the DMF Administrative Services Office. The CPC will coordinate an initial assessment of the final report to ensure the report is complete in terms of reporting requirements. The Division of Marine Fisheries project reports that are biological in nature shall be reviewed by the Biological Review Team. Scientific/biological non-DMF project reports shall be reviewed by the staff member who is assigned to the project as the technical monitor. Administrative report projects shall be reviewed for completeness by the Grants supervisor. Upon a determination that the report is complete, the CPC will recommend to the Fisheries Director that final disbursement be made. All reports that are reviewed and determined to be acceptable shall be posted to the CRFL portion of the DMF website. Reports shall be submitted using the following format:

Progress Reports:

- Title page – grant name, project dates (periods covered), applicant’s name, and date.

- Objectives for the award period
- Activities Completed – listed by objective
- Milestone Chart – original and revised if changes occurred during project period.
- Progress during the period of semi-annual progress – bulleted items
- Deviations – planned activities not completed during the period. Provide an explanation for each deviation.
- Activities planned during the next reporting period.

Final Report:

- Title page – grant name, project dates, applicants’ name, date
- Abstract/Executive Summary
- Introduction
- Procedures
- Results
 - Description of sample sizes
 - Data analyses results
 - Summary/Statistics
- Discussion
 - What occurred
 - What did not occur that was expected to occur
 - Explanation of data limitations.
 - Deviations from project proposal identified and justified Interpretation of results
 - Applicability of study results to CRFL Strategic Plan and priorities
 - Recommendations/Summary
- Annual Budget expenditures
- Budget deviations

Grant recipients who do not meet the reporting requirements will not receive additional funds until all outstanding reports have been submitted and accepted as being complete by DMF's Administrative Services Office. A verbal presentation of project results may be requested.

Marine Resources Fund and Endowment Fund grants will be monitored through an electronic database maintained by DMF staff and will be available for public access. The database will contain the following elements:

Type of Grant – Marine Resources Fund or Endowment Fund.

Tracking Number – A number assigned to each new grant. The number is the permanent number assigned to the grant upon approval for funding. Additional numerical and date spaces may be added to indicate additional years of funding.

Fiscal Year – The fiscal year that money has been awarded.

PI organization – The principal investigator organization, if any (i.e., DMF, UNCW, etc.)

PI individual – The actual person responsible for the proposal, including address, telephone and email.

Grant Title – Name of the grant.

Short Description of the Proposal – Derived from the Abstract/Executive Summary.

Amount Funded – Total amount of funds awarded.

Personnel Costs - Amount requested for salaries and fringe.

Operational Costs - Amount requested for operations and equipment.

Indirect Costs - Amount of indirect or overhead.

Date Funds Received – Date funds were transferred to the recipient.

Report(s) Due – Date the annual reports are due.

Report(s) Received – Date DMF received the annual report.

Final Report Due – Date the final report is due.

Final Report Received – Date the final report is received.

Final Expenditures – Total amount actually spent on the grant.

Comments – Any additional comments that may be necessary.

Step 12. Fisheries Director Accepts Final Project Report and Approves Final Payment.

A goal of the final project report is to disseminate findings, results and end products of projects. A percentage of the final payment may be withheld until the applicant satisfactorily meets all approved project objectives and modifications, including submission of reports and delivery of data.

C. Conditions for Receipt of Funds

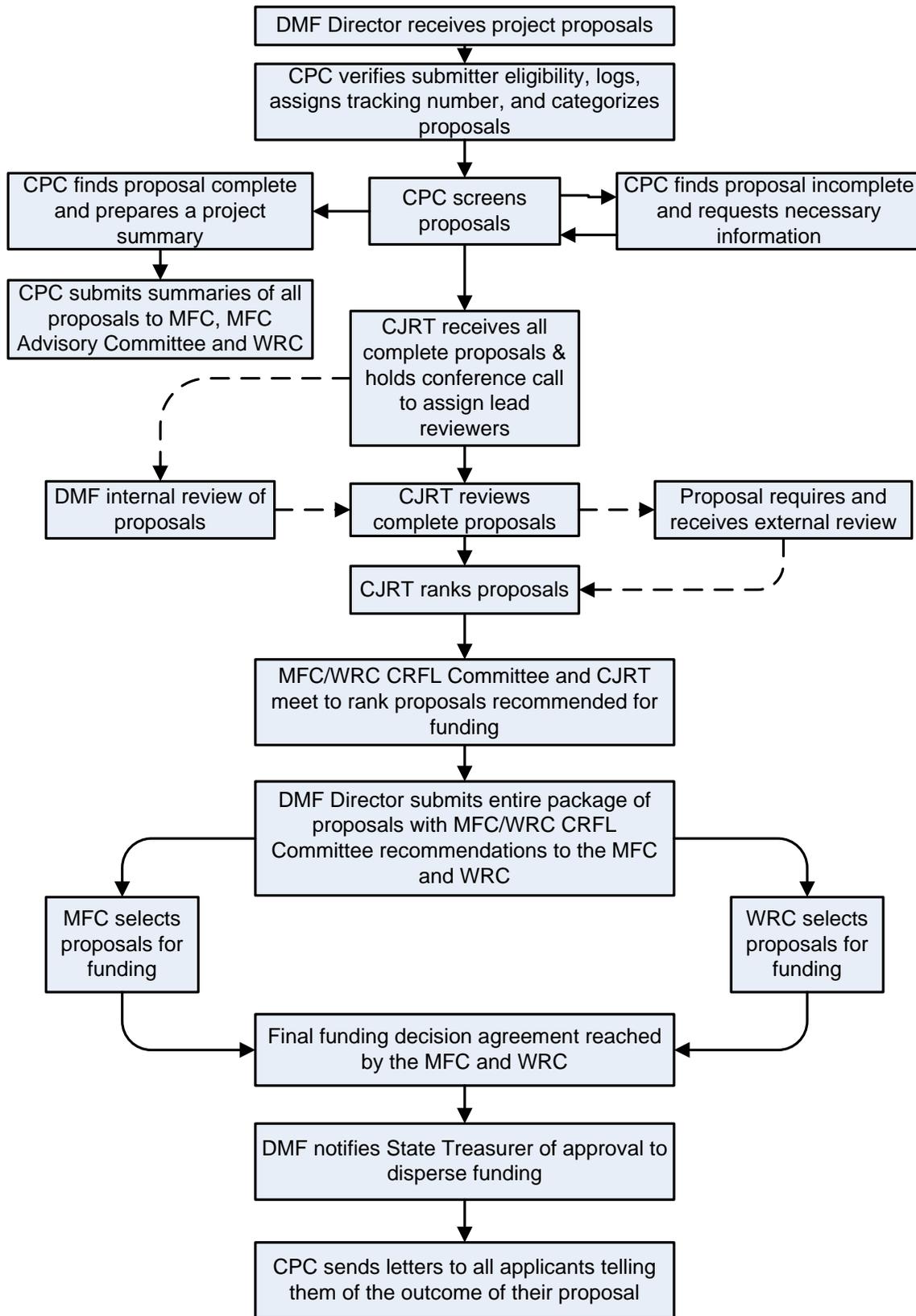
1. Funded projects requiring additional permits from local, state or federal agencies will be the responsibility of the grantee. Failure to obtain these permits will require the grantee to return funds in full.
2. All funded facilities and public access projects shall post signs providing credit to the Marine Resources Fund or Endowment Fund.
3. Funded projects shall maintain intended use of facilities and public access areas for a minimum of 15 years. Capital Projects exceeding \$100,000 in total cost must result in facilities and public access lasting at least 30 years. Abandonment, conversion, prohibition of public use, etc. shall automatically require repayment to the fund(s) of an amortized portion of the total grant reflecting the remaining life of the project.
4. Failure to deliver data to the DMF in a format with appropriate documentation to be used by the scientific community at the time completion of the final report shall automatically require repayment to the fund(s).
5. Failure to accept identified special conditions associated with the grant shall automatically require repayment of all or portion to the fund(s).
6. Failure to sign a North Carolina Department of Environment and Natural Resources grant contract within the allotted timeframe shall render the approved grant null and void with funds reverting back to the appropriate Fund.

7. The Fisheries Director or his designee must approve adjustment of budget accounts of more than 10% of the total project cost.

D. Unused/Returned Funds

A grant recipient will contact the CPC if they are unable to use granted funds for the intended project. The CPC will notify the DMF Director and the MFC Liaison who will notify the MFC and WRC. The CPC will retrieve the unused funds to be placed back into the appropriate granting fund.

CRFL Review Process Flow Chart



Bolded items indicate statutory requirements.

