

Gulf Coast Ecosystem Restoration Council
Fiscal Year 2020
Annual Performance Report

December 2020

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Preface

Established by the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012, or the RESTORE Act, codified at 33 U.S.C. § 1321 (t), the Gulf Coast Ecosystem Restoration Council (Council) is comprised of five Governors from the Gulf Coast States of Alabama, Florida, Louisiana, Mississippi and Texas (States), the Secretaries from the U.S. Departments of the Interior, Army, Commerce, Agriculture, and Homeland Security, and the Administrator of the U.S. Environmental Protection Agency. The Administrator of the Environmental Protection Agency currently serves as the Council's Chairperson. In cooperation with our restoration partners, the Council is striving to establish a benchmark for collaborative work while facilitating efficient and responsible implementation of large-scale restoration projects across the Gulf. The Council recognizes its unique and unprecedented opportunity to implement a restoration effort in a way that restores and protects the Gulf Coast environment, reinvigorates local economies and creates jobs in the region. Further, the Council is committed to working with Gulf communities and partners to invest in actions, projects, and programs that will ensure the long-term environmental health and economic prosperity of the Gulf Coast region.

The Council has oversight over the expenditure of 60% of the funds made available from the Gulf Coast Restoration Trust Fund established by the RESTORE Act (Trust Fund). Under the Council-Selected Restoration Component of the RESTORE Act, 30% of available funding is administered for Gulf-wide ecosystem restoration and protection according to the Comprehensive Plan developed by the Council through Funded Priorities Lists (FPLs). Another 30% is allocated to the States under the Spill Impact Component according to a [formula](#) established by the Council through a regulation, and spent according to individual State Expenditure Plans (SEPs) to contribute to the overall economic and ecological recovery of the Gulf. In fiscal year 2020 (FY20), the Council obligated \$144.4 million through grants (N=40) and interagency agreements (N=2) to carry out projects and programs under the RESTORE Act, bringing the total amount awarded to \$398.75 million: \$184.39 million from the Council-Selected Restoration Component, or "Bucket 2" and \$214.37 million from the Spill Impact Component, or "Bucket 3."

The Council develops FPLs through collaboration among its members and with feedback from stakeholders across the Gulf. The Council was initially planning on developing FPL 3 as a single action, consisting of a list of restoration projects and programs addressing ecosystem needs across the Gulf coast. As a result of the collaborative process, the Council decided to develop FPL 3 in two phases. On February 12, 2020, the Council approved the first phase, referred to as FPL 3a which included two components: River Reintroduction into Maurepas Swamp as a priority for potential future funding, and budgeting \$130,000,000 in implementation funds for this project; and \$26,880,000 in planning and implementation funds for the Perdido River Land Conservation and Habitat Enhancements project, which involves the acquisition, conservation, management, and restoration of approximately 10,000-12,000 acres of coastal habitat in Alabama.

In March 2020, the Council solicited proposals for potential funding under Bucket 2 in the second phase of the Council's Funded Priority List 3, referred to as [FPL 3b](#). In developing FPL 3b, the Council is adhering to the FPL development processes committed to by the Council, particularly as they relate to the use of the best available science (BAS), public engagement and transparency, and the Council's [2019 Planning Framework](#). The Council is considering proposals that address ecosystem needs in Texas, Mississippi, Florida, and Alabama, along with Gulfwide (covering two or more states) proposals. In FPL 3b, the

Council is considering proposals that address ecosystem needs in Texas, Mississippi, Florida, and Alabama, along with Gulfwide (covering two or more states) proposals. The Council has submitted proposed projects and programs (posted on the [Council's website](#)) addressing land conservation, quality improvement, habitat conservation and restoration, and other ecosystem projects and programs (collectively referred to as activities) across the Gulf coast. Many of these activities would continue to strategically leverage investments with other restoration efforts, including building upon successes of past FPL activities. It is anticipated that FPL 3b will be finalized during the Spring of 2021.

This report is available on the internet at the [RESTORE Council Website](#).

1. Introduction

The Gulf Coast region is vital to our Nation and our economy, providing valuable energy resources, abundant seafood, extraordinary beaches and recreational activities, and a rich cultural heritage. Its waters and coasts are home to one of the most diverse environments in the world—including over 15,000 species of sea life. More than 22 million Americans live in Gulf coastal counties and parishes, working in crucial U.S. industries like commercial seafood, recreational fishing, tourism, and oil and gas production. The region also boasts of a significant shipping industry with 10 of America's 15 largest ports accounting for nearly a trillion dollars in trade each year.

Despite the tremendous economic, social and ecological importance of the Gulf Coast region, the health of the region's ecosystem has been significantly impacted, most recently by the *Deepwater Horizon* oil spill, as well as by chronic and acute harm caused by other past and ongoing human actions. Restoring an area as large and complex as the Gulf Coast region is a costly and multi-generational undertaking. Over the past several decades, the Gulf Coast region has experienced loss of critical wetlands, erosion of barrier islands, imperiled fisheries, water quality degradation leading to, among many other impacts, one of the world's largest hypoxic zones every year, alteration of hydrology, and other cumulative environmental impacts. While hurricanes, subsidence and other natural forces are also key factors in land loss, this may be exacerbated by human actions which have greatly reduced ecosystem resilience and thus made coastal wetlands more vulnerable to these natural stressors.

The cumulative impacts of chronic (e.g., water quality, sea level rise) and acute (e.g., hurricanes and floods) stressors to the Gulf ecosystems have resulted in increased storm risk, land and habitat loss, depletion of natural resources, altered hydrology and compromised water quality and quantity, which are imperiling coastal communities' natural defenses and ability to respond to natural and man-made disruptions. These problems not only endanger the natural systems but also the economic vitality of the Gulf Region.

In addition, the Gulf of Mexico experienced extensive and severe water quality and habitat impacts resulting from the *Deepwater Horizon* oil spill including excess nutrients, altered sediment resources, pathogens, mercury, remaining *Deepwater Horizon* oil and other pollutants. Eight years after the spill, living coastal and marine systems still show signs of stress, such as depleted species populations and degraded habitats.

The Council is playing a key role in helping to ensure that the Gulf's natural resources are sustainable and available for future generations. Use of the Gulf restoration funds represent a great responsibility. The ongoing involvement of the people who live, work and play in the Gulf region is critical to ensuring that these monies are used wisely and effectively.

The Council was formally established in 2015 as a new, independent Federal Agency with a clear mission to implement a long-term, comprehensive plan for the ecological and economic recovery of the Gulf Coast region. This document represents the Council's submission of the Annual Performance Plan (APP) for Fiscal Year 2018. Unlike most federal agencies, the Council does not receive funds through the annual federal appropriations process (all funds are received through the Trust Fund (Trust Fund)); however, the Council does appear in the Appendix to the President's Budget.

The Gulf Coast Restoration Trust Fund

The Gulf Coast environment was significantly injured by the 2010 *Deepwater Horizon* oil spill as well as by past and ongoing human actions. Restoring an area as large and complex as the Gulf Coast region is a costly, multi-generational undertaking. Gulf habitats are also continually degraded and lost due to development, infrastructure, sea-level rise, altered riverine processes, ocean acidification, salinity changes and other human-caused factors. Water quality in the coastal and marine environments is degraded by upstream pollution and hydrologic alterations spanning multiple States and involving the watersheds of large and small rivers alike. Stocks of marine and estuarine species are depleted by over-utilization and conflicting resource use. Some of the region's environmental problems such as wetland loss and hypoxia span areas the size of some U.S. states. This degradation represents a serious risk to the cultural, social and economic benefits derived from the Gulf ecosystem.

On October 5, 2010, the President issued Executive Order 13554, which established the [Gulf Coast Ecosystem Restoration Task Force \(Task Force\)](#) "to coordinate intergovernmental responsibilities, planning, and exchange of information to better implement Gulf Coast ecosystem restoration and to facilitate appropriate accountability and support throughout the restoration process." The Task Force was an advisory body composed of senior officials from the five Gulf Coast states of Alabama, Florida, Louisiana, Mississippi, and Texas, and eleven federal agencies and White House offices. The U.S. Environmental Protection Agency's former Administrator Lisa P. Jackson served as Chair of the Task Force, and the former Chair of the Coastal Protection and Restoration Authority of Louisiana, Garret Graves, served as Vice-chair.

The primary charge of the Task Force was to create a unified, strategic approach to restore the region's ecosystem. In December 2011, the Task Force members published the [Gulf of Mexico Regional Ecosystem Restoration Strategy](#) (Strategy) and the [Gulf of Mexico Ecosystem Science Assessment and Needs](#) that articulated an overarching vision for restoration.

Signed into law in July 2012 the [RESTORE Act](#) (33 U.S.C §1321(t) and *note*) enacted as an amendment to the federal *Clean Water Act* (or *Federal Water Pollution Control Act*), created the Gulf Coast Restoration Trust Fund (Trust Fund) in the U.S. Department of the Treasury. The Act established the Council and the Gulf Coast Restoration Trust Fund (Trust Fund); the latter receives 80 percent of the civil and administrative penalties assessed under the Clean Water Act (CWA) resulting from the *Deepwater Horizon* oil spill. The Council is comprised of the Governors of Alabama, Florida, Louisiana, Mississippi, and Texas, the Secretaries of the U.S. Departments of Agriculture, the Interior, the Army, Commerce, and Homeland Security, and the Administrator of the U.S. Environmental Protection Agency. In 2012, the Secretary of Commerce became the Council's first Chairperson. In March 2016, the Secretary of Agriculture became the Council Chairperson, and in January 2018, the Administrator of the U.S. Environmental Protection Agency became the current Council Chairperson.

The Act imposed a one-year timeline for development of the [Initial Comprehensive Plan](#) (Initial Comprehensive Plan) to describe how the Council would restore the ecosystem and the economy of the Gulf Coast region. The RESTORE Act directs the Council to use the best available science and give highest

priority to ecosystem projects and programs that meet one or more of the following four Priority Criteria. The Council will use these criteria to evaluate proposals and select the best projects and programs to achieve comprehensive ecosystem restoration.

- Projects that are projected to make the greatest contribution to restoring and protecting the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, and coastal wetlands of the Gulf Coast region, without regard to geographic location within the Gulf Coast region.
- Large-scale projects and programs that are projected to substantially contribute to restoring and protecting the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, and coastal wetlands of the Gulf Coast ecosystem.
- Projects contained in existing Gulf Coast State comprehensive plans for the restoration and protection of natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, and coastal wetlands of the Gulf Coast region.
- Projects that restore long-term resiliency of the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, and coastal wetlands most impacted by the *Deepwater Horizon* oil spill.

The funds supporting the Council's efforts are defined by the RESTORE Act, which divides funds made available from the Trust Fund into five components, colloquially referred to as "buckets," and sets parameters for how these funds will be spent.

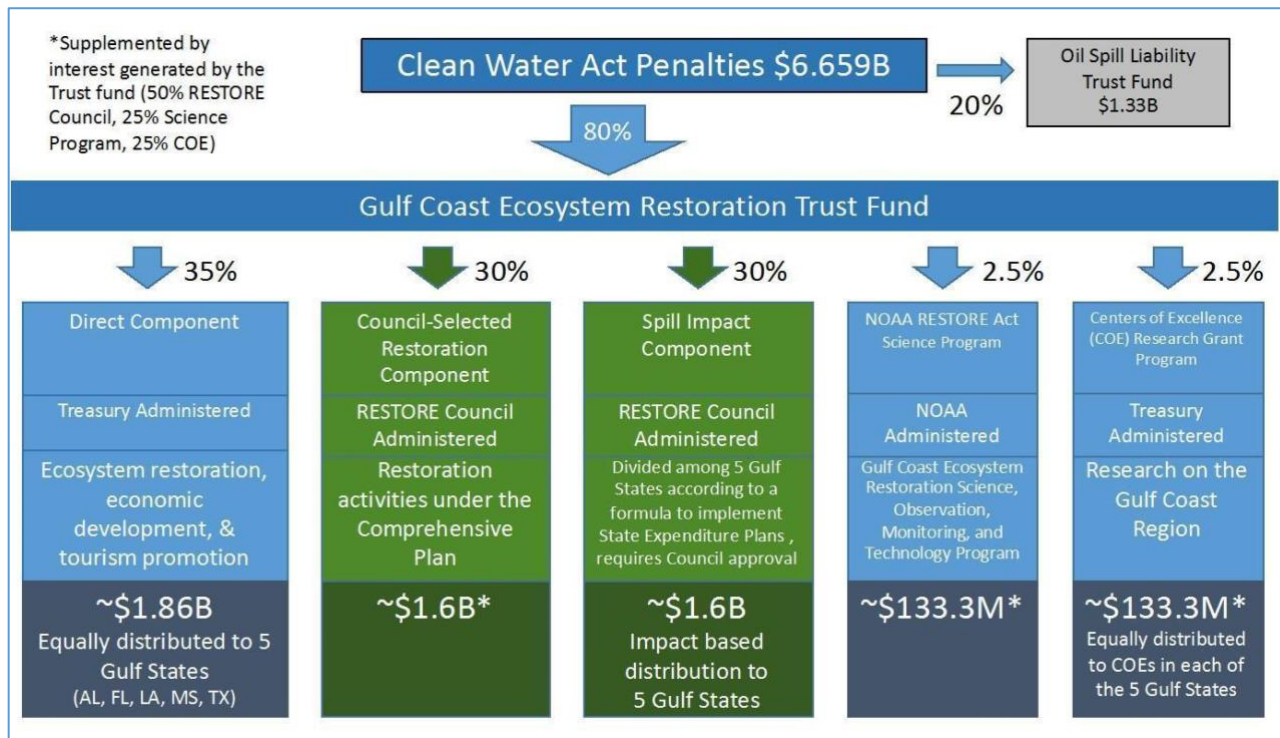
On January 3, 2013, the United States announced that Transocean Deepwater Inc. and related entities had agreed to pay \$1 billion (plus interest) in civil penalties for violating the Clean Water Act in relation to their conduct in the *Deepwater Horizon* oil spill. In accordance with the consent decree, Transocean has paid all three of its installments of civil penalties plus interest to the U.S. Department of Justice. The U.S. Department of Justice has transferred 80 percent of these funds to Treasury for deposit into the Gulf Coast Restoration Trust Fund, totaling \$816 million. On November 20, 2015 the federal court for the Eastern District Court of Louisiana ordered Anadarko Petroleum Corp. to pay a \$159.5 million civil fine; of this amount, \$128 million, including interest, has been deposited in the Trust Fund. Anadarko was the last defendant in the *Deepwater Horizon* spill Clean Water Act litigation.

In 2015 the Council approved the [Initial Funded Priority List \(FPL\)](#) for approximately \$156.6 million in restoration activities such as hydrologic restoration, land conservation, and planning for large-scale restoration projects. The funding for the Initial FPL came from the settlement of CWA civil penalties against *Transocean Deepwater* Inc. and related entities. When it approved the Initial FPL, the Council did not know the amount and timing of additional funding that could be obtained from the then-ongoing litigation with British Petroleum (BP).

On April 4, 2016, a federal court in New Orleans entered a consent decree resolving civil claims against BP arising from the *Deepwater Horizon* oil spill ([United States vs. BPXP et al.](#)). The resolution of civil claim totals for entities held responsible for the *Deepwater Horizon* oil spill will yield more than \$20 billion, the largest civil penalties ever awarded under any environmental statute, and the largest recovery of damages for injuries to natural resources of The United States. Of these penalties, the RESTORE Act will provide \$5.33 billion (80 percent of \$6.659 billion) to the Trust Fund, based on the following: \$1 billion (plus interest) in civil penalties from Transocean Deepwater Inc. and related entities for violating the Clean Water Act in relation to their conduct in the *Deepwater Horizon* oil spill; \$159.5 million from a civil fine paid by Anadarko Petroleum Corporation; and \$5.5 billion (plus interest) from BP Exploration and Production,

Inc. (BP) for a Clean Water Act civil penalty under the April 4, 2016 consent decree, payable over a fifteen-year period at approximately \$91 million per year through 2031 (Figure 1).

Figure 1. Allocation of the Gulf Coast Restoration Trust Fund based on settlements with BP, Transocean and Anadarko; RESTORE Council oversight components are highlighted in green



Council-Selected Restoration Component

The RESTORE Act requires creation of a funded priorities list (FPL) that includes the projects and programs the Council intends to fund through the Council-Selected Restoration Component. The Council’s 2013 Comprehensive Plan identified five (5) Program Goals which were further refined in the 2016 Comprehensive Plan Update along with seven (7) associated Council Objectives, as previously discussed. The RESTORE Act gave the Council responsibility for oversight of the Council-Selected Restoration Component which utilizes a collaborative decision-making process to select awards through a Funded Priorities List (FPL) mechanism to accomplish ecosystem restoration in the Gulf of Mexico as guided by the Council’s Goals and Objectives.

Funds are provided to the state members through grants, while Interagency Agency Agreements (IAAs) are utilized to provide funding to the federal members of the Council. To date, three FPLs have been completed.

Initial Funded Priorities List

The Council approved the Initial FPL in December 2015 ([2015 Initial FPL](#)) which provided funding for restoration and conservation activities that focus on habitat and water quality based on a watershed or estuary approach, as well as several Gulfwide projects. These activities are intended to provide near-term “on-the-ground” ecological results while also building a planning and science foundation for future success of projects.

Second Funded Priorities List: Commitment and Planning Support

A review of the process used to develop the 2015 Initial FPL was conducted that included input from both Council members and the public. Following completion of this review, the Council developed the *2016 Comprehensive Plan Update: Restoring the Gulf Coast's Ecosystem & Economy* ([2016 Comprehensive Plan Update](#)). To advance these commitments, the Council approved a second FPL in January 2018, referred to as the *2017 Commitment and Planning Support FPL* ([2017 CPS FPL](#)). Rather than funding specific restoration projects or programs, the 2017 CPS FPL dedicates funds over a five-year period to help Council members meet 2016 Comprehensive Plan Update commitments and identify potential areas for future FPL proposal development.

Council members have used 2017 CPS FPL funds to pay for travel to meetings and to develop and implement processes for working with potential funding partners (including other Deepwater Horizon funding sources), stakeholders, and the public to generate project ideas. Council members held meetings throughout the Gulf to discuss ecosystem restoration concepts and potential techniques to address environmental challenges and stressors throughout the Gulf.

Third Funded Priorities List

The Council was initially planning on developing FPL 3 as a single action, comprised of a list of restoration projects and programs addressing ecosystem needs across the Gulf coast. As a result of the collaborative process, the Council has determined that developing FPL 3 in two phases enables the Council to respond to ecosystem needs, save money, and take advantage of important partnership opportunities to advance large-scale ecosystem restoration in the first phase. In the second phase of FPL 3, the Council will consider restoration projects and programs that address additional ecosystem needs across the Gulf.

FPL 3a

It was also through the Council's collaborative process that it recognized that developing FPL 3 in two phases would enable the Council to fund projects requiring near-term attention and take advantage of important partnership opportunities to advance large-scale ecosystem restoration in the first phase, [FPL 3a](#). FPL 3a adheres to the FPL development process committed to by the Council, including BAS, public engagement and transparency, and the Planning Framework. Where applicable, the final project descriptions were modified based upon internal and external reviews and public comments.

FPL 3b

Upon approving FPL 3a in February 2020, the Council renewed its focus on identifying projects and programs to address other Gulf Coast ecosystem needs through [FPL 3b](#) funding. Using 2017 CPS FPL resources, Council members (members) continued to collaborate among themselves and with stakeholders to identify and shape project and program concepts for potential inclusion in FPL 3b. In the early stages of collaboration, members identified and discussed potential priorities, which ranged from broad programmatic goals to specific project concepts. Throughout this process, project and program concepts were reviewed and discussed by all members, further refined, and in some cases, dropped from further

consideration based on feedback and other factors (e.g., availability of alternative funding sources). These discussions helped members further shape their respective project and program concepts as they developed FPL 3b proposals.

Spill Impact Component

Spill Impact Component funds will be invested in projects, programs, and activities developed by the States and identified in approved State Expenditure Plans (SEPs). The RESTORE Act allocates 30 percent of the Trust Fund to the Gulf Coast States under a formula established by the Council through a regulation, and spent according to individual SEPs. Each State will develop one or more SEPs describing how it will disburse the amounts allocated to it under the Spill Impact Component. These projects and programs will be implemented through grants to the States in a manner that is consistent with the requirements of the RESTORE Act as well as the goals and objectives of the Comprehensive Plan.

2. Strategic Goals

The task of restoring the Gulf environment is a multi-generational undertaking. A comprehensive approach to Gulf restoration must include the engagement of a wide and diverse array of stakeholders, including federal, state and local governments, Tribes, private businesses, non-governmental organizations (NGOs) and the general public. By working closely with our restoration partners, the Council believes it can make significant progress towards comprehensive Gulf restoration and provide substantial environmental and economic benefits to current and future generations.

A significant component in assisting the Council achieve ecosystem restoration of the Gulf is through its Comprehensive Plan. The Council updated its 2013 Initial Comprehensive Plan during 2016 with the intention to provide strategic guidance that will help the Council more effectively address complex and critical challenges inherent to ecosystem restoration in the Gulf of Mexico by:

- Ensuring consistency with the Priority Criteria referenced in the Act;
- Reinforcing the Council's goals, objectives and commitments;
- Setting forth a Ten-Year Funding Strategy, including a Council vision for ecosystem restoration;
- Increasing collaboration among Council members and partner restoration programs;
- Refining the process for ensuring that the Council's decisions are informed by the best available science; and
- Improving the efficiency, effectiveness and transparency of Council actions.

Following an extensive public feedback effort, the Council approved the [2016 Comprehensive Plan Update](#) on December 16, 2016. The Comprehensive Plan Update takes a holistic approach to restoration recognizes the interconnected nature of coastal and marine ecosystems, a fundamental organizational principle of watersheds/estuaries, and the importance of addressing system-wide stressors that reduce ecosystem integrity. The Council's selections for the FPL were therefore based on a variety of factors, including the need to respond to widely-recognized ecological stressors, foundational investment needs, substantial public input, support for certain high-value areas, and socioeconomic and cultural considerations. Moving forward, the Council will work to use this holistic approach before, during, and after the proposal development, review, and selection processes in order to maximize project benefits and track outcomes.

To provide the overarching framework for an integrated and coordinated approach for region-wide Gulf Coast restoration and help guide the collective actions at the local, state, tribal and federal levels, the Council has adopted five Strategic Goals as follows in the 2013 Comprehensive Plan, recommitting to them (with the addition of Water Quantity to Strategic Goal 2) in the 2016 Comprehensive Plan Update:

- **Strategic Goal 1:** Restore and Conserve Habitat – Restore and conserve the health, diversity, and resilience of key coastal, estuarine, and marine habitats;
- **Strategic Goal 2:** Restore Water Quality and Quantity – Restore and protect water quality of the Gulf Coast region’s fresh, estuarine, and marine waters;
- **Strategic Goal 3:** Replenish and Protect Living Coastal and Marine Resources – Restore and protect healthy, diverse, and sustainable living coastal and marine resources;
- **Strategic Goal 4:** Enhance Community Resilience – Build upon and sustain communities with capacity to adapt to short- and long-term changes;
- **Strategic Goal 5:** Restore and Revitalize the Gulf Economy – Enhance the sustainability and resiliency of the Gulf economy. The fifth goal focuses on reviving and supporting a sustainable Gulf economy to ensure that those expenditures by the Gulf Coast States authorized in the RESTORE Act under the Direct Component (administered by the Department of the Treasury) and the Spill Impact Component can be considered in the context of comprehensive restoration. The fifth goal focuses on reviving and supporting a sustainable Gulf economy. This goal does not apply to the Council-Selected component (Bucket 2). This goal pertains to expenditures by the Gulf Coast States authorized in the RESTORE Act under the Direct Component (Bucket 1, administered by the Department of the Treasury) and the Spill Impact Component (Bucket 3, administered by the RESTORE Council), and ensures that these investments can be considered in the context of comprehensive restoration.

To achieve all five goals, the Council supports ecosystem restoration that can enhance local communities by giving people desirable places to live, work, and play, while creating opportunities for new and existing businesses of all sizes, especially those dependent on natural resources. In addition, the Council will support ecosystem restoration that builds local workforce capacity.

3. Strategic Objectives

The Council will select and fund projects and programs that restore and protect the natural resources, ecosystems, water quality, fisheries, marine and wildlife habitats, beaches, and coastal wetlands of the Gulf Coast region. Projects and programs not within the scope of these Strategic Objectives for ecosystem restoration will not be funded under the Council-Selected Restoration Component. The Strategic Objectives are not listed in any particular order, and the Council does not anticipate that restoration efforts funded under the Council-Selected Restoration Component will be equally distributed among these objectives. Further, restoration projects and programs are likely to achieve multiple objectives simultaneously.

- **Strategic Objective 1:** Restore, Enhance, and Protect Habitats – Restore, enhance, and protect the extent, functionality, resiliency, and sustainability of coastal, freshwater, estuarine, wildlife, and

marine habitats. These include barrier islands, beaches, dunes, coastal wetlands, coastal forests, pine savannahs, coastal prairies, submerged aquatic vegetation, oyster reefs, and shallow and deep-water corals.

- **Strategic Objective 2:** Restore, Improve, and Protect Water Resources – Restore, improve, and protect the Gulf Coast region’s fresh, estuarine, and marine water resources by reducing or treating nutrient and pollutant loading; and improving the management of freshwater flows, discharges to and withdrawals from critical systems.
- **Strategic Objective 3:** Protect and Restore Living Coastal and Marine Resources – Restore and protect healthy, diverse, and sustainable living coastal and marine resources including finfish, shellfish, birds, mammals, reptiles, coral, and deep benthic communities.
- **Strategic Objective 4:** Restore and Enhance Natural Processes and Shorelines – Restore and enhance ecosystem resilience, sustainability, and natural defenses through the restoration of natural coastal, estuarine, and riverine processes, and/or the restoration of natural shorelines.
- **Strategic Objective 5:** Promote Community Resilience – Build and sustain Gulf Coast communities’ capacity to adapt to short- and long-term natural and man-made hazards, particularly increased flood risks associated with sea-level rise and environmental stressors. Promote ecosystem restoration that enhances community resilience through the re- establishment of non-structural, natural buffers against storms and flooding.
- **Strategic Objective 6:** Promote Natural Resource Stewardship and Environmental Education – Promote and enhance natural resource stewardship efforts that include formal and informal educational opportunities, professional development and training, communication, and actions for all ages.
- **Strategic Objective 7:** Objective Improve Science-Based Decision-Making Processes – Improve science-based decision-making processes used by the Council.
- **Management Focused Strategic Objective:** Organizational Excellence – Council staff will provide exceptional service to Council members, partner state and federal agencies, and public, private, and other stakeholders to support the Council’s efforts to achieve integrated and coordinated efforts for region-wide Gulf Coast restoration.

4. Performance Metrics for Individual Council-Funded Programs and Projects

All projects funded by the Council are required to monitor the performance of the award toward ecosystem restoration. The Council has currently identified 56 [RESTORE Council Project Metrics](#) for grants to states and Interagency Agreements (IAA) with the federal members funded through the Council-Selected Restoration Component and for grants funded under the Spill Impact Component of the RESTORE Act. These metrics are used to monitor and evaluate the efficacy of projects and programs in meeting mission goals and objectives of the Council and track annual performance.

5. Performance Goals and Indicators for Fiscal Year 2020

The RESTORE Council is using several coordinated and strategic approaches to improve their ability to efficiently and effectively accomplish the goals of the Comprehensive Plan. A collaborative process is being used to help ensure that Council-Selected Restoration Component (Bucket 2) funded projects and programs complement restoration being accomplished through the Spill Impact Component, as well as other funding streams. The funding available through the Council, as well as the other DWH-related funding sources (including other components of the RESTORE Act, Natural Resource and Damage Assessment (DWH NRDA), and National Fish and Wildlife Foundation Gulf Environmental Benefit Fund (NFWF GEBF) presents an unprecedented opportunity to restore Gulf ecosystem conditions and functions, representing one of the most substantial investments in landscape-level restoration in U.S. history. However, it is critical to note that these funds will not fully address all the ecosystem restoration needs of the Gulf given the multiple stressors impacting the region, ranging from man-made sources like the DWH oil spill disaster, water quality/quantity issues and the annual offshore hypoxic zone, as well as naturally-occurring impacts including hurricanes. Because of these large-scale stressors and ever-changing

There are myriad natural and man-made factors that could potentially affect performance of the projects and programs funding through the Council. Therefore, the Council must consider a wide range of past, ongoing, and emerging environmental threats which could impact performance of awards under the Council-Selected Restoration and Spill Impact components of the RESTORE Act. For example, sea-level rise combined in some areas with ongoing subsidence can pose a significant risk to coastal ecosystems and communities, and to the Council's own coastal restoration investments. Water quality degradation is another environmental issue impacting resilience and sustainability leading to, among many other impacts, one of the world's largest hypoxic regions ("Dead Zone") which forms each year off the Louisiana coast and can reach the size of the State of New Jersey. The Council is committed to using the best available science to consider relative sea-level rise, water quality, and other risks as it makes coastal restoration funding decisions. The Council is also committed to working with a broad range of stakeholders interested in coastal resilience.

There are also inherent risks the Council will consider regarding the efficacy of individual projects and/or programs themselves ranging from impacts to performance (due to unforeseen events like impacts from a hurricane) to changes in cost beyond projected contingency plan levels, which could potentially impact the ability to complete a project or program. There are several strategies that the Council has employed to anticipate and prepare for risk with associated mitigation strategies. The Council has completed an Enterprise Risk Assessment, and has developed a risk profile that has identified strategic, operational, compliance, financial and reporting risks, assessed their likelihood and impact, and determined an overall risk rating with a categorization of critical, high, medium and low. This analysis highlighted seven critical risks (high likelihood and high impact). One of the risks speaks to the potential for overlapping project funding for the same purpose, and the second is This could take the form of project duplication within the Council-Selected Restoration Component, or a project funded by either the Spill Impact Component, or by one of the other Deepwater Horizon funding streams, including NRDA or the NFWF GEBF. The emphasis and funding provided through the CPS FPL to support collaboration among the Council members and the other DWH funding streams specifically addresses this risk.

5.1. Performance Goal 1: Promote a Gulf-Wide Comprehensive Approach to Restoration

The Council is moving forward with an integrated and coordinated approach to Gulf Coast restoration. This approach strives to both restore the Gulf Coast region's environment and, at the same time, revitalize the region's economy because the Council recognizes that ecosystem restoration investments may also improve economic prosperity and quality of life. In addition, this approach acknowledges that coordinated action with other partners is important to successfully restore and sustain the health of the Gulf Coast region. This coordination is particularly important because diverse funding sources and decision-making bodies are simultaneously investing in Gulf Coast restoration.

Performance Indicator 1:

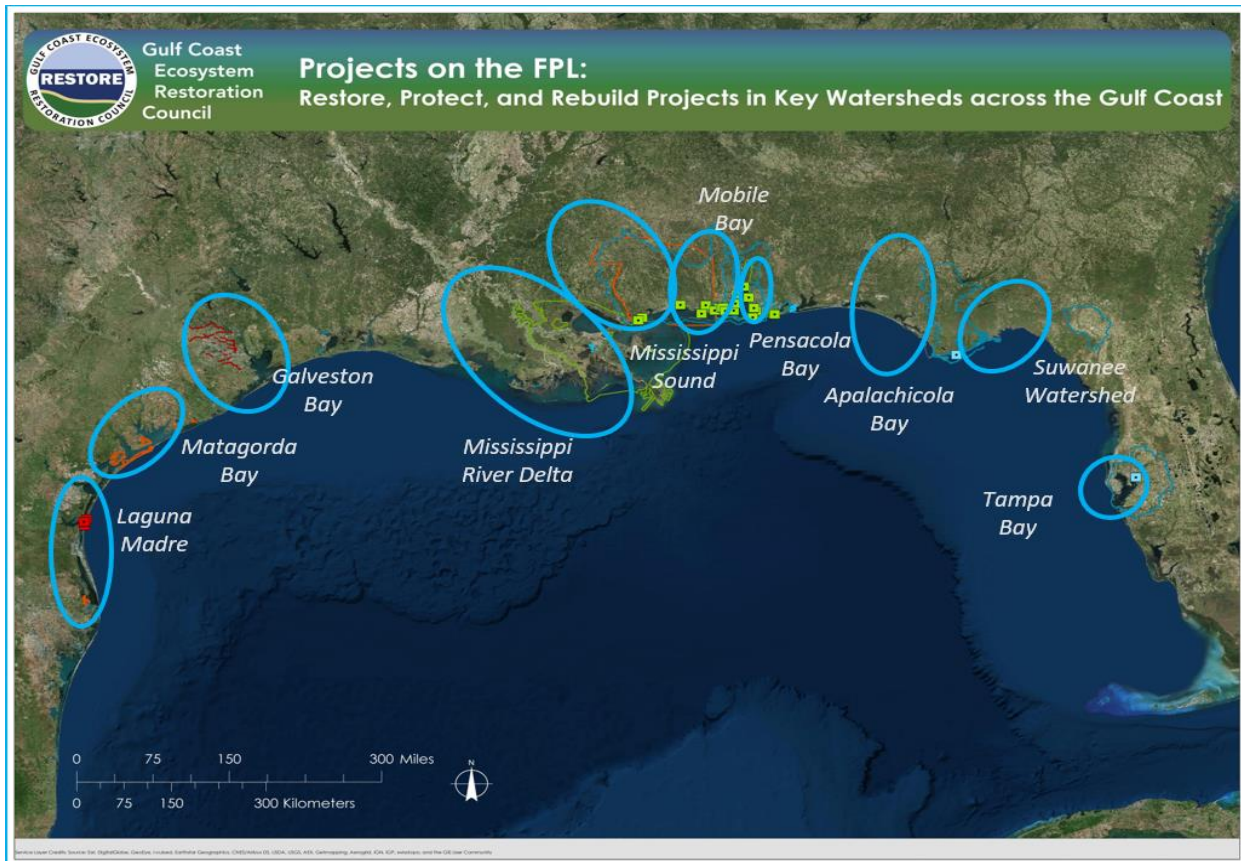
Examination of stressors and environmental drivers with Council members, the NGO community, interested stakeholders and public during fiscal year 2020 results in project proposals for gulf-wide restoration efforts on a watershed-estuary scale rather than random acts of restoration. Proposed projects will substantially improve the restoration or conservation of key watersheds without regard to political boundaries, or provide foundational support for future efforts towards gulf-wide restoration.

On December 9, 2015, the Council voted to approve the Initial FPL. The Initial FPL is organized around ten key watersheds/estuaries across the Gulf to concentrate and leverage available funds to address critical ecosystem needs in high priority locations (Figure 2). The Council identified activities for the Initial FPL that would either complement each other or have synergistic effects with other restoration projects. Taking a holistic approach to restoration recognizes the interconnected nature of coastal and marine ecosystems, a fundamental organizational principle of watersheds/estuaries, and the importance of addressing system-wide stressors that reduce ecosystem integrity. The Council's selections for the Initial FPL were therefore based on a variety of factors, including the need to respond to widely-recognized ecological stressors, foundational investment needs, substantial public input, support for certain high-value areas, and socioeconomic and cultural considerations. Moving forward, the Council will work to use this holistic approach in order to maximize project benefits and track outcomes.

By identifying and focusing on watersheds, the Council was able to make difficult funding decisions in a way that leverages limited restoration resources for maximum effectiveness, while also supporting planning, science and other activities that can set the stage for future success. All activities in the Initial FPL came from the original member submissions. In some cases, the activities are a component or smaller increment of an original submission. Many stakeholders cautioned the Council against distributing the available funds in a way that supports disconnected (although beneficial) restoration projects; the Council was asked not to engage in "random acts of restoration." The Council shares that perspective and believes that focusing on key watersheds and other foundational activities will ensure that the funds are spent in a way that contributes to comprehensive Gulf restoration.

The Council approved the Comprehensive Plan Update on December 16, 2016. The Comprehensive Plan Update took a holistic approach to restoration recognizes the interconnected nature of coastal and marine ecosystems, a fundamental organizational principle of watersheds/estuaries, and the importance of addressing system-wide stressors that reduce ecosystem integrity.

Figure 2. Ten key watershed/estuaries identified in the Initial Funded Priorities List.



As part of the Comprehensive Plan Update, the Council recognized that a clear and concise vision statement can help direct and shape future funding decisions. The Council believes that its vision statement for the Ten-Year Funding Strategy should include reference to both the desired environmental outcome and the process used to get there. Furthermore, the Council will build upon the tremendous restoration experience, science expertise, and other capabilities of its diverse membership of state and federal agencies. The Council's collective wisdom is greater than the sum of its individual parts.

The Council sought to capture this sentiment as well as other key elements as it developed the following vision statement:

A healthy and productive Gulf ecosystem achieved through collaboration on strategic restoration projects and programs.

Over the five fiscal years of 2016 through 2020, the following awards have been made: 25 grants and 24 IAAs under FPL 1, 5 grants and 5 IAA's under FPL 2, and 52 SEP awards (Table 1). The Council Selected Restoration Component has provided \$184.39 million (FPL 1 - \$163.55 million and FPL 2 - \$20.83 million; Table 2). The Spill Impact component provides grant funds to the state Council members, with a total of \$214.37 million awarded over this five-year period.

Table 1. Number of awards (grants and IAA) by program and fiscal year.

	FPL 1	FPL 1	CPS FPL	CPS FPL	SEP	
Fiscal Year	Grants	IAA	Grants	IAA		Totals
2016	1	1			2	4
2017	13	8			2	23
2018	6	9	5	4	4	28
2019	4	4		1	5	14
2020*	1	2			39	42
Totals	25	24	5	5	52	111

Table 2: Funds Awarded (dollars in millions) for Buckets 2 and 3 by fiscal year.

Projects And Programs	2016	2017	2018	2019	2020	Total to Date
FPL1	\$7.71	\$81.65	\$34.26	\$32.49	\$7.44	\$163.55
FPL2	0	0	\$18.73	\$2.10	0	\$20.83
FPL 3a	0	0	0	0	0	0
SEP	\$5.49	\$19.76	\$35.60	\$16.56	\$136.96	\$214.37
TOTALS	\$13.20	\$101.41	\$88.59	\$51.15	\$144.40	\$ 398.75

[Funding Priorities List 3a](#)

It was also through this collaborative process that the Council recognized that developing FPL 3 in two phases would enable the Council to fund projects requiring near-term attention and take advantage of important partnership opportunities to advance large-scale ecosystem restoration in the first phase, FPL 3a. FPL 3a adheres to the FPL development process committed to by the Council, including BAS, public engagement and transparency, and the Planning Framework. Where applicable, the final project descriptions were modified based upon internal and external reviews and public comments.

River Reintroduction into Maurepas Swamp

In FPL 1, the Council approved approximately \$14.2 million for planning, engineering and design, and permitting for the River Reintroduction into Maurepas Swamp (Maurepas project). This project would restore processes that will enhance ecosystem health and reduce or minimize future loss of approximately 45,000 acres of bald cypress-water tupelo forest in coastal Louisiana by reintroducing Mississippi River

water into the Maurepas Swamp. There are many ecological problems in this area, but probably the most significant is the current hydrologic regime, which is no longer conducive to sustain swamp forest habitat. Historically, the swamp received oxygenated water, sediment, and nutrient inputs from the Mississippi River during seasonal river flooding and via a smaller distributary, Bayou Manchac. That process was interrupted by the construction of local and eventually federal levees along the Mississippi River for flood control as well as the blockage of its connection with Bayou Manchac. This altered hydrologic regime has prevented natural connection of the swamp to the river's life-sustaining waters and resulted in oxygen-poor, stagnant water conditions that impair forest health and associated aquatic habitats. The reintroduction of river water would help revitalize the Maurepas Swamp by providing freshwater, nutrients, and sediments needed for healthy trees and long-term sustainability. This river reintroduction project (also known as a river "diversion") involves an intake and control structure on the Mississippi River, a channel to convey the river water to the swamp, and "guide levees" along the channel to ensure the water gets to the intended location and to prevent flooding.

The total estimated implementation cost of the Maurepas project is \$190 million. The Council is budgeting \$130 million for this project, and Louisiana is planning to use approximately \$60 million from Bucket 3 and/or another source to cover the remaining cost. The State and USACE are currently considering whether a portion of the environmental benefits that will be derived from implementation of the Maurepas project could be used to mitigate for swamp habitat impacts that will occur from the implementation of the WSLP levee project. The Council has no role in determining how to mitigate for the WSLP levee impacts, and defers fully to the State and USACE on that matter. The Council's budgeting of \$130 million of Bucket 2 funds and Louisiana's plan to use approximately \$60 million from Bucket 3 and/or another source for the Maurepas project do not depend on whether the levee mitigation concept advances.

The Maurepas [final project description](#), developed by Louisiana, provides additional detail on the project, including information regarding compliance with the RESTORE Act, background, methods, risk and uncertainties, and budget. This project description has been revised in response to internal and external reviews.

Perdido River Land Conservation and Habitat Enhancements

Through the FPL collaborative planning process, Alabama has identified an opportunity for a large-scale, multi-member, multi-project, coordinated program in the Perdido Watershed. The States of Alabama (70%) and Florida (30%) share the watershed and the Perdido River as a border. This watershed includes floodplain forests, hydric pine forests, longleaf pine forests, and freshwater wetlands. Water quality and quantity protections are derived through its floodplains, which store and disperse runoff from storms and floods and recharge aquifers. Undeveloped areas act as natural filters, protecting water quality and sustaining wildlife such as recreationally and commercially important fish and oyster resources. Land use conversion and urbanization have contributed to habitat loss and water quality degradation in this watershed. Much of the forested land in this area is in silviculture which impacts water quality via runoff to area water bodies; and contributes to habitat fragmentation, loss, and degradation. This area of Baldwin County also is rapidly urbanizing, with significant development pressures.

This project involves the acquisition and placement into state conservation management of approximately 10,000 - 12,000 acres of habitat that will serve as a cornerstone for advancing the vision of a large-scale, coordinated program in the Perdido watershed. The State is seeking parcel(s) that would supplement an existing 17,337 acres in public ownership in Alabama, and roughly 12,400 acres in public ownership in Florida. Alabama has identified a potential parcel for acquisition, referred to as Magnolia South, and is

engaged in conversations with the owner. This property has extensive frontage along the Perdido River and is located adjacent to existing publicly-owned conservation lands.

In addition to acquisition, the State will conduct habitat management and stewardship on the tract which could include prescribed burning, invasive species removal, longleaf pine restoration, and protection and habitat enhancements for species including the gopher tortoise. Education and outreach activities, including installation of signage and an educational display about the Perdido watershed, will be conducted. Acquired land will also be available for recreational use by the public and become part of the Perdido Wildlife Management Area.

Acquiring this property in the Perdido watershed can reduce the amount of land available for development and the associated ecosystem stressors that are the inevitable result of urbanization. Additionally, this action will serve as a cornerstone for a broader ecosystem conservation and restoration effort where stressors affecting water quality and habitat quality and function could be addressed synergistically. By acting now, the Council will protect this valuable habitat while also facilitating future watershed restoration efforts in this area.

The Perdido [final project description](#), developed by Alabama, provides additional detail on the project, including updated information regarding compliance with the RESTORE Act, environmental laws, background, methods, risk and uncertainties, and budget. This project description has been further revised in response to internal and external reviews of the original proposal and public comments.

[Funding Priorities List 3b](#)

Draft FPL 3b reflects lessons learned from the 2015 Initial FPL process and commitments made in the 2016 Comprehensive Plan Update, most notably, enhanced collaboration and strategic planning to achieve large-scale ecosystem benefits. The 2015 Initial FPL contains activities described as “foundational” in that they will contribute to comprehensive Gulf restoration by complementing other projects in order to produce environmental benefits greater than the sum of the individual activities. This approach to identifying priority restoration activities acknowledges the interconnected nature of coastal and marine ecosystems. It also recognizes the importance of addressing system-wide stressors that reduce ecosystem health. Draft FPL 3b advances this concept by proposing to invest in programmatic approaches to address the ecosystem needs in certain geographic areas. The FPL 3b proposals, reviews, responses, Internal BAS Review Panel discussions, and original proposals, are available to the public on the [Council’s website](#).

The activities proposed in draft FPL 3b (Table 3) also build upon investments made in FPL 3a, as well as the 2015 Initial FPL. In the 2015 Initial FPL, the Council focused on activities that primarily addressed the Comprehensive Plan goals *Restore and Conserve Habitat* and *Restore Water Quality and Quantity*. In FPL 3a, the Council included two restoration projects that primarily address the goal *Restore and Conserve Habitat*. In draft FPL 3b, the Council proposes to continue to invest in these goals, as well as the *Enhance Community Resilience*.

Table 3. The activities proposed for inclusion in FPL 3b are listed, along with their location and the types of work that is proposed to be funded.

Activity	Geographic Area	Type	Amount Category 1	Amount Category 2*
Shoreline Protection Through Living Shorelines	Texas	Planning	\$1,286,250	-----
		Implementation	-----	\$10,963,750
Texas Coastal Water Quality Program	Texas	Planning	\$3,262,500	-----
		Implementation	-----	\$19,237,500
Texas Land Acquisition Program for Coastal Conservation	Texas	Planning	\$1,579,500	-----
		Implementation	-----	\$22,720,500
Wind-Tidal Flat Restoration Pilot	Texas	Planning & Implementation	\$21,000	\$300,000
Chenier Plain Ecosystem Restoration Program	Texas	Planning	\$1,700,000	-----
		Implementation	-----	\$18,300,000
Coastal Nearshore Habitat Restoration and Development Program in Mississippi	Mississippi Sound	Planning	\$6,920,000	-----
		Implementation	-----	\$27,680,000
Water Quality Improvement Program for Coastal Mississippi Waters	Mississippi Sound	Planning	\$6,850,000	-----
		Implementation	-----	\$27,400,000
Enhancing Hydrologic Connectivity in Justin's Bay (Mobile Bay)	Mobile Bay and Mobile-Tensaw Delta, AL	Planning	\$1,000,000	-----
Coastal Alabama Regional Water Quality Program	Mobile Bay and Mobile-Tensaw Delta, AL; Perdido Bay and River, AL-FL	Planning	\$16,130,750	-----
		Implementation	-----	\$19,000,000

Activity	Geographic Area	Type	Amount Category 1	Amount Category 2*
Develop Ecological Flow Decision-Support for Mobile River and Perdido River Basins	Mobile Bay and Mobile-Tensaw Delta, AL; Perdido Bay and River, AL-FL	Planning & Implementation	\$3,400,000	-----
Perdido Watershed Water Quality Improvements and Restoration Assessment Program	Perdido Bay and River, AL-FL	Planning	\$1,500,000	-----
The Apalachicola Regional Restoration Initiative: Strategies 2 & 3	Florida	Planning & Implementation	\$5,000,000	-----
Florida Gulf Coast Resiliency Program	Florida	Planning	\$5,600,000	-----
		Implementation	-----	\$8,400,000
Florida Gulf Coast Tributaries Hydrologic Restoration Program	Florida	Planning	\$3,437,500	-----
		Implementation	-----	\$10,312,500
Florida Water Quality Improvement Program	Florida	Planning	\$6,750,000	-----
		Implementation	-----	\$20,250,000
Florida Strategic Gulf Coast Land Acquisition Program	Florida	Planning	\$1,400,000	-----
		Implementation	-----	\$12,600,000
Gulf Coast Conservation Reserve Program	Gulfwide (Florida, Alabama, Mississippi)	Planning & Implementation	\$3,100,000	-----
Enhancing Gulf Waters through Forested Watershed Restoration	Gulfwide (Florida, Alabama, Mississippi)	Planning & Implementation	\$23,000,000	-----
Gulf of Mexico Conservation Corps Program	Gulfwide (All five states)	Implementation	\$11,971,250	-----

Activity	Geographic Area	Type	Amount Category 1	Amount Category 2*
Tribal Youth Coastal Restoration Program	Gulfwide (Florida, Alabama, Mississippi, Louisiana)	Planning & Implementation	\$927,000	-----

* Council members will continue to collaborate on environmental compliance in an effort to move implementation components listed in draft FPL 3b as FPL Category 2 into FPL Category 1 status prior to a Council vote on the final FPL.

Meeting Council Goals

The Council purposely focused FPL 1 on the first two Council Goals resulting in \$136.73 million to support the Restore and Conserve Habitat Goal (\$90.33 million in grants to states and \$46.4 million in IAAs), and \$26.83 million in support of the Council goal to Restore Water Quality and Quantity (\$15.77 million in grants and \$11.06 million in IAA's) as shown in Table 4. In addition, the states have received \$94.87 million through Spill Impact grants to support the Restore and Conserve Habit Goal, and \$84.43 million to support the goal to Restore Water Quality and Quantity (Table 5). The states also received Spill Impact funds to support the goals to Enhance Community Resilience (\$6.76 million), Restore and Revitalize the Gulf Economy (\$26.22 million) and Replenish and Protect Living Coastal and Marine Resources (\$2.08 million).

Table 4. RESTORE Council-Selected Component funding by Goals and Fiscal Year in millions of dollars.

GOAL	2016	2017	2018	2019	2020	Total to Date
Restore and Conserve Habitat	\$7.71	\$62.92	\$27.67	\$32.49	\$5.94	\$136.73
Restore Water Quality and Quantity		\$18.79	\$6.54		\$1.5	\$26.83
Awards that Support All Goals			\$18.73	\$2.1		\$20.83
Totals	\$7.71	\$81.66	\$52.94	\$34.59	\$5.74	\$184.39

Table 5. Spill Impact Component Funding by Council Goal and Fiscal Year (\$ millions)

GOAL	2016	2017	2018	2019	2020	Total to Date
Restore and Conserve Habitat	\$4.64	\$19.47	\$18.5		\$52.26	\$94.87
Restore Water Quality and Quantity	\$0.85	\$0.29	\$17.08	\$13.40	\$52.81	\$84.43
Enhance Community Resilience				\$2.83	\$3.93	\$6.76
Restore and Revitalize the Gulf Economy				\$0.33	\$25.88	\$26.22
Replenish and Protect Living Coastal and Marine Resources					\$2.08	\$2.08
TOTALS	\$5.49	\$19.76	\$35.60	\$16.56	\$136.96	\$214.37

Funding trends by fiscal year are shown in Figure 3 for all funding sources (Buckets 2 and 3) in support of the Council's goal to Restore and Conserve Habitat, while the Restore Water Quality and Quantity are provided in Figure 3 which shows the strength of state support for these goals over the five-year funding timeframe. The cumulative funding for all Council goals (Figure 4) indicates nearly 86% of the funding from the Council-Selected Restoration and Spill Impact Components have supported Restore and Conserve Habitat (\$231.6 million / 58.1%) and Restore Water Quality and Quantity (\$111.26 million / 27.9%); the remaining funds have been used to support Enhance Community Resiliency (1.7%), Restore and Revitalize the Gulf Economy (6.6%) and support for all of the Council goals through the CPS FPL (5.2%).

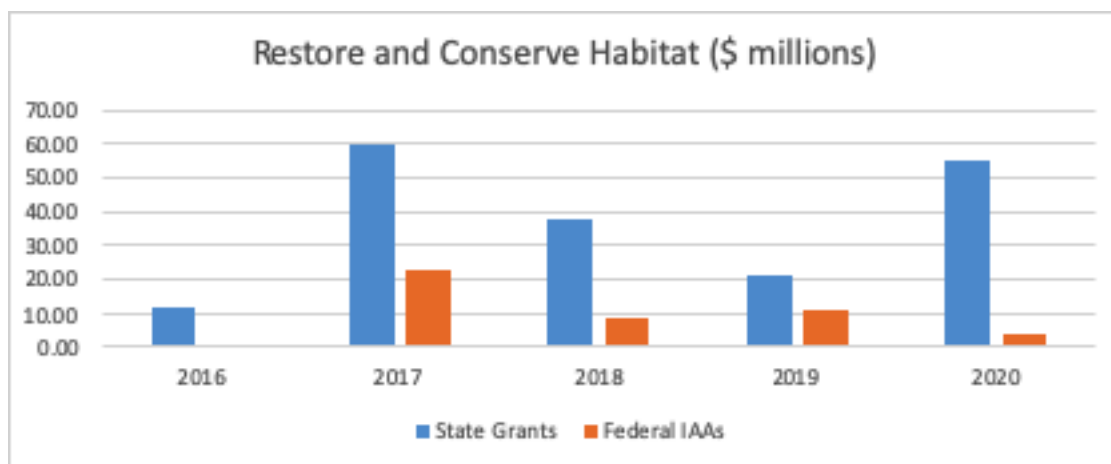
Figure 3. Funding trends for grants and IAA's from FPL 1 and SEPs in support of the Restore and Conserve Habitat Goal by fiscal year.

Figure 4. Funding trends for grants and IAA’s from FPL 1 and SEPs in support of the Restore and Conserve Water Quality and Quantity Goal by fiscal year.

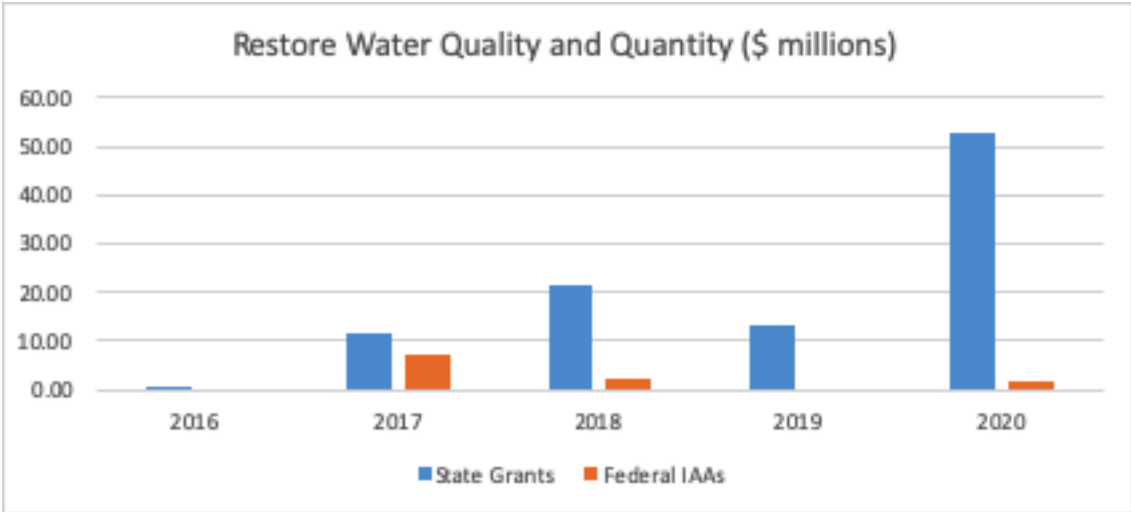
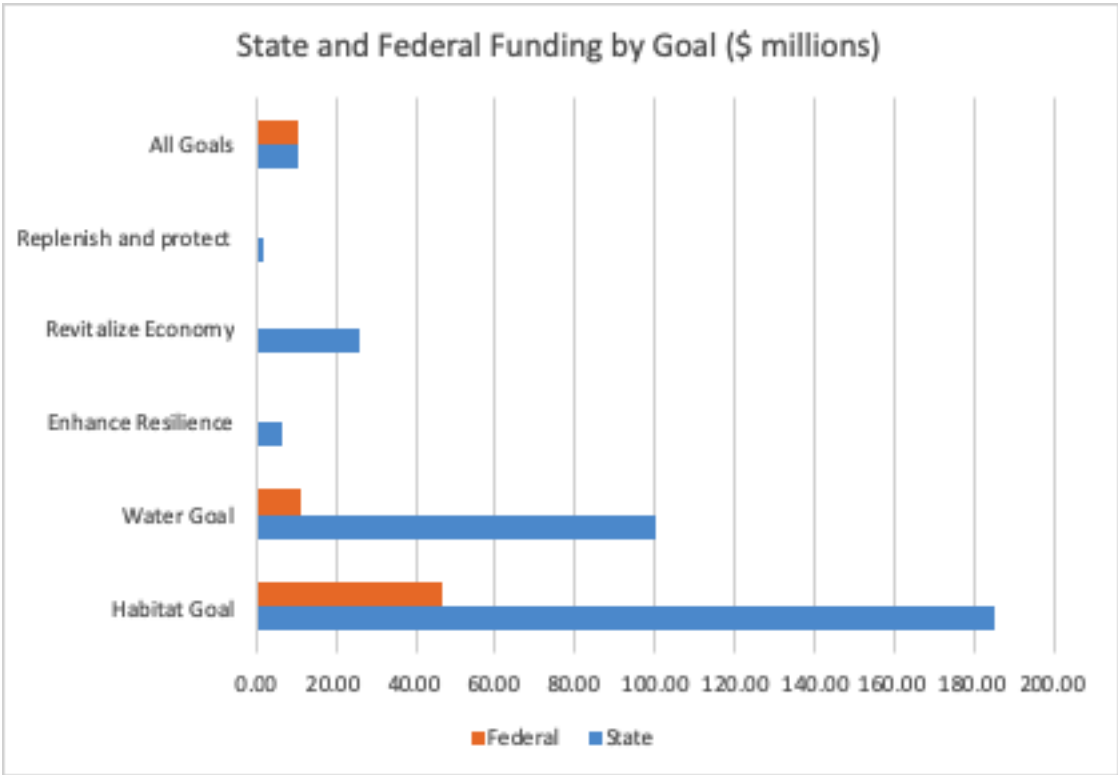


Figure 5. Funding trends for state and federal members (all sources) by fiscal year in support of Council’s Goals.



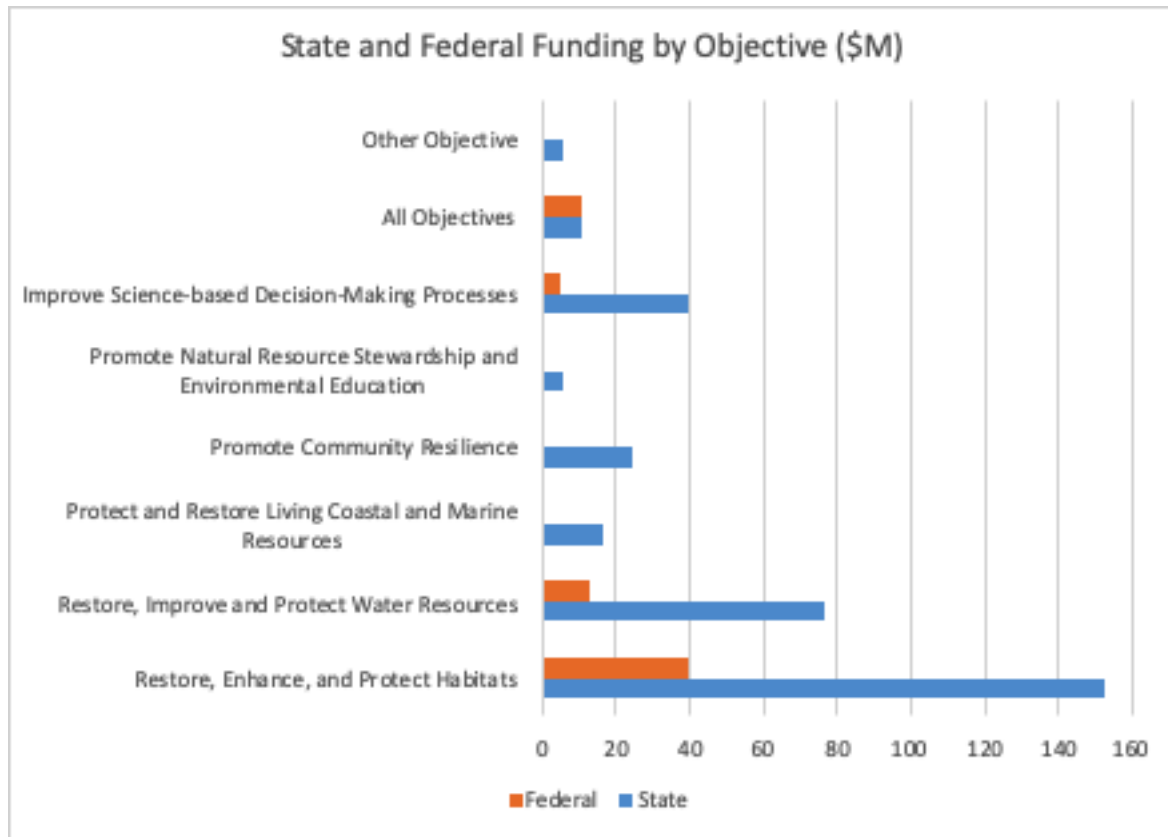
Meeting Council Objectives

The Council identified seven (7) objectives in its Comprehensive Plan to support the Council's Goals. The Council uses these objectives to select and fund projects and programs that restore and protect the natural resources, ecosystems, water quality, fisheries, marine and wildlife habitats, beaches, and coastal wetlands of the Gulf Coast region. The initial Council focus on restoring and conserving habitat and restoring water quality and quantity goals are reflected in the level of funding supporting the associated objectives to Restore, Enhance and Protect Habitats (\$192.03 million from all funding sources) and Restore, Improve and Protect Water Resources (\$88.95 million from all funding sources), which represents 48.2% and 22.3% , respectively, of all Bucket 2 and 3 funds (grants and IAAs) as shown in Table 5. This funding trend is clearly shown, particularly for the state investments, in Figure 6.

Table 6. Total funding by Objective and Fiscal Year for FPL 1 and SEP through FY20

	2016	2017	2018	2019	2020	Total to Date
Restore, Enhance, and Protect Habitats	\$7.26	\$57.45	\$49.03	\$32.49	\$45.80	\$19.203
Restore, Improve and Protect Water Resources		\$18.79	\$19.48	\$4.10	\$46.58	\$88.95
Protect and Restore Living Coastal and Marine Resources	\$0.85	\$0.29	\$1.23	\$9.3	\$4.71	\$16.38
Promote Community Resilience				\$2.83	\$21.61	\$24.44
Promote Natural Resource Stewardship and Environmental Education	\$0.45	\$0.75			\$5.14	\$6.34
Improve Science-based Decision-Making Processes	\$4.64	\$24.16			\$15.15	\$43.95
All Objectives			\$18.73	\$2.1		\$20.83
Other Objective				\$0.21	\$5.40	\$5.52
TOTALS	\$13.20	\$101.44	\$88.47	\$50.94	\$144.39	\$398.75

Figure 6. Funding trends for state and federal members (all sources) by fiscal year in support of Council’s Goals.



Funding by Watershed

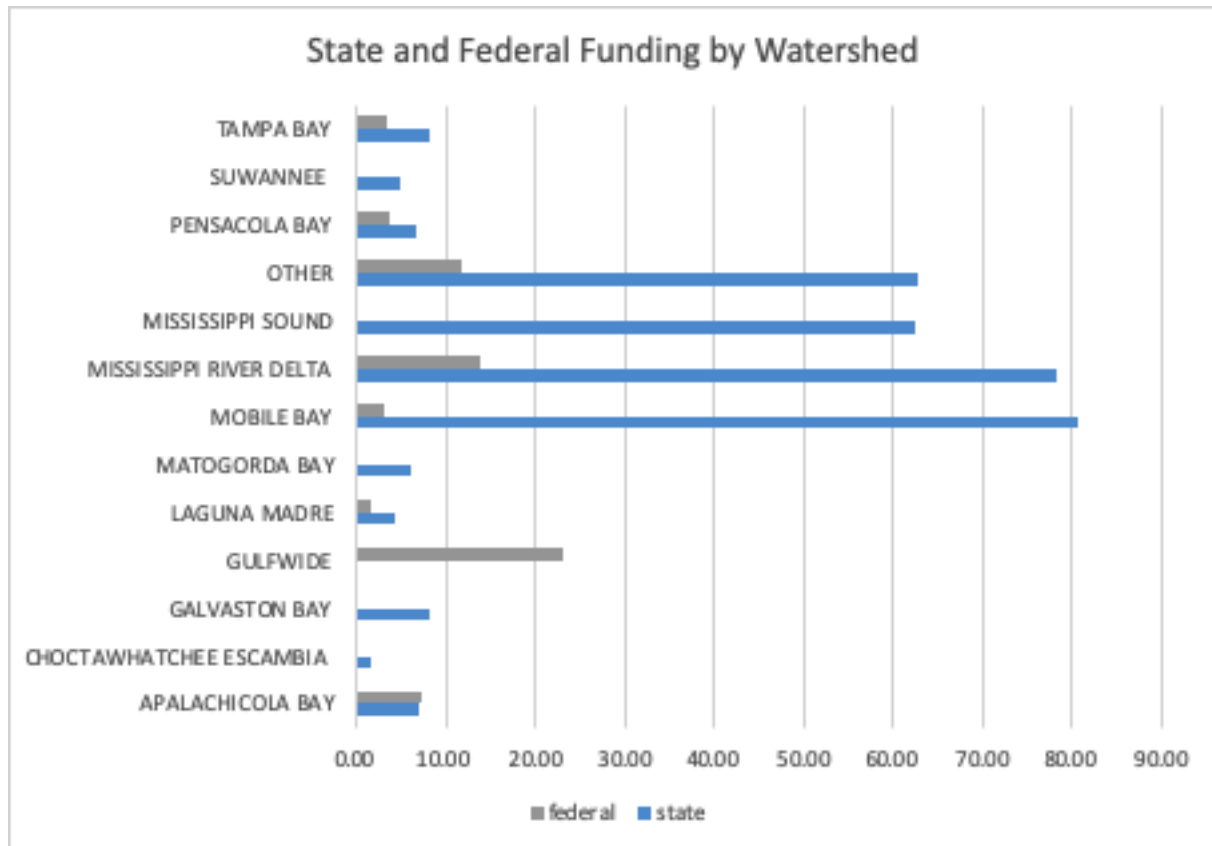
The use of a watershed/estuary-based approach for comprehensive ecological restoration was captured as a fundamental component of the Comprehensive Plan Update following completion of FPL 1 which included funding in 10 key watersheds. Linking projects to environmental stressors by watershed or estuary is scientifically sound and offers operational advantages which assist in leveraging ecosystem restoration program resources. While the use of a watershed/estuary-based approach is a good framework, it is important to note that there are features of the Gulf system that extend beyond coastal watershed boundaries, including private lands in upper watersheds, and marine and offshore habitats.

The watersheds that have received the most funding as a total of all funding sources (Table 7) are the Mississippi River Delta (\$92.02 million), Mobile Bay (\$83.67 million) and Mississippi Sound (\$62.52 million), representing 24.49%, 22.2% and 20.5% of 16.7% total funds. The federal IAA’s (Figure 6) have primarily been in support of a Gulf-wide focus (\$22.92 million; 33.8% of federal project funds); the “Other” category (\$74.3 million) includes funds to support the CPS FPL (\$10.3 million,) and other non-watershed focused efforts like the Louisiana’s Adaptive Management Program funded under Bucket 3 (\$19.47 million in FY17 and \$15.15 million in FY20). The states have funded work in several watersheds through both the Council-Selected Restoration and Spill Impact as shown in Figure 7.

Table 7. Total funding by Watershed and Fiscal Year.

Watershed	2016	2017	2018	2019	2020	Total to Date
APALACHICOLA BAY		\$13.9		\$0.39	\$0.19	\$14.48
CHOCTAWHATCHEE ESCAMBIA					\$1.67	\$1.67
GALVASTON BAY			\$ 8.08			\$ 8.08
GULFWIDE	\$0.45	\$17.77	\$ 3.0	\$0.22	\$1.70	\$ 23.14
LAGUNA MADRE		\$ 4.38	\$1.32	\$ 0.40		\$ 6.10
MATOGORDA BAY		\$ 6.01				\$6.01
MOBILE BAY		\$0.36	\$6.13	\$3.91	\$73.27	\$83.67
MISSISSIPPI RIVER DELTA	\$7.26	\$26.92	\$27.82	\$11.56	\$18.46	\$92.02
MISSISSIPPI SOUND	\$0.85	\$2.93	\$17.08	\$30.96	\$10.70	\$62.52
OTHER	\$4.64	\$19.76	\$18.73	\$3.72	\$27.45	\$74.30
PENSACOLA BAY		\$6.56	\$2.20		\$1.50	\$10.26
SUWANNEE WATERSHED		\$2.88			\$2.08	\$4.96
TAMPA BAY			\$4.19		\$7.37	\$11.56
TOTALS	\$13.20	\$101.47	\$88.55	\$51.16	\$144.39	\$398.75

Figure 7. Distribution of funding for state and federal Council members from the Council-Selected Restoration and Spill Impact Components by watershed.



Performance Indicator 2:

Promote coordination and collaboration among members and other restoration efforts of Gulf restoration to maximize the Council’s “return on investment.”

The following are elements of this Performance indicator:

- A Council Collaboration Strategy is developed by the end of fiscal year 2020 that strengthens partnerships, leveraging, and encourages projects that comprise a holistic approach to ecosystem-wide restoration.*
- Regular, well-attended meetings with active participation by the state and Gulf wide Technical Implementation Groups of the Natural Resource Damage Assessment, and Gulf Environmental Benefit Fund find inter-program efficiencies during fiscal year 2020.*
- Facilitate dialogue among Gulf restoration partners by identifying potential gaps that limit our collective ability to achieve large-scale restoration and by serving as the connector between funding sources through regional and state collaboration meetings sponsored by the Council during fiscal years 2020.*

Building on the strong foundation established in the Gulf Coast Ecosystem Restoration Task Force Gulf of Mexico Regional Ecosystem Restoration Strategy and other local, regional, state, and federal plans, the Council is taking an integrated and coordinated approach to Gulf Coast restoration. This approach strives to both restore the Gulf Coast region's environment and, at the same time, revitalize the region's economy because the Council recognizes that ecosystem restoration investments may also improve economic prosperity and quality of life. In addition, this approach acknowledges that coordinated action with other partners is crucial to successfully restore and sustain the health of the Gulf Coast region.

The RESTORE Council is using a collaborative process to help ensure that Council-Selected Restoration Component (Bucket 2) funded projects and programs complement restoration being accomplished through other funding streams. The funding available through the Council, as well as the other DWH-related funding sources (including other components of the RESTORE Act, Natural Resource and Damage Assessment (DWH NRDA), and National Fish and Wildlife Foundation Gulf Environmental Benefit Fund (NFWF GEBF)) presents an unprecedented opportunity to restore Gulf ecosystem conditions and functions, representing one of the most substantial investments in landscape-level restoration in U.S. history. However, these funds will not fully address all the ecosystem restoration needs of the Gulf given the multiple stressors impacting the region, ranging from man-made sources like the DWH oil spill disaster, water quality/quantity issues and the annual offshore hypoxic zone, as well as naturally-occurring impacts including hurricanes. Because of these large-scale stressors and ever-changing conditions of these coastal environments, it is infeasible to restore the Gulf to conditions that were present at a specific time in the past. By working collaboratively among the Council members and with other DWH-related funding sources, as well as working with other federal, state, and philanthropic funds, great strides can be achieved to increase the resiliency of the Gulf of Mexico ecosystem against these stressors.

The Council recognized that meeting its Comprehensive Plan commitments requires resources to support the personnel, travel, and logistics necessary for more effective collaboration and planning. In 2017, the Council approved funding to support this planning and collaboration. A major challenge to Gulf-wide ecosystem restoration is coordinating efforts within each state, among Council members, among stakeholders, and across the Gulf restoration efforts. This funding was approved in a second FPL titled "Funded Priorities List: [Comprehensive Plan Commitment and Planning Support](#)" (FPL 2). Prior to FPL 2, there was no designated funding to support Council member efforts to plan and coordinate restoration activities under Bucket 2. Council members had to rely upon general, tax-generated or appropriated funds to support such work. The FPL 2 funding provides the necessary resources for Council members to stimulate and encourage the coordination and collaboration necessary to achieve the commitments of the Comprehensive Plan. Specifically, the CPS FPL funding will provide funds necessary for members to:

- Strengthen ecosystem restoration proposals for future FPL(s) under the Council-Selected Restoration Component;
- Enhance the efficiency of future FPL development processes; and
- Facilitate long-term planning and leveraging efforts across funding streams.

Under FPL 2, each of the eleven Council members may apply for up to \$500,000 per year for up to three years and up to \$300,000 per year for two years thereafter. This equals up to \$23.1 million, or 1.44% of the total funds available (not including interest) in Bucket 2.

The Council believes that investing a relatively small amount of resources in planning can ensure that restoration projects selected for funding will yield greater ecosystem benefits in the future. The Council will review the effectiveness of this CPS FPL funding at year four and consider whether extending planning and

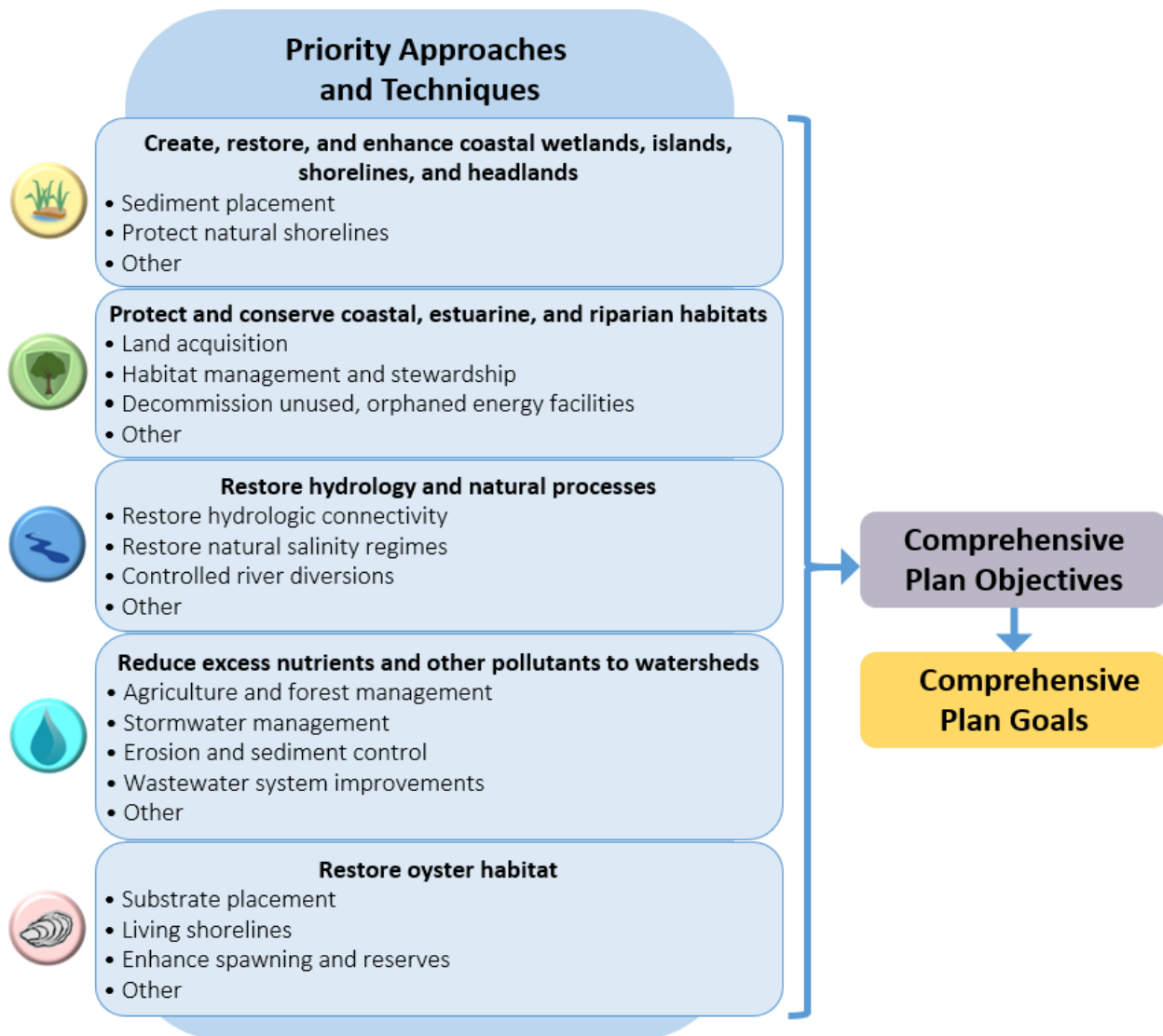
commitment support efforts beyond the five-year period is needed to continue to meet the Comprehensive Plan commitments.

In approving the CPS FPL, the Council provided the opportunity for its members to receive the necessary funds to enhance collaboration, coordination, public engagement and use of best available science in developing and selecting restoration projects. Council members began using these CPS FPL funds to support the collaboration and other planning activities needed to develop effective project and program proposals for the next round of funding decisions in FPL 3. The Council was initially planning on developing FPL 3 as a single action, comprised of a list of restoration projects and programs addressing ecosystem needs across the Gulf coast. As a result of the collaborative process, it appears that developing FPL 3 in two phases would enable the Council to respond to ecosystem needs, save money, and take advantage of important partnership opportunities to advance large-scale ecosystem restoration in the first phase. In the second phase of FPL 3, the Council would consider restoration projects and programs that address additional ecosystem needs across the Gulf.

As the Council turned its attention to laying the foundation for the next FPL members used CPS FPL funds to work with other Council members, potential funding partners (including other DWH funding sources), stakeholders, and the public to generate project ideas that address known environmental challenges and stressors across the Gulf. Members held numerous meetings throughout the Gulf to discuss ecosystem restoration concepts and potential techniques to address environmental challenges and stressors in various watersheds, estuaries and broader geographic regions. An outcome of these collaborative efforts lead to the Council's development of the [2019 Planning Framework](#).

The Planning Framework is a new element of the FPL process and is being used for the first time in the development of FPL 3. The Planning Framework intended to serve as a “bridge” between the Comprehensive Plan and FPLs, and from one FPL to the next. The Planning Framework strategically links past and future restoration funding decisions to the overarching goals and objectives outlined in the 2016 Comprehensive Plan Update. As the 2015 Initial FPL focused on Comprehensive Plan goals related to habitat and water quality, the Planning Framework draft provides an indication of the types of resources, habitats, and geographic areas where the RESTORE Council will focus in FPL 3 in advance of selecting projects and programs (Figure 8). In this way, this Planning Framework draft indicates priorities designed to continue building on previous investments in habitat and water quality, while expanding opportunities to meet all Comprehensive Plan goals and objectives in the future.

Figure 8. The 2019 Planning Framework priority approaches and techniques can be applied to support the Comprehensive Plan objectives and goals

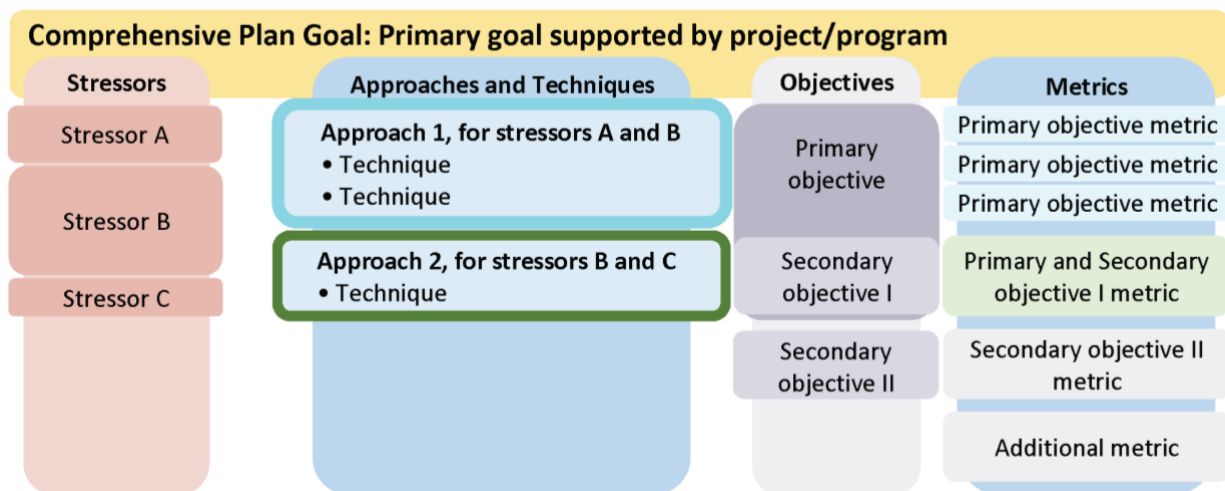


For the RESTORE Council, the Planning Framework represents another step toward meeting the commitments of improved, transparent, and collaborative planning and decision-making to achieve the vision of the 2016 Comprehensive Plan Update for “*A healthy and productive Gulf ecosystem achieved through collaboration on strategic restoration projects and programs.*”. The priority approaches and associated techniques discussed in this document and their application within certain geographic areas are intended to provide the public and potential funding partners with a better understanding of the context under which projects will be developed as part of FPL 3. The Council views the Planning Framework as a “living document” that will support the Council’s continued efforts to build upon prior restoration investments during the project or program selection process. As part of the development process for future FPLs (e.g., FPL 4, FPL 5, etc.), this Planning Framework will be reviewed and revised as needed. In addition to RESTORE Act activities, the Council will consider restoration activities funded by DWH NRDA, NFWF GEBF, and other restoration efforts in the Gulf of Mexico region as it determines future funding priorities

The Planning Framework lists priority restoration approaches and techniques (Figure 2) their relationship to the Comprehensive Plan goals and objectives, and associated geographic areas. The purpose of this document is to provide the public and potential funding partners with an indication of the kinds of projects that are anticipated to be developed for FPL 3 funding consideration. As part of the process of developing future FPLs, the Planning Framework will be reviewed and revised as needed to incorporate outcomes and lessons learned from previously implemented projects, scientific and technical developments, changing policy, public input, and other planning considerations.

The Planning Framework also provides a value tool in helping describing how projects and programs selected for funding under the Council-Selected Restoration component relate to the Council’s Goals and Objectives, Figure 7 shows how the Comprehensive Plan goals and objectives of an activity will be supported and tracked. The primary goal supported by the activity is shown at the top; any secondary goals are not depicted. All other information is organized into rows to provide a simplified depiction of how each column relates to the 2019 Planning Framework approaches. Each approach box (second column) lists the corresponding techniques that will be implemented, and aligns with the stressors it will be used to address (first column), the objective(s) it will support (third column), and metrics that may be used to track its benefits to the supported objective(s) (fourth column). For activities with one or more secondary objectives, an approach may support both the primary objective (uppermost row) and a secondary objective, as shown for ‘Approach 2’. Objectives that are placed below the row(s) aligned to approaches, as shown for ‘Secondary objective II’, are supported by all of the approaches to be implemented by the activity. Additional metrics may be proposed which do not align with selected approaches and/or objectives (bottom row). Note that techniques are not meant to align on particular rows, and that stressors only align with approaches. Similar Planning Framework graphical illustrations were developed for all FPL 3a funded projects and FPL 3b proposed projects and programs.

Figure 9. Stylized Planning Framework illustrating how the Comprehensive Plan goals and objectives of an activity will be supported and tracked.



It was also through this collaborative process that the Council recognized that developing FPL 3 in two phases would enable the Council to fund projects requiring near-term attention and take advantage of important partnership opportunities to advance large-scale ecosystem restoration in the first phase, FPL 3a.

In the second phase, FPL 3b, the Council will consider restoration projects and programs that address additional ecosystem needs across the Gulf.

5.2. Performance Goal 2: Council-Selected Restoration Performance Excellence

The RESTORE Act requires creation of a funded priorities list (FPL) that includes the projects and programs the Council intends to fund through the Council-Selected Restoration Component. The Council completed its Initial FPL during the first quarter of Fiscal Year 2016 ([RESTORE Council's Initial Funded Priority List](#)) using a process that emphasized public input, transparency, coordination with other restoration programs, and rigorous science review.

Performance Indicator 1:

Draft improved Grant and Interagency Agreement Submission Guidelines is developed to facilitate the submission of effective and coordinated proposals by evaluating the efficacy of concepts, lessons learned and best practices for potential inclusion in the next FPL development process.

In 2019, the Council developed updated guidance for its members on the content and review process for Bucket 2 funding proposals and were successfully applied in the development of the 24 proposals submitted by the Council members for FPL 3b during FY 2020. This updated guidance is called the FPL 3 Proposal Submission Guidelines and Review Process ([2019 Submission Guidelines](#)). The primary purpose of the Guidelines is to help Council members develop effective proposals for potential funding in FPL 3. Council members are the only entities eligible to submit proposals for potential funding under Bucket 2. Federally -recognized Tribes may submit proposals via a federal Council member sponsor. This guidance document is divided into three sections:

- **Section 1- Proposal Evaluation Criteria and Related Information:** This section discusses the statutory criteria that FPL 3 proposals must address to be considered for funding under Bucket 2, along with other legal requirements pertaining to best available science (BAS) and environmental compliance. This section also discusses the FPL categories and Planning Framework that will help guide the selection of projects and programs for inclusion in FPL 3.
- **Section 2 - Guidance for FPL Proposal Content:** This section describes the information to be included in FPL 3 proposals.
- **Section 3 - FPL Proposal Review Process and Public Engagement:** This section outlines how the Council will review and consider FPL 3 proposals to ensure compliance with the RESTORE Act, BAS, and consistency with the goals, objectives, and commitments set forth in the Comprehensive Plan. It also describes the opportunities for the public to engage in the FPL 3 development process.

Performance Indicator 2: Advance efficiency of the Environmental Compliance processes to support Council actions.

The following are elements of this Performance Indicator:

- a) Effective processes for the determination of environmental compliance of Category 2 projects for funding consideration by the Council are developed to support the evaluation of the efficacy of moving Category 2 projects under the Initial FPL to Category 1.*
- b) The efficiency and effectiveness of Council environmental compliance is enhanced by the Council participation in the interagency regulatory efficiency team and sharing of efficiency tools and practices.*
- c) Tools and approaches to enhance efficiency and effectiveness of Council environmental compliance are identified, developed and/or adopted.*

In addition to approving funds for specific projects and programs, the Initial FPL also lists activities the Council has identified as priorities for potential future funding. This category of activities (referred to as Category 2 activities) are projects and programs the Council believes have merit, but which were not ready for implementation funding because the requisite environmental compliance had not been completed. The Council set aside a pool of available funds for potential use on Category 2 activities, pending Council approval. The Council also approved planning funds to address the environmental laws applicable to these Category 2 activities. Once these laws have been addressed for a Category 2 activity, the Council can vote to approve funding for that activity through an amendment to the Initial FPL. Such a vote only occurs after public comments have been considered by the Council.

In addition to approving funds for specific projects and programs, the Initial FPL also lists activities the Council has identified as priorities for potential future funding. This category of activities (referred to as Category 2 activities) are projects and programs the Council believes have merit, but which were not ready for implementation funding because the requisite environmental compliance had not been completed. The Council set aside a pool of available funds for potential use on Category 2 activities, pending Council approval. The Council also approved planning funds to address the environmental laws applicable to these Category 2 activities. Once these laws have been addressed for a Category 2 activity, the Council can vote to approve funding for that activity through an amendment to the Initial FPL. Such a vote only occurs after public comments have been considered by the Council. In FY2020 the Council amended the Initial FPL to approve implementation funding for the following restoration project that was originally in Category 2:

- Gulf of Mexico Conservation Enhancement Grant Program Initial FPL amendment, January 22, 2020
- Gulf Coast Conservation Corps Initial FPL amendment (including the NOAA and DOI/BIA components), March 4, 2020
- Alabama Living Shoreline Monitoring Program Initial FPL amendment, May 13, 2020
- 2017 Funded Priorities List: Comprehensive Plan Commitment and Planning Support amendment, July 22, 2020

The RESTORE Council is an active member of the Gulf Coast Interagency Environmental Restoration Working Group's (GCIERWG), which was formed to help achieve more effective and efficient environmental reviews of Gulf ecosystem restoration projects. Improved environmental reviews should then result in more timely restoration implementation. Formed in recognition of the critical need for increased regulatory

collaboration through early and consistent interagency coordination and prioritization of restoration work across funding streams, GCIERWG coordinates through standing monthly interagency conference calls and is currently led by the National Oceanic and Atmospheric Administration (NOAA) assisted by Council staff. Further, in FY2020 the GCIERWG was expanded to include state participation from Texas, Louisiana, Mississippi and Florida.

In FY2020 the GCIERWG advanced ongoing implementation of two regulatory coordination efforts to improve regulatory efficiency. The Pensacola Living Shoreline project held a well-attended third interagency meeting to discuss Escambia County's completed Basis of Design report. Further Escambia County and Florida Department of Environmental Protection have incorporated agency feedback into project design and continue to thank GCIERWG for engagement in advance of the formal permitting process. In the Golden Triangle Marsh Creation project in Louisiana, additional funding was provided to collaboratively expand this project was provided by the Louisiana Technical Implementation Group as part of the NRDA process.

During FY2020, consultations to support compliance with the Endangered Species Act (ESA) resulted in support for over \$71M in land acquisition work supporting FPL3a and 3b. Further, ESA consultations in support of Alabama's Comprehensive Living Shoreline Project were successfully completed by working extensively with Alabama project investigators, federal regulators from the Department of Commerce, National Oceanic and Atmospheric Administration to develop documentation supporting consultation. An innovative "expedited" ESA consultation was successfully pilot-tested significantly reducing the consultation timelines and avoided a "formal" ESA consultation which would have exponentially increased the length and complexity of the process, requiring a full ESA Biological Opinion and possibly precluding the ability to fund critical scientific monitoring applicable to this Planning Framework approach.

Performance Indicator 3:

Programmatic Review of Grant and Interagency Agreements. The programmatic component of the Council staff will review all grant and Interagency Agreement applications for funding under the Initial FPL meeting timelines established by the RESTORE Act, Council Guidelines and the Notice of Funds Availability. This will include review of submissions for best available science and environmental compliance with NEPA and other environmental federal regulations; *and*

Performance Indicator 4:

Compliance Review of Grant and Interagency Agreements. The grants and compliance component of the Council staff will review all grant and Interagency Agreement applications for funding under the Initial FPL meeting timelines established by the RESTORE Act, Council Guidelines and the Notice of Funds Availability. The review will ensure compliance with all administrative and regulatory requirements under the RESTORE Act, Part 200, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and other federal regulatory requirements.

The following actions were completed during FY2020 in support of programmatic and compliance review of grant and interagency agreements.

- The Grants staff developed a Risk Rating Tool to analyze each grant award for utilization in the

selection of which grants to conduct compliance monitoring on through financial drawdown desk reviews/site visits.

- Council staff migrated from RAAMS to PIPER and Grants Solutions in FY2020. This has required quite a lot more than just moving files and other forms of data. It has also required careful consideration of workflows and other processes to ensure that Grants and Program staff maintain the needed coordination and collaboration on reviews of applications and awards. This includes coordinating all aspects of program staff reviews of applications (general program reviews, risk reviews, environmental compliance, ODP/DMP, Best Available Science, and GIS).
- The Grants staff review financial reports in RAAMS to ensure financial and eligibility compliance requirements of the grant award and other Federal regulations. Going forward we are in the midst of a transition in FY20 to a new Grants Management System. Financial reports are now submitted via Grants Solutions and reviews are documented there.
- The Program staff reviews performance reports in RAAMS and conducts site visits to evaluate ongoing progress, award project outcome/results, and compliance with requirements of the grant award and other applicable Federal regulations. Transition from RAAMS to the new Unified Solution for grants management is ongoing, with capability in PIPER continuing to be built out. For performance reports that were due in April 2020 grant/IAA recipients were provided with a performance report form specific for their award, which were completed and sent to program staff via email. Beginning in July 2020, performance reports will be submitted via PIPER, and reviews will be documented in this system. For the April 2020 performance reports that were completed outside of PIPER, the data and reviews for those reports will be populated in PIPER retroactively.
- The Risk Management Analyst reviewed applicable updated Organizational Self-Assessments (OSA) of all Council member States, the Florida Consortium and the Alabama Port Authority. All entities have received a risk rating letter.
- Organizational Internal Controls Review (OICR) site visits continued from last year. Visits were conducted at the Alabama Port Authority and Florida Gulf Consortium to review project and financial systems, organizational policies and procedures, associated audits/management reports, and overall general organizational structure. These documents were reviewed to help determine risk mitigation in place.

During FY2020, one grant, two IAA's and one amendment to an existing IAA were completed totaling \$7.44 million (\$2.5 million in grants and \$3.24 million supporting IAAs and \$1.7 million amendment) were funded from the Initial FPL. Over the five fiscal years of 2016 through 2020, the Council has awarded 25 grants and 24 IAAs (Table 1) under the Initial FPL providing \$398.75 million in funding over this time period for restoration activities in the Gulf.

The Initial FPL purposely focused on the first two Council Goals resulting in \$136.07 million to support the Restore and Conserve Habitat Goal (\$89.91 million in grants to states and \$46.16 million in IAAs), and \$26.833 million in support of the Council goal to Restore Water Quality and Quantity (\$15.77 million in grants and \$11.06 million in IAA's (Table 5). A similar trend is found for the Council objectives (Table 6).

The Council's second FPL completed in 2017 focused on providing financial resources to members to meet Council commitments defined in the Comprehensive Plan Update (e.g., enhanced member collaboration in project/program development, focusing on a watershed approach to restoration, and better defining best available science parameters). Designated as the Commitment and Planning Support (CPS), this FPL provided \$10,493,880 for grants to the five states over a five-year period (fiscal year 2018- fiscal year 2022) and \$10,333,596 to the federal members to support efforts under the CPS FPL which support all five of the Council's goals.

Table 5. RESTORE Council-Selected Component funding by Goals and Fiscal Year (F-IAA; S-Grant).

	GOAL	GOAL	GOAL	
Year	Restore and Conserve Habitat	Restore Water Quality and Quantity	All Goals	Totals
2016	F- \$0.45 S-\$7.26	F-\$0 S-\$0	F-\$0 S-\$0	F-\$0.45 S- \$7.26
2017	F-\$22.93 S-\$39.99	F-\$7.36 S-\$11.43	F-\$0 S-\$0	F-\$30.29 S-\$51.42
2018	F-\$8.56 S-\$19.11	F-\$2.20 S-\$4.34	F-\$8.23 S-\$10.49	F-\$18.99 S-\$33.94
2019	F-\$11.02 S-\$21.47	F-\$0 S-\$0	F-\$2.1 S-\$0	F-\$13.12 S-\$21.47
2020	F- \$3.2 S- \$2.08	F-\$1.50 S-\$0	F-\$0 S-\$0	F- \$4.70 S- \$2.08
Total to Date	F-\$46.16 S-\$89.91	F-\$11.06 S-\$15.77	F-\$10.33 S-\$10.49	F-\$67.87 S-\$ 116.52 T-\$184.39

Table 6. RESTORE Council-Selected Component funding by Objective and Fiscal Year (F-IAA; S-Grant)

OBJECTIVE	2016	2017	2018	2019	2020	Total to Date
Restore, Enhance, and Protect Habitats	F-\$0 S-7.26	F-\$1.71 S-\$46.74	F-\$18.21 S-\$12.30	F-\$7.45 S-\$25.04	F-\$3.44 S-\$2.5	F-\$39.81 S-\$93.84
Restore, Improve and Protect Water Resources		F-\$7.36 S-\$11.43	F-\$3.7		F-\$1.5	F-\$12.53 S-\$11,43
Protect and Restore Living Coastal and Marine Resources						\$0
Restore and Enhance Natural Processes and Shorelines						\$0
Promote Community Resilience						\$0
Promote Natural Resource Stewardship and Environmental Education	F-\$4.5	S-\$0.75				F-\$4.5 S-\$0.75
Improve Science-based Decision-Making Processes		F-\$4.72				F-\$4.72 S-\$0
All Objectives			F-\$8.23 S-\$10.49	F-\$2.1		F-\$10.33 S-\$10.49
Other Objective						\$0

TOTALS	F-\$4.5 S-\$7.26	F-\$22.79 S-\$58.92	F-\$30.14 S-\$22.80	F-\$9.55 S-24.83	F-\$4.94 S-2,500,000	F-\$67.87 S-\$116.52 T-\$184.39
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5.3. Performance Goal 3: Spill Impact Component Performance Excellence

Performance Indicator 1:

Timely review (e.g., 60-day review for SEPs) of State Expenditure Plans while ensuring public comment was duly considered and other Council Member input is addressed.

The following are elements of this performance Indicator:

- a) *Programmatic Staff Review of Grant and Interagency Agreements. The programmatic component of the Council staff will review all grant and Interagency Agreement applications for funding under the SEP processes, meeting timelines established by Council Standard Operating Procedures. This will include review of submissions for best available science and environmental compliance with NEPA and other environmental federal regulations.*
- b) *Compliance Staff Review of Grant and Interagency Agreements. The grants and compliance component of the Council staff will review all grant and Interagency Agreement applications for funding under each state's SEP, meeting timelines established by the RESTORE Act, Council Guidelines and the Notice of Funds Availability. The review will ensure compliance with all administrative and regulatory requirements under the RESTORE Act, 2 C.F.R. Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and other federal regulatory requirements.*

In addition to the Council-Selected Restoration Component funding, the remaining 30 percent of the Trust Fund under the Council's purview is allocated to the States under the Spill Impact Component, according to a formula established by the Council and implemented through a [regulation](#). These funds are spent according to individual State Expenditure Plans (SEPs) that contribute to the overall economic and ecological recovery of the Gulf. The SEPs must adhere to four basic criteria set forth in the RESTORE Act and are subject to approval by the Council in accordance with those criteria. On December 15, 2015, the Council published the Spill Impact Component regulation, which set forth allocation for each State. These allocations became effective on April 12, 2016, following entry of the Consent Decree.

Spill Impact Component funds are disbursed to the Gulf States via grants after the Council Chair has approved of the given state's SEP. During fiscal year 2020, 21 SEP grants were approved (Table 1) totaling \$80.59 million. This brings a total of 54 SEP programs/projects with a total of \$199.74 million in awards dispersed to date. As part of the grant process, all activities for which funding is sought are carefully reviewed to ensure consistency with the approved SEP and compliance with the RESTORE Act and all other applicable requirements. Funding for implementation activities is disbursed to the State after verification of compliance with all applicable federal environmental and other laws. Funding for planning activities in the SEP will be disbursed after verification of a direct relationship to the Spill Impact Component criteria.

A total 39 SEP awards totaling \$136.96 million were successfully completed during FY2020. The five Gulf states have now received \$94.87 million through Spill Impact grants to support the Restore and Conserve Habitat Goal (Table 7), and \$84.43 million to support the goal to Restore Water Quality and Quantity (Goal 2). The SEP funding is going to support a number of the Council's objectives (Table 8), including Improving Science-based Decision-making Processes (\$39.26 million), Restoring, Improving, and Protecting Water Resources (\$64.93 million), Restoring, Enhancing and Protecting Habitats (\$58.38 million), and Promoting Community Resilience (\$24.44 million).

Table 7. Spill Impact Component Funding by Council Goal and Fiscal Year

GOAL	2016	2017	2018	2019	2020	Total to Date
Restore and Conserve Habitat	\$4.64	\$19.47	\$18.50		\$52.26	\$94.87
Restore Water Quality and Quantity	\$0.85	\$0.29	\$17.08	\$30.40	\$52.81	\$84.43
Enhance Community Resilience				\$2.83	\$3.93	\$6.76
Replenish and Protect Living Coastal and Marine Resources					\$2.08	\$2.08
Restore and Revitalize the Gulf Economy				\$0.33	\$25.88	\$26.22
TOTALS	\$5.49	\$19.76	\$35.58	\$16.56	\$136.96	\$214.35

Table 8. RESTORE Spill Impact Component funding by Objective and Fiscal Year

OBJECTIVE	2016	2017	2018	2019	2020	Total to Date
Restore, Enhance, and Protect Habitats			\$18.52	\$14.29	\$25.57	\$58.38
Restore, Improve and Protect Water Resources		\$0.18	\$15.78	\$21.57	\$27.43	\$64.93
Protect and Restore Living Coastal and Marine Resources	\$0.85	\$1.59		\$9.30	\$4.71	\$16.45
Promote Community Resilience				\$2.83	\$21.61	\$24.44
Promote Natural Resource Stewardship				\$4.57	\$0.58	\$5.15

OBJECTIVE	2016	2017	2018	2019	2020	Total to Date
and Environmental Education						
Improve Science-based Decision-Making Processes	\$4.64		\$19.47			\$39.26
Other Objective		\$0.22		\$4.83	\$0.70	\$5.73
TOTALS	\$5.49	\$19.76	\$35.57	\$16.56	\$136.93	\$214.35

5.4. Performance Goal 4: Operational Excellence

An administrative infrastructure that supports team work, collaboration, synergy between functional areas and overall operational excellence to provide excellent services, programs and outcomes to the Gulf Coast region is maintained.

Performance Indicator 1:

Effective oversight of Grant and Interagency Agreement post-award cash disbursement processes supports the prevention of improper payments.

All grants to state Council members and Interagency Agreements from federal Council members underwent thorough post-award cash disbursement processes for the awards completed during this reporting period (see the following sections of this report: **Council-Selected Restoration Performance Excellence** and **Spill Impact Component Performance Excellence**: Effective and efficient implementation and administration of the Spill Impact Program to achieve the goals of the Act). All grants and IAAs were reviewed for compliance with all award terms and conditions.

- a) Grant and IAA drawdowns are compliant with award terms and conditions, and consistent with progress achieved and milestones met.*
- b) Applications include relevant and adequate justification for the selection of particular metrics with the progress achieved and milestones met. Reported progress toward metrics provides a useful gauge of the success of the project or program.*
- c) Reports include a description of the methodology for quantifying results for each metric and monitoring the achievement of the metrics.*

All grants to state Council members and Interagency Agreements from federal Council members underwent thorough post-award cash disbursement processes for the awards completed during this reporting period (see the following sections of this report: **Council-Selected Restoration Performance Excellence** and **Spill Impact Component Performance Excellence**: Effective and efficient implementation and administration of the Spill Impact Program to achieve the goals of the Act). All grants and IAAs were reviewed for compliance with all award terms and conditions.

Grant Recipients Organizational Self-Assessment (OSA) Review

A desk review of the primary grant recipients updated Organizational Self-Assessment's (OSA) was conducted by the Enterprise Risk Management Analyst using the Council's Risk Assessment Tool. In addition to the internal risk assessment tool, external documents such as "Single" Audits, Annual Financial Statement Audits, and/or Consolidated or Comprehensive Annual Financial Reports (CAFR's), State Financial Statements Audits, Office of Inspector General (OIG), General Accounting Office (GAO) Reports or State Auditor Reports, as applicable, were reviewed. Any audit findings, responses to those findings, and corrective action plans will be reviewed and assessed whether they are relevant to the Council grant programs. Based on that review, area(s) of concern will be addressed.

A recipient risk assessment may take into account several other factors (which may be in the OSA), including but not limited to:

- Evidence of effective financial and administrative internal control systems to administer grant funds;
- Award complexity and size of award amount with larger award receiving more frequent and detailed monitoring;
- Prior experience administering federal grant awards with added emphasis if an award involves a subrecipient; and
- Checking Excluded Parties List, Do Not Pay, and being aware of any potential conflict of interest.

Using the Council's Risk Assessment Tool, a risk rating is given to each primary grant recipient. If the risk assessment indicates a high potential for financial or organizational risk then a proposed risk mitigation strategy will be developed. Regardless of the risk rating, technical assistance will be provided by the appropriate Council member to help ensure compliance and mitigate risk

Post Grant Award Recipient Monitoring

The Council has the responsibility to monitor activities of a recipient on an ongoing basis throughout the life of an award. Activities are designed to help ensure that funds are being used for authorized, eligible and allowable purposes, that performance/results goals are met, and projects/recipients are in compliance with all RESTORE and other applicable federal requirements. The Restoration Assistance and Awards Management System (RAAMS) is an electronic grants management system used for the entire life cycle of an award from application to close-out and monitoring. Post award reports for financial and progress data, completion of special award conditions and grant award amendments will be utilized to help ensure compliance.

Grant Management Specialists will perform project financial/compliance site visits or desk reviews utilizing the Council's Project Financial Site Visit Questions. The ERM Analyst will randomly select drawdowns for review. The review/visit will take into account several factors including (as applicable) but not limited to:

- Financial Management Processes and Systems;
- Co-Funding;
- Budget;
- Cash Forecasting;
- Project Management and Performance Tracking;
- Special Award Conditions;
- Procurement;
- Subrecipient Monitoring;
- Records and Reporting; and
- Construction.

A Program Specialist will perform Program Field Visits/Reviews utilizing the Council's Program Field Visit questions. The ERM Analyst will randomly select projects for site reviews. The review/visit will take into account several factors including (as applicable) but not limited to:

- Organizational Structure;
- Program Results;
- Schedule and Milestones;
- Project Execution and Performance Tracking;
- Project Management;
- Performance Barriers and/or Strengths;
- Reporting;
- Environmental Compliance;
- Construction; and
- Land Acquisition or Improvement.

Several additional measures have been put in place to help mitigate risk as highlighted on page two. The Annual Recipient Review/Risk Assessment and Post Award Recipient Monitoring will help address the following critical risks:

- Insufficient monitoring and technical assistance resulting in the risk of fraud, waste and abuse;
- Reputation risk and public embarrassment due to fraud, waste and abuse;
- Lack of adequate recipient internal control to track and manage funds; and
- Insufficient due diligence or recipient internal control prior to award.

Performance Indicator 2:

Reported Progress toward metrics provides a useful gauge of the success of the project or program.

The Council's 2020 Annual Performance Plan (APP) described the specific actions the Council planned to take during fiscal year 2020 in furtherance of its long-term effort to restore the Gulf of Mexico ecosystem as laid out by the Council's 2013 and Updated 2016 Comprehensive Plan.

The FPL and SEP projects funded during fiscal years, 2016, through 2020 are already achieving results. To date, Council funds have been used to acquire 7,957.95 acres of land and restore 2,091.25 acres of wetlands and 6,586 acres of non-wetland areas, primarily in support of the Council's goal to Restore and Conserve Habitat. It should be noted that most land acquisition and improved management practices also have direct connection to improving water quality and quantity. Council funds under Council-Selected Restoration and Spill Impact Components are being used to restore land, marine habitat, wetlands and remove invasive species (1,255 acres) which support the Council's goal to Restore and Conserve Habitat. Funds invested through the Council-Selected Restoration and Spill Impact Components are also providing support for research and planning, monitoring activities, outreach and education, and providing economic benefits in support of the Council's goal to Restore and Revitalize the Gulf Economy.

Outreach through promoting natural resource stewardship and environmental education is an important component of the Council's efforts as shown by 713 people being reached by outreach, training or technical assistance activities, while 1,734 users are engaged with online activities. While much of this work is ongoing, thus far these metrics have resulted in improvement of management practices on 20,680.33 acres

through Best Management Practices (BMP) and 98 people have enrolled to implement BMPs. The Council is also improving science-based decision-making processes by completing nearly 19 studies to inform management and monitoring 3,447.87 acres in 130 sites across the Gulf.

Table 4. Performance-level metrics results from projects funded under the Comprehensive Plan Component and Spill-Impact Component Funding. The information in the table summarizes the accomplishments (for FY18 – FY2020) resulting from funding under the Initial FPL and SEPs awarded to date. For each metric measure, the associated primary Comprehensive Plan Goal, Objective, and Planning Framework Restoration Technique are provided.

Goal	Objective	Technique	Metric Measure	2018	2019	2020	Total
Restore and Conserve Habitat	Restore, Enhance and Protect Habitats	Land acquisition	Acres acquired in fee	7243	215	499.95	7,957.95 acres
			Miles of shoreline acquired	8	0	1.5	9.5 miles
		Habitat Management and Stewardship	Agricultural best management practices (BMPs) - Acres under contracts/agreements	0	827	19853.33	20,680.33 acres
			Habitat restoration (non-wetland) - Acres restored	1,483	0	5,103	6,586 acres
			Acres restored - Oysters habitat	317	0	0	317 acres
			Removal of invasives - Acres restored	57	176	1022	1255 acres
			Wetland restoration - Acres restored	398	51	1642.25	2,091.25 acres
Restore Water Quality and Quantity	Restore, Improve and Protect Water Resources	Agriculture and forest management	Erosion Control – acres restored to reduce surface and/or stream channel erosion	0	0	40	40 acres
Restore and Revitalize the Gulf Economy	Restore and Revitalize the Gulf Economy	Restore and Revitalize the Gulf Economy	Number of temporary jobs created	75	91	0	166 jobs
			Number of local contracts	1	1	4	6
			Percentage of program funding to existing local organization(s)	17.5%*	48%*	76%*	No total on percentages

Goal	Objective	Technique	Metric Measure	2018	2019	2020	Total
All	All	Planning	Number of management plans developed	0	4	2.25	6.25 plans
All	Improve Science-based Decision-Making Processes	Develop tools for planning and evaluation	Number of studies used to inform management	6 studies	6	6.75	18.75 studies
			Number of decision-support tools developed	0	2	2.25	4.25 tools
		Increase monitoring capacities	Number of streams/sites being monitored	0	130	0	130 sites
			Acres being monitored	0	2202	1245.87	3,447.87 acres
All	Promote Natural Resource Stewardship and Environmental Education	Promote Natural Resource Stewardship and Environmental Education	Number of individuals reached by outreach, training, or technical assistance activities	263	450	1083	713 individuals
			Number of people enrolled to implement best management practices	0	4	94	98 individuals
			Number of users engaged online	345	1389		1,734 users
			Number of subgrants/agreements to disseminate education and outreach materials	5	0	0	5 subgrants/agreements
			Number of participants that successfully completed training	258	123	85	381 participants

Performance Indicator 3:

Ensure all Applicant/Recipient Guidance Materials are updated. The Council will publish comprehensive guidance to inform potential applicants of the statutory and administrative requirements for proposals, SEPs, grant applications and IAA applications.

The Council published, and continuously updates, a library of documents (found at [RESTORE Council Grant Resources](#)) to assist grant and IAA applicants from the Council membership. This information is divided into the following categories:

- Guidance Materials
 - [Recipient Proposal and Award Guide for Grant Recipients and Federal Interagency Agreement Servicing Agencies](#) [PDF 162pp 1.1Mb]
 - [Uniform Guidance \(2 C.F.R. Part 200\)](#) (link is external)
 - [Financial Assistance Standard Terms and Conditions](#) [PDF 55pp 502Kb]
 - [Interagency Agreement Standard Terms and Conditions](#) [PDF 18pp 199Kb]
- Application Documents
 - Forms
 - [RESTORE Council Applicant Certifications and Assurances](#) [PDF 8pp. 456Kb]
 - [Disclosure of Lobbying Activities Form \(SF-LLL\)](#) [PDF 2pp. 29Kb]
 - Organizational Self-Assessment
 - [Instructions for the Organizational Self-Assessment](#) [PDF 4pp 258Kb]
 - [Organizational Self-Assessment Worksheet](#) [MSWord 12pp 82Kb]
 - [Internal Control Compliance Document List \(Addendum to organizational self-assessment\)](#) [PDF 2pp 78Kb]
 - Interagency Agreement Forms
 - [General Terms and Conditions 7600A](#)
 - [Order Requirements and Funding 7600B](#)
 - Budget Templates
 - The latest versions of the following are available for download via GrantSolutions:
 - Budget Narrative Template [MSWord 20pp 69 Kb]
 - Subrecipient Budget Template [XLS 16Kb]
 - [Instructions for Calculating Allowable Indirect Costs under the three percent \(3%\) cap for administrative costs](#)
 - 3% Administrative Cost Calculation Template
- Past Training Videos
 - Recipient Guidance: Preparation of Grants and IAAs – December 11, 2015
 - Data Collection & Management: Observational Data Plan (ODP) & Data Management Plan (DMP) – February 16, 2016

Performance Indicator 4:

Ensure all RAAMS System Guidance and Technical Resources are current.

In September 2017, the commercial owner of Easygrants (the COTS software underlying RAAMS) announced they would no longer support the program beyond a reasonable transition period to select and move to a new system. In response, the Council established a Task Force to develop system requirements and explore

replacement options. The results of these efforts and solutions developed by the Council are discussed under Performance Goal 5 (Management Excellence), Performance Indicator 5.

Council must ensure that activities and projects funded by the RESTORE Act meet all environmental laws and regulations at the Federal and State level, and also ensure its compliance with applicable laws and regulations as a Federal entity. In March 2020, the Council implemented major technology changes to carry out its grant administration and monitoring activities. Migrating to new technology brings inherent challenges to any organization. In the case of the Council, the speed with which the migration occurred poses risk to data accuracy and the Council's ability to comply with new as well as existing Federal requirements.

On March 16, 2020, the Council went live with two new grant management solutions that were selected in fiscal year 2018 to replace RAAMS, which was losing vendor software support. To manage award data, the Council implemented the Department of Health and Human Services' (HHS) GrantSolutions system (GrantSolutions). To address the need to house scientific programmatic data, the Council deployed the *Program Information Platform for Ecosystem Restoration* (PIPER) developed by the United States Geological Survey. During fiscal year 2020, Council staff intensified and accelerated efforts to identify all the work necessary for migrating to these systems within a short time frame. Furthermore, the Council processed an unusually large number of awards from RAAMS to facilitate the movement of as much legacy data as possible during the second quarter of fiscal year 2020, increasing the risk of data inaccuracy or omission. Implementation of the new systems was relatively smooth, despite challenges with implementing certain functionality in the GrantSolutions system. The Council had wanted to build a milestone module in GrantSolutions to submit, review, and track each project or program's milestones over time, but found overcoming limitations in the functionality of the module within GrantSolutions would be cost prohibitive. As a work around, the Council decided to build the milestone module in PIPER instead, as it is fully customizable at a reasonable cost. The new PIPER module will provide a structured tool for development and submission of milestones with the applications, and for submission of updates to milestones with semi-annual financial and progress reports. In addition, GrantSolutions houses the grant financial and budget data and is used for administrative compliance, and the Council would like to build a more dynamic post-award monitoring piece including financial reporting in the future. The ongoing work to complete the migration of remaining data and full functionality of both systems includes further application customization and testing, and training of staff and award recipients, among other things. As a result, the change to this multisystem solution will continue to impact the workload of staff who will have to balance post deployment duties and any new responsibilities that result from senior level organizational changes.

The Council experienced challenges trying to integrate GrantSolutions with the Bureau of the Fiscal Service Administrative Resource Center's (ARC) Oracle database, which processes and reports the Council's financial data. It was determined that GrantSolutions' limited fields and static data made it too expensive to customize. After learning that an automated transfer of grants information into ARC would include costly service fees for a primarily manual transfer process, the Council elected to continue to rely on its manual review and reconciliation process, which poses a higher risk of errors or omissions than an automated process.

A complete and successful transition to GrantSolutions and PIPER is critical to the Council's continued compliance with FISMA, the Digital Accountability and Transparency Act of 2014 (DATA Act) and future improper payment reporting required by the *Improper Payments Elimination and Recovery Act of 2010* (IPERA).¹ Looking ahead, agencies that administer grants and interagency agreements (IAA) will have to implement changes to adopt a standardized data structure for information requests and reporting on award recipients under the *Grant*

¹ Public Law 111-204, (July 22, 2010).

Reporting Efficiency and Agreements Transparency Act of 2019 (GREAT Act).² As discussed below, this will increase the responsibilities and workloads of the Council staff.

The Council published a library of documents ([RESTORE Council Grant Resources](#)) to assist grant and IAA applicants from the Council membership (see section: Operational Excellence, Performance Indicator 3). In December 2015, the Council deployed its automated grants management system, the Restoration Assistance and Agreements Management System (RAAMS), and began implementing its grants and IAA program concurrent with the approval of the Initial FPL. The Council is committed to ensuring that the process used for awarding and disbursing funds is as efficient as possible, while also providing the oversight needed for sound fiscal management. As it did with the Initial FPL, after a year of experience the Council initiated a thorough review of its application, disbursement and post-award oversight processes to identify and implement system changes that will lead to greater efficiency and effectiveness.

5.5 Performance Goal 5: Management Excellence

Council staff will provide exceptional service to the Council members and their accompanying state and federal agencies, as well to the many stakeholders associated with restoration of the Gulf of Mexico ecosystem by meeting programmatic, administrative and customer service objectives.

Performance Indicator 1:

Requisite Reports Submitted in Timely Manner.

During fiscal year 2020, the Council submitted the following reports in a timely manner:

- Annual Performance Plan for FY2022;
- Council's Annual Financial Report (AFR) for FY2019
- Annual Performance Report for FY2019
- Annual Report to Congress for 2019

Performance Indicator 2:

OIG Audit Findings and Recommendations Addressed in a Timely Manner

Audits of the Gulf Coast Ecosystem Restoration Council

Audits are a significant review of how well our internal controls and processes are performing. The following audits closed during FY 20 along with a brief summary of findings:

- FY 20- OIG Risk Assessment of GCERC Charge Card and Convenience Check Program. Recommended the agency track travel cash advances. Is conducted as part of regular ERM testing.
- FY 20- Bureau of Fiscal Service (ARC) Purchase Card audit. Two minor issues were noted with UBER charges. Recommendation was we have a Memo signed by the approving official for standard monthly charges like UBER. Recommendation was implemented.
- FY 20- OIG Improper Payments Elimination and Recovery Act (IPERA) audit for FY 19. No issues were found. This audit requires OIG to review management's assessment of the level of risk, the quality of

² Public Law 116-103; (December 30, 2019).

the improper payment estimates and methodology, and the oversight and financial controls in place to identify and prevent improper payments. That typically will include improper payments an agency may have internally, such as purchase card or contracting transactions, and externally on grant award funds being released to grant recipients.

- FY 20- OIG Federal Information Security Modernization Act (FISMA) audit. No issues were found. This audit requires required each Federal agency to develop, document, and implement an agency-wide program to provide information security for the information and systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other sources.
- The OIG FY 20 Management & Performance Challenges. Two challenges were noted, including: E Federal Statutory & Regulatory Compliance; and Ensuring Grant and IAA Compliance Monitoring.

The following audits are ongoing during FY 20 along with a brief summary of the focus of the audit:

- FY 20- OIG Financial Statement audit. Entrance conference was held on April 21, 2020. The audit of the Gulf Coast Ecosystem Restoration Council's financial statements is required by the Chief Financial Officer's Act. It typically will include reviewing the design of information systems for financial reporting; compliance with applicable provisions of laws, regulations, contracts, and relevant operations

Performance Indicator 3:

Workforce

- a) Decisions regarding human resources and HR requirements support the transition from an entrepreneurial start-up operation to a steady-state operational mode.*
- b) Workforce initiatives support the 21st Century Cross-Agency Priority Goal and its Sub-goals: Enabling simple and strategic hiring practices; Improving employee performance management and engagement; and Reskilling and redeploying human capital resources.*
- c) Issue regulation to implement the first implementing government-wide nondiscrimination requirements under Title VI of the Civil Rights Act of 1964, as amended, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin.*

New position descriptions (PD) were developed for the following: GS15 CFO, GS15 Financial Expert consultant, GS 15 Deputy Executive Director, and the GS15 Grants Manager. These PDs enabled the Agency to move forward with the steady state organization approved by the Council in November 2018. A total of 81 personnel actions were completed during FY 2020 to support the Agency. In addition, an upgrade was initiated for the agency's time keeping system which will provide more robust leave and pay support to the staff beyond FY 2020.

Performance Indicator 4:

Organizational Risk Assessed and Risk Mitigation Factors Employed.

- a) Fully implement the organizational risk assessment recommendations by the end of fiscal year 2020 by meeting all OMB Circular A-123 requirements and developing and documenting tactical level risk mitigation activities.*
- b) Continually review and update administrative and financial policies and procedures.*

- c) *Enterprise Risk Management practices are more fully integrated into the Agency's day to day decision-making and management practices.*
- d) *Completion of project and program site visits serve as useful tools to provide technical assistance to our recipients while simultaneously mitigating critical risks on the Council's risk profile.*

Enterprise Risk Management (ERM)

The Council complies with the requirements of OMB Circular A-123 Management's Responsibility for Enterprise Risk Management (ERM) and Internal Controls, as well as Improper Payments and Elimination and Recovery Act (IPERA), the Uniform Guidance (2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards), the President's Management Agenda, etc., as well as internally generated ERM requirements. The Council has established an ERM governance structure that begins with the Council with specific oversight responsibility assigned to the Audit Committee. The Executive Director is delegated responsibility for implementation and oversight of the ERM program and in turn, has assigned program development and execution responsibilities to the CFO/Director of Administration. The Executive Director has designated the Director of Administration as the agency Chief Risk Officer who is supported directly by a risk management specialist. Risk management and internal controls are managed by staff within finance, budget, IT and the grants and compliance, although risk and internal controls are integrated into all elements of the organization.

The Council has implemented and integrated internal control framework to govern its operations, reporting and compliance and is currently developing its risk mitigation strategies, metrics, performance indicators, monitoring, analytics, communication, and remediation.

Significant improvements of the Agencies Enterprise Risk Management (ERM) Program were implemented during FY 2020, including development and execution of an Internal Controls Testing & Risk Mitigation Policy. This Policy follows the guidance set forth in the OMB Circular A-123 and the GAO Green Book's 17 Principles and plan provides the Agency the ability to test Agency policies and internal controls in Grants, Purchase Card, Travel, Contracts, Program, Financial, and Administrative functional areas to document if the Agency Policies/Controls were followed and if they provided the desired results. Further, Mr. Sutter led the development and implementation of an External Audit Strategic Coordination Policy which ensures ERM is involved with all Agency audits to understand the findings and work with process owners to track and ensure corrections are made for any noted deficiencies for all Agency external audits

In the FY2020 Risk Profile update, the main focus for Enterprise Risk Management (ERM) was the top seven critical risks. Each risk was reviewed and it was determined that effective controls were in place. To assist Program, Grants and Finance to mitigate surge capacity risk, which is one of the top seven risks, four new GS employees have been hired thus far in the past 12 months. The Council approved and hired two new grants specialists, one program staff intern, one financial analyst. The Council has approved a 0.5 FTE financial consultant to report the last month of FY2020 in September. The Council also approved two new GS15 supervisory positions that have been filled. The Program Director position and the Senior Grants analyst position have been filled with internal hires. The GS 14 Senior Scientist vacancy was backfilled internally and the GS14 Grants lead position is scheduled to be filled internally before the end of the year. No backfills have been initiated at this time. This new staffing will help with the refinement of policies and procedures, processing efficiencies, and compliance monitoring. The Council continues to closely monitor the top seven risks and implement mitigation activities with the continued refinement and development of the Council Post-Award Grant/Interagency Agreement (IAA) Monitoring process and continued internal controls testing. The Council's "17 Principles of Internal Control

Checklist” was updated in FY20. This annual checklist update is critical to demonstrate how the Council meets the requirements outlined in the Government Accountability Office (GAO) Green Book and Office of Management and Budget (OMB) Circular A123.

Highlights for the Agency’s Enterprise Risk Management during FY 2020 include the following:

- Risk Management published an Internal Control Testing and Risk Mitigation Policy and the Annual Risk Testing Schedule. This document enables the staff to know what controls will be tested in the next fiscal year. This gives visibility to the staff on upcoming tests.
- The ERM staff follows a testing schedule for reviews of GCERC’s charge card procurement process, MOU approval process, contract approval process, travel card cash advance, travel vouchers, time and attendance, semi-annual grants financial reports, annual programs performance reports and financial obligations to assess compliance with existing internal controls.
- ERM conducted compliance reviews of the processes and documentation of financial drawdown desk reviews/site visits conducted by the grant’s team.
- ERM conducted compliance reviews of the processes and documentation of project desk reviews/ site visits conducted by the program’s team.
- Programs and Grants teams have devoted a substantial amount of time and effort working on the transition from RAAMS to PIPER and Grants Solutions
- IT Security Testing is conducted on a regular basis by the GCERC CIO and is reviewed quarterly by ERM staff.
- The 17 Principles of Internal Control Checklist has been updated

Performance Indicator 5:

Implementation of a New Grants/IAA Management System.

The Council implemented a two-system replacement strategy during FY20 that utilizes a federal grants management service provider, Grant Solutions, and a program-focused system, the Program Information Platform for Ecosystem Restoration (PIPER) system. PIPER is comprised of a suite of modules designed to manage program information, including proposal development and program information associated with awards, scope of work, ecological restoration metrics, geospatial information, and environmental compliance documentation, while Grant Solutions is supporting grant administrative, budgetary and compliance activities. This “unified” solution is an effective replacement for RAAMS, which ended at the end of FY20. The unified system is enhancing the grants management process.