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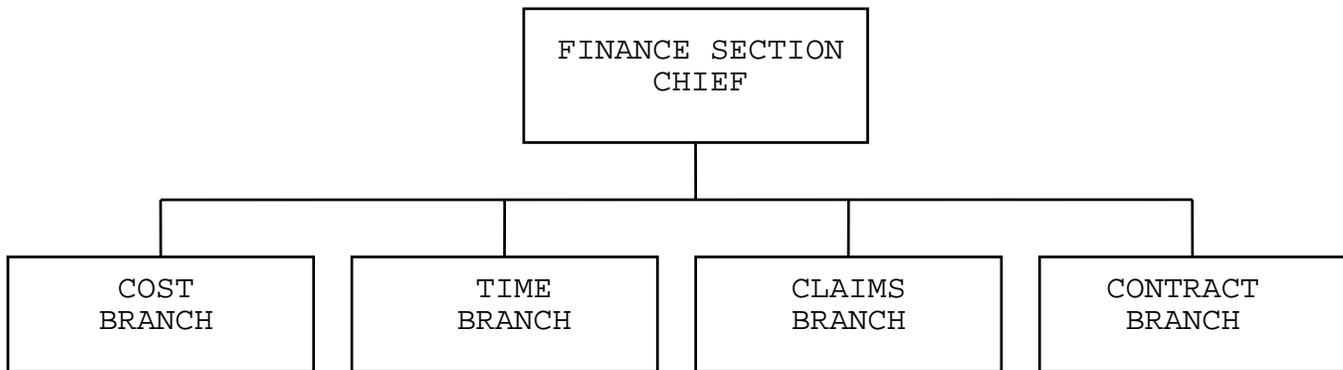
6000 Finance/ Administration

6100 Finance/Administrative Section Organization

The Finance/Administration Section is responsible for all-incident costs and financial considerations, includes the Time Unit, Procurement Unit, Compensation/Claims Unit, and Cost Unit. The IC will determine the need for a Finance/Administration Section, and designate an individual to perform that role. If no Finance Section is established, the IC will perform all finance functions. This is set up for any incident that may require on-site financial management. More and more, larger incidents are using a Finance/Administration Section to monitor costs, whereas smaller incidents may also require certain Finance/Administration functions. For example, the IC may establish one or more units of the Finance/Administration Section for such things as procuring special equipment, contracting a vendor, or making cost estimates of alternative strategies.

Refer to [FOG 2000, Finance/Administration](#) for more details on specific responsibilities for all members of the Finance/Administration Section.

Figure 6-1 Finance/Administration Organization



6200 Finance Section Objectives

6210 0-4 Hours

- Establish section by direction of Unified Commanders

6220 4-24 Hours

- Implement funding methods (100% RP funding, shared funding between multiple RPs, etc). Obtain Federal Project Number as directed by FOSC.
- Process acquisitions as requested by Operations/Planning sections, via Logistics.
- Initiate resource documentation program. Capture initial expenditures and maintain up to date documents.

6230 24-48 Hours

- Provide briefings for Command and General Staff during daily meeting cycles to ensure information flow on current and projected expenditures. At a minimum these meeting should include:
 - Tracking resource use
 - Monitoring cost ceiling
 - Maintaining an active information flow between all parties on expenditures past, present, and planned.
- Evaluate the necessity of having a night shift process each days resource tracking forms for presentation at morning meetings.
- Process acquisitions as requested by Operations/Planning Section via the Logistics Section.

6300 Fund Access

The Environmental Protection Agency (EPA), for hazardous substance releases, administers the CERCLA Fund. When the material is unknown, the CERCLA Fund should be used to initiate the cleanup activities. If the material appears to be a petroleum product and the source cannot be identified, the Oil Spill Liability Trust Fund (OSLTF) should be accessed for cleanup costs. If analysis shows the material to be a hazardous substance, the OSLTF should be closed at that point and a CERCLA account opened to fund the remainder of the response and cleanup activities. Conversely, if a cleanup is initiated using CERCLA funds, and analysis determines that the product is an oil or petroleum product, the CERCLA Fund should be closed and the remainder of the response should be conducted using monies from the OSLTF.

The assessment phase (Phase I) is that portion of response between notification of discharge, or substantial threat of discharge, and determination by the Federal On Scene Coordinator (FOSC) that either nothing beyond initial assessment needs to be done or that further action or presence is required. The assessment phase includes those actions described in the National Contingency Plan (NCP), section 300.305, which falls under Phase II - Preliminary Assessment and Initiation of Action. During this phase, activities are conducted to gather information about the reported incident and plan appropriate actions. Phase II activities include:

1. Assessment.
 - A. Evaluate magnitude/ severity.
 - B. Assess feasibility of removal.
2. Initiation of Action.
 - A. Identify the RP.
 - B. Notify affected Natural Resource Trustees and other affected agencies.
 - C. Plan further action.
 - D. Induce RP to cleanup.
 - E. Issue administrative orders.

The nature of pollution response sometimes results in an initial mobilization of more resources than are actually needed to respond to an incident during the assessment phase. Because this mobilization of resources may result in costs which appear to exceed those necessary to conduct the actual cleanup, the discretion to bill RP for some or all Federal removal costs incurred during the assessment phase rests with the National Pollution Funds Center (NPFC).

6310 OSC Access

The FOSC should obtain a Federal Project Number (FPN) and corresponding ceiling and begin documenting all Federal removal costs when:

1. The OSC expects to incur "out-of-pocket" costs (funds paid to contractors or others outside the U.S. Coast Guard) to conduct the assessment phase or any part of the response; or
2. The OSC determines that a continued presence is required to ensure proper removal actions (the initiation of action part of Phase II) and no "out of pocket" costs are expected, but internal costs (costs of OSC personnel and equipment) are expected to exceed \$500.

If, after the initial assessment, the OSC determines that no further actions are necessary or that the costs total less than \$500, the OSC may close the FPN.

For information concerning OSC access to funding, reference the NPFC User Reference Guide. Information can also be obtained on the World Wide Web at:

<http://www.uscg.mil/hq/npfc/media.htm>

6320 State Access

State access to OSLTF and CERCLA funds provides an avenue for states to receive Federal funds for immediate removal costs resulting from their response to actual or threatened discharges of oil. State access does not supersede or preclude the use of other existing Federal payment regimes. The State should not seek and will not receive payments for the same costs from more than one payment regime.

States may access funds via one of three methods:

1. File a claim with the NPFC within 6 years of the cleanup.
2. Ask the FOSC to obtain a FPN/CPN and a ceiling amount for the State. The State will work directly with the NPFC to document costs.
3. Have the FOSC obtain a FPN/CPN and then issue a Pollution Removal Funding Authorization (PFRA) to the State with a ceiling and time limit. The FOSC will then review all documentation prior to submission to the NPFC.

The State of Maryland has designated a state representative from the Maryland Department of the Environment (MDE) for State Access to the OSLTF. To obtain a copy of the State designation letter signed by the Governor, contact the MDE Emergency Response Division.

A copy of the "Technical Operating Procedures for State Access to the Fund" can be obtained on the World Wide Web at:

<http://www.uscg.mil/npfc/urg/urg%5Fchapter%5F5.htm>

6330 Trustee Access

Access to the OSLTF by trustees is generally limited to the initiation of Natural Resource Damage Assessments (NRDA). Procedures for requesting access to the Fund for NRDA Initiation are located at

http://www.uscg.mil/npfc/doc/initiate_nrda.doc

6400 Cost

The Cost Unit is responsible for collecting all cost data, performing cost effectiveness analyses, and providing cost estimates and potential cost avoidance recommendations throughout the incident.

6410 Cost Documentation Procedures, Forms & Completion Report

For information concerning documentation, forms, and FOSC completion reports, reference the NPFC User Reference Guide. Information can also be obtained on the World Wide Web at:

<http://www.uscg.mil/npfc/doc/ffarmguide.doc>

6410.1 Documentation Levels

The NPFC has developed a three level system for case documentation based on the complexity of the case in question. The FOSC is considered to be the best judge of the factors involved in an event and is tasked with selecting the level of documentation appropriate for the circumstances. Some of the factors to be used in determining complexity and subsequent documentation requirements are listed below.

6410.1.1 Level I - Routine

Routine incidents represent approximately 85% of all spills. A routine incident is one where:

1. Total removal costs to the government will not exceed \$50,000.
2. Removal activities will probably be completed within one to two weeks.
3. Removal activities are localized.
4. Primarily unit resources are involved.
5. Documentation from all resources is submitted to FOSC at completion of removal activities.

6410.1.2 Level II - Moderately Complex

Moderately complex incidents represent approximately 10-15% of all oil spills. A moderately complex incident is one where:

1. Total removal costs are between \$50,000 and \$200,000.
2. Removal activities take place in several locations.
3. There are several external resources such as a USCG Strike Team, state agencies, or other government agencies involved.
4. Removal activities will take longer than two weeks to complete.
5. Documentation from all resources is submitted to FOSC, as often as practical (daily if possible), until final removal activities are completed.

6410.1.3 Level III - Significantly Complex

The Significantly Complex cases represent less than 5% of the spills. A significantly complex incident is one where:

1. Total removal costs are greater than \$200,000.
2. Removal activities involve numerous contractors.
3. Removal activities take place in several locations.
4. There are a number of external resources involved.
5. Documentation is submitted in the same manner as Level II.

6410.2 Documentation responsibilities

6410.2.1 Federal OSC:

1. Include removal-ceiling information in each POLREP.
2. Complete Incident Report when removal activities are finished.
3. Complete Daily Resource Report (Dailys) covering unit resources involved in removal activities.
4. Collect Daily Resource Reports and official records (i.e. aircraft sheets and cutter navigation logs) from other Coast Guard units.
5. Issue Pollution Removal Funding Authorizations (PRFAs) to other government agencies for removal activities.
6. Review SF-1080s and Daily Resource Reports submitted by other government agencies and certify that services were authorized and completed. Documentation should be provided that supports a clear audit trail for reimbursement. The FOSC should send this documentation to the NPFC for review.
7. Review contractor invoices against Daily Resource Reports and certify that services were properly authorized and completed.
8. Resolve any discrepancies between government agencies and contractors prior to submitting documentation.
9. Consolidate information and submit a Financial Summary Report to the NPFC.

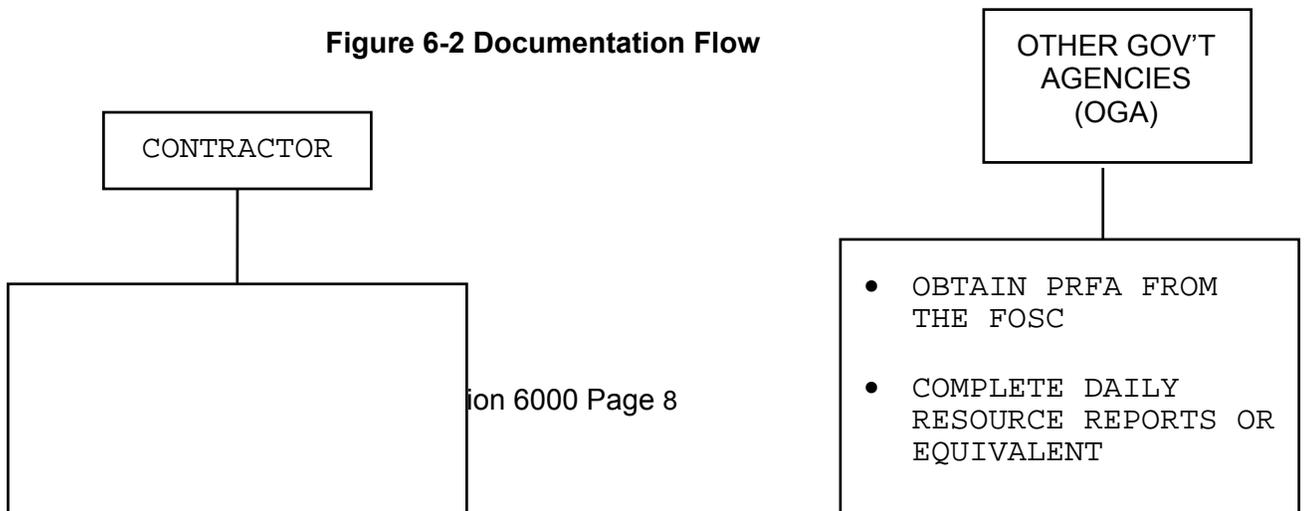
6410.2.2 Contractors:

1. Complete Daily Resource Reports for removal activities.
2. Prepare an invoice supported by Daily Resource Reports upon completion of removal activities or at least 30-day periods to the FOSC.

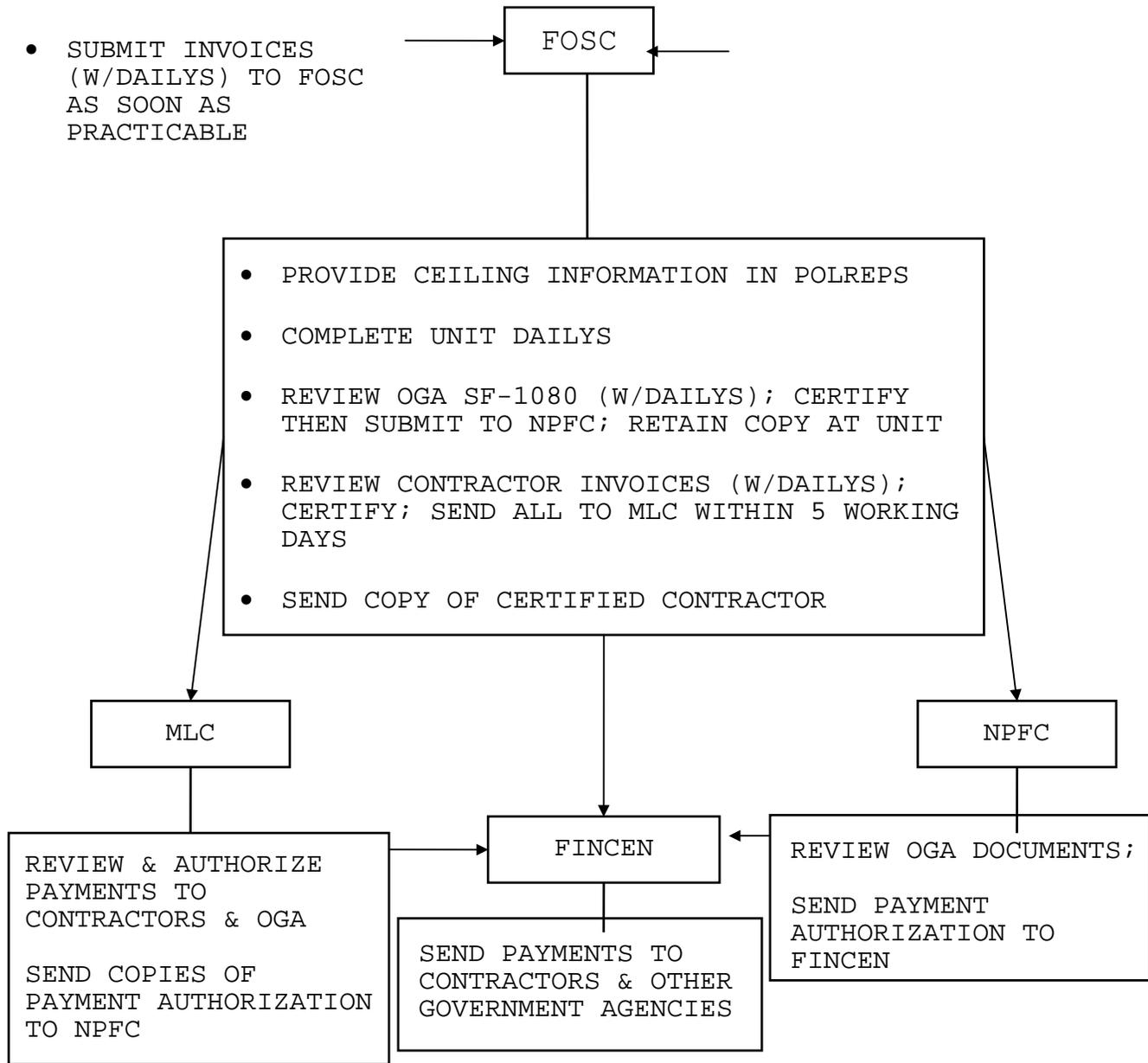
6410.2.3 Other Government Agencies:

1. Obtain PRFA from the FOSC for removal activities.
2. Complete Daily Resource Reports (Dailys) or equivalent forms approved by the NPFC, and submit them to the FOSC upon completion of removal activities.
3. Prepare a SF-1080 based on information gathered from the Daily Resource Reports. Include documentation that provides a clear audit trail for reimbursement.

Figure 6-2 Documentation Flow



- COMPLETE DAILY RESOURCE REPORTS
- SUBMIT INVOICES (W/DAILYS) TO FOSC AS SOON AS PRACTICABLE



NOTE: **LEVEL I** documentation should be submitted on completion of removal activities. **LEVEL II and III** documentation should be submitted as soon as practicable but at least within 30 days.

6500 Time

The Time Unit is responsible for personnel and equipment time recording to ensure accurate cost documentation of resources on scene.

6600 Compensation/Claims

Responsible for the overall management and direction of all compensation for Injury Specialists and Claims Specialist assigned to the incident. For spills where the RP is known, procedures for receiving and processing claims should be established by the RP. For claims to the OSLTF, claims guidance and forms are available at:

<http://www.uscg.mil/hq/npsc/claims.htm>

6700 Procurement

The Procurement Unit is responsible for administering all financial matters pertaining to vendor contracts.

6800 Reserved

6900 Reserved for USCG Area/District