

6000 Finance/Administration

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6000 Finance/Administration

The Finance/Administration Section is responsible for documentation of all incident costs, and for providing guidance to the Incident Command (IC) on financial issues that may have an impact on incident operations. [An FOSC's Guide to Environmental Response](#) is designed to succinctly describe contracting and financial management processes and procedures. It covers roles and responsibilities, principal terms, definitions, and contracting policies and procedures for financial management and documentation requirements. It also provides references and related information where appropriate.

6100 Finance/Administration Section Organization

The functions of the Finance/Administration Section must be accomplished during an incident. However, they can be expanded as needed into additional organizational units with appropriate delegation of authority.

Roles and responsibilities of the finance section can be found in Chapter 10 of the [Incident Management Handbook](#) (IMH).

Also refer to [Sections 6010](#) of the Region 9 Regional Contingency Plan (RCP).

In the RCP, this section provides an organizational chart for finance/administration and its subordinate units and explains the functions that must be accomplished during an incident.

6200 Fund Access

If there is a responsible party (RP), the Federal On-Scene Coordinator (FOSC) shall make the individual aware that he/she is responsible for cleanup of the discharge and/or release. If the RP does not take appropriate action or refuses to respond, the FOSC should not hesitate to federally-fund the response. The RP shall then be advised that the cleanup will be federally-funded and that he/she will be issued a Letter of Assumption (LOA) and could be liable for up to three times the amount. The fund may also be used in the case where no RP has been identified but cleanup action is needed.

The [National Pollution Funds Center \(NPFC\)](#) administers the Oil Spill Liability Trust Fund (OSLTF or "the Fund") as an independent Headquarters unit reporting directly to the Chief of Staff of the Coast Guard. To make a claim refer to <https://www.uscg.mil/Mariners/National-Pollution-Funds-Center/Claims/>.

The [Oil Spill Liability Trust Fund \(OSTLF\)](#) is a billion-dollar fund established to pay for removal and certain other costs and damages resulting from oil spills or substantial threats of oil spills. The OSLTF is used for costs not directly paid by an RP.

The [Comprehensive Environmental Response, Compensation, and Liability Act of 1980 \(CERCLA\)](#) allows the Coast Guard to access the Hazardous Substance Response Trust Fund when the Coast Guard undertakes response activities pursuant to CERCLA, commonly referred to as Superfund. When the Coast Guard provides the FOSC, he/she has authority to approve Trust Fund expenditures not to exceed \$250,000, if more funds are needed an Action Memorandum is needed. More information about the use of CERCLA can be found at <https://www.epa.gov/superfund/superfund-cercla-overview>. If the Environmental Protection

Agency (EPA) provides the FOSC, the EPA Regional Administrator has authority to approve expenditures not to exceed \$2 million. EPA Headquarters must approved expenditures exceeded \$2 million.

To make or process a claim, an account number must be obtained from EPA Headquarters by calling the EPA Emergency Response Division at (202) 564-8600. After hours, the Fund may be accessed by calling the National Response Center at (800) 424-8802.

Also refer to [Section 6200](#) of the Region 9 RCP.

In the RCP, this section provides an explanation of the cleanup cost obligations of responsible parties during a spill, which funding sources can and cannot be used, and the screening categories for incidents requiring funding.

6210 OSC Access

The OSTLF or Superfund may be used to undertake immediate removal actions when the agency providing the FOSC determines that such action will prevent or mitigate immediate and significant risk of harm to human life, health, or the environment from such situations as:

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

Also refer to [Section 6220](#) of the Region 9 RCP.

In the RCP, this section provides an explanation of how FOSCs can access the OSLTF via the Ceiling and Numbering Processing System (CANAPS), an online fund request system that is intended to replace the manual fund requests via telephone or message traffic. Further subsections provide additional information on CANAPS, Ceiling and Project Limits, State access to OSLTF, and reimbursable expenses.

To access CANAPS, visit <https://npfc.uscg.mil/canaps/>. Access is granted via CAC card. Refer to the NPFC User Reference Guide (see Section 6220) for more information on accessing the fund. Contact Case Team 3 at (202) 493-6729 for NPFC case manager.

For more information, see also the FRMM Guide (Section 6000 of this Plan).

6220 State Access

States are required to coordinate their removal actions with the FOSC and retain records of expenditures. There are three methods available to states and/or political subdivisions for payment of removal costs:

- Direct state access to the OSLTF;
- Execute a [Pollution Removal Funding Authorization \(PRFA\)](#) with the FOSC; or
- File a claim after the fact with either the responsible party of the NPFC.

Also refer to [Section 6230](#) of the Region 9 RCP.

Information about State access to the Fund is found in 33 CFR 133 and 33 CFR 136 with additional guidance in the [NPFC's User Reference Guide](#). Information from the User Guide can also be obtained by contacting the Eleventh Coast Guard District Response Advisory Team (DRAT) Supervisor at (510) 437-3697. For additional information regarding these procedures or related subjects, State representatives, FOSCs, and other interested parties are urged to contact the NPFC at (703) 872-6000, FAX (703) 872-6900.

6230 Trustee Access

All trustees must coordinate access to the fund with the FOSC.

Refer to [Section 6240](#) in the Region 9 RCP for information on various trustees. The following are some of the San Diego Area's trustees:

Federal: Secretary of Commerce, Secretary of the Interior, Secretary of Land Managing Agencies (Department of Interior/National Parks Service, Department of Agriculture/Forest Service, Secretary of Defense, Secretary of Energy)

State/Local Agencies: Department of Fish and Game, Indian Tribes

For additional information on Federal, State, Tribal and foreign trustees and their responsibilities, refer to 40 CFR 300.600 Subpart G and the amendment to Executive Order No. 12580 (August 28, 1996).

According to the RCP, Executive Order 12777 (October 22, 1991) requires the federal natural resource trustees to select a representative as the federal lead administrative trustee (LAT). In general, the LAT serves as the federal contact for all aspects related to damage assessment, resource restoration, and federal funding for NRDA activities. The RCP gives guidance on how to select an LAT and the various responsibilities of the position.

6300 Cost

Responsible parties are liable for damage claims and removal costs resulting from discharges or substantial threats of discharges of oil and/or hazardous substances into or upon the navigable waters of the U.S and adjoining shoreline. Notices of Federal Interest, Letters of Federal Assumption, Letters of Designation, and/or Administrative/Directive Orders are required as part of the financial management during a response.

For cases where the responsible party is either unknown, or is unable or unwilling to meet this obligation, the OSLTF will pay for removal costs and claims.

When responding to an oil pollution incident, and when deemed appropriate, the FOSC obligates a Federal Project Number (FPN) and assigns a dollar ceiling. As removal activities proceed, and it appears costs will exceed the original ceiling, the FOSC may request an increase to the ceiling. A three-level system has been developed to help determine the complexity of a case and its required resource documentation. The FOSC will determine which level best applies to an incident.

The following criteria are designed to assist the FOSC in making this determination:

Level	Total Government Costs	Completion of Removal Activities
I – Routine	<\$50,000	~ Two weeks
II – Moderately Complex	\$50,000 - \$200,000	> Two weeks
III – Significantly Complex	>\$200,000	Undetermined

The costs of all purchases, contracts, services, and authorizations of activity are applied against the ceiling. Each contractor or government agency is responsible for keeping track of their costs during the removal and for staying inside the limits given to them by the FOOSC, or requesting an increase in the established ceiling.

Also refer to [Section 6700](#) of the Region 9 RCP.

According to the RCP, the Cost Unit Leader is responsible for collecting all cost data, performing cost effectiveness analyses, and providing cost estimates and cost saving recommendations for the incident.

6310 Cost Documentation Procedures, Forms & Completion Report

According to 40 CFR 300.800 Subpart I, the lead agency shall establish an administrative record that contains the documents that form the basis for the selection of a response action, including remedial and removal actions.

The EPA also requires an [administrative record](#) be kept at facilities undergoing response actions under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA).

Also refer to [Section 6700](#) of the Region 9 RCP.

According to the RCP, information about cost recovery and documentation and cost recovery/documentation forms are in 33 CFR 133 and 33 CFR 136 with additional guidance in the NPFC's User Reference Guide. For additional information regarding these procedures or related subjects, State representatives, FOOSCs, and other interested parties are urged to contact the NPFC at (703) 872-6000, FAX (703) 872-6900.

6400 Time

A time unit shall be established during an incident. The accurate reporting of time for personnel and equipment shall be conducted in the following manner:

Personnel

- Establish and maintain a file for personnel time reports within the first operational period. Initiate, gather, or update a time report from all applicable personnel assigned to the incident for each operational period. Maintain a log of excessive hours worked and give to Time Unit Leader daily.
- Ensure that all personnel identification information is verified to be correct on the time report.
- Post personnel travel and work hours, transfers, promotions, specific pay provisions and terminations to personnel time documents.
- Ensure that time reports are signed. Close out time documents prior to personnel leaving the incident. Distribute all time documents according to agency policy.

Equipment

- Advise Ground Support Unit, Facilities Unit, and Air Support Group of the requirement to establish and maintain a file of daily records for equipment time reports. Assist units in establishing a system for collecting these equipment time reports.
- Post all equipment time tickets within four hours after the end of each operational period.
- Prepare a use and summary invoice for equipment (as required) within 12 hours after equipment arrival at incident.
- Submit data to Time Unit Leader for cost effectiveness analysis.
- Maintain current posting on all charges or credits for fuel, parts, services and commissary.
- Verify all time data and deductions with owner/operator of equipment.

Complete all forms according to agency specifications. Close out forms prior to demobilization. Distribute copies per agency and incident policy.

Also refer to [Section 6100](#) of the Region 9 RCP.

According to the RCP, the Time Unit Leader is responsible for equipment and personnel time recording.

6500 Compensation/Claims

Persons and government agencies that incur damages as a result of discharges or substantial threats of discharges of oil are entitled to compensation. The RP is primarily liable for satisfying legitimate claims expeditiously. Section 1002 of OPA 90 describes damages as including natural resources, real or personal property, subsistence use, revenues, profits and earning capacity, and public services. The RP, as designated by the Director of the NPFC is required to advertise, in a manner directed by the NPFC, the name, address, telephone number, office hours, and workdays of the person(s) to whom claims are to be presented and from whom claim information can be obtained. Detailed information about claims procedures can be found in 33 CFR 136.

If the RP denies responsibility, proves unwilling or unable to deal with claims, or refuses to advertise, the NPFC will assume the role of responsible party for the purpose of receiving and paying claims.

Also refer to [Section 6250](#) of the Region 9 RCP.

According to the RCP, the Compensation/Claims Unit Leader is responsible for the overall management and direction of all Compensation for Injury Specialist and Claims Specialists assigned to the incident.

6600 Procurement

Refer to [Section 5820](#) and [6010](#) of the Region 9 RCP.

According to the RCP, the Procurement Unit Leader is responsible for administering all financial matters pertaining to vendor contracts.

6610 Contracting Officer Authority

A Basic Ordering Agreement (BOA) contractor must be selected over a non-BOA contractor. BOA contractors are initially hired by verbal order followed by a written contract (Optional Form 347) for each incident, which will include the specific number of personnel and equipment needed, estimated cost, and the FPN. The OSC-authorized ceiling for a BOA contractor is set at \$50,000 per incident, per BOA contractor selected (two or more BOA contractors can be hired to perform different tasks on one incident at a maximum of \$25,000 each). The Contracting Officer must approve contractor services that will exceed the OSC's limit.

Unless the BOA contractor cannot provide a timely and adequate response, selection of a non-BOA contractor by an OSC is not authorized. The Contracting Officer is generally the only person authorized to hire a non-BOA contractor. If the Contracting Officer cannot be reached in a timely manner, the OSC is authorized to issue non-BOA purchase orders, on an emergency basis only, with a limit not to exceed \$25,000 per incident. The OSC must contact the Contracting Officer within 24 hours after exercising this emergency authority. If the OSC determines that another agency can assist in a removal effort, the OSC may authorize that agency to perform removal actions, by executing a Pollution Removal Funding Authorization.

Refer to [Section 6211](#) of the Region 9 RCP.

For information on this issue, the RCP refers users to Chapter 10 in the IMH for Contracting Officer Authority.

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