



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
 NATIONAL MARINE FISHERIES SERVICE
 Northeast Fisheries Science Center
 166 Water Street
 Woods Hole, MA 02543-1026

DOC #7B.

November 3, 2010

Capt. Paul J. Howard
 Executive Director
 New England Fishery Management Council
 50 Water Street
 Newburyport, MA 01950



Dear Capt. Howard:

Subject: NEFSC Scallop Research Set-Aside Program Time Line

This responds to concerns and questions over the scallop Research Set-Aside program (RSA) expressed in a letter dated September 15, 2010. The New England Fishery Management Council requested time lines and posed questions about the 2010 scallop RSA grant awards and concerns over the timing and administration of this program. Programmatically, the four RSA programs created by both the New England and Mid-Atlantic Councils are challenging. Multiple RSA grant competitions are simultaneously conducted which have overlapping time lines. In response to the Council's questions, and in the interest of providing more transparency, a listing of dates when specific RSA grant administrative actions occurred during 2009-2010 is presented for all 4 RSA program in an attachment to this letter. This should help the Council to more fully understand challenges to the RSA administrative processes and when various actions occurred.

The Council recently adopted a number of actions to be included in Amendment 15 to the scallop FMP. We are optimistic that those actions will help improve the overall management of the scallop RSA program. These along with additional RSA programmatic modifications that the Northeast Fisheries Science Center will take should improve the processing time needed to award all RSA grants.

Specific questions posed by the NEFMC:

1. Question: Can NMFS explain the RSA timeline (2010 awards as an example) so the Council can better appreciate the constraints and necessary steps involved? If this timeline is more transparent the Council could potentially assist NMFS to identify areas that could be adjusted. What are the major stumbling blocks? Can they be addressed?

Answer: The RSAs are simply complicated grants that require a number of administrative and regulatory compliance steps needed to process and grant final awards. The process is depended on numerous offices and a many people to complete several reviews and administrative steps, all requiring time and coordination. The Council acknowledged this in its letter.



The 2010 scallop RSA program awarded eight grants. This is the largest number of grants in a single scallop RSA competition cycle in the programs history. In doing so, the entire scallop RSA quota was fully utilized for the first time ever. This required skillful and time consuming negotiations in order to fully utilize all scallop RSA quota to fully fund all eight proposals. After the negotiations were completed the principal investigators were then required to resubmit modified proposals and budgets resulting from negotiations. All proposals were then submitted to the Grants Management Division as a package for initial selection. The letters requesting proposal modifications were sent on May 10 to all PIs. The last revision was received on July 13. The 9-week delay from this resubmission consequently delayed the other 7 awards, as they must all be submitted as an initial award package together. The supplemental decision memorandum was then redrafted and the entire package was submitted to NOAA Grants Management Division (GMD) on July 17, 3 days later. The GMD then expedited the awards and they were all awarded on August 12.

The program office (NEFSC Grants and Acquisitions office) must conduct scientific and management reviews of all proposals. The management review is unique to RSA grants as the program's mission is to support fisheries management. Historically, the management review occurred after the scientific review was completed. This prolongs the final selection process and is unnecessary. This is one area where we may be able to improve. We suggest that the management review occur prior to or simultaneously to the scientific reviews. This could save up to several weeks leading up to the initial selection of projects for funding.

2. Question: Were there other priorities that shifted staff resources away from the Scallop RSA program this year?

Answer: The NEFSC RSA staff includes one Federal Program Officer (FPO) who is assigned full time to administer all RSA grant competitions, and an RSA program coordinator who also provides support to the Northeast Cooperative Research Program (NCRP). In fiscal years 2009 & 2010 an additional allocation of cooperative research funds (\$13 million) was provided to the Northeast Region by NOAA Leadership. The increased administrative actions and acquisitions temporarily placed additional workload on the cooperative research program staff. NEFSC staff adjustments are currently being implemented to address the need to more efficiently administer all cooperative research and RSA grant and contractual competitions. Also, the monkfish RSA program competition runs concurrently with the scallop RSA competition. The monkfish awards were prioritized early on in the 2010 competition cycle due to concerns and the need to facilitate monkfish compensation harvesting during favorable market conditions.

In 2010 the Atlantic scallop fishery management action (Framework 21) was not implemented until June 28. As a result, compensation fishing could not have occurred prior to that date. Scallop RSA grant awards could have been made using Special Award Conditions (SAC) allowing research grant activities to precede only after the conditions are satisfied. Special award conditions may include such things as completed regulatory compliance reviews (NEPA or ESA Section 7 consultations) or NOAA approval of specifications to FMP, which authorizes

RSA quota allocations. Though SACs are a convenient way to award RSA grants prior to all necessary grant requirements being in place, they do create additional steps and slow the process, therefore GMD encourages their use under limited circumstances.

The Council's Executive Committee expressed concern that scallop rotational area surveys that are entirely funded by RSA competitive grants are critical for the development of management scenarios. It is a risk to depend on competitive grant awards for such important survey information, particularly in setting harvest allocations for very high value fisheries such as the scallop fishery. The risks associated with competitive processes, such as being out competed and not being selected for funding based on technical scores or other RSA variables such as potentially low scallop prices and/or harvest rates, subject the surveys to unnecessary risk of no or insufficient funding. We are encouraged that the Council is exploring actions, as proposed in Amendment 15 that may mitigate this risk.

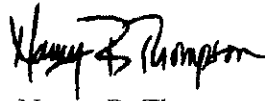
RSA staff has recommended some administrative or structural changes that may improve the programs' efficiency. Some of these include:

- Expand use of alternative acquisition methods including multi-year no-cost contract options, joint agreements, as well as currently used grants and cooperative agreements. This will provide more flexibility in funding longer-term projects and better conform to Federal acquisition laws.
- Create multi-year RSA research priorities and competitions resulting in longer-term projects. This will help streamline timing of RSA project awards relative to resource availability or fishing season and reduce administrative burden. We are delighted to see that a similar action was listed in the Amendment 15 modifications.
- As a result of the RSA programmatic review conducted in 2008-2009, the NEFSC is considering awarding 'no-cost' contract to a third party in order to conduct auctions to sell RSA quota and deposit the resulting funds into either a private account or the NOAA account created in the Fisheries Conservation and Management Fund (herein referred to as the Fund) created by NMFS through Congressional directive contained in the MSRA (P.L. 109-479, sec. 208 – 16 U.S. Code 1891b). Consideration of this alternative must be with the stipulation that the funds deposited into the Fund be provided solely to the program from which the funds originated. This may facilitate contractual acquisitions using funds rather than RSA quota. Annual audit of the RSA accounts would be conducted and posted on the Internet for public viewing through the no-cost contractual agreement with the third party. This would provide more transparency and facilitate analysis of all RSA programs from a financial and economic perspective.
- The NEFSC will consider alternative cooperative research models for some RSA priorities. The Council and NMFS may consider programs similar to the Consolidated Highly Migratory Species FMP implemented by the Southeast Science Center under 50 CFR part 635 (See Federal Register notices: 73 FR 40658, July 15, 2008). This could simplify the RSA process for the rotational surveys and minimize competitive risk.

The RSA staff will work harder to improve communications and coordination among Councils' staff, regulatory compliance offices and the RSA community. We will set strict deadlines for all reviews, shorten the time needed for drafting and approval of initial Decision Memoranda, and demand quicker responses from proposers in modifying their budgets and projects subsequent to

negotiations. We will strive to improve coordination and communications in completing regulatory analysis and compliance reviews. The 2010/2011 Scallop, Monkfish, Mid-Atlantic and the 2010 Herring RSA grant competition time lines are shown in attachment 1. We will be happy to meet with you to review the past two years RSA competitions and to further discuss potential changes to improve RSA programs.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy B. Thompson". The signature is fluid and cursive, with the first name being the most prominent.

Nancy B. Thompson, Ph.D.
Science and Research Director

Enclosure

cc: F. Almeida
F. Serchuk
J. Hoey
E. Meredith
J. Weinberg
P. Kurkul, NER

ENCLOSURE

Time line showing the sequence of administrative events for the 2010/2011 Scallop, Monkfish, Mid-Atlantic, and 2010 Atlantic Herring RSA Grants competitions.

2010/2011 Scallop, Monkfish, Mid-Atlantic, & Atlantic Herring Research Set-Aside Programs				
Scallop		Monkfish	Mid-Atlantic	Herring
Year	Month	Day	Description of RSA grant event/action taken	
2009	July			
		6	2010 Herring briefing document completed	
		9	Conference call with RSA Director, Deputy, & FPO to discuss technical comments & rankings for 2010 Herring RSA	
		14	2010 Herring proposals & briefing document sent to management review panel	
		16	2010 Herring management review panel conference call	
		16	FFO published announcing 2010 Scallop RSA competition	
		16	FFO published announcing 2010 Monkfish RSA competition	
	August			
		31	2010 Scallop RSA proposals due	
		31	2010 Monkfish RSA proposals due	
	September			
		3	Upload paper 2010 Scallop application into GOL	
		7	National cooperative research working group meeting	
		8 to 10	Check minimum requirements & download all applicant forms (2010 Scallop and Monkfish) from GOL	
		13	Created tracking abstract for 2010 Scallop RSA (12)	
		14	Created tracking abstract for 2010 Monkfish RSA (2)	
		15	2010 Scallop technical reviewers requested from NEFSC & NEFMC	
		15	2010 Monkfish technical reviewers requested from NEFSC & NEFMC	
		17	NEFSC reviewers assigned to 2010 Scallop proposals	
		17	NEFSC reviewers assigned to 2010 Monkfish proposals	
		25	2010 Herring FFO sent to NERO RSA Liaison for creation of 2011 Herring FFO	
		28	NEFMC provided valid reviewers for 4 of 12 proposals for 2010 Scallop RSA	
		28	2010 Mid-Atlantic decision memo signed by NEFSC Director	
	October			
		1	2010 Scallop technical reviewers requested from NERO	
		1	2010 Monkfish technical reviewers requested from NERO	

		2	Draft of 2010 Herring decision memo sent to RSA Deputy for management comments
		5	2010 Monkfish proposals sent to NERO RSA Liaison for consistency review
		5	Section 7 Consultation request for 2010 Mid-Atlantic sent to NERO PRD
		6	2010 Scallop proposals posted to shared website for regulatory consistency review
		6	Request sent to NEFMC for 2011 herring research priorities
		7	NEFSC RSA staff was informed that no Herring research set-asides were being recommended by the NEFMC for 2010-2012 & there would be further discussion at the November Council meeting
		7	Sent out 2010 Monkfish technical review requests (6) w/due date of 11/6
		8	All technical reviewers assigned for 2010 Scallop competition
		9	2 nd draft decision memo received for 2010 Herring RSA
		16 to 19	Sent out 2010 Scallop technical review requests (36) w/ due date of 11/16-11/18
		20	Received request from SFD to review and add comments to the 2010 Herring decision memo
		21	2010 Mid-Atlantic favorable letters sent to 3 applicants
		22	SFD comments incorporated into 2010 Herring decision memo
		22	Provided final edits on 2010 Herring RSA decision memo
		26	2010 Herring decision memo finalized
		27	NEFSC Grants & Acquisition Coordinator recommends suspension of any further action on 2010 Herring competition until final determination is made by the Council at their November meeting
		28	Processed Award Action Request/No Cost Extension for NA08NMF4540666 in GOL
		30	2011 Mid-Atlantic FFO completed in GOL & forwarded to FALD for review
	November		
		5	Received all technical reviews for 2010 Monkfish competition
		5	2010 Monkfish & Scallop RSA regulatory consistency review meeting
		12	Committee recommended no RSA for 2010-2012 Herring. Waiting for NEFMC vote.
		12	Conference call with Gulf of Maine Research Institute (GMRI), Grants Management Division (GMD), FALD, & RSA staff on monkfish RSA issues regarding special award condition language for clarification of compensation fishing vs. research dollars
		19	NEFMC voted no allocations for 2010-2012 Herring so the 2010 competition is cancelled.

		19-12/7	Worked through edits with FALD on 2011 Mid-Atlantic FFO
		24	Sent 1 st follow-up e-mails to outstanding 2010 Scallop technical reviewers
	December		
		2	Sent 2nd follow-up e-mail to outstanding 2010 Scallop technical reviewers
		2	Processed Award Action Request/No Cost Extension for NA07NMF4540017 in GOL
		3	Reviewer instructions for 2010 Mid-Atlantic RSA processed in GOL
		4	Conference call with new Mid-Atlantic RSA Committee Chair and Co-Chair to brief them on the RSA program
		4	Received final technical review for 2010 Scallop competition (18 days late)
		4	2010 Scallop briefing document & technical rankings submitted to Management Panel
		5	Processed confirmation of 2010 Scallop review event in GOL
		5	Processed confirmation of 2010 Monkfish review event in GOL
		5	Began re-programming of 2008 scallop grant: Bigelow Marine Lab. to University of Maine. The PI moved to UME and this action required FPO staff attention
		7	Specifications for 2010 Summer Flounder, Scup, Black Sea Bass EA (SFSCBSBEA) approved by NEPA
		8	Received 2010 Scallop & Monkfish regulatory consistency review memo from NERO identifying any environmental concerns
		9	RSA staff in training
		10	2010 Scallop RSA management review meeting
		11	FALD approved 2010 Mid-Atlantic reviewer instructions
		11	Posted 2010 Scallop proposals for management panel review to shared website
		11	FALD approved 2011 Mid-Atlantic RSA FFO
		22	2010 Scallop management panel review comments received
		29	Mid-Atlantic RSA Chair comments on RSA programmatic review doc for Feb. Council meeting & RSA workshop
2010	January		
		5	E-mail request sent to GMD Lead on guidance for Bigelow 2008 Scallop RSA award transfer
		5	2010 Mid-Atlantic RSA supplemental decision memo signed by NEFSC Director
		6	Registered 2010-2012 Environmental Assessment (EA) for NEAMAP on Program Planning & Integration (PPI) webform
		7	Reviewed & selected applications in GOL for 2010 Mid-Atlantic RSA

		7	Processed Award Action Request/Change in Scope for NA09NMF4540242 in GOL
		8	Negotiations conducted in GOL for 2010 Mid-Atlantic competition
		8	Mid-Atlantic RSA conference call among RSA staff and RSA Committee Chair
		11 & 12	2010 Monkfish briefing document completed minus one technical review
		12	Sent management review panel 2010 Monkfish proposals & briefing document
		12	FALD approved selection package in GOL for 2010 Mid-Atlantic RSA
		12	Cornell PO checklist & NEPA document completed in GOL for 2010 Mid-Atlantic
		12	Reviewed budget breakdown for GMRI and requested clarification on compensation fishing cost on 2010 Monkfish application
		12	Informed of possible additional allocation for black sea bass for 2010 Mid-Atlantic RSA
		12	Edits requested by NEPA for EA for NEAMAP
		14	Revisions received by VIMS for NEAMAP & incorporated into EA
		14	Sent EA for NEAMAP to PPI for review
		14	Received final technical review for Monkfish & revised briefing document
		15	Received copy of signed specs SFSCBSBEA for 2010 Mid-Atlantic RSA
		19	FFO published announcing 2011 Mid-Atlantic RSA competition
		19	2010 Monkfish management panel review teleconference
		19	Discussions with GMD Lead in regards to reprogram/rebudget for GMRI Scallop project
		19	Processed Award Action Request/Re program-Re budget for NA08NMF4540667 in GOL
		20 to 21	Meeting: Impacts on Framework 21 & RSA compensation fishing (potential delay) Council meeting scheduled
		25	1 st follow-up on status of 2010 Mid-Atlantic Section 7 Consultations (See 10/5)
		26	Results of 2010 Scallop management panel review finalized
		28	EA for NEAMAP cleared through PPI
		29	2010 Scallop Management comments sent to NERO RSA Liaison for review
	February		
		1	Worked with Cornell on shortfall issues of RSA funds on 2009 offshore fluke project
		2	Completed negotiations for additional black sea bass allocations with 2

			2010 Mid-Atlantic projects
		2	2 nd follow-up on status of 2010 Mid-Atlantic Section 7 Consultations
		2	Sent out 2010 Mid-Atlantic technical review comments for non-favored projects
		3	Began assisting with GOL issue regarding close-out dates for 2009 Arnie's Fisheries. Inquiry to GMD.
		4	Continued working with GMD, FALD, GMRI regarding special award condition language for clarification of compensation fishing vs. research dollars
		9	RSA staff convened Mid-Atlantic RSA workshop at Council meeting in Cambridge, MD
		10	2 nd follow-up with GMD on GOL issue regarding close-out dates for Arnie's Fisheries. Lack of response due to storm shutdown at GMD
		12-13	Drafted CE for 2010 Mid-Atlantic proposals and sent to SFD for addition of EFP language
		16	Provided clarification and edits for 2010 Charles Borden CE
		17	Received draft for 2010 Scallop decision memo & worked through edits
		17	Processed Award Action Request/No Cost Extension for NA08NMF4540664 in GOL
		18	3 rd follow-up on 2010 Mid-Atlantic Section 7 Consultations
		19	3 rd follow-up to GMD on GOL issue regarding close-out dates for Arnie's Fisheries. GMD action necessary.
		22	Received CE's for 2010 Mid-Atlantic with EFP language added by SFD
		22	Requested & received clarification from Charles Borden on locations for 2010 Mid-Atlantic project
		26	Finalized negotiations of allocations with additional black sea bass for remaining 2010 Mid-Atlantic project
		26	Received clarification and provided final edits on CE for 2010 Cornell Mid-Atlantic project
		29	Finalized GOL issue regarding close-out date for Arnie's with GMD
	March		
		1	2010 Mid-Atlantic CE's sent to RSA Deputy Director for review
		8	2010 Monkfish decision memo finalized
		8	Processed Award Action Request/No Cost Extension for NA09NMF4540045 in GOL
		9	Processed Award Action Request/Extension to Close-Out for NA08NMF4540668 in GOL
		9-10	2010 Monkfish decision memo sent to FALD for review & comments returned
		11	Meeting-WH w/ acquisitions staff and NERO RSA Liaison on RSA issues
		11	2010 Monkfish Decision memo signed by NEFSC Director

		12	Section 7 requests for 2010 Monkfish projects sent to PRD
		12	Processed Award Action Request/Change in Scope for NA08NMF4540430 in GOL
		12	Clarification requested from Principal Investigators (PIs) regarding comments received from 2010 Monkfish consistency review
		12-13	Correspondence with GMRI on continued monkfish RSA grants financial issues
		16-19	RSA staff attended National Marine Fisheries Service (NMFS) Grants Council meeting in Miami, FL
		22	2011 Mid-Atlantic RSA proposals due
		22	2010 Scallop RSA decision memo finalized
		24	2010 Scallop decision memo sent to FALD for review
		25	Processed Award Action Request/No Cost Extension for NA09NMF4540128 in GOL
		25	Sent out 2 favorable letters to 2010 Monkfish RSA applicants
		26	Received 2010 Scallop decision memo edits from FALD
		26	PO checklist & NEPA document completed in GOL for 2010 Mid-Atlantic RSA awards
		26	Sent awards to GMD for 2010 Mid-Atlantic with SAC pending section 7 consult completion
		26	Processed Award Action Request/Re program-Re budget for NA09NMF4540128 in GOL
		29	Spreadsheet created for allocation formulas for 2010 Scallop negotiations
		29	2010 Scallop RSA decision memo signed by NEFSC Director
		31	Processed Award Action Request/Extension to Close-Out for NA09NMF4540004 in GOL
	April		
		1	2010 Mid-Atlantic awards approved by FALD
		2	Sent signed copy of 2010 Mid-Atlantic CE's to SFD
		5	2010 Mid-Atlantic awards approved by GMD
		5	Follow-up e-mails sent to PIs regarding 2010 Mid-Atlantic awards
		6	Acceptance of 2010 Mid-Atlantic awards in GOL by grant recipients
		7	Check minimum requirements & download all applicant forms for 2011 Mid-Atlantic RSA
		7	Processed Award Action Request/Extension to Close-Out for NA09NMF4540005 in GOL
		8	4 th follow-up on 2010 Mid-Atlantic Section 7 Consultations
		12	Created tracking abstract for 2011 Mid-Atlantic RSA
		13-15	RSA staff participated in Financial Assistance Workshop in Silver Spring, MD

		13	Completed Section 7 Consultation received from PRD for 2010 VIMS Mid-Atlantic project
		16	Completed Monkfish Section 7 Consultations received from PRD for both 2010 Monkfish projects
		16	NEAMAP attorney certification and NERO NEPA coordinator review comment memo approved
		20	Further correspondence regarding on-going issue with GMRI on reporting of compensation fishing vs. research dollars
		20	2010 NEAMAP concurrence memo by NOAA NEPA Coordinator (PPI) and the "All Interested Parties" memo signed
		21	Processed Award Action Request/Extension to Close-Out for NA08NMF4540067 in GOL
		22	Completed Section 7 Consultation received from PRD for 2010 Cornell Mid-Atlantic project
		26	RSA and Northeast Cooperative Research Program (NCRP) staff convened session-NE Fish & Wildlife Conference-Boston
		29	Sent 2010 Monkfish CE's to SFD to add EFP language
		29	1 st request for revised administrative documents from 2010 Monkfish applicants post negotiations (delayed awaiting results from issues with GMRI-see outstanding issue 11/12, 2/4, 4/20, decision 5/24)
		30	Processed Award Action Request/No Cost Extension for NA08NMF4540431 in GOL
	May		
		4-5	2010 Scallop favorable review letters sent to applicants
		5	2011 Mid-Atlantic technical reviewers requested from NEFSC
		6	2010 Scallop RSA negotiations with 8 PIs
		6	Completed Section 7 Consultation received from PRD for Charles Borden's 2010 Mid-Atlantic project
		6	NEFSC reviewers assigned for 2011 Mid-Atlantic RSA
		10	Processed Award Action Request/No Cost Extension for NA08NMF4540429 in GOL
		10	Letters sent to PIs requesting revised budgets and admin forms for 2010 Scallop projects
		10-13	RSA staff participated in -2010 Budget, Finance, Grants & Acquisition Mini-Conference in Old Saybrook, CT
		11	First draft of 2011 Scallop RSA FFO
		11	First draft of 2011 Monkfish RSA FFO
		11	Received revised administrative forms from the School of Marine Science & Technology (SMAST) for 2010 Scallop proposal
		12	Received 2010 Monkfish CE's from SFD with EFP language added
		18	2010 Monkfish CE's memo signed by NEFSC Operations, Management, & Information (OMI) Chief

		18	Received signed copy of 2010 Bluefish specifications for Mid-Atlantic RSA
		19	Sent selection package to selecting official in GOL for 2010 Monkfish RSA
		20	Negotiations conducted in GOL for 2010 Monkfish competition
		20	2 nd request for revised admin forms from GMRI for 2010 monkfish award
		20	Processed Award Action Request/Re program-Re budget for NA09NMF4540129 in GOL
		21	2011 Monkfish FFO's uploaded into GOL after review & edits from NERO RSA Liaison & RSA Deputy Director
		21	2011 Scallop FFO's uploaded into GOL after review & edits from NERO RSA Liaison & RSA Deputy Director
		21	Received revised admin forms from GMRI for 2010 Monkfish project
		24	Language issue resolved for 2011 Monkfish FFO with FALD & GMD which held up responses from GMRI for 2010 Monkfish
		26	Received response to favorable letter from GMRI for 2010 Monkfish RSA
		26	2011 Mid-Atlantic technical reviewers requested from NERO & MAFMC
	June		
		2	Processed 2010 Monkfish awards in GOL & sent GMD e-mail expressing urgency to award
		2	Sent heads up e-mail to SFD re: 2010 awards for Monkfish RSA permits
		4	Processed Award Action Request/Termination for convenience of grant # NA08NMF4540666 in GOL
		5	Sent 2011 Scallop RSA FFO to FALD for review
		5	Sent 2011 Monkfish RSA FFO's to FALD for review
		5	Worked through edits with FALD for 2011 Monkfish FFO
		9	Sent follow-up e-mail to GMD regarding assignment to award 2010 Monkfish expressing urgency to award
		11	Requested SFD assistance with priorities language for 2011 Monkfish FFO
		14 -16	2010 Monkfish RSA awards made by GMD & accepted by recipients
		14	Sent e-mail to PIs regarding 2010 Monkfish awards
		15	Request sent to PRD for Section 7 Consultations for 2010 Scallop RSA proposals
		16	Conference call with MAFMC regarding timeline and management panel review for 2011 Mid-Atlantic RSA
		16	Sent e-mail to SFD with award info & request for release of permits
		17	Worked through edits with FALD for 2011 Scallop FFO
		18	Request for assistance to find NERO reviewers for 2011 Mid-Atlantic RSA

		19	Processed Award Action Request/No Cost Extension for NA09NMF4540006 in GOL
		22	Sent proposals to MAFMC for 2011 Mid-Atlantic management panel review
		25	Follow-up for request for NERO reviewers for 2011 Mid-Atlantic RSA
		25	Sent out 2011 Mid-Atlantic technical review memo (8) w/ due date of 7/23
		28	Scallop 2010 Framework effective date
		28	All necessary information received by PRD for ESA Section 7 consultation on VIMS HCCA and CAI. Section 7 begun.
		29	E-mail sent to NMFS Grants Liaison at Office of Management & Budget (OMB) regarding heads up that deadline would not be met due to outstanding actions still required and asked for further instruction
	July		
		6	Completed Section 7 Consultation received from PRD for 2010 Scallop RSA for VIMS HCCA and CAI
		6	2010 Scallop supplemental decision memo sent to NEFSC Director
		9	Sent selection package to Selecting Official in GOL for 2010 Scallop awards
		9	Negotiations conducted in GOL for 2010 Scallop competition
		11	Sorted through allocation confusion with PI for 2010 Scallop RSA Great South Channel project
		13	Received final post negotiation updated forms from PI for Great South Channel project
		13	2010 Scallop supplemental decision memo signed by NEFSC Director
		13	Sent e-mail request to Great South Channel PI for additional info needed for 2010 Scallop Section 7 Consult & returned response to PRD
		13	PRD initiated ESA Section 7 consultation for Great South Channel project (clock stated)
		13	Sent e-mail to GMD Lead for heads up that these awards were coming and expressed importance to expedite
		15	Sent 2010 Scallop selection package to FALD in GOL w/ follow-up e-mail regarding urgency of approval (Awards cannot be further processed in GOL until all PIs have submitted revised application packages post negotiations)
		15	2010 Scallop RSA CE finalized for Virginia Institute of Marine Science (VIMS) Georges Bank – Note: Last year the NERO management/consistency/regulatory review took place in November, yet NEPA did not receive CEs for review until after Framework 21 was implemented. There's no reason that the Center couldn't have prepared the CE documents in advance of the Framework's implementation and had our sign off/approval. The Center will provide

			CE documents much earlier in the future.
		15	2010 Scallop CE Determination Memos sent to NEFSC OMI Chief
		15	CE for VIMS George's Bank sent to NEPA for approval
		15	FALD approved 2010 Scallop selection package
		15-17	Processed 2010 Scallop Program Officer checklist in GOL
		16	Received NEFSC OMI Chief CE concurrence for 2010 Scallop projects
		16	Sent 2010 Scallop CE for Coonamessett Farm Foundation (CFF) to SFD for added EFP language
		17	CE's for CFF Loggerhead Sea Turtle, CFF Turtle Excluder Dredge, CFF Real Time Reporting, SMAST Delmarva/Hudson Canyon, and SMAST GOM sent to NEPA for approval
		17	Processed NEPA document in GOL for 2010 Scallop awards
		17	2010 Scallop CE for CFF Real Time Reporting sent to NEPA for approval
		17	2010 Scallop awards sent to GMD Lead for processing in GOL w/ 2 nd e-mail expressing urgency for awards
		22	2010 Scallop CE for VIMS Hudson Canyon sent to NEPA for approval
		22	Completed ESA Section 7 Consultation received from PRD for 2010 Scallop RSA Great South Channel
		23	All CE reviews for 2010 Scallop projects approved by NEPA
		30	Sent e-mail to Grant Specialist at GMD requesting approximate date of 2010 Scallop awards (no response)
	August		
		3	Final technical review received for 2011 Mid-Atlantic RSA
		5	Briefing document sent to the MAFMC for the 2011 Mid-Atlantic RSA management panel review
		6	Sent signed 2010 Scallop CE's to NEPA for their files
		9	Sent 2nd follow-up e-mail to Grant Specialist at GMD requesting approximate date of award
		9	Received e-mail from Grant Specialist that awards were not being processed due to submission after 6/30 deadline
		9	Conference call with NMFS Grants Liaison, NEFSC Grants & Acquisition Coordinator, RSA Program Officer regarding urgent issue on 2010 Scallop awards
		9	Additional conference call with NEFSC Grants & Acquisition Coordinator, RSA Program Officer, & RSA Deputy Director regarding urgent issue on 2010 Scallop awards
		9	Drafted & submitted memo from NEFSC Director to Director of the Office of Acquisition & Grants with concurrence from NMFS CFO which allowed the 2010 scallop RSA to be deemed top priority and considered for immediate award

		11	Processed Award Action Request/Extension to Close-out for NA08NMF4540667 in GOL
		11	Processed Award Action Request/Extension to Close-out for NA09NMF4540242 in GOL
		12 (am)	E-mail sent to all 2010 Scallop PIs regarding status of the awards
		12	All 8 2010 Scallop RSA awards are approved by GMD
		12 (pm)	2 nd e-mail sent to all PIs regarding approval of the 2010 Scallop RSA awards
		12	2011 Mid-Atlantic conference call for management panel review
		13	Sent memo to SFD regarding 2010 Scallop awards and requested release of any associated permits
		13	Compensation fishing permits are available for issuance to scallop grant recipients. The first permit was issued 8/13/2010.
		13	Received notes from NERO RSA Liaison on management panel review
		17	All necessary information received by PRD for ESA Section 7 consultation for CCF excluder dredge project (Section 7 clock starts)
		17	All 8 scallop awards accepted in GOL by recipients
		19	Processed Award Action Request/No Cost Extension for NA08NMF4540430 in GOL
		24	Completed Section 7 Consultation received for 2010 Scallop CFF excluder dredge project
		24	Received management review panel comments from the MAFMC for the 2011 Mid-Atlantic competition
		26	Sent management review panel comments to RSA Deputy Director & NERO RSA Liaison for recommendation on favorable projects for 2011 Mid-Atlantic competition
	September		
		7	Processed Award Action Request/Extension to Close-Out for NA08NMF4540667 in GOL
		8	Processed Award Action Request/Change in Scope for NA08NMF4540430 in GOL
		9	Sent draft 2011 Mid-Atlantic decision memo to RSA Deputy Director for management comments
		14	Received final edits for 2011 Mid-Atlantic decision memo
		17	Request from NEFMC for Time Line on RSA programs



New England Fishery Management Council

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John Pappalardo, *Chairman* | Paul J. Howard, *Executive Director*

September 15, 2010

Dr. Nancy Thompson
Science Director
Northeast Fisheries Science Center
166 Water Street
Woods Hole, MA 02543-1026

Dear Nancy:

This letter is related to the administration of the Scallop Research Set-Aside program (RSA). Concerns have been raised about the timing and administration of this program at recent public meetings. The New England Council's Executive Committee met this week and directed this letter be sent so the NEFMC can better understand what the potential constraints on the program may be.

As you know the Scallop RSA program is an integral reason why scallop area rotation and the FMP overall is so successful and effective. Dozens of projects have been funded over the years that have provided outstanding results that have directly improved management decisions about scallop biology and abundance, bycatch, EFH, and other topics. Despite all the successes, there are issues with the program.

The Council has been aware of these issues for several years, and that is why Amendment 15 to the Scallop FMP included measures designed to make the program more effective. Some of the measures under consideration could help with particular aspects of the program, but the major issues with the current program actually seem to be administrative and staff resource related – issues that cannot be addressed through a Council action.

Making awards in a timely fashion has always been a challenge for the program because of the multiple steps needed to award a federal grant. We recognize that there are numerous stages of review and legal approval that need to take place and getting that all done quickly is virtually impossible. For the last two years the Agency decided to send out announcements for funding earlier than usual to hopefully provide more time for review and approval of projects. Everyone hoped this would give more time for review and fix most of the timing issues – but it has not. Awards have been made later for the last two years than ever before, and the Council is concerned that the effectiveness of the program is being jeopardized.

Below is a summary of what seemed to occur this year. Staff has filled in dates that we are aware of, but I request that you provide any outstanding dates or correct any that are not accurate. If the RSA timeline is more transparent the Council will have a better understanding of what the constraints are and potentially help identify where major stumbling blocks are so that improvements can hopefully be made.

2010 RSA Timeline

- 2010 RSA announcement – July 16, 2009
- Deadline for Applications – August 31, 2009
- Review of proposals – *3 months or so?*
- Management Review Meeting – December 10, 2009
- Selection of projects - *April 2010?*
- Negotiations with selected projects - *May 2010?*
- Negotiated final budgets due to NMFS – mid-May 2010
- Final packages arrive at NOAA grants – mid-July 2010
- Official awards made – *mid-August 2010?*
- Process for any specific LOAs required– ?
- February 29, 2011 - deadline when all RSA compensation fishing must take place

While the timeline is not complete, it is clear that certain milestones are taking substantial amounts of time and the Council would like to know more about why that is happening. For example, it seems that the time between the Management Review meeting (December 2009) and the final selection of projects (April 2010) was four months. In addition, there seems to be a two month period between when final budgets were due to NMFS from researchers and when projects were sent to NOAA grants (mid-May 2010 to mid-July 2010). What are the primary reasons for these extended time periods? Are there any feasible ways to reduce them?

I also wanted to make a point about the 2011 Scallop RSA timeline. The 2011 RSA Funding Announcement was published on July 16, 2010 with a deadline of August 30, 2010. The Council supports having early announcements to provide for more review time, but in this case the 2011 announcement came out before 2010 final awards were made. This situation is difficult for researchers to apply for grants when the status of current grants is still unknown. Furthermore, it may be beneficial to make the deadline slightly later in the future, September sometime, so researchers can benefit from early PDT discussions about what likely management scenarios are for the future years (i.e. which access areas should be surveyed based on updated biomass projections).

Part of this situation could be that the RSA Program is not fully aware of the deadlines and management constraints placed on these awards. Typically, the PDT sets a deadline of August 1 for all scallop biomass survey results. Research takes place in the late spring or early summer and results must be available for the PDT by August 1. This provides several weeks for the PDT to combine all the surveys, review the results, and present ABC recommendations to the SSC by late August. This timing is critical so that there is time to develop management scenarios and analyses for the framework action in September and October before final action in November. If survey data are not available before August 1 the “up-to-date” biomass surveys the Council has come to depend on may no longer be feasible under the current system.

In addition, it is critical that awards are made earlier in the year because there are other constraints on the vessels that participate in research in terms of when and where they can harvest compensation fishing. The most obvious example is the 2 month seasonal closure in the ETA and Delmarva to protect sea turtles. No compensation fishing can occur during September and October when the area is closed – so if awards are not made well before these closures vessels have to wait until November and only have until the end of February to complete their fishing. Winter months are not ideal for fishing because scallop meat weights are less and weather conditions are less favorable.

In summary, the results of Scallop RSA projects are essential for “real-time” management of rotational areas; research has to be conducted well before the Council needs the results (August 1); and there are other management constraints the RSA review team should be aware of in terms of when compensation fishing can actually take place. Please explain the current RSA timeline and let us know if there are specific resource constraints and/or conflicting priorities that may be hampering the effectiveness of the Scallop RSA program. The Council is aware that the timely administration of the Scallop RSA program is a great challenge. I look forward to working with you to address these issues because this program is critical for the continued success of the scallop management program and fishery.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul J. Howard". The signature is written in a cursive, flowing style.

Paul J. Howard
Executive Director

