Agenda Item C.2 Supplemental Attachment 2 June 2023

The Council's Grant Renewal

Planning for our next grant while considering the topic of "Council and Process Efficiencies"

What are we trying to do?

The Regional Fishery Management Councils operate under a grant awarded by NOAA

- 2024 is the last year of our current grant
- A proposal for the next grant period, beginning in 2025, is due in 2024

At the same time, we are considering the topic of "Council Efficiencies"

- This topic has raised certain questions and ideas about Council operations and process, and possible refinements thereof
- This topic may have substantial budget impacts and help define what the Council needs in terms of meetings, travel, equipment, and more

It makes sense to bring these two topics together into one discussion

• The task at this meeting is to define how to do so

A typical grant renewal process

- A typical renewal process is shown in the next slide
- Staff propose that we largely maintain this process and timeline

Tasks		2023		2024												2025		
	0	Ν	D	J	F	Μ	А	Μ	J	J	А	S	0	Ν	D	J	F	
Exec Staff/NMFS Discussion on Grant Timeline and Base/Expected Increase Percentage																		
Staff prepares initial draft grant narrative and budget for BC review (Spring 2024)																		
BC/Council provides input and recommends changes to the Grant Budget																		
Staff determines preliminary estimate of funds that may be remaining from 2020-2024 grant for possible no-cost extension.																		
Staff updates budgets to reflect action																		
Second draft of Grant Narrative and Budget for Council Adoption (June 2024), and Preliminary Draft of No-Cost Extension Projects and Budgets for BC review and approval by Council.																		
Staff Finalizes Grant Budget for Submission (Likely Summer - BC Chair notified when completed)																		
NMFS Reviews Grants and provides comments for any additional information needed and/or approves grant application																		
Second draft of No-Cost Extension projects and budget for BC/Council review and adoption.																		
Staff Finalizes 2020-2024 No-Cost Extension and submits. (BC Chair notified when completed)																		
Funds provided to the Council for use in 2025-2029 Grant Period																		
Extension approved for use in 2025.																		

Tasks		2023							20	2024						2025				
	0	Ν	D	J	F	Μ	А	М	J	J	А	S	0	Ν	D	J	F			
Exec Staff/NMFS Discussion on Grant Timeline and Base/Expected Increase Percentage				We propose adding two																
Staff prepares initial draft grant narrative and budget for BC review (Spring 2024)										additional steps to this usual process:										
BC/Council provides input and recommends changes to the Grant Budget									 Staff analysis in the summer and fall of 2023 A committee of the whole in lanuary or February of 2024 											
Staff determines preliminary estimate of funds that may be remaining from 2020-2024 grant for possible no-cost extension.																				
Staff updates budgets to reflect action										January or February of 2024 to make recommendations on Council structure, process, and associated budget										
Second draft of Grant Narrative and Budget for Council Adoption (June 2024), and Preliminary Draft of No-Cost Extension Projects and Budgets for BC review and approval by Council.																				
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What would the additional staff analysis entail?

Question 1: how large of a budget deficit do we need to close?

- This question would be approached with staff analysis that identifies "low hanging fruit" expense reductions.
- These are things that would not be expected to visibly affect the function of the Council process.
- After the low-hanging fruit expense reductions have been identified, any remaining deficit would be the topic of Council consideration—presumably because these matters would more noticeably affect the Council

Question 2: what changes can be made to make up the remaining deficit?

- Depending on the answer to Question 1, no/few/many changes may be needed to achieve further deficit reductions
- Staff are in a position to identify factors that can be expected to meet necessary reductions

From staff analysis to committee-of-the-whole

September

Initial staff analysis of cost efficiency measures

November

Agenda setting for committee-of-the-whole
Fis cal and Grant: Additional efficiencies that may be needed
Programmatic and Strategic: Changes to Council structure or process
→ Further opportunity for ABs, stakeholders, agencies,

→ Further opportunity for ABs, stakeholders, agencies, tribes to weigh in

March

Grant renewal recommendations considered by the Council

Identification of further cost efficiency measures, as needed

October/November

Committee-of-the-whole meets and develops recommendations



Additional thoughts

- Much of the process as described is organized around fiscal questions
- This is not intended to preclude questions related to Council strategy, form, or function
 - Such questions can be considered as part of, or beyond the time of the grant renewal process

Questions for consideration

- Do you have further/different suggestions about the proposed process (timeline, steps, roles)?
- Do you have suggestions regarding dates for a committee-of-the-whole (envisioned as a two-day meeting):
 - Week of February 5th
 - Week of January 29th
 - Week of January 16t
 - Week of January 1st