**Minutes of the Mobile Bay National Estuary Program (MBNEP) Finance Committee**

Thursday, September 22, 2011

Mobile Bay NEP Conference Room

Participants:  Phillip Hinesley (Alabama Department of Conservation and Natural Resources – for Gunter Guy, Jr), Jimmy Lyons (Alabama State Port Authority), Eliska Morgan (US Congressman Bonner).

Staff: Brenda Lowther (MBNEP), Roberta Swann (MBNEP)

The meeting was called to order at 10:10 a.m. by Eliska Morgan. Ms. Morgan asked for a motion to approve the minutes. Jimmy Lyons made a motion to accept the minutes as presented and Phillip Hinesley seconded. Motion approved.

Ms. Morgan asked Roberta Swann to give an overview of her 9/21/11 meeting with Dr. John Valentine, Dr. John Dindo and David England from the Dauphin Island Sea Lab (DISL) regarding the relationship between the MBNEP and DISL, in particular, the administrative/unrecovered indirect fee in light of the “On Site” and “Off Site” designation by the National Science Foundation. Ms. Swann indicated that DISL was very responsive to working together toward a mutually acceptable relationship. Dr. Valentine asked that the MBNEP staff work with David England to propose a mutually beneficial business arrangement to have DISL assume the facilities costs and other costs of doing business that the MBNEP cannot pay for with federal money, such as ANEP dues. Ms. Swann asked Brenda Lowther to discuss what a sampling of other NEP’s administrative situations. Ms. Lowther, referring to a handout, discussed 7 different NEP’s. Three are independent non-profits, thus having no administrative fee. One pays 20.05% only on EPA grants, not on external grants, but must pay their own facility expenses. The last three pay varying administrative fees, ranging from 10.47% to 32.8%, but do not pay facility expenses and all three negotiate their administrative rates yearly, and on each external grant.

Ms. Swann explained the existing situation as well as two scenarios for the future (refer to handout). Scenario 1 has DISL paying all the facility charges and raising the indirect percentage, however, by raising the percentage, the amount of unrecovered indirect that the MBNEP can use as match is decreased by over $51,000 dollars. Scenario 2 involves having MBNEP pay salary expenses to the Sea Lab of $51,191.88 for education, monitoring and public relations staff to enhance the MBNEP in those areas. Mr. Hinesley noted that scenario 2 looked feasible but suggested that a memorandum of agreement be drafted that clearly states the roles and responsibilities of the shared staff. Mr. Lyons also agreed that a 1 year trial using scenario 2 as a template is preferable to looking for a new administrative agency at this time, but feels it is imperative that this committee begin evaluating the effectiveness of the agreement about halfway through the year so action can be taken, if need be, in a timely fashion for the next year. Mr. Lyons also noted that the agreement should contain language that allows for negotiation of administrative fees on external grants.

It was also noted that MBNEP should rely on Representative Randy Davis to promote the MBNEP on a state level.

Mr. Hinesley made a motion to have MBNEP staff draft a Memorandum of Agreement that addresses re-negotiation of the MOA on a yearly basis, negotiation of administrative fees on all external grants, and job descriptions and responsibilities for the shared positions. Ms. Morgan seconded. Motion passed.

Mr. Hinesley made a motion to invite David England to sit on this Finance Committee as a non-voting, ex officio member. Ms. Morgan seconded. Motion passed.

Ms. Swann informed the committee about MAWSS and CALC - you can write this part.

At 11:10 Mr. Hinesley moved to adjourn.  Mr. Lyons seconded the motion, and the Finance Committee meeting adjourned.