



RESTORE Act Frequently Asked Questions (FAQs) Relating to the Centers of Excellence Research Grant Program

On February 12, 2016, the [RESTORE Act rule](#) published by Treasury on December 14, 2015, became effective. The rule combines the comprehensive interim final rule and the Louisiana Parish Allocation Formula interim final rule, both of which were effective on October 14, 2014.

1. Q. Who is eligible to apply for Centers of Excellence Research grants?

A. The eligible applicants for each state are listed in the RESTORE Act and Treasury regulations (herein, “state”):

- In Alabama – the Alabama Gulf Coast Recovery Council or such administrative agent as it may designate
- In Florida – the Florida Institute of Oceanography
- In Louisiana – the Coastal Protection and Restoration Authority Board of Louisiana through the Coastal Protection and Restoration Authority of Louisiana
- In Mississippi – the Mississippi Department of Environmental Quality
- In Texas – the Office of the Governor or an appointee of the Office of the Governor

For the purpose of these Centers of Excellence FAQs, the term “state” refers only to these eligible applicants.

2. Q. May a state apply for a Center of Excellence grant if a Center(s) has not yet been selected?

A. Yes. In the application, the state must describe the competitive review process it will use to select a Center of Excellence. The application must include: a) the qualifications the state will require for entities and consortia, b) the state’s selection criteria and how those criteria will be applied, and c) how the state will establish priority for entities and consortia that demonstrate the ability to organize the broadest cross-section of participants with interest and expertise in the discipline(s) on which the application is focused, including participation by minority-serving institutions. The state also must explain the process it will engage in to provide a 45-day minimum public review and comment on its rules and policies, including its competitive selection process and its process for considering meaningful input from the public. The state also must describe how tasks proposed in its application, and corresponding costs, are eligible under the RESTORE Act and federal regulations.

3. Q. May a state apply for a Center of Excellence grant if a Center(s) has been selected?

A. Yes. In the application, the state must describe the competitive review process it used to select a Center(s) of Excellence. The application must include: a) the qualifications the state

will require for entities and consortia, b) the state’s criteria for selection and how those criteria were applied, c) how the state will establish priority for entities and consortia that demonstrate the ability to organize the broadest cross-section of participants with interest and expertise in the discipline(s) on which the application is focused, including participation by minority-serving institutions, and d) any other criteria. The state also must explain the process it engaged in to provide a 45-day minimum public review and comment on its rules and policies, including the competitive selection process and its consideration of meaningful input from the public. The state also must describe how tasks proposed in its application and corresponding costs are eligible under the RESTORE Act and federal regulations.

4. Q. For Centers of Excellence, a state must publish its rules and policies, including its competitive selection process, and make them available for public review and comment for a minimum of 45 days, and approve them after consideration of meaningful input from the public, including broad-based participation from individuals, businesses, Indian tribes, and non-profit organizations. What steps are necessary to comply with this provision?

A. The state must take reasonable steps to provide individuals, businesses, federally recognized Indian tribes, and non-profit organizations with a timely opportunity to review and comment on the proposed rules and policies. Adequate notice and opportunity to comment will always include timely and accessible posting of the proposed rules and policies on the internet and an electronic means of submitting comments (e.g., email). Depending on the circumstances, targeted notice and an opportunity to comment for interested populations within the geographic boundaries of the applicant's state may also be necessary, especially for populations that do not communicate in English or have internet access. Treasury will consider any standard state procedures for providing public notice, as well as internet postings, press reports, public meetings, and other efforts to engage the public, when evaluating compliance with this requirement. A recipient must meet the requirement in 31 C.F.R. 34.703(b), as well as consultation requirements that may apply under other federal laws, such as the National Environmental Policy Act (NEPA) and the National Historic Preservation Act.

5. Q. What topics should be included in a state’s Centers of Excellence application?

A. Based on the RESTORE Act, an application should include answers to the following questions:

Competitive Selection Process

- What is the competitive process that the state will use to select one or more Centers of Excellence?
- How will the state’s competitive selection process give priority to entities and consortia that demonstrate the ability to establish the broadest cross-section of participants with interest and expertise in science, technology, and monitoring in the focal disciplines?

Focus of the Center(s)

- What eligible discipline(s) will the Center(s) focus on?

Conflicts of Interest

- How will the state guard against conflicts of interest when selecting a Center and when monitoring subgrants?

Management of Subawards

- What are the rules and policies for subgrants the state will issue to subrecipients to ensure compliance with the Act, regulations, and Federal law and policies on grants?
- How will the state establish and implement a program to monitor compliance with the grant agreement including subawards?
- What is the process for selecting lower tier subgrants for projects?

Public Review Process

- What is the process for obtaining public review and comment for a minimum of 45 days?

6. Q. May a state rely on existing state statutes and regulations to meet the requirements under 34.703(b), particularly regarding the competitive selection process and guarding against conflicts of interest?

A. Yes, a state may rely on existing state statutes and regulations to meet the requirements under 34.703(b) and 34.703(c).

7. Q. Once a Center(s) has been selected, will the Center apply to Treasury for the Centers of Excellence Research Grant?

A. No. The state submits an application to Treasury for the initial and subsequent Centers of Excellence Research Grants. A Center of Excellence selected by the state will be a subrecipient. The state, as recipient, must ensure that the subrecipient is subject to the same terms and conditions of the award as the recipient.

8. Q. How much funding may a state apply for, and when will additional funds become available for Centers of Excellence funding?

A. As of October 1, 2015, the amount currently allocated to each state under the Centers of Excellence Research Grant program is \$4,111,715.30. This amount will increase on October 1, 2016 when 25% of the Fiscal Year 2016 accrued interest earnings on the trust fund will become available to the five states.

9. Q. Does the 3% cap on administrative costs apply to Centers of Excellence grants?

A. No. The RESTORE Act and Treasury regulations do not specify a cap on administrative costs for Centers of Excellence grants. The Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, including its provisions on indirect cost rates found in 2 CFR 200.414 and Appendix VII, apply to Centers of Excellence grants.

10. Q. Does a Center of Excellence application need to specify the eligible disciplines on which the Center(s) will focus?

A. Yes. The Center of Excellence grant application must state one or more of the five eligible disciplines specified in the RESTORE Act as its focus.

11. Q. Can a Centers of Excellence program address different or additional eligible disciplines in the future?

A. Yes. The recipient of a Centers of Excellence grant may request an amendment to an existing award to add one or more additional eligible disciplines, specified in the RESTORE Act, or apply for a new award if funds are available. Treasury will review the request and approve an amendment or make a new award as appropriate.

12. Q. Can a Centers of Excellence grant recipient add or subtract a Center or Centers in the future?

A. Yes. A Center of Excellence award recipient may apply for a new grant to add a Center or Centers if funds are available. A Centers of Excellence award recipient also may request an amendment to an existing award to subtract a Center(s). Treasury will review the request and approve an amendment or make a new award as appropriate.