

Background - Relationship between the Prince William Sound Science Center and the Oil Spill Recovery Institute

The Oil Spill Recovery Institute (OSRI) is administered by the Prince William Sound Science Center, a non-profit research and education organization which was founded in 1989. The Center was originally incorporated as the Prince William Sound Science and Technology Institute but does business under the name "Prince William Sound Science Center (PWSSC)." It is recognized by the IRS as a 501 (c) (3) nonprofit organization. In 1990, Congress authorized the establishment of the OSRI through the PWSSC, as stated below in the Oil Pollution Act of 1990.

The PWSSC is currently governed by a 19-member Board of Directors (in 2000). Its staff includes administrative, research and education personnel. The administrative staff has responsibilities to both the PWSSC and the OSRI programs; those administrative personnel are listed at the end of the OSRI Advisory Board address list, found at tab 4. A list of the current Board of Directors and staff for the PWSSC is included in another section of this Board manual (tab II).

Oil Pollution Act of 1990, Title V

Establishment of the Institute - The Secretary of Commerce shall provide for the establishment of a Prince William Sound Oil Spill Recovery Institute (hereinafter in this section referred to as the "Institute") through the Prince William Sound Science and Technology Institute (also doing business as the Prince William Sound Science Center) located in Cordova, Alaska.

Financial Responsibilities

OSRI Bylaws, Article IV, Section 8:

Fiduciary Responsibilities. As the designated administrator for the Institute, the Center (Prince William Sound Science Center) and its Board of Directors are responsible to maintain accurate accounting of the Institute's funds and to disperse monies only as approved by the Institute's Advisory Board. Institute funds shall be maintained in separate accounts from other Center funds. Annual audits of the Center's financial records shall be conducted and copies made available to the Advisory Board.

Oil Pollution Act of 1990, Title V

Evaluation. The Secretary of Commerce may conduct an ongoing evaluation of the activities of the Institute to ensure that funds received by the Institute are used in a manner consistent with this section.

Audit. The Comptroller General of the United States, and any of his or her duly authorized representatives, shall have access, for purposes of audit and examination, to any books, documents, papers and records of the Institute and its administering agency that are pertinent to the funds received and expended by the Institute and its administering agency.

Use of Funds. No funds made available to carry out this section may be used to initiate litigation. No funds made available to carry out this section may be used for the acquisition of real property (including buildings) or construction of any building. No more than 20 percent of funds made available to carry out this section may be used to lease necessary facilities and to administer the Institute. The Advisory Board may compensate its federal representatives for their reasonable travel costs. None of the funds authorized by this section shall be used for any purpose other than the functions specified in subsection (b) (*Editor's note: Subsection b describes the functions of the Institute*)