A competitive, performance-based approach to allocate flexible funds to implement the National Fish Habitat Action Plan

U.S. Fish and Wildlife Service
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Background

The U.S. Fish and Wildlife Service receives annual appropriations to implement the National Fish Habitat Action Plan. Under Service policy (717 FW 1), funds are used to:

1. Support our participation in the National Fish Habitat Board and activities of the Board.
2. Support Action Plan coordination and leadership at the Regional level.
3. Implement habitat-based cost-shared projects.

Funds used to implement habitat-based cost-shared projects (project funds) are "flexible", i.e. subject to re-allocation each year. The Service policy states that each year, the Director "allocates the available project funding among Fish Habitat Partnerships consistent with the goals and strategies of the National Fish Habitat Board" and "issues guidance for project selection".

Fish Habitat Partnerships (FHPs) have now been established throughout the United States. It is timely to put in place a method of allocating project funds that will provide long-term predictability and that will help the Service to meet its mission through more strategic delivery of fish habitat conservation projects.

New approach to allocating funds

Starting in FY 2014, the Service will implement a competitive, performance-based process to allocate project funds. Each year the Fish and Wildlife Service (FWS) will distribute project funds to FHPs in two categories: 1) stable operational support and 2) competitive, performance-based funds to encourage strategic conservation delivery. All project funds in both categories must be accounted for in the Fisheries Information System annually.

Stable Operational Support

Stable operational support will be provided to FHPs at a level of $75,000/year. FHPs may use the funds for operations (coordination, outreach, travel, etc.) and/or for fish habitat conservation projects (habitat restoration, assessment, planning, etc.) to maximize conservation results, with no restrictions on how the funds are split between operations and projects. To receive stable operational support each year, a partnership must meet the criteria set by the National Fish Habitat Board for recognizing FHPs (see Policies and Guidance for Fish Habitat Partnerships) and must submit a Work Plan and Accomplishments Report.

Competitive, Performance-based Support

Competitive, performance-based funds consist of the remaining project funds spread across three performance levels. FHPs will be assigned a performance level based on their ability to meet an increasingly complex set of criteria. At each performance level, an FHP must meet *all* criteria in order to qualify for that performance level. The criteria and their corresponding performance levels are listed below and summarized in Table 1. The basis for assigning FHP performance levels will be 1) a work plan with a one-year planning horizon, detailing how the FHP and its partners propose to use FWS project funds and 2) an accomplishments report describing how the FHP has implemented projects in the previous three years, utilizing the following criteria.

Criteria at each Performance Level

1. Meet the basic FHP requirements established by the National Fish Habitat Board for strategic planning and assessments
   - Performance level 1 = Coordinate and compile scientific assessment information on fish habitats within the FHP's boundaries
   - Performance level 2 = Identify and include plan to fill data gaps necessary to refine and complete fish habitat assessments; incorporates existing habitat assessments into FHP Strategic Plans
   - Performance level 3 = Fill data gaps and refine habitat assessments, including climate change considerations, for incorporation into Science and Data Committee's National Assessment

2. Execute projects that benefit FHP priority species or priority areas (applies to projects conducted over the previous 3 years)
   - Performance level 1 = 75% of projects focus on FHP priority species or priority areas
   - Performance level 2 = 85% of projects focus on FHP priority species or priority areas
   - Performance level 3 = 95% of projects focus on FHP priority species or priority areas

3. Execute projects that benefit FWS priority species / trust resources (applies to projects conducted over the previous 3 years)
   - Performance level 1 = 25% of projects address habitat issues for FWS priority species or trust resources
   - Performance level 2 = 50% of projects address habitat issues for FWS priority species or trust resources
   - Performance level 3 = 75% of projects address habitat issues for FWS priority species or trust resources

4. Project Completion and Success
   - Performance level 1 = 50% of projects funded by FWS NFHAP dollars, in whole or in part, during the prior three years have been completed consistent with the project design
   - Performance level 2 = 75% of projects funded by FWS NFHAP dollars, in whole or in part, during the prior three years have been completed consistent with the project design

- Performance level 3 = 90% of projects funded by FWS NFHAP dollars, in whole or in part, during the prior three years have been completed consistent with the project design

5. Monitoring and Evaluation (applies to projects conducted over the previous 3 years)
   - Performance level 1 = 50% of projects include a monitoring and evaluation plan
   - Performance level 2 = 75% of projects include a monitoring and evaluation plan
   - Performance level 3 = 90% of projects include a monitoring and evaluation plan

6. Leveraging of FWS NFHAP Project Funds
   Leveraging of FWS NFHAP funds over the previous three years (see Definitions for Performance Level Criteria
   - Performance level 1 = 1:1 leveraging achieved over a 3 year period
   - Performance level 2 = 2:1 leveraging achieved over a 3 year period
   - Performance level 3 = 3:1 leveraging achieved over a 3 year period

7. Strategic Implementation
   - Performance level 1 = 75% of proposed projects include measureable goals and objectives to address: 1) FHP priority species or priority areas; or 2) habitat issues for FWS priority species or trust resources
   - Performance level 2 = 85% of proposed projects include measureable goals and objectives to address: 1) FHP priority species or priority areas; or 2) habitat issues for FWS priority species or trust resources
   - Performance level 3 = 95% of proposed projects include measureable goals and objectives to address: 1) FHP priority species or priority areas; or 2) habitat issues for FWS priority species or trust resources

8. Conservation Actions and Project Outcomes
   - Performance level 1 = 50% of proposed projects specify conservation actions that will produce desired conservation outcomes and achieve project goals and objectives
   - Performance level 2 = 75% of proposed projects specify conservation actions that will produce desired conservation outcomes and achieve project goals and objectives
   - Performance level 3 = 100% of proposed projects specify conservation actions that will produce desired conservation outcomes and achieve project goals and objectives

Table 1. Summary of criteria at each performance level

Criteria	Performance Levels		
	Level 1	**Level 2**	**Level 3**
Evaluating past performance			
Basic FHP Requirements	Coordinate and compile scientific assessment information on fish habitats within FHP boundaries	Identify and include plan to fill data gaps necessary to refine and complete fish habitat assessment; incorporate existing habitat assessments into FHP Strategic Plan	Fill data gaps, including climate change considerations, for incorporation into the NFHP Science and Data Committee's National Assessment
FHP Priority Areas / Species	75% of projects focus on FHP priority species or priority areas	85% of projects focus on FHP priority species or priority areas	95% of projects focus on FHP priority species or priority areas
FWS Priority Species / Trust Resources	25% of projects address habitat issues for FWS priority species or trust resources	50% of projects address habitat issues for FWS priority species or trust resources	75% of projects address habitat issues for FWS priority species or trust resources
Project Completion and Success	50% of projects funded by FWS during the prior three years have been completed consistent with the project design	75% of projects funded by FWS during the prior three years have been completed consistent with the project design	90% of projects funded by FWS during the prior three years have been completed consistent with the project design
Monitoring and Evaluation	50% of projects include a monitoring and evaluation plan	75% of projects include a monitoring and evaluation plan	90% of projects include a monitoring and evaluation plan
Leveraging of FWS NFHAP Project Funds	Leverage funding over a 3 year period of at least 1:1	Leverage funding over a 3 year period of at least 2:1	Leverage funding over a 3 year period of at least 3:1
Evaluating proposed projects			
Strategic Implementation	75% of proposed projects include measureable goals and objectives to address: 1) FHP priority species or priority areas; or 2) habitat issues for FWS priority species or trust resources	85% of proposed projects include measureable goals and objectives to address: 1) FHP priority species or priority areas; or 2) habitat issues for FWS priority species or trust resources	95% of proposed projects include measureable goals and objectives to address: 1) FHP priority species or priority areas; 2) or habitat issues for FWS priority species or trust resources
Conservation Actions and Project Outcomes	50% of proposed projects specify conservation actions that will produce desired conservation outcomes and achieve project goals and objectives	75% of proposed projects specify conservation actions that will produce desired conservation outcomes and achieve project goals and objectives	100% of proposed projects specify conservation actions that will produce desired conservation outcomes and achieve project goals and objectives

Funding at each Performance Level

Each successive performance level increases in complexity and is associated with a proportional increase in funding amount. The amount of funds at each performance level will depend on annual appropriations and will be made available at each level based on the following formula:

$$F = N_1(X) + N_2(3X) + N_3(5X)$$

Where:

F = Amount of funding available in a given year after stable operational support is met.
N_1 = Number of FHPs at Performance Level 1
N_2 = Number of FHPs at Performance Level 2
N_3 = Number of FHPs at Performance Level 3
X = Amount of funding an FHP in performance level 1 receives
3X = Amount of funding an FHP in performance level 2 receives
5X = Amount of funding an FHP in performance level 3 receives

Each FHP will be required to produce a Work Plan and Accomplishments Report (Report). The FWS will use information provided in the report to determine the amount of project funding the FHP receives. The process and timeline for reviewing the FHPs' reports is shown in Appendix 1. Instructions for writing the report are in Appendix 2.

Adjustments for fluctuations in NFHAP funding

Every eligible FHP will receive $75,000 each year for stable operational support. Project funds, beyond stable operational support, will vary from year to year based on the total amount of NFHAP funding available and the number of FHPs at each performance level. NFHAP funding support is only available to fund projects identified by the eighteen existing FHPs. Partnerships recognized by the National Fish Habitat Board after December 26, 2012 are not eligible to receive an allocation from the existing NFHAP project funds until such time as additional project funds become available for this purpose.

NFHAP Project Implementation

Consistent with the Service policy (717 FW 1) on NFHAP, we encourage our field stations to develop and implement projects that meet Action Plan criteria. If we cannot implement a project, we may use a cooperative agreement, grant, or contract to fund NFHAP projects that a partner organization will complete.

Expiration and Modification of the Methodology

This methodology will remain in place until passage of the National Fish Habitat Conservation Act or at the direction of the Director. Performance measurements at each level may need to be modified or enhanced as our collective scientific knowledge matures.

Annual Timeline for Allocating NFHAP Project Funds

The actual timing of events may vary depending on the appropriations process. The timeline for the first year (FY 2014) will begin with FHP submissions due on February 28, 2014.

January	FHPs submit work plans and accomplishment reports to FWS lead Region for each FHP, and to the Board
February	Board reviews FHP submissions and provides comments and recommendations to RCs RCs individually review FHP submissions from their respective Regions, and request additional information or clarification from FHPs, if needed
March	For stable base operational funds, RCs as a group consider Board input and review FHP submissions for consistency. ARDs individually approve FHP submissions from their respective Regions. For competitive, performance-based funds, RCs as a group consider Board input, assign performance levels to FHPs, and forward recommendations to ARDs
April	For stable base operational funds, RDs for lead Regions forward FHP submissions to AD-FAC For competitive, performance-based funds, ARDs as a group review recommendations, revise if needed, and forward recommended performance levels to AD-FAC
May	For stable base operational funds, AD-FAC reviews FHP submissions and forwards allocation to the Director for approval For competitive, performance-based funds, AD-FAC reviews recommended performance levels and forwards allocation to the Director for approval Director informs FHPs of final performance level and allocates project funds to RDs

AD-FAC = Assistant Director-Fish and Aquatic Conservation
RD = Regional Director
ARD = Assistant Regional Director for Fish and Aquatic Conservation
RC = FWS Regional Coordinator for NFHP
FHP = Fish Habitat Partnership
Board = National Fish Habitat Board

Instructions for Fish Habitat Partnerships
Work Plans and Accomplishment Reports

Introduction

Each year, the Fish and Wildlife Service (FWS) will distribute project funds to Fish Habitat Partnerships (FHPs) in support of the National Fish Habitat Action Plan. Project funds will be broken into two categories: 1) stable operational support and 2) competitive, performance-based funds to encourage strategic conservation delivery.

The FWS will use information provided in a Work Plan and Accomplishment Report (Report) to determine the amount of project funding an FHP will receive. To be eligible to receive stable operational support, FHPs must complete Section 1. To compete for performance-based funds, FHPs must complete Sections 2 and 3. The documents must be submitted to the respective Regional NFHP Coordinator by November 1[1]. Regional NFHP Coordinators are listed in a table below.

Instructions

Section 1. Justification for Stable Operational Support (maximum 6 pages)

This section will provide an overview of all projects and activities over the previous three years and anticipated projects and activities over the next three years. The intent is to show the full context of FHP efforts 1) supported by FWS funds, and/or 2) supported by all other sources of funds and in-kind contributions. While intended to be comprehensive, Section 1 need not be highly detailed. It should concisely describe these projects and activities as well as how these projects and activities (both individually and collectively) have contributed, or are expected to contribute, to achieving FHP goals and leverage partner resources and capabilities. The document should be self-contained, without attachments, though links to web-accessible documents may be inserted.

Section 2. Accomplishment Report (3-year reporting period)

This section will provide a detailed description of all projects and activities of the FHP over the previous three years. The intent is to show the full context of FHP accomplishments that were: 1) supported by FWS funds, and/or 2) supported by all other sources of funds and in-kind contributions. It will include the following checklist, with narrative evidence justifying each response. Provide documentation if necessary, either in an attachment or via web links.

1. Habitat Assessment (choose one):
    - The FHP has coordinated and compiled scientific assessment information on fish habitats within its partnership area.
    - The FHP has identified, and has a plan to fill, data gaps necessary to refine and complete fish habitat assessments, and incorporates existing habitat assessments into the FHP's strategic plan.

[1] For the initial (FY 2014) cycle, the submission deadline will be February 28, 2014.

- The FHP has filled data gaps and refined habitat assessments, including climate change considerations, for incorporation into the Science and Data Committee's national assessment.

2. FHP Priority Areas / Species:
   What percentage of projects initiated in the past three years were focused on FHP defined priority species or priority areas? (choose one)
   - At least 75%
   - At least 85%
   - At least 95%
   - Less than 75%

3. FWS Priority Species / Trust Species:
   What percentage of projects initiated in the past three years addressed habitat issues for FWS priority or trust resources? (choose one)
   - 25%
   - 50%
   - 75%
   - Less than 25%

4. Project Completion and Success:
   What percentage of projects, funded in whole or in part, with FWS NFHAP funds in the past three fiscal years have been completed consistent with the project design? (choose one)
   - 50%
   - 75%
   - 90%
   - Less than 50%

5. Monitoring and Evaluation:
   What percentage of projects initiated in the past three fiscal years included a monitoring and evaluation plan? (choose one)
   - 50%
   - 75%
   - 90%
   - Less than 50%

6. Leveraging of Project Funds:
   Over a three year period, the FHP leveraged FWS funding by a ratio of (choose one):
   - At least 1:1
   - At least 2:1
   - At least 3:1
   - No FWS funds were leveraged

Section 3. Work Plan – (1-year planning horizon)

This section consists of a prioritized list of new or ongoing habitat projects over the next year. FHP coordination and operational expenses should be written up as individual projects and included in this list. The following information must be provided for each prioritized project:

- Project title and number as recorded in the FWS Fisheries Operational Needs System (FONS)
- FWS funds requested, including direct and indirect cost as defined in the FWS policy manual (http://www.fws.gov/policy/717fw1.pdf)
- Anticipated partner contributions to the project (cash and in-kind) expressed in dollar value
- Which national conservation strategy, if any, of the National Fish Habitat Board is addressed by the project? The Board's priorities are accessible online at http://fishhabitat.org/content/nfhp-national-conservation-strategies
- Which objective, if any, of the Service's climate change strategy is addressed by the project? The strategy is accessible online at: http://www.fws.gov/home/climatechange/strategy.html.

FWS Regional NFHP Coordinators will work with the FHPs to identify FONS numbers, indirect costs, FWS priority species, and other information as needed. (See list of Regional NFHP Coordinators on the following page.)

In your narrative, specifically identify the following information and supporting evidence for each new or ongoing project:

1. Measurable goals and objectives that will address: 1) FHP priority species or priority area(s); or 2) habitat issues for FWS priority species or trust resources

2. Proposed conservation actions that will produce desired conservation outcomes and achieve project goals and objectives

FWS Regional NFHP Coordinators

Region	Name	Phone	E-mail	Lead Region for
1	Dan Shively	503-231-2270	Dan_Shively@fws.gov	Hawaii Fish Habitat Partnership Pacific Marine and Estuarine Partnership
2	Karin Eldridge	505-248-6471	Karin_Eldridge@fws.gov	Desert Fish Habitat Partnership
3	Maureen Gallagher	660-562-1008	Maureen_Gallagher@fws.gov	Driftless Area Restoration Effort Fishers and Farmers Partnership Great Lakes Basin Fish Habitat Partnership Midwest Glacial Lakes Partnership Ohio River Basin Fish Habitat Partnership
4	Tripp Boltin	843-819-1229	Walter_Boltin@fws.gov	Southeast Aquatic Resources Partnership
5	Callie McMunigal	304-536-4760	Callie_Mcmunigal@fws.gov	Atlantic Coastal Fish Habitat Partnership Eastern Brook Trout Joint Venture
6	Scott Roth	303-236-4219	Scott_Roth@fws.gov	Great Plains Fish Habitat Partnership
7	David Wigglesworth	907-786-3925	David_Wigglesworth@fws.gov	Kenai Peninsula Fish Habitat Partnership Mat-Su Basin Salmon Habitat Partnership Southwest Alaska Salmon Habitat Partnership
8	Lisa Heki	775-861-6300	Lisa_G_Heki@fws.gov	California Fish Passage Forum Western Native Trout Initiative
Headquarters	Cecilia Lewis	703-358-2102	Cecilia_Lewis@fws.gov	Reservoir Fisheries Habitat Partnership

Definitions for Performance Level Criteria

Leveraging of FWS NFHAP Project Funds

This criterion indicates the extent to which an FHP has leveraged FWS NFHAP project funds over the previous three fiscal years. It is measured as a ratio of the total FWS NFHAP project funds an FHP received to the total non-FWS cash or in-kind contributions the FHP secured over the previous three fiscal years. This criterion does not include in-kind partner contributions of staff time for FHP coordination. However, monetary contributions for FHP coordination and staff positions; grants; donations; and in-kind materials and services are taken into account. The intention is to encourage FHPs to secure additional project funds to supplement FWS NFHAP project funds. (Note: Fiscal year refers to federal fiscal year, which begins October 1 and ends September 30, annually.)

Project Implementation

This benchmark identifies the percentage of projects completed consistent with the project design (as identified in FIS) in the previous three fiscal years. (Note: Some projects are designed to be done over a multi-year period.) This criterion does not apply to FHPs that have not executed a project using FWS NFHAP project support. It will go into effect three years *after* the FHP has executed a project using FWS NFHAP project support dollars. (Note: Given the funding timeline of the last few years, it will be necessary to calculate the three year timetable beginning with the previous fiscal year. In many cases funds are not available in time to take action during the current fiscal year. For example, for FY 2014 allocations, an FHP would report its accomplishments for FY 2010, 2011, and 2012).

Project Monitoring and Evaluation

The benchmark applies to projects funded in the previous three fiscal years. Monitoring and evaluation plans help to determine if: 1) the project was completed as designed, 2) the project resulted in the desired habitat effect, and 3) the project produced the desired biological outcome. Plans may be at the project level or may encompass multiple projects across the landscape.

Projects Aligned with FHP Priority Areas/Species

These are defined by the individual FHP in its strategic plan and may be species, system, impairment, or place based. The benchmark identifies the percentage of projects, funded in the previous three years or proposed for the next year, that address these priorities.

FWS Priority Species/Trust Resources

These are species and/or focal areas defined by the FWS for conservation action. Specific priorities will be identified by the Fisheries Management Team. The benchmark identifies the percentage of projects, funded in the previous 3 years or proposed for the next year, that address these priorities.