

**National Sea Grant Advisory Board  
Planning, Implementation, and Evaluation Committee**

**Allocation Subcommittee Report and  
National Sea Grant College Program  
Policy for the Allocation of Funds, FY 2024 and Beyond**

Allocation Subcommittee Members

Nancy Targett, Ph.D., Subcommittee Chair, National Sea Grant Advisory Board

Judith Gray, National Sea Grant Advisory Board

Kristine Norosz, National Sea Grant Advisory Board

Contributors to the report

John Downing, Ph.D., Minnesota Sea Grant

Rebecca Shuford, Ph.D., New York Sea Grant

Shauna Oh, Ph.D., California Sea Grant

National Sea Grant Office Support

Susan Holmes; Nikola Garber, Ph.D.



## Allocation Subcommittee Report

An allocation policy is required at the federal level to guide the annual development and implementation of a spend plan for the National Sea Grant College Program (Sea Grant) through the Director. The current Allocation Policy was developed through multiple efforts between 2012 and 2014 (“[\*National Sea Grant College Program Policy for the Allocation of Funds, FY 2014 and Beyond\*](#)”). In February 2023, National Director Dr. Jonathan Pennock asked the National Sea Grant Advisory Board (Advisory Board) to establish a subcommittee under the Planning, Implementation, and Evaluation (PIE) Committee to review his updated draft of the Policy for the Allocation of Funds. Advisory Board Chair Deborah Stirling appointed three members of the Advisory Board to the subcommittee and asked the Sea Grant Association (SGA) to recommend three Program Directors to serve on it.

The subcommittee began to gather background information in March 2023 and, in April, the National Director provided a draft revised policy as a starting point for the subcommittee’s review and consideration that was based substantively on the earlier policy. Additional background documentation was also provided by the National Sea Grant Office (NSGO), at the request of the subcommittee, and by Program Directors through the SGA subcommittee members. The subcommittee met 9 times and completed its deliberations in August 2023.

In taking on this task, the subcommittee acknowledged the following:

1. Sea Grant’s strength is its national network of integrated state-based communities of practice that collectively achieve national impact by meeting needs and addressing issues of local, state, and national importance.
2. Sea Grant’s broad impact is the key to growing congressional appropriations.
3. No Sea Grant College Program, large or small, has funds it would deem sufficient to accomplish its goals and objectives.
4. There is no perfect way to allocate funding given that Sea Grant Programs have histories of variable lengths within the network; each serves different groups with different needs, demands, and limitations; and there are differences between programs in past performance that affected merit.

Our goal was to ensure there was a clear understanding of Sea Grant’s past allocation history and an allocation plan that moved the network forward with well-articulated and transparent mechanisms to apply new funds according to defensible metrics that enhanced the integrity and productivity of the network as a whole. We recognize there are many metrics that could be applied. In the FY 14 policy, there was an extensive discussion in the network about metrics. Coastal population and shoreline length were the two selected for use. This was because they were correlated with many of the other metrics considered and because they were objective in nature. We retained these two metrics in our revised policy recommendation.

This policy recommendation should be seen as the best compromise between sustaining excellence across our diverse programs while allowing for adjustments in funding as appropriations change.

The document was created through frank and inclusive discussions among subcommittee members (Advisory Board and SGA Representatives who were further informed by SGA members), and NSGO Leadership. We also benefited from the knowledgeable assistance of NSGO staff.

Our unanimous recommendation to the Advisory Board is that this report and revised policy be accepted and forwarded to the National Director.

# ALLOCATION SUBCOMMITTEE POLICY RECOMMENDATION

## National Sea Grant College Program Policy for the Allocation of Funds, FY 2024 and Beyond

### I. Purpose

The purpose of this document is to provide a revision that clarifies and updates the policy that guides the allocation of federally appropriated funds to the various elements of the National Oceanic and Atmospheric Administration's (NOAA) National Sea Grant College Program (Sea Grant). An Allocation Policy is required for the National Sea Grant Office to justify its recommendations for funding actions. It also provides transparency for the allocation of funds to our programs. It is a requirement that Sea Grant review its Allocation Policy periodically. The Guidance in the Allocation Policy must ensure that Sea Grant meets its statutory requirements and also provides the framework for Sea Grant to achieve its mission to serve America's ocean, coastal, and Great Lakes communities.

This revision is grounded significantly on the previous Allocation Policy - "[\*National Sea Grant College Program Policy for the Allocation of Funds, FY 2014 and Beyond\*](#)." The changes are intended to address an evolving appropriations landscape (e.g., the significant increase in the direction of funds to specific purposes/needs by Congress), recognize the impacts of inflation, and establish more transparency in how funding support for proposals of new Sea Grant programs will be considered.

The document provides a general *Background on the History of Sea Grant Allocation of Funds* to provide contextual transparency and clarity, addresses the *Goals and Objectives* that the policy is intended to achieve, describes the various *Program Elements* of the Sea Grant Program that may receive allocated funds, and outlines the principles that will guide the *Distribution of Funds among the Program Elements* for FY 2024 and Beyond.

### II. History of Sea Grant Allocation of Funds

The National Sea Grant College Program Act of 1966 provided little guidance for the distribution of Sea Grant funds. The Act gave the National Science Foundation (NSF), the agency then assigned to administer the National Sea Grant College Program, broad latitude regarding the distribution of funds with only one requirement, that "no state<sup>1</sup> should receive more than 15% of total appropriated funds." Absent legislative guidance, the NSF, and then

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<sup>1</sup> The term "state" is used throughout this document as defined in the Sea Grant Act: "any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Mariana Islands, or any other territory or possession of the United States."

NOAA, applied peer review and open competition principles to establish a network of Sea Grant institutions and colleges. Grant funding allocations among the states followed these same principles as the Network grew, tempered by the desire to maintain a stable base of funding for the already-established Programs. Today, the distribution of funds among Sea Grant Programs represents the evolution of a series of complex decisions that date to Sea Grant's beginning in 1966.

Starting in the late 1990's, major management changes were introduced to the Sea Grant Program in response to a 1994 National Research Council study that called for a more decentralized organizational structure and greater focus on performance. The management changes were accompanied by revisions in the process used to distribute Sea Grant funds among the Sea Grant Programs. The concept of supplementing base funding<sup>2</sup> with performance-based merit funding (resulting in base + merit = core funding) determined through rigorous evaluations was introduced formally in 1998 (*Allocations for FY 1998 and Beyond*) as were National Strategic Investments (NSIs) – national competitions open to all programs. Base funding was set to the level each Program received in FY 1995. Two operating guidelines were established to further define the Program: 1) that approximately 50% of the federal funds allocated to Program core funding<sup>3</sup> were to be used to support peer-reviewed research and education projects awarded competitively; and 2) that no more than 10% of the core funding could be designated for program development purposes in any one year.

Following the 2002 reauthorization of the National Sea Grant College Program, a revised policy document, "*Policy for the Allocation of Funds, FY 2003 and Beyond*," was developed by a joint committee of the National Sea Grant Review Panel, the Sea Grant Association (SGA), and the National Sea Grant Office (NSGO) to guide the allocation of appropriated funds in a manner consistent with the new legislation. The new policy maintained many of the principles and much of the guidance presented in the 1998 document but also included several new concepts including: 1) a minimum base funding target level of \$1.2M for each Sea Grant Institutional and College Program; 2) Program Development Awards<sup>4</sup> to enhance specific programmatic activities; and 3) provisions for the development and funding of new Programs. Base funding for the Programs was reset to the level each Program received in FY 2003.

In the decade that followed, state austerity budgets coupled with years of relatively flat Federal

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<sup>2</sup> Base funding is defined as the amount of annual federal appropriations designated to a program in their Omnibus proposal.

<sup>3</sup> Core funding is defined as the amount of annual federal appropriations designated to a program in their Omnibus proposal as Base + Merit funding.

<sup>4</sup> Program Development Awards are grants made based on peer reviewed, national competitions open only to Sea Grant colleges and institutions and are for the purpose of enhancing specific programmatic activities (e. g., community development, fisheries extension, regional activities), not individual investigators. These funds are designated as part of a program's core funds for a finite time period (generally 4-5yrs.) and are subject to the terms and conditions specified in the competition. These awards are different from the program development project that is part of each Sea Grant Programs omnibus submission.

funding and continued inflation, resulted in the inability of the NSGO to implement a program minimum base of \$1.2M and to support many other desired initiatives. It also increased the financial pressure on all Sea Grant Programs.

In 2010, the National Sea Grant Advisory Board (Advisory Board) was asked to take a fresh look at Sea Grant's allocation policy with the objective "To develop policies and criteria for allocating Sea Grant funding resources that will be consistent with Sea Grant's legislative authority and maximize the effectiveness, efficiency, and impact of the National Sea Grant College Program." Two joint subcommittees, including members from the Advisory Board, the SGA, and the NSGO, addressed this issue. The first subcommittee reported back to the Advisory Board in September 2011 with a framework for allocation, and the second subcommittee developed that framework into recommendations for implementation in 2013 (*National Sea Grant Allocation Committee #3: Report to the National Sea Grant Advisory Board*).

Through this process, the Advisory Board noted that the extended period of flat federal and state budgets had been especially difficult for the smaller programs that have less ability to absorb budget cuts. The concept of a minimum level of annual base funding was reaffirmed (with the recommendation of an annual minimum of \$800K for the numbers to work within existing appropriations). That target was subsequently increased to \$1M by the National Director and it was also recommended that about three-quarters of the Sea Grant appropriation should be dedicated to base, merit, and regional funding with the remainder to be set aside to support national activities. The most significant recommended policy change was to shift the primary determinant of base funding allocation among the Programs to more equitably reflect stakeholder need as represented by coastal population and shoreline (Appendix A). The report was transmitted to the Director, National Sea Grant College Program, and was followed by an extensive dialogue on whether and how to implement the recommendations. Based on that discussion, the implementation plan was modified substantially to ensure that the movement toward funding that considered coastal population and shoreline size metrics would only occur as the overall pool of base funding increased, acknowledging the desire to do no harm to existing programs. In 2014, these principles were codified in the [\*National Sea Grant College Program Policy for the Allocation of Funds, FY 2014 and Beyond\*](#).

Since the implementation of the FY 2014 Allocation Policy, Sea Grant has seen a significant increase in annual appropriations that have allowed for increases to the base budgets of existing programs and the advancement of several new programs from Project/Coherent Area Status to Institutional and College status, although these funds remain below the level needed to fully address stakeholder needs. A significant increase in Sea Grant appropriations in FY 2014 provided an opportunity to increase total base funding by \$3.7M to allow all Institutional and College programs to achieve the minimum annual target of \$1 million and to provide modest additional support to programs based on the population and coastline metrics used to define stakeholder need. The merit funding pool was also increased by \$803K in FY 2014. An additional \$1.65M was committed to base increases in FY 2018. This was followed by an

additional \$3.4M increase in FY 2020 that was committed as \$100K base increases for each program to partially account for inflationary cost increases since FY 2015.

In FY 2022, a subcommittee of the Advisory Board recommended a revision to the [Sea Grant Competitive Research Allocation Policy](#) that changed the expectation from a minimum of 40% of state-program base funding be directed to competitive research and education to 30-50% of base + merit + match to provide greater flexibility to the programs.

In FY2023, the NSGO gave notice to the programs of its intent to provide additional base increases totaling \$6.75 million beginning in FY 2024. These actions ensured that all programs (1) could meet the \$1.2M annual funding level of the newest program, (2) receive base increases to keep pace with inflation between 2015 and 2022 (this was achieved for all but three programs, as appropriated funds were insufficient to achieve this goal for all programs), and (3) see some modest additional adjustment to address population and coastline metrics.

For the purpose of this revision of the Sea Grant Allocation of Funds Policy, the FY 2024 base allocation targets provided by the NSGO for each program in preparation for the development of the 2024-2027 Omnibus proposals are considered to be the new established base. Future adjustments to base funding will be addressed following the guidelines set out in this policy, and adjustments to merit funding will be considered following each evaluation cycle. A tabular summary of the history of changes to Sea Grant Program allocation guidelines can be found in Appendix B.

### **III. Legislative Direction**

The National Sea Grant College Program Act (Act) as amended in [2020 \(33 U.S.C. 1121 et seq.\)](#) provides general guidance for the distribution of funds authorized under the Act in section 3(B) as follows:

*(3) With respect to sea grant colleges, sea grant institutes, sea grant programs, and sea grant projects, the Director shall—*

*(B) subject to the availability of appropriations, allocate funding among sea grant colleges, sea grant institutes, sea grant programs, and sea grant projects so as to—*

- (i) promote healthy competition among sea grant colleges and institutes;*
- (ii) encourage collaborations among sea grant colleges and sea grant institutes to address regional and national priorities established under subsection (c)(1);*
- (iii) ensure successful implementation of sea grant programs;*
- (iv) to the maximum extent consistent with other provisions of this subchapter, provide a stable base of funding for sea grant colleges and institutes;*
- (v) encourage and promote coordination and cooperation between the research, education, and outreach programs of the Administration and those of academic*

*institutions; and*

- (vi) *encourage cooperation with Minority Serving Institutions to enhance collaborative research opportunities and increase the number of such students graduating in NOAA science areas; and ...*

## **IV. Goals**

Consistent with the intent of Congress as set forth in the National Sea Grant College Program Act and drawing from the NSGO policy memorandum entitled the [\*National Sea Grant College Program Policy for the Allocation of Funds, FY 2014 and Beyond\*](#) this revised policy is intended to support the following goals:

### **Goals**

- 1) To support Sea Grant’s legislative mandate to promote the wise use and conservation of coastal and marine resources by strengthening existing programs and developing new programs as appropriate.
- 2) To provide a stable, national infrastructure of university-based programs that accomplish Sea Grant’s mission effectively and efficiently.
- 3) To foster a high level of innovation, educational and scientific quality, and program impact.
- 4) To support a consistent level of excellence in the Sea Grant network nationwide.
- 5) To provide a rational, transparent, and flexible allocation plan that promotes performance, healthy competition, and partnerships.
- 6) To support NOAA’s mission priorities.

## **V. Allocation of Funds to Sea Grant Program Elements**

### **A. Introduction**

The purpose of this section is to describe the operational program elements that make up the National Sea Grant College Program and are impacted by this allocation policy for FY 2024 and beyond.

Sea Grant federal appropriations are provided to Sea Grant by Congress through Program, Project, or Activity (PPA) lines in the Federal budget. For FY 2023, Sea Grant has two PPAs, one for National Sea Grant College Program activities (\$80M), and the other for Sea Grant Aquaculture initiatives (\$14M). For the purposes of this document these will be referred to as the Sea Grant PPA and the Sea Grant Aquaculture PPA, respectively.

The Sea Grant Aquaculture PPA is an example of Congressionally-directed appropriations. At times there are also Congressionally-directed appropriations within the Sea Grant PPA. All Sea



Grant annual appropriations provided through these two PPAs are subject to Sea Grant's legislatively mandated 50% cost-share with non-federal funds (\$1 non-federal funds for every \$2 in federal funds) unless specifically noted differently in Sea Grant's authorizing or appropriations language.

Appropriations from the Sea Grant PPA are predominately allocated directly to state Sea Grant Programs for their core activities. There are four levels of Sea Grant programs described in Sea Grant's legislation: Sea Grant Projects, Sea Grant Coherent Area Programs, Sea Grant Institutional Programs, and Sea Grant College Programs (Appendix C). Each level of program is important to Sea Grant achieving its mission and strategic goals and they are funded through the Sea Grant PPA. The Sea Grant PPA is also used to support national and regional programming, fellowships, Sea Grant NOAA-wide activities, national administrative activities, and the Advisory Board consistent with Sea Grant's authorizing language. The Sea Grant Aquaculture PPA is used to support national aquaculture initiatives, a large proportion of which are directed through the state Sea Grant Programs to address both local and national priorities.

In addition to support provided through annual appropriations, Sea Grant at times receives directed appropriations outside of the annual appropriations process such as, for example, disaster supplemental funding, the Bipartisan Infrastructure Law (BIL), and the Inflation Reduction Act (IRA). These funds are often excluded from the standard Sea Grant cost-share requirement and are often strongly directed by Congress and the Administration.

Finally, Sea Grant is legislatively directed to develop partnerships to carry out its mission. Sea Grant has a growing partnership initiative that contributes support to Sea Grant priorities and our state programs. Partnership activities may take many forms, and many result in the transfer of federal funds to state Sea Grant programs to engage in addressing strategic priorities that are of interest to both Sea Grant and the partner agency/organization. Partnerships may be explored/initiated by state Sea Grant programs, the NSGO, and by partners working with individual state Sea Grant programs or the NSGO. These funds generally require reduced or no non-federal cost-sharing.

## **B. Allocation Guidelines and Principles for Program Elements:**

**1. State Sea Grant Program Core Funding:** Core funding is granted directly to individual Sea Grant Institutional and College Programs through a multi-year Omnibus proposal that establishes a cooperative agreement between the federal government and each state Sea Grant program. These funds generally consist of base and merit funding although other funds (e.g. for multi-year work carried out on behalf of the Sea Grant network such as the Bridge Program or support for an extension agent in a non-Sea Grant state or territory such as American Samoa or the U.S. Virgin Islands) may be included on occasion. As an operational guideline, a minimum of 75% of funds appropriated to the Sea Grant PPA will be reserved for core support of the programs, with approximately 65% allocated as base funding and a goal of

10% as merit funding, a level significant enough to reward exemplary performance.

- a. **Program Base Funding:** Base funding represents NOAA’s investment in local place-based capacity/infrastructure and directly addresses the stability of funding required by the Sea Grant Act. Base funding is awarded with the expectation of continued long-term support as long as performance warrants and is determined early in the fiscal year of Omnibus proposal submissions. The actual levels of base funding depend on the Sea Grant appropriations available for a given fiscal year.

The starting point for program base funding levels for this Allocation Policy revision will be FY 2024. These are determined by historical base funding levels with modifications made using previous allocation principles. A Program’s initial base funding level is determined at the time of entry into the Sea Grant College Program network. The earliest Programs to enter the network tended to benefit from larger initial baseline dollar appropriations than more recent programs (Appendix D).

The principles for determining future annual base funding adjustments for FY 2024 and beyond are outlined below. They are guided by the overall desire to maintain the integrity and coherence of the Sea Grant network.

- i. **Do no harm, provide at least FY2024 funding level, federal appropriations permitting.** This principle recognizes historical precedent, the reality that available funding is limited, and that Sea Grant Programs have evolved infrastructures over time consistent with their historical funding levels. This principle prioritizes ‘doing no harm’ to existing programs in making decisions for the annual allocation of funds. Therefore, increases in base funding for individual Programs will generally only occur when the overall pool of base funding increases. Programs should expect to be funded at least at the FY 2024 base funding level (Appendix E), assuming satisfactory performance, unless there are insufficient federal fiscal resources or changes to current Agency policy and Federal regulations. This goal may not be able to be achieved if total appropriations decrease but it will be a priority to minimize decreases to the program base to the greatest degree possible if appropriations levels decrease, while ensuring that mandatory requirements are fulfilled.
- ii. **Program base minimum funding is \$1.2M in federal funds, federal appropriations permitting.** A second principle is to ensure that each Institutional and College Program receives at least the program base minimum level of federal funding, which for FY 2024 is \$1.2M in federal funds. It is important to note that the program minimum defined here is not to be construed as an adequate or sufficient resource base in relation to a state’s stakeholder needs, opportunities, or capabilities. However, given budget realities, it represents a compromise between providing an enabling infrastructure across eligible states and more substantially

funding fewer programs. As all eligible programs meet or exceed the \$1.2M minimum in FY 2024, this will generally be applied only to new programs advancing to the Institutional or College status.

- iii. **Inflation adjustments will be made periodically, federal appropriations permitting.** A third principle is to ensure that state programs are able to keep up with inflationary pressures on their base budget to the greatest degree possible. FY 2024 will be used as the baseline from which these calculations are made. Inflationary adjustments should not be expected every year that there is positive inflation as they are influenced by congressional appropriations. Inflationary adjustments will be made consistent with best practice, that is, when the funds to be disbursed reach a dollar threshold that exceeds the cost of preparation and processing of the grants.
  - iv. **Program increases will consider coastal population and shoreline metrics, federal appropriations permitting.** A fourth principle is to provide increases in base funding that reflect coastal population and shoreline metrics following the 2014 Allocation Policy Committee recommendation. Such adjustments would be made for all programs after determining the pool of funds available for such increases following the process in Appendix A. These allocations are made consistent with best practice, that is, when the funds to be disbursed reach a dollar threshold that exceeds the cost of preparation and processing of the grants.
- b. **Merit Funding:** Merit funding is awarded to recognize and reward outstanding performance by the Sea Grant Program and is determined according to performance evaluations of the Sea Grant Colleges and Institutions. The amounts distributed are based on merit ratings assigned in performance evaluations and will vary according to the total dollars available for distribution, as specified in current performance review policy ([\*The National Sea Grant College Program's Planning, Implementation and Evaluation \(PIE\) System\*](#)). A program's merit-based distribution will be adjusted every four years following the performance review cycle. It is expected that the overall merit funding pool will be increased over time as funding permits to reach 10% of appropriation to the Sea Grant PPA.

**2. National and Regional Funding:** National and Regional funding supports responsibilities outlined in Sea Grant regulations and authorization including new program development, national and regional programing, fellowships, the National Sea Grant Office, and the Advisory Board. As an operational guideline, a maximum of 25% of funds appropriated to the Sea Grant PPA will be reserved for these activities.

- a. **New Program Funding:** New Program funding is available to extend the Sea Grant Program to serve all eligible states as defined in the Act. The Sea Grant Act statement of purpose includes “extending and strengthening the national sea grant program” and assigns the National Director the duty to “encourage the establishment and growth of Sea

Grant programs.” That process is outlined in Appendix C.

The National Director may provide new funds from Sea Grant appropriations for investments in Projects and Coherent Area Programs in eligible states and territories in which no program has yet attained institutional status. Once a program has attained full institutional status, it no longer qualifies for distributions under the new program provision. Such programs may then qualify for base minimum distributions and, after undergoing evaluation, merit funding.

All proposals submitted under the New Program Provision will be subject to Sea Grant review and merit criteria. Proposals for changes in status for new programs are subject to relevant merit-based criteria and procedures. Changes in status may affect a Program’s eligibility for distributions under this plan. However, such changes in and of themselves constitute no obligation on the part of NOAA for additional funding or other exceptions from the guidelines set forth herein.

It is at the discretion of the National Director as to how to balance investment in new programs versus extending support for existing programs in any year given the level of appropriations. A primary principle of the NSGO is to ‘do no harm’ to existing state programs in making allocation decisions for new programs. This also applies to considerations in the development of new Sea Grant Projects or Coherent Area Programs.

- b. **National and Regional Programming:** The Sea Grant Act gives the National Director the authority to provide support for regional or national strategic investments in fields relating to ocean, coastal, and Great Lakes resources. Although these investments may be made competitively, it is not a requirement of the Act. In fact, the National Director is charged with allocating funding to both “promote healthy competition” and “encourage collaborations ... to address regional and national priorities.” Allocations to individual programs may be made under this provision for a finite time-period on the basis of open peer-reviewed competition to eligible entities as defined by law or to Sea Grant Programs as a noncompetitive supplement to their annual funding, as appropriate, for the purpose of enhancing specific programmatic activities (e. g., community development, fisheries, coastal adaptation and resilience, regional activities). Funding for such investments may arise from Sea Grant appropriations and/or other federal sources distributed by the NSGO in accordance with provisions of the Sea Grant Act.

The rules and policies in effect for each national and regional strategic investment are specified in each funding announcement. The circumstances and duration of such awards are to be determined by the goals and criteria governing that particular investment. National strategic investments would normally be open to proposals from all programs, while regional strategic investments could be restricted to Programs in specific regions as warranted.

- c. **Fellowships:** Sea Grant sponsors three nationally competitive fellowships: the Dean John A. Knauss Marine Policy Fellowship, the National Marine Fisheries Service (NMFS)/Sea Grant Fellowship in Marine Resource Economics, and the NMFS/Sea Grant Fellowship in Population and Ecosystem Dynamics. In addition, the NSGO may provide support for Sea Grant Network educational and workforce development activities.
- d. **NOAA-Wide Activities and National Administration:** These funds are used to support government-wide investments in Small Business Innovation Research and the Hollings Scholarship as required by law, NOAA administrative fees, the Advisory Board, and the National Sea Grant Office (currently capped at 5.5% of appropriations).
- e. **Special Provisions:** There are special case distributions that are provided for under the Act or represent situations requiring clarification. These include passthrough grants, special grants, and unobligated funds.
  - i. **Passthrough Grants and Contracts** are funds awarded by the NSGO to Sea Grant Programs arising from federal funds not appropriated specifically for the support of the Sea Grant Act. Provisions of the Sea Grant Act provide this authority. Such funds are subject to the terms and conditions of the originating agency and to current policies of the National Sea Grant College Program. Passthrough funds do not require non-federal matching funds unless specified by the originating agency.
  - ii. **Special Grants** are awards made under Section 1124(b) of the Sea Grant Act and are generally made at the discretion of the National Director for rapid response to emerging issues or for proposals to enhance network capability. Such grants do not require matching funds and may not exceed 5% of the total appropriated funds in that year. Proposals for special grants are subject to normal review processes in accordance with NSGO guidelines.
  - iii. **Unobligated Funds** are those arising from previous years' de-obligations. These are returns that originate from a variety of sources and normally are less than 1% of current year appropriations. Such funds become available for distribution by Sea Grant and may be used at the discretion of the National Director to augment one or more funding elements. These funds are available for distribution only in the year they occur (i.e., on a one-time basis) and unless otherwise exempted, are subject to the 1/3 matching requirement of Section 1124 of the Sea Grant Act.

## **VI. Distribution of Funds among the Program Elements**

This section addresses the distribution of funds to the specific Program Elements described in Section V. The Sea Grant Act is definitive in fixing responsibility for the distribution of funds with the Secretary of Commerce and the National Director. Funds are to be distributed in support

of the purposes of the Act, but the Act provides considerable latitude within the merit and competition framework on the distribution of funds to the various elements. Section IV of this document provides specific goals and objectives for the distribution of funds. Following the Sea Grant Allocation Joint Subcommittees recommendations for the distribution of funds among the various Program Elements of state, regional, and national funding in their 2011 and 2013 reports, the Sea Grant Policy for the Allocation of Funds FY 2014 and Beyond, and the review of the 2023 Sea Grant Joint Subcommittee, the precepts articulated in Section II, and the direction provided in the current Sea Grant legislation, the following guidelines will apply to the distribution of funds to Program Elements for FY 2024 and Beyond until revised:

- A. Sea Grant's FY 2023 appropriation was \$80 million for the Sea Grant PPA and an additional \$14M for Sea Grant Aquaculture PPA. As specified by the Act, funds appropriated in excess of the Sea Grant PPA are to be distributed on the basis of merit and/or competition.
- B. As an operational guideline, at least 75% of appropriations in the Sea Grant PPA will be reserved for direct support of the Programs, a level consistent with the average allocation over the past two decades. Program base funding will be maintained at approximately 65% of the total appropriation and the level of merit funding will be approximately 10% of the total, a level significant enough to reward exemplary performance.
- C. As an operational guideline, no more than 25% of Sea Grant's appropriation will be reserved for national and regional activities including administration of the Sea Grant Program at the NOAA level. Within that funding, 19.5% will be used to support national and regional strategic investments, the national fellowship programs, national and regional program development, and the Advisory Board. The remaining 5.5% of the appropriation will be used to support the activities and staff of the National Sea Grant Office.
- D. Designation of appropriated funds within these guidelines will be made by the National Director as soon as possible after an appropriation bill is passed for the fiscal year.
- E. In general, movement toward the target percentage distributions of funding will occur as appropriations are increased, not through reallocation of the existing pools.
- F. This allocation policy will be reviewed by the NSGO following each reauthorization. Both the Advisory Board and Sea Grant Programs will be given the opportunity to participate in such a review.

Finally, this allocation plan is based on the assumption of long-term program funding growth. However, assumptions of constant or growing funding may not be realized in a particular year for a variety of reasons and/or there may be congressional direction regarding expenditures. The

following guidelines establish a general protocol for such situations:

- A.** In the event of a significant decrease in the overall pool of available Sea Grant funding, the first priority is the maintenance of network integrity and therefore the maintenance of base and merit funding levels.
  
- B.** In the event of a significant increase in the overall pool of available Sea Grant funding, primary consideration will be given to program core funding based on the principles of minimum base, inflation adjustment, program specific metrics of coastal population and shoreline (as outlined above), and national and regional strategic investments, taking into account the above guidelines for the Distribution of Funds among Program Elements.

## **VII. Effective Date**

This policy for the distribution of funds in the National Sea Grant College Program for FY 2024 and Beyond is effective upon release of this document and will continue indefinitely until superseded or revised.

## Appendix A. Coastal Shoreline and Population of Sea Grant States

The 2013 Allocation Committee reviewed a range of variables that might reflect the need for Sea Grant programming in a given area. They looked for values that were consistently collected, didn't require manipulation by the NSGO, and were recognized as broadly reliable. These included such factors as number of marine scientists (using data from NSF), number of working ports and harbors, size of the maritime economy, number of active fishing vessels, size of watersheds, number of coastal tourists, and more. Many of these were proposed by one or more Sea Grant programs as being potentially relevant. Many of the variables proposed had issues in data collection methodology, narrow scope, or other challenges that made them tricky to apply to all programs or to Sea Grant's whole mission. Additionally, each variable proposed had a high degree of correlation (>80%) with either coastal shoreline or, more often, coastal population. Based on this, the committee proposed using those two variables, with shoreline receiving a weight of 10% (much more than that, and virtually all funds went to Alaska) and a weight of 90% to population. This was followed by an iterative process that ensured: 1. no program lost funds, even if their calculated need was lower than their current allocation, 2. that no program exceeded the 10% statutory limit<sup>5</sup>, and 3. that all programs reached at least the minimum base funding level.

For 2014-2023 the sources for the coastal population and shoreline data are below. For 2024 and beyond, the coastal population and shoreline data will be updated based on the best available information (e.g. 2020 Census and other relevant data).

The sources for 2014-2023 coastal shoreline data are:

- 1) United State Census 2012 Statistical Abstract (Tables 360 and 364)
- 2) Michigan Department of Environmental Quality, *Shorelines of the Great Lakes*
- 3) Lake Champlain Basin Program

The sources for 2014-2023 coastal population data are:

- 1) NOAA's State of the Coast National Coastal Population Report, Population Trends from 1970 to 2020
- 2) United State Census Coastline County Population

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<sup>5</sup> Per Sea Grant legislation it is 15% for a state, "(3) The total amount which may be obligated for payment pursuant to grants made to, and contracts entered into with, persons under this section within any one State in any fiscal year shall not exceed an amount equal to 15 percent of the total funds appropriated for such year pursuant to section 212."

Per Sea Grant regulations, it states, "(c) The total amount provided for National Projects' funding during any fiscal year can never exceed an amount equal to 10 percent of the total funds appropriated for the Matched Funding Program. Federal Sea Grant funding for National Projects can be up to 100 percent of the total cost of the project involved."



<b>State (Programs)</b>	<b>Coastal Shoreline Counties Population (2010 Census)</b>	<b>Tidal or Great Lakes Shoreline Length (miles)</b>
AK	598,207	33,904
CA (CA & USC)	25,520,252	3,427
CT	2,219,037	618
DE	897,934	381
FL	14,468,197	8,426
GA	563,967	2,344
Guam	159,358	110
HI	1,360,301	1,052
IL/IN	6,669,952	108
LA	2,247,053	7,721
MA (MIT & WHOI)	4,924,916	1,519
MD	4,148,642	3,190
ME	836,502	3,478
MI	4,680,503	3,288
MN	216,268	189
MS/AL	965,959	966
Lake Champlain	494,448	587
NC	999,064	3,375
NH	418,366	131
NJ	7,045,573	1,792
NY	15,691,096	2,323
OH	2,534,282	312
OR	653,112	1,410
PA	2,365,551	140
PR	2,525,305	700
RI	1,052,567	384
SC	1,241,048	2,876
TX	6,121,490	3,359
VA	4,730,951	3,315
WA	4,615,192	3,026
WI	2,049,934	820

## Appendix B. History of Changes to Program Allocation Guidelines

Year/ Allocation Policy	Document or Policy	Guiding Principle	Reference Base Funding Level	Minimum Funding Level
1966	National Sea Grant College Program Act	No state should receive more than 15% of total appropriated funds (NSF established peer review and open competition principles)		
1994	National Research Council Study	Concept of supplementing base-funding with performance-based merit funding (through rigorous evaluation)		
1998	Allocations for FY1998 and Beyond (first allocation policy)	Two operating guidelines established:  1) ~ 50% of federal funds allocated to a program be used for competitive peer-reviewed research and education projects  2) No more than 10% can be used for Program Development  Also introduced National Strategic Investments (NSIs)	1995	
2003	Policy for the Allocation of Funds, FY2003 and Beyond	Three additional principals:  1) Minimum base funding target introduced  2) Program Development* awards  3) Provisions for new programs	2003	\$1.2M (goal - not reached)
2013	National Sea Grant Allocation Committee #3 Report to the SGA	Reaffirmed concept of annual minimum  Recommended 75% of SG appropriation dedicated to base, merit, and regional funding  Primary determinant for base allocation became stakeholder need - represented by coastal population and shoreline; to be implemented only as overall base pool increased  Principle of "do not harm"		\$1M**
2014	Sea Grant Policy for the Allocation of Funds FY2014 and Beyond	Codified 2013 report recommendations		\$1M
2022	Advisory Board Research Subcommittee	Changed allocation policy for competitive research and education to 30-50%		

2023	National Sea Grant Office	All programs now meet minimum \$1.2M; first instance of applying stakeholder need criteria as well as inflation	FY2024	1.2M
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\* **Program Development:** Program Development Awards are grants made as a result of peer reviewed, national competitions open only to Sea Grant colleges and institutions and are for the purpose of enhancing specific programmatic activities (e. g., community development, fisheries extension, regional activities), not individual investigators. These funds are designated as part of a program’s core funds for a finite time period (generally 4-5yrs.) and are subject to the terms and conditions specified in the competition.

\*\*Note - Recommendation was \$800K; National Director raised to \$1M

## **Appendix C. New Program Policy**

It is NSGO policy to foster the development of new Sea Grant programs in the remaining states that are eligible for Sea Grant College designation. The purpose here is to provide guidance on procedures and designation of resources for new programs in order to facilitate their orderly development.

Eligibility, qualifications and responsibilities for Sea Grant Programs are set forth in the Sea Grant Act and the Code of Federal Regulations (15 CFR 917.42). A Sea Grant Program is a university-based program usually administered by one institutional entity within a coastal or Great Lakes state or territory. Establishing Sea Grant College Program status is a sequential process that occurs over a period of time, typically a decade or more. To achieve Sea Grant College status, four steps must occur: Project Grant, Coherent Area Program, Institutional Program and Sea Grant College Program. Institutional entities may subsequently petition the NSGO for changes in program status in sequential order as defined below. It is NSGO policy to establish and fund only one institutional or college program in a state as defined in the Sea Grant Act, except for those Programs that attained institutional status prior to FY 2002; for purposes of this provision, Lake Champlain Sea Grant is considered to be housed administratively at the University of Vermont.

### **A. Project Grant**

Any eligible institution in the remaining states that are eligible for Sea Grant College designation may apply to NOAA's National Sea Grant Office (NSGO) for a Project Grant. A Project Grant is simply a proposal from an eligible institution to initiate a Sea Grant programmatic activity for a given time period. This is generally the first step in seeking Sea Grant Program status.

### **B. Coherent Area Program**

The NSGO may request proposals from eligible institutions for the purpose of establishing Coherent Area Programs. An institutional entity may apply to the NSGO to become a Coherent Area Program in order to conduct Sea Grant activities limited in geographic area and/or scope. Grants are made to Coherent Area Programs with the expectation of renewal if the quality and relevance of the program is maintained. The NSGO will only accept Coherent Area Program proposals from eligible entities in states without existing Sea Grant Institutions or Colleges. All Coherent Area Program proposals are subject to Sea Grant review procedures and must be satisfactorily evaluated against Sea Grant project evaluation criteria. An institution must have been a Coherent Area Program for a minimum of three years before being eligible to apply for Sea Grant Institutional Program status.

### **C. Institutional Program**

The NSGO may competitively award Sea Grant Institutional Program status to one or a consortium of eligible entities having Coherent Area Programs. Criteria to be met are similar to those for a Sea Grant College and all eligible institutions may apply. Proposals for Institutional Program status will be referred to the National Director who will convene a panel of experts for the purpose of reviewing proposals against Institutional Program review criteria as defined in the Code of Federal Regulations (15 CFR 918.3). The experts panel will make a recommendation to the National Director regarding Institutional Program designation. The National Director will make the final decision on Institutional Program designation. The NSGO will designate only one Institutional Program per state.

### **D. Sea Grant College**

This is Sea Grant's highest program category. Sea Grant Colleges have broad responsibilities for state, regional, and national activities and engage all of the institutions of higher learning in a state. Only Sea Grant Institutional Programs are eligible to become Sea Grant Colleges, and they must have demonstrated a capability to maintain a high quality and balanced program of research, education, training, and advisory services in fields related to ocean, Great Lakes, and coastal resources, and have received financial assistance under section 205 of the National Sea Grant College Program Act as a Sea Grant Institutional Program for a minimum of three years. Designation is made on the basis of merit and a determination by the Secretary of Commerce that such a designation meets the qualification criteria as set forth in the Code of Federal Regulations (15 CFR 918.3).

## Appendix D. Sea Grant Timeline

1963	Athelstan Spilhaus first publicly suggested the Sea Grant idea during the keynote address of the 93rd annual meeting of the American Fisheries Society in Minneapolis, Minnesota.
1966	President Lyndon Johnson signed the bill, establishing the Sea Grant Program through The National Sea Grant College and Program Act of 1966.
1968	The work of Sea Grant begins as the first grants are awarded and the National Review Panel is established.
1970	Sea Grant became part of the National Oceanic and Atmospheric Administration. The National Sea Grant Depository (library) is established as an information center dedicated to the collection, storage, documentation, and dissemination of Sea Grant literature.
1971	Four universities are the first to achieve Sea Grant College status: <b>Oregon State University, University of Rhode Island, Texas A &amp; M University, and University of Washington.</b>
1972	<b>University of Hawaii and University of Wisconsin</b> achieve College status. <b>University of Southern California</b> becomes an Institutional Program.
1973	<b>University of California</b> achieves College status.
1975	<b>State University of New York and Cornell University</b> achieve College status.
1976	The National Sea Grant College and Program Act of 1966 is amended by the Sea Grant Improvement Act. The amendment strengthens the basic program of the original Act and codifies the National Sea Grant Review Panel. <b>University of Delaware, State University System of Florida, Massachusetts Institute of Technology, and University of North Carolina</b> achieve College status.
1978	<b>Louisiana State University</b> achieves College status.
1979	The Sea Grant Intern Program is initiated, allowing outstanding graduate students to spend one year in Washington, D.C., developing the skills needed for active leadership in both policy development and research in coastal and ocean sciences.
1980	<b>University of Alaska, University of Georgia, and University of Maine/University of New Hampshire</b> achieve College status.
1982	<b>University of Maryland, University of Michigan/ Michigan State University, and Mississippi/ Alabama Consortium</b> achieve College status
1984	<b>Virginia Graduate Marine Science Consortium</b> achieves College status.
1985	<b>University of Minnesota</b> achieves College status; <b>Woods Hole Oceanographic Institution</b> becomes an Institutional Program.
1986	<b>South Carolina Consortium</b> achieves College status.
1987	National Sea Grant College Program Authorization Act of 1987 passed. The Sea Grant Intern Program was renamed the Dean John A. Knauss Marine Policy Fellowship in honor of Dean Knauss, one of the founding fathers of Sea Grant.
1988	<b>The Ohio State University</b> and the <b>University of Connecticut</b> achieve College status.
1989	<b>New Jersey Marine Science Consortium and University of Puerto Rico</b> achieve College status.

1991	National Sea Grant College Program Authorization Act of 1991 passed. Administration of the Act not to exceed listed dollar amounts.
1994	Programs were granted the ability to review research proposals themselves and select projects for funding. Program Assessment Team (PAT) History: 1994 Ocean Studies Board's report "NSGO should evaluate the success of each state program on a four-year cycle, using, in part, retrospective information on recent achievements, based on measures for each of the three areas of research, education and outreach."
1997	<b>University of Illinois/ Purdue University</b> achieves College status.
1998	National Sea Grant College Program Reauthorization Act of 1998 passed, including administration of Act set to 5% instead of a dollar amount. NOAA celebrates Sea Grant's 30th anniversary commemorating three decades of accomplishments in research, education, and outreach related to coastal, ocean, and Great Lakes resources. A performance-based evaluation system is established (PAT system). Resources allocated to programs are determined in part by performance. In four years, all programs to be evaluated by a performance assessment team. National Strategic Investments introduced.
1999	Sea Grant and NOAA Fisheries established a Graduate Fellowship Program in population dynamics and marine resource economics.
2002	National Sea Grant College Program Act Amendments of 2002 signed into law after unanimous passage in both houses of Congress – adding language re. a National Academy of Sciences study of the evaluation and rating system, as well as rating of programs according to their relative performance. The <b>National Sea Grant Law Center</b> is competitively awarded.
2003	<b>University of New Hampshire</b> achieves College status. Second cycle of PATs begins.
2004	<b>University of Maine</b> achieves College status.
2006	National Research Council report on the PAT system.
2008	National Sea Grant College Program Amendments Act of 2008 passed changing the National Sea Grant Review Panel to the National Sea Grant Advisory Board and removed language re. rating of programs according to their relative performance.
2009	Planning, Implementation, and Evaluation (PIE) System begins: First time all College Programs' Strategic Plans aligned with the National Sea Grant College Program 2009 -2013 Strategic Plan.
2012	<b>University of Guam</b> and <b>Lake Champlain</b> (University of Vermont and SUNY Plattsburgh) achieve Coherent Area Program status.
2014	1000th Dean John A. Knauss Marine Policy Fellowship awarded; <b>Virginia Institute of Marine Science at the College of William &amp; Mary</b> achieves College status.
2016	<b>Pennsylvania State University</b> achieves College status.
2016	NOAA celebrates Sea Grant's 50th anniversary commemorating five decades of accomplishments in research, education, and outreach related to coastal, ocean, and Great Lakes resources.
2018	<b>Lake Champlain</b> becomes an Institutional Program.

2018	Planning, Implementation, and Evaluation (PIE) System updated: based on the Advisory Board PIE II Assessment Committee recommended revisions to improve and streamline the process, where possible.
2020	National Sea Grant College Program Reauthorization Act of 2020 ( <a href="#">US Code 2020 Title 33 Chapter 22, PDF</a> ) was passed.
2021	National Sea Grant Library (NSGL) at University of Rhode Island (URI) begins transitioning its digital collection to the NOAA Central Library. Sea Grant Collection at the NOAA Central Library is established as an information center dedicated to the collection, storage, documentation, and dissemination of Sea Grant literature.
2021	Independent Review Panel (IRP) implemented for the first time to assess the National Sea Grant Office and National Sea Grant College Program overall.
2022	<b>National Sea Grant Library project (NSGL)</b> sunsetted.
2022	<b>University of Guam</b> becomes an Institutional Program.



## Appendix E. FY 2024 Base Funding for Sea Grant Programs

Note: Base funding includes program directed Coastal Resilience funds.

<b>Sea Grant Program</b>	<b>Base Funding</b>
<b>AK</b>	<b>\$1,767,537</b>
<b>CA</b>	<b>\$4,342,092</b>
<b>CT</b>	<b>\$1,336,419</b>
<b>DE</b>	<b>\$1,483,000</b>
<b>FL</b>	<b>\$2,609,924</b>
<b>GA</b>	<b>\$1,347,563</b>
<b>Guam</b>	<b>\$1,325,000</b>
<b>HI</b>	<b>\$2,528,179</b>
<b>IL/IN</b>	<b>\$1,514,660</b>
<b>LA</b>	<b>\$1,652,424</b>
<b>Lake Champlain</b>	<b>\$1,325,000</b>
<b>Law Center</b>	<b>\$ 700,000</b>
<b>MD</b>	<b>\$1,670,801</b>
<b>ME</b>	<b>\$1,331,613</b>
<b>MI</b>	<b>\$1,663,859</b>
<b>MIT</b>	<b>\$2,424,973</b>
<b>MN</b>	<b>\$1,326,204</b>
<b>MS/AL</b>	<b>\$1,447,000</b>
<b>NC</b>	<b>\$1,857,356</b>
<b>NH</b>	<b>\$1,327,163</b>
<b>NJ</b>	<b>\$1,584,358</b>
<b>NY</b>	<b>\$2,918,338</b>
<b>OH</b>	<b>\$1,398,839</b>
<b>OR</b>	<b>\$2,636,234</b>
<b>PA</b>	<b>\$1,336,803</b>
<b>PR</b>	<b>\$1,337,992</b>
<b>RI</b>	<b>\$2,376,650</b>
<b>SC</b>	<b>\$1,476,073</b>
<b>TX</b>	<b>\$2,183,204</b>
<b>USC</b>	<b>\$1,363,611</b>
<b>VA</b>	<b>\$1,747,583</b>
<b>WA</b>	<b>\$2,969,987</b>
<b>WHOI</b>	<b>\$1,335,942</b>
<b>WI</b>	<b>\$2,215,778</b>
<b>Total</b>	<b>\$61,592,159</b>



**UNITED STATES DEPARTMENT OF COMMERCE**  
**National Oceanic and Atmospheric Administration**  
**National Sea Grant College Program**  
1315 East-West Highway  
Silver Spring, MD 20910-3282

**From:** Jonathan R. Pennock, Director  
National Sea Grant College Program

**To:** Deborah Stirling, Chair  
National Sea Grant Advisory Board

**Date:** February 13, 2023

**Subject:** Review the National Sea Grant College Program Policy for the Allocation of Funds

**Background:** The allocation of federal funds to support the National Sea Grant College Program is critical to ensuring that Sea Grant is as impactful as it can be.

An allocation policy is required at the federal level to guide annual spend plan development and implementation and, at its core, is a federal policy to guide the National Sea Grant College Program through the director.

The Allocation Policy also shapes Sea Grant through the investments that Sea Grant makes across its broad portfolio of activities and the Sea Grant Network. As a result, it is very important to the individual programs (that operate within unique state/university environments) and the Sea Grant Network overall.

The current Allocation Policy was developed through multiple efforts between 2012 and 2014 that resulted in the [National Sea Grant College Program Policy for the Allocation of Funds, FY 2014 and Beyond](#).

The 2014 Allocation Policy contains core principles that are as valid today as they were in 2014, but it is dated and in need of updating to reflect changes in the trajectories and types of federal funds provided to Sea Grant by Congress since its development.

**Charge:** The National Sea Grant College Program Director (Director) requests that the National Sea Grant Advisory Board (the Board) establish a subcommittee of the Board to review the Policy for the Allocation of Funds.

Important aspect of the review should:

- Establish a subcommittee under the Planning, Implementation and Evaluation (PIE) Committee with up to three Board members to provide a review and recommendation of a revised Allocation Policy.
- The subcommittee is encouraged to include engagement with the directors of the Sea Grant Network through formal inclusion of up to two members and through requests for input at the discretion of the subcommittee.



**Further Details and Timeline:**

- The Board should plan to initiate this review after the subcommittee members are approved by the full Board during the Spring 2023 meeting.
- The intent is that the discussion and deliberations of the subcommittee be carried out virtually and that an initial meeting to provide background information and perspectives be planned before the end of March 2023 to provide framework for the draft Policy.
- In contrast to charges that sometimes start with a blank sheet, the director of the National Sea Grant College Program, with assistance from the NSGO, will provide a draft revised Policy for consideration by the subcommittee by the end of April 2023 for review and discussion.
- The subcommittee should plan to present findings to the Board no later than the Fall 2023 meeting after which the recommendations will be forwarded to the Director.

