



EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES
AND TRUST FUND FINANCIAL STATEMENTS

Trustee Council Year Ended January 31, 2021

Exxon Valdez Oil Spill Trustee Council

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Exxon Valdez Oil Spill Trustee Council
Anchorage, Alaska

I have performed the procedures enumerated below, which were agreed to by the management of *Exxon Valdez* Oil Spill Trustee Council (EVOSTC or Trustee Council), solely to assist you in evaluating the sufficiency of policies and procedures established by the Trustee Council over the flow of funds into and out of the Trustee Council's State of Alaska *Exxon Valdez* Oil Spill Investment Fund (Investment Fund), the *Exxon Valdez* Civil Settlement Account with Natural Resources Damage Assessment and Restoration (NRDA&R) account, and the State of Alaska – *Exxon Valdez* Oil Spill Settlement Trust (Settlement Trust), as well as the process and controls of each of the federal agencies over unspent project funds for proper and timely return to the Trustee Council's NRDA&R account for the Trustee Council year ended January 31, 2021. The management of EVOSTC and the Federal and State of Alaska agencies are responsible for the proper use of funds in accordance with EVOSTC's mission. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

My procedures and findings with respect to the Investment Fund, NRDA&R, Settlement Trust and EVOSTC Restoration Office are as follows:

State of Alaska Exxon Valdez Oil Spill Investment Fund

Procedures

1. I compared expenditures from the Research or Habitat Accounts in the Investment Fund to transfers in to the Settlement Account (State agency transfers) or NRDA&R (federal agency transfers). I performed the following steps for this procedure:
 - a. Obtained each Joint Notice of Expenditure from the Investment Fund (Joint Notice) provided to the United States District Court – District of Alaska through the end of the Trustee Council year ended January 31, 2021 and summarized expenditures by each of the federal and State recipient agencies and for the Habitat and Research Accounts.
 - b. Obtained the meeting notes from the Trustee Council meetings and the approved Annual Funding Overview (AFO) and Annual Budget (AB) for the Trustee Council Fiscal Year and agreed the expenditures reflected in the AFO and AB for Trustee Council activities from the Investment Fund as reflected in the Joint Notices to the Trustee Council approval.
 - c. Obtained and summarized the monthly Schedules of Investment Income (Loss) and Changes in Invested Assets from the Alaska Department of Revenue-Treasury Division for each month during the State Fiscal Year Ended June 30, 2020 and three months ended September 30, 2020 for each of the Habitat and Research Accounts of the Investment Fund.
 - d. Agreed the summarized Joint Notice approved transfers to the amounts transferred from the Habitat and Research Accounts of the Investment Fund.

Findings

No exceptions were found as a result of applying the procedures, except for the following:

A transfer of \$327,000 was incorrectly made from the Research Account to the Habitat Account during the State Fiscal Year Ended June 30, 2020. As noted in prior year, Court Notice number 73, reflected, in part, that \$327,000 for a habitat project of the State of Alaska should have been transferred from the Research Account of the Investment Fund. The funds were instead withdrawn from the Habitat Account. Because the project was a habitat project, the funds were drawn from the correct account, but the language in the Court Notice listing the Research Account was incorrect. This matter was corrected through Court Notice 77, which properly noted that the funds should have come from Habitat. However, the language in Court Notice 77 caused the Alaska Department of Fish and Game to incorrectly make the transfer from the Research Account to the Habitat Account. After bringing this to the attention of management, in May 2021 a transfer was made to transfer the funds back to the Research Account.

Court Notice 76, approved in November 2019, called for the transfers from the Investment Fund to the Department of Interior Natural Resource Damage Assessment and Restoration Fund (DOI-NRDAR) be reduced by \$25,000 from the Research Account and \$275,000 from the Habitat Account for previously disbursed funds. The actual transfer reduced the total of \$300,000 from the Research Account. As a result, \$275,000 needs to be transferred from the Habitat Account to the Research Account to correct this.

Natural Resources Damage Assessment and Restoration Fund (NRDA&R)

Procedures

1. I compared disbursements of federal project funding from EVOSTC's NRDA&R account to related Joint Notices, and agreed receipts by NRDA&R of any unspent federal agency funds to federal agency reports. I performed the following steps for this procedure:
 - a. Obtained the annual Cash Flow Plan for the Trustee Council's NRDA&R account for federal fiscal year (FFY) 2020 from the Department of the Interior (DOI) and compared these to disbursements to federal agencies as reflected in the Joint Notices for FFY 2020.
 - b. Obtained the transaction detail for FFY 2020 for NRDA&R from the U.S. Department of Interior and agreed the activity reflected in the Cash Flow Plan to the transaction detail for NRDA&R.
 - c. Compared remaining cash balances in the NRDA&R to the reduction in expenditures from the Investment Fund for federal trustee agency projects as reflected in Court Notices.
 - d. Reconciled amounts disbursed from NRDA&R to amounts reported by agencies taking into account the timing and the different reporting mechanisms employed by each of the agencies.
 - e. Obtained summary project tracking schedules and accounting reports from each of the federal trustee agencies and agreed the schedules to the accounting reports.
 - f. Recalculated the amounts reflected in the project tracking schedules for return to the Trustee Council's NRDA&R account.
 - g. Obtained documentation from each federal trustee agency supporting the initiation of the return of unspent project funds to the Trustee Council's NRDA&R account.

Findings

No exceptions were found as a result of applying the procedures. The status of each federal agencies' projects are as follows:

United States Geological Survey (USGS)

During FFY 2020, USGS returned \$3,680 to NRDA&R in unused project funds that it had identified in the prior year. This represented all project funds identified for return to date. In FFY 2020, USGS participated in five projects and received AB support. Subsequent to the end of the fiscal year, USGS reported that it fully used its project funding and that it had unused AB support from FFY 2020 of \$10,177. This amount will be returned in FFY 2021.

National Oceanic and Atmospheric Administration (NOAA)

In FFY 2020, NOAA participated in several projects and received AB support. During FFY 2020, NOAA returned \$5,611 to NRDA&R in unused project funds that it had identified in the prior year. This return represented all unused amounts from for all prior fiscal years. NOAA had no lapsed funds at the end of FFY20 to be returned. Some funds were unused in FY2020; however, NOAA requested these funds be carried forward, which was approved the Executive Director.

United States Forest Service (USFS)

As of the beginning of fiscal year 2020, USFS had either fully expended or returned all project funding for FY 2020 and earlier years. In FFY 2020, USFS participated in one project and received AB support. Subsequent to the end of the fiscal year, USFS reported that it will return \$17,362 in unused project funding, and \$417 in AB support.

United States Fish and Wildlife Service (USFWS)

During FFY 2020, USFWS returned \$37,295 to NRDA&R in unused project funds that it had identified in prior year. This represented all project funds identified for return to date. In FFY 2020, USFWS had one long-term monitoring project and five habitat projects, and received AB funding. Three of the Agency's projects were closed during FFY 2020, and it reported subsequent to the end of the fiscal year that it would return \$3,882 in unused project funding. The continuing projects and the AB support were reported as fully obligated.

National Park Service (NPS)

As of the beginning of FFY 2020, all agency funding had been either returned or fully expended for FFY 2019 and earlier years. During FFY 2020 the agency received and fully expended all project funds under a single project managed by USGS.

State of Alaska Settlement Trust

Procedures

1. I agreed remaining fund balances in the State Settlement Trust to reductions in expenditures from the Investment Fund for State trustee agency projects. I performed the following steps for this procedure:
 - a. Obtained the State of Alaska, Department of Fish and Game's fund balance schedule for the State Settlement Trust and the supporting accounting reports from the State of Alaska accounting system.
 - b. Agreed the amounts reflected as available cash balances in the State Settlement Trust to the related accounting records.
 - c. Recalculated the obligations for active projects and recalculated the estimated amounts available to reduce expenditures from the Investment Fund for State trustee agency projects.
 - d. Agreed the amount available to reduce expenditures from the Investment Fund to respective Court Notices.

Findings

No exceptions were found as a result of applying the procedures.

EVOSTC Restoration Office

Procedures

1. I compared amounts approved by the Trustee Council for the AB to actual expenditures for the year. I performed the following steps for this procedure:
 - a. Obtained the EVOSTC Executive Offices Expenditure Matrix for the year ended January 31, 2021, which tracks the approved AB against actual expenditures, and compared the budgeted amounts reflected in the Expenditure Matrix to the budget approved by the Trustee Council, and compared actual expenditures for the current year to expenditures of the prior year.
 - b. Compared actual amounts to State of Alaska accounting records.
 - c. Inquired of the EVOSTC Administrative Manager regarding variances of actual amounts for the current year to actual amounts of the prior year and of the budget.
2. I inquired of the EVOCTC Administrative Manager about procedures used to monitor the timely return of unspent federal agency project amounts to the Exxon Valdez Civil Settlement Account with NRDA&R.

Findings

No exceptions were found as a result of applying the procedures.

I was engaged by the State of Alaska, Department of Fish and Game on behalf of the EVOSTC's management to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the AICPA. I was not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on established policies and procedures over the use of EVOSTC funding. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of the EVOSTC and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the management of the Trustee Council and the Federal and State of Alaska liaison agencies and is not intended to be and should not be used by anyone other than these specified parties.



June 7, 2021

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Exxon Valdez Oil Spill Trustee Council
Anchorage, Alaska

Management is responsible for the accompanying financial statements of the State of Alaska *Exxon Valdez* Oil Spill Investment Fund (Investment Fund) as of and for the years ended June 30, 2020 and 2019, as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. I have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the *Exxon Valdez* Oil Spill Trustee Council's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The accompanying financial statements of the Investment Fund present only the Investment Fund and do not purport to, and do not, present fairly the financial position of the State of Alaska or any of its component units as of June 30, 2020 and 2019, and the changes in its financial position, or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



June 7, 2021

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

STATE OF ALASKA - EXXON VALDEZ OIL SPILL INVESTMENT FUND
(An Agency Fund of the State of Alaska)

STATEMENTS OF FIDUCIARY ASSETS AND LIABILITIES

As of June 30, 2020 and 2019

	2020			2019		
	Research	Habitat	Total	Research	Habitat	Total
ASSETS						
Cash and Investments	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803	\$ 103,872,724	\$ 85,222,164	\$ 189,094,888
Total Assets	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803	\$ 103,872,724	\$ 85,222,164	\$ 189,094,888
LIABILITIES						
Accounts Payable	\$ 25,378	\$ 22,126	\$ 47,504	\$ 26,249	\$ 23,516	\$ 49,765
Assets Held in Custody by the State of Alaska	103,143,137	82,885,162	186,028,299	103,846,475	85,198,648	189,045,123
Total Liabilities	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803	\$ 103,872,724	\$ 85,222,164	\$ 189,094,888

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

STATE OF ALASKA - EXXON VALDEZ OIL SPILL INVESTMENT FUND
(An Agency Fund of the State of Alaska)

STATEMENTS OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

For the Years Ended June 30, 2020 and 2019

	2020			2019		
	Research	Habitat	Total	Research	Habitat	Total
ASSETS						
Investments, Beginning of Year	\$ 103,872,724	\$ 85,222,164	\$ 189,094,888	\$ 101,715,706	\$ 91,127,144	\$ 192,842,850
Additions:						
Interest and Investment Income	6,100,676	5,229,533	11,330,209	6,821,567	5,638,257	12,459,824
Transfer from Research	-	327,000	327,000	-	-	-
Total Additions	6,100,676	5,556,533	11,657,209	6,821,567	5,638,257	12,459,824
Deductions:						
State of Alaska,						
Exxon Valdez Oil Spill Settlement Trust	1,424,925	4,798,806	6,223,731	-	6,942,446	6,942,446
Investment Management Fees	25,378	22,126	47,504	26,249	23,516	49,765
United States Department of the Interior,						
Natural Resources Damage						
Assessment and Restoration Fund	5,027,582	3,050,477	8,078,059	4,638,300	4,577,275	9,215,575
Transfer to Habitat	327,000	-	327,000	-	-	-
Total Deductions	6,804,885	7,871,409	14,676,294	4,664,549	11,543,237	16,207,786
Investments, End of Year	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803	\$ 103,872,724	\$ 85,222,164	\$ 189,094,888
LIABILITIES						
Accounts Payable, Beginning of Year	\$ 26,249	\$ 23,516	\$ 49,765	\$ 18,239	\$ 18,924	\$ 37,163
Additions	25,378	22,126	47,504	26,249	23,516	49,765
Deductions	26,249	23,516	49,765	18,239	18,924	37,163
Accounts Payable, End of Year	25,378	22,126	47,504	26,249	23,516	49,765
Assets Held in Custody						
by the State of Alaska, Beginning of Year	103,846,475	85,198,648	189,045,123	101,697,467	91,108,220	192,805,687
Additions	6,075,298	5,534,407	11,609,705	6,795,318	5,614,741	12,410,059
Deductions	6,778,636	7,847,893	14,626,529	4,646,310	11,524,313	16,170,623
Assets Held in Custody						
by the State of Alaska, End of Year	103,143,137	82,885,162	186,028,299	103,846,475	85,198,648	189,045,123
Liabilities, End of Year	\$ 103,168,515	\$ 82,907,288	\$ 186,075,803	\$ 103,872,724	\$ 85,222,164	\$ 189,094,888

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Exxon Valdez Oil Spill Trustee Council
Anchorage, Alaska

Management is responsible for the accompanying financial statements of the United States Department of the Interior, Natural Resources Damage Assessment and Restoration Fund (NRDA&R) – cash basis – as of and for the years ended September 30, 2020 and 2019, as listed in the table of contents. Management is also responsible for determining that the cash-basis of accounting is an acceptable financial reporting framework. I have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Exxon Valdez Oil Spill Trustee Council's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The accompanying financial statements of NRDA&R present only the amounts related to the Exxon Valdez Oil Spill Trustee Council and do not purport to, and do not, present fairly the financial position of NRDA&R or the U.S. Department of the Interior as of September 30, 2020 and 2019, and the results of their operations for the years then ended in conformity with accounting principles generally accepted in the United States of America. The NRDA&R financial statements are prepared in accordance with the cash-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.



June 7, 2021

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

UNITED STATES DEPARTMENT OF THE INTERIOR, NATURAL RESOURCES DAMAGE
ASSESSMENT AND RESTORATION FUND

STATEMENTS OF ASSETS, LIABILITIES AND TRUST FUND BALANCE ARISING FROM
CASH TRANSACTIONS - CASH BASIS

As of September 30, 2020 and 2019

	2020	2019
ASSETS		
Cash and Investments	\$ 282,430	\$ 1,583,612
Total Assets	\$ 282,430	\$ 1,583,612
LIABILITIES AND TRUST FUND BALANCE		
Trust Fund Balance	\$ 282,430	\$ 1,583,612
Total Liabilities and Trust Fund Balance	\$ 282,430	\$ 1,583,612

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

UNITED STATES DEPARTMENT OF THE INTERIOR, NATURAL RESOURCES DAMAGE
ASSESSMENT AND RESTORATION FUND

STATEMENTS OF RECEIPTS, DISBURSEMENTS AND CHANGES IN TRUST FUND
BALANCE - CASH BASIS

For the Years Ended September 30, 2020 and 2019

	2020	2019
RECEIPTS		
Contributions:		
Exxon Valdez Oil Spill Investment Fund		
Nine months ended June 30	\$ 7,097,059	\$ 9,215,575
Three months ended September 30	-	981,000
Total Contributions	7,097,059	10,196,575
Unobligated Balances Returned to NRDA&R:		
U.S. Department of Commerce,		
National Oceanic and Atmospheric Administration	5,611	37,504
U.S. Department of Agriculture, USFS	17,260	-
U.S. Department of the Interior,		
U.S. Fish and Wildlife Service	37,297	407,425
U.S. Geological Survey	3,680	6,550
Investment Income	12,532	14,810
Total Receipts	7,173,439	10,662,864
Disbursements		
U.S. Department of the Interior,		
Bureau of Land Management	38,177	10,900
U.S. Fish and Wildlife Service	3,712,949	4,158,024
U.S. Geological Survey	1,339,980	1,466,950
National Park Service	45,780	50,100
Office of the Secretary	35,425	35,425
U.S. Department of Agriculture,		
U.S. Forest Service	27,167	137,337
U.S. Department of Commerce,		
National Oceanic and Atmospheric Administration	3,275,143	3,276,839
Total Disbursements	8,474,621	9,135,575
Excess (Deficiency) of Receipts Over Disbursements	(1,301,182)	1,527,289
Trust Fund Balance, Beginning of Year	1,583,612	56,323
Trust Fund Balance, End of Year	\$ 282,430	\$ 1,583,612

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Exxon Valdez Oil Spill Trustee Council
Anchorage, Alaska

Management is responsible for the accompanying financial statements of the State of Alaska Exxon Valdez Oil Spill Settlement Trust (Settlement Trust) as of and for the years ended June 30, 2020 and 2019, as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. I have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Exxon Valdez Oil Spill Trustee Council's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The accompanying financial statements of the Settlement Trust present only the Settlement Trust and do not purport to, and do not, present fairly the financial position of the State of Alaska or any of its component units as of June 30, 2020 and 2019, and the changes in its financial position, or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



June 7, 2021

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

STATE OF ALASKA - EXXON VALDEZ OIL SPILL SETTLEMENT TRUST
(A Special Revenue Fund of the State of Alaska)

BALANCE SHEETS

As of June 30, 2020 and 2019

	2020	2019
ASSETS		
Cash and Investments	\$ 8,755,830	\$ 12,219,711
Due from other funds	445,900	-
Total Assets	\$ 9,201,730	\$ 12,219,711
LIABILITIES		
Liabilities:		
Accounts Payable	\$ 217,302	\$ 119,156
Due to State of Alaska General Fund	495,632	12,307
Total Liabilities	712,934	131,463
Fund Balance:		
Restricted for Development	8,488,796	12,088,248
Total Liabilities and Fund Balance	\$ 9,201,730	\$ 12,219,711

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

STATE OF ALASKA - EXXON VALDEZ OIL SPILL SETTLEMENT TRUST
(A Special Revenue Fund of the State of Alaska)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN TRUST FUND BALANCE

For the Years Ended June 30, 2020 and 2019

	2020	2019
REVENUES		
Contributions - State of Alaska, <i>Exxon Valdez</i> Oil Spill Investment Fund	\$ 6,223,731	\$ 6,942,446
Interest and Investment Income	266,041	418,328
Total Revenues	6,489,772	7,360,774
EXPENDITURES		
Current Operating and Capital:		
Natural Resources Damage Assessment and Restoration Projects - State of Alaska, Department of Commerce, Community, and Economic Development	286,590	-
Department of Fish and Game	3,967,423	1,419,642
Department of Natural Resources	5,835,211	5,774,036
Total Current Operating Expenditures	10,089,224	7,193,678
Excess (Deficiency) of Revenues Over Expenditures	(3,599,452)	167,096
Trust Fund Balance, Beginning of Year	12,088,248	11,921,152
Trust Fund Balance, End of Year	\$ 8,488,796	\$ 12,088,248