

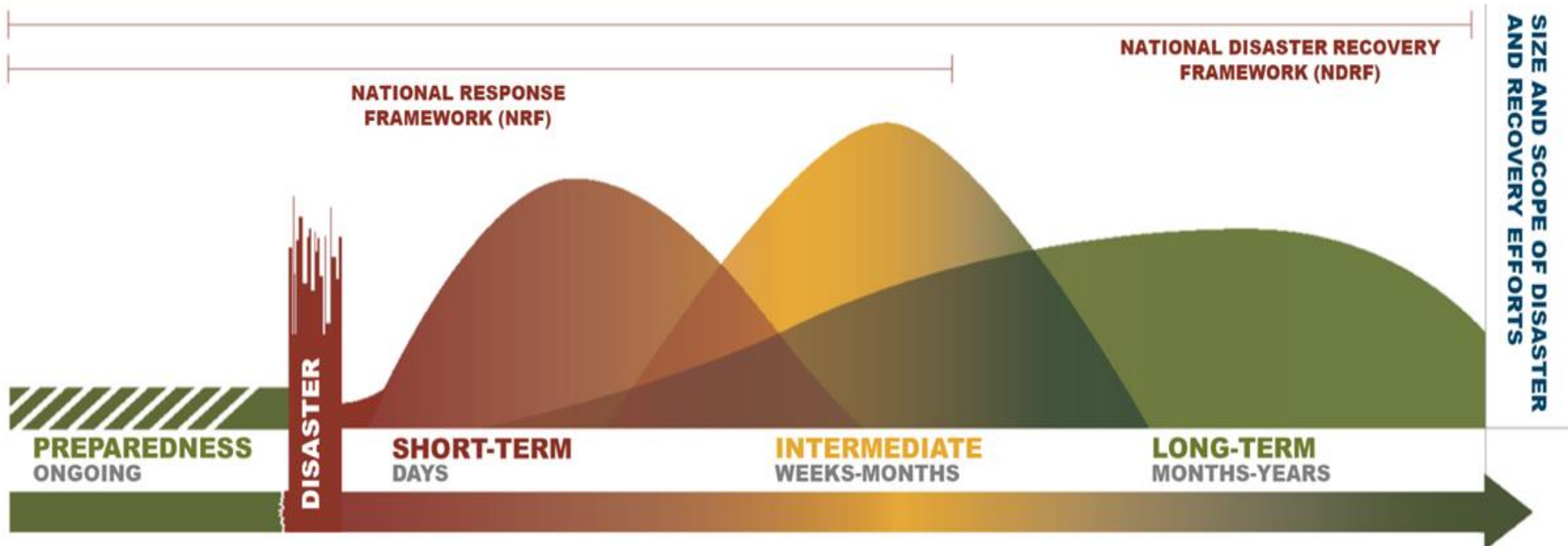
PA Program Phase I

Overview

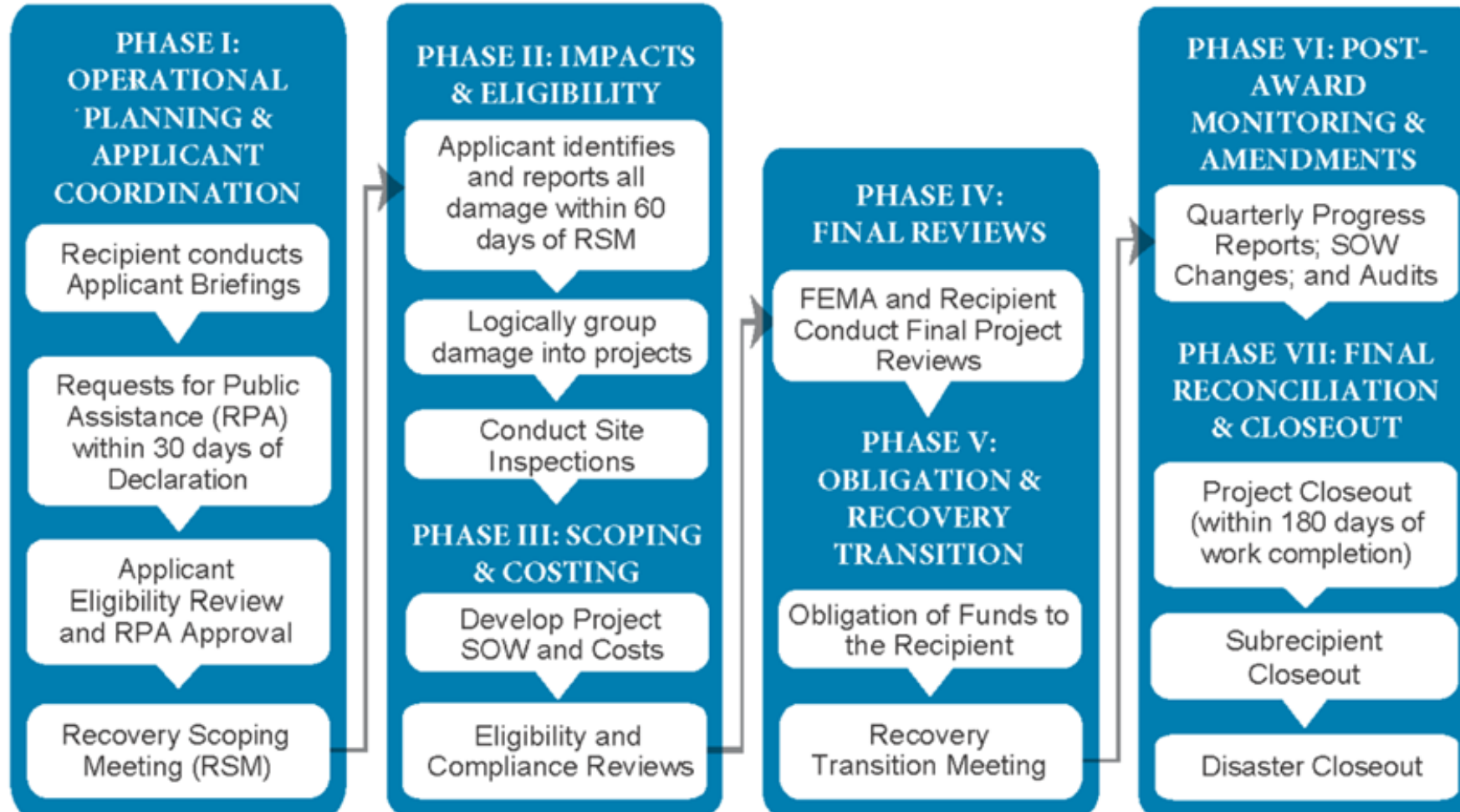
- Overview of Program and its Phases
- Phase I: Operational Planning and Applicant Coordination
- Work Categories
- Documentation and Portals

Disaster Recovery Overview

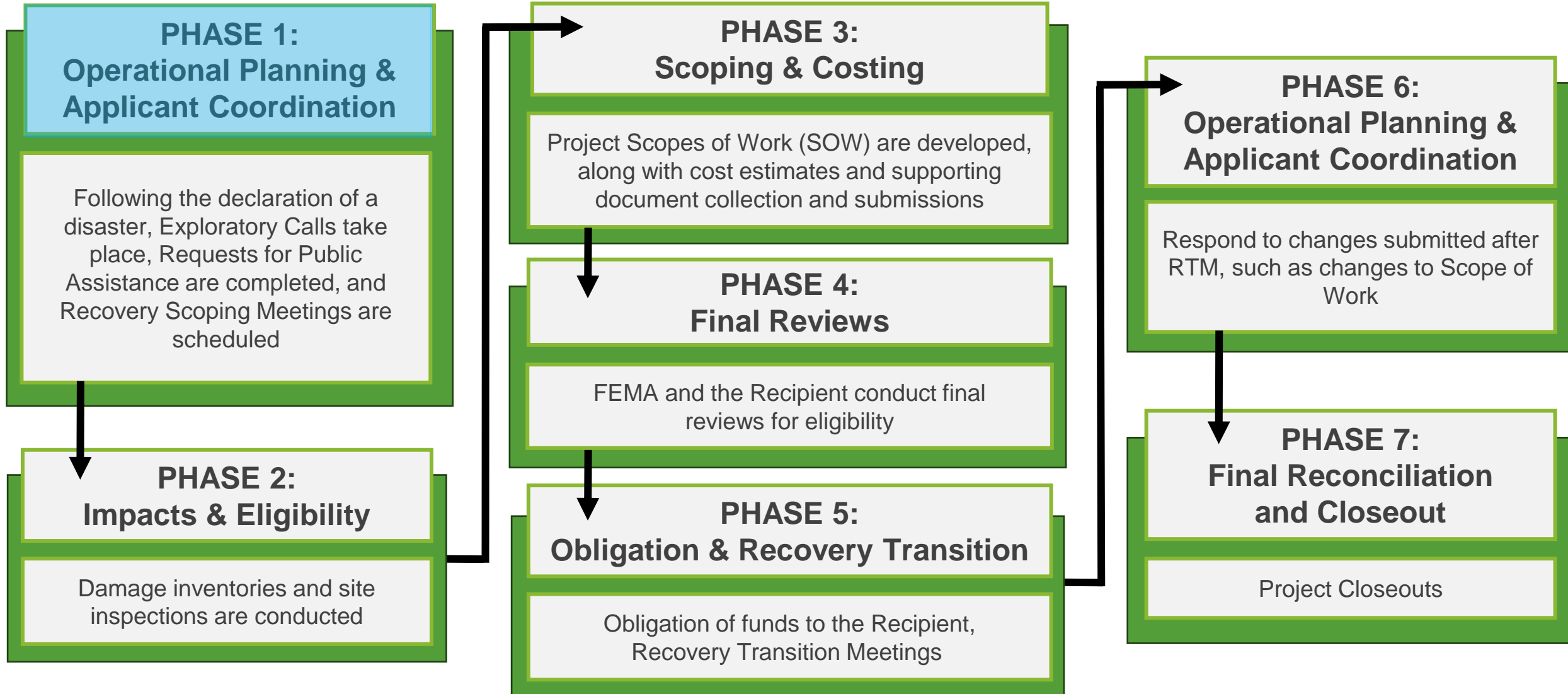
Phases of the NDRF Continuum



Public Assistance Program Delivery Process



Public Assistance Program Delivery Process Phases (Alternate Chart)



Phase I: Operational Planning and Applicant Coordination

Phase I is where Applicant eligibility takes place. Some of the main components to this phase include Requests for Public Assistance, Applicant Briefings, Exploratory Calls, and Recovery Scoping Meetings.



**Request RPA
within 30 days of
Declaration**



**Recipient
conducts
Applicant
Briefings**



**PDMG assigned
and
Exploratory Call
is conducted**



**Recovery
Scoping Meeting
(RSM) is
conducted**

Phase I: Operational Planning and Applicant Coordination



- What categories of work are eligible under the PA program?

Categories of Work (Emergency Work)



Emergency Work

Category A
Debris removal;
Construction/demolition,
Hazardous materials

Category B
Emergency protective
measures; Removal
of health/safety hazards

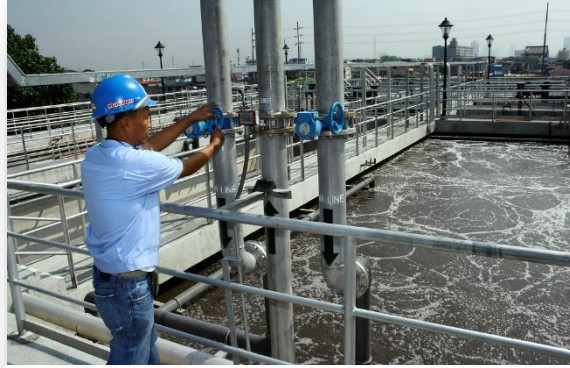
Statutory Timelines

Start Date – Date of Declaration
Debris Removal – 6 Months
Emergency Work – 6 Months
Permanent Work – 18 Months

Categories of Work (Permanent Work)



Category C
Roads and Bridges



Category D
Water Control Facilities



Category E
Public Buildings, Equipment



Category F
Public Utilities



Category G
Parks, Recreational Facilities

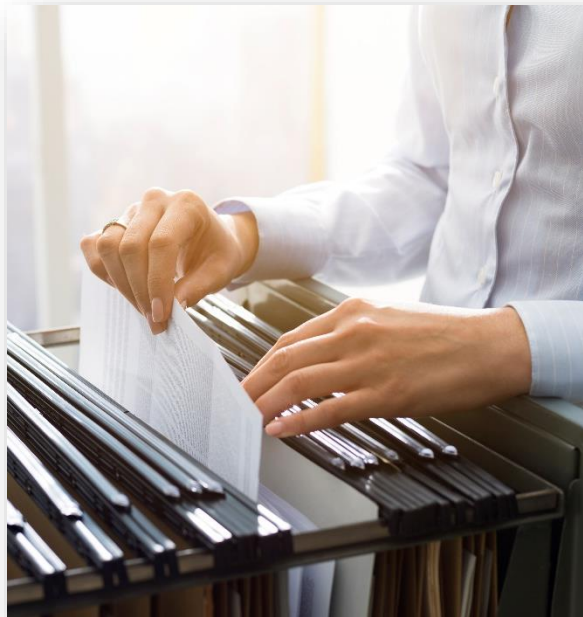


Category Z
Management Costs

Cat Z: Management Costs are incurred from the beginning of a disaster, so ensure you have some mechanism in place to track those costs, so they can be reimbursed at the end of the recovery process!

Documentation Required for Public Assistance

Documentation provided by the Applicant/Subrecipient is essential. Some documents that are required to be submitted include:



- Damage inventory (impact information)
- Site inspection reports (inspections conducted by FEMA)
- Force account labor logs
- EHP questionnaire
- Equipment records/activity
- Insurance policies
- Pre-event maintenance records
- Generator hour records
- Photographs and blueprints
- Material and supply invoices
- Procurement policies
- Payroll policies

Ensure you have a system to back up critical documentation *before* a disaster strikes!

Packaging Documentation

Force Account Labor Package

Timesheets by pay period
Payroll policy
Proof of payroll
Activity logs
Fringe benefits sheet
Miscellaneous documents specific to project type

Force Account Equipment Package

Activity logs
Pre-disaster maintenance records
Equipment inventory/list
Additional equipment documentation
Miscellaneous documents specific to project type

Rentals

Rental invoices
Purchase orders/work orders/procurement
Miscellaneous documents specific to project type

Materials/Supplies

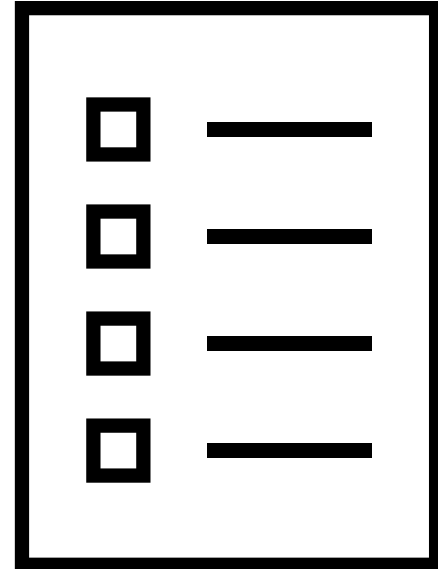
Contract invoices
Purchase orders
Materials from stock/inventory
Historical purchases of materials
Inventory list and usage
Miscellaneous documents specific to project type

Contract Costs

Invoices
Procurement policies
Procurement bids
Requests for quotes
Contract or contract vehicle
Miscellaneous documents specific to project type

Submitting Field Documentation

- FEMA Grants Portal is the location to submit documentation and information about work projects and to track the status of their Public Assistance applications.
- NC EM Grants system is the location to submit documentation for and track reimbursements and Public Assistance deadlines.




FEMA Grants Portal (1 of 2)



- Web-based system where all project application information is submitted. FEMA, Recipients, and Subrecipients use this system to keep all stakeholders informed throughout the Public Assistance process.
- Finance Coordinators (or appointed Applicant Representative) upload all their documentation to FEMA through this portal, in their Organizational Profile.

FEMA Grants Portal (2 of 2)

 This Portal Is for Governments and Non-Profits Use **Only**

Individuals looking for Individual Assistance, please visit disasterassistance.gov for assistance.

Businesses looking for assistance should visit the [Small Business Administration's disaster assistance website](#).

Sign in to Your Account

USERNAME

[Forgot your username?](#)

PASSWORD


[Forgot your password?](#)

SIGN IN

[⊕ Register Your Organization for Public Assistance](#)

NC EM Grants System

emgrants.nc.gov Menu



North Carolina Emergency Management

emgrants.nc.gov tracks Emergency Management grants in North Carolina. The system manages the process from application through closeout.

Returning User Login:

Email:

Password:

Remember Me

[Sign In](#) [Register](#)



Your State Rep is your advocate. Do not sign or agree to anything until you've had a chance to speak to your State Rep! They are there to support you and your community!

NC EM Grants Example (1 of 2)

Any Town

Meghan Hicks logged in as Meghan Hicks

CREATE NEW REQUEST | SUBMIT NEW REIMBURSEMENT REQUEST

Applicant Details

| | |
|------------------------|---|
| UEI: | |
| Account Count: | 2 Accounts Open (View) |
| Project Count: | 3 Projects (View) 3 Obligated - Large (All Open) |
| Progress Report Count: | No Active QRs (View All) |
| Eligible Obligated: | \$900,000.00 |
| Federal Obligated: | \$725,000.00 (80.56%) View Graph |
| State Obligated: | \$0.00 (0.00%) |
| Local Share: | \$175,000.00 (19.44%) |

Apply for a Grant

There are currently 21 Grants open. If you wish to apply, please click the Apply Now button below.

[Apply Now](#)

Resources

- [NC DPS: Public Assistance](#)
- [Contact Us](#)
- [DCM Basic Navigation Training](#)
- [News Archive](#)

This is the main Applicant page.
Accounts are the different disasters that you have been approved for.
Projects are the obligated projects from FEMA.

NC EM Grants Example (2 of 2)

The screenshot displays a web application interface for managing grants. At the top, a navigation bar shows the user 'Meghan Hicks' logged in. Below this, a breadcrumb trail indicates the current location: '4487 COVID-19 (PA) > Any Town > Account for 4487 (PA) - Any Town'. The main header features the project title 'Project - Emergency Protective Measures May-July (L, Cat B)' and a 'Closeout Returned To Applicant' status. A 'Create New Request' button is visible on the left. The main content area is divided into three sections: 'Project Details', 'Grant', and 'Applicant'. The 'Project Details' section provides a comprehensive overview of the project's financial and operational status. The 'Grant' section identifies the grant as '4487 COVID-19 Public Assistance' declared on March 25, 2020. The 'Applicant' section identifies the entity as 'Any Town' with various identification numbers and a physical address in Any Town, NC.

| Project Details | |
|-----------------------|---|
| Est. Completion Date: | October 1, 2020 |
| Title: | Emergency Protective Measures May-July |
| Type: | B - Emergency Protective Measures |
| Eligible Obligated: | \$500,000.00 (L) Expand |
| Federal Obligated: | \$375,000.00 (75.00%) Expand |
| State Obligated: | \$0.00 (0.00%) |
| Local Share: | \$125,000.00 (25.00%) |
| Applied Payments: | \$0.00 |
| Advances Requested: | \$0.00 |
| RFR Summary: | Total Requested: \$0.00 Total Eligible: \$0.00 Total Adjusted: \$0.00 |
| Work Complete %: | 0.00% Progress Report FFY2020 Q4: Jul 2020 - Sep 2020 is 100.00% complete. Project Version 0 is 0.00% complete. |

| Grant | |
|--------------------------|-------------------|
| 4487 COVID-19 | Public Assistance |
| Declared: March 25, 2020 | |

| Applicant | |
|---|--|
| Any Town | |
| County Jurisdiction: Pitt Alamance County | |
| UEI: | |
| FIPS: | |
| FEIN #: 11111111 | |
| Vendor # (Applicant): 1111111111 | |
| DUNS #: 1111111111 Type: Local Government | |
| Physical/Mailing: 123 Main St | |
| Any Town, NC, 12345 | |

This is an example of the information that is provided on the Projects Screen.

Summary

- **There are seven phases in the Public Assistance Program delivery process.**
- **Phase 1, involving applicant coordination and evaluation, begins after declaration for less complex incidents.**
- **A request for public assistance must be submitted within 30 days of declaration.**
- **There are different categories of eligible work, and they are broadly grouped under emergency work and permanent work.**
- **Documentation is vital.**

Discussion of Scenario

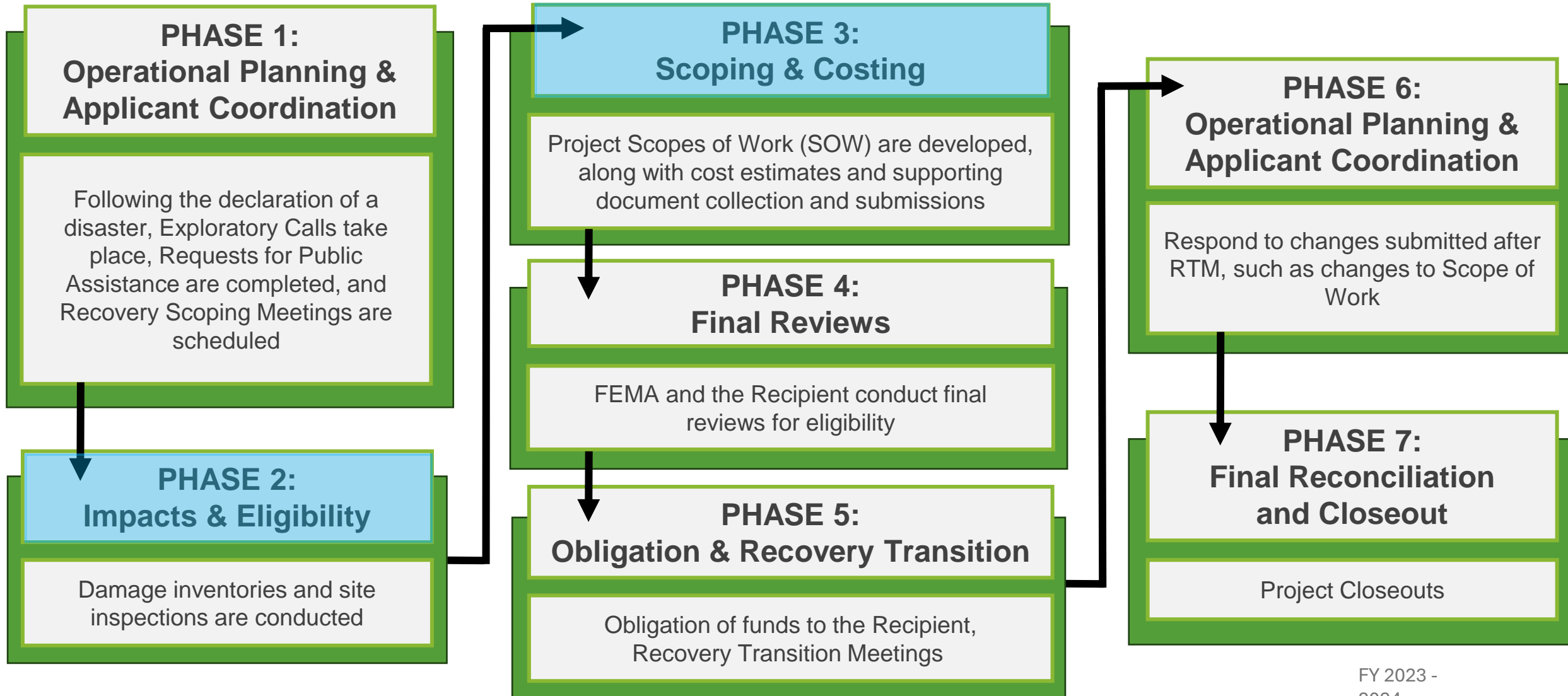
Break

PA Program Phases II and III

Overview

- Phase II: Impacts and Eligibility
- Damage, Descriptions, and Dimensions (DDD)
- Phase III: Scoping and Costing
- Scope of Work, Work Eligibility, Cost Eligibility, and Types of Costs
- Preparing PA Project Claimed Costs
- Mutual Aid / Donations
- Project Types / 406 Hazard Mitigation

PA Program Delivery Process Phases



Phase II: Impacts and Eligibility

Phase II includes logically grouping impacts into projects, conducting site inspections, and developing a Damage Inventory.

- Within 60 days of the RSM, a complete list of impacts must be submitted to FEMA.
- FEMA conducts site inspections to validate and document damages.



Damage Descriptions and Dimensions



FEMA works with the Subrecipient to develop Damage Descriptions and Dimensions (DDD)

FEMA and the Recipient ensure the Subrecipient submits all necessary documentation

FEMA, the Recipient, and the Subrecipient must agree on the DDD before proceeding with Scope of Work development

Phase III: Scoping and Costing



Phase III occurs after FEMA, the Recipient, and Subrecipient come to an agreement on the Damage Inventory.

- The Subrecipient develops a Scope of Work and cost estimate for each project.
- The cost estimate and Scope of Work are reviewed to ensure compliance and eligibility.

Scope of Work

Should Include:

- Who performed, or will perform, the work
- Proposed or completed repairs
- Technical assessments

For Emergency Work:

- Work required to address immediate threats
- Must include descriptive or quantitative information

For Permanent Work:

- How the Applicant plans to repair, or has repaired, damages.
- Includes repair, hazard mitigation dimensions

Ineligible Work:

- Work that is not written into the Scope of Work will not be deemed eligible for reimbursement, or may result in delays to funding

Work Eligibility



- Damaged by the declared disaster
- Physically located in disaster area
- Legal responsibility of Subrecipient



- Must be required to be completed
- Must be located within declared disaster area
- Legal responsibility of Subrecipient



- Must be completed to save lives
- Protects public health and safety
- Eliminates or lessens an immediate threat

Cost Eligibility

Costs are eligible for reimbursement when they are:



Directly tied to eligible work included in the Scope of Work



Adequately documented



Necessary and reasonable

Main Types of Costs

**Force account labor,
equipment**

Rentals

Materials and supplies

Contract work

Cost Summary Workbooks are a collection of expenditure worksheets that track costs. They can be used to develop total claimed costs by helping you keep an organized summary of all work performed/to be performed.

Work Projects and Costs

Emergency Work Projects with Work to be Completed

FEMA may process projects based on estimates

Permanent Work Projects with Work to be Completed

FEMA determines amount of funding based on estimates

Permanent Work Projects with All Work Completed

Subrecipient submits project documentation for funding

Small Projects

FEMA may process projects based on estimates even if all work is completed

When FEMA develops costs estimates for sites with Permanent Work to Be Completed and the total costs meet or exceed the Large Project threshold, the Cost Estimating Format (CEF) is used.

Work Project Estimates

FEMA accepts a Subrecipient-submitted cost estimate if the estimate:



Is prepared by a licensed estimating professional according to industry standards



Includes certification that the estimated cost corresponds to repairs

Is based on unit costs for each component of the Scope of Work



Is based on the current phase of design or construction



Includes actual costs for work completed



When FEMA develops costs estimates for sites with Permanent Work to Be Completed and the total costs meet or exceed the Large Project threshold, the Cost Estimating Format (CEF) is used.

Work Project Estimate Preparation and Strategy



Estimates may not be easy to create based on the damage from the disaster

Subrecipients can use their own template formats for documentation

FEMA requires good methodology to validate or support estimates

Mutual Aid

Resources provided by another jurisdiction following a disaster. Reimbursement practices can be determined by:



Requesting Entities



Providing Entities

Note: Not relevant in North Carolina.

Eligible Donated Resources



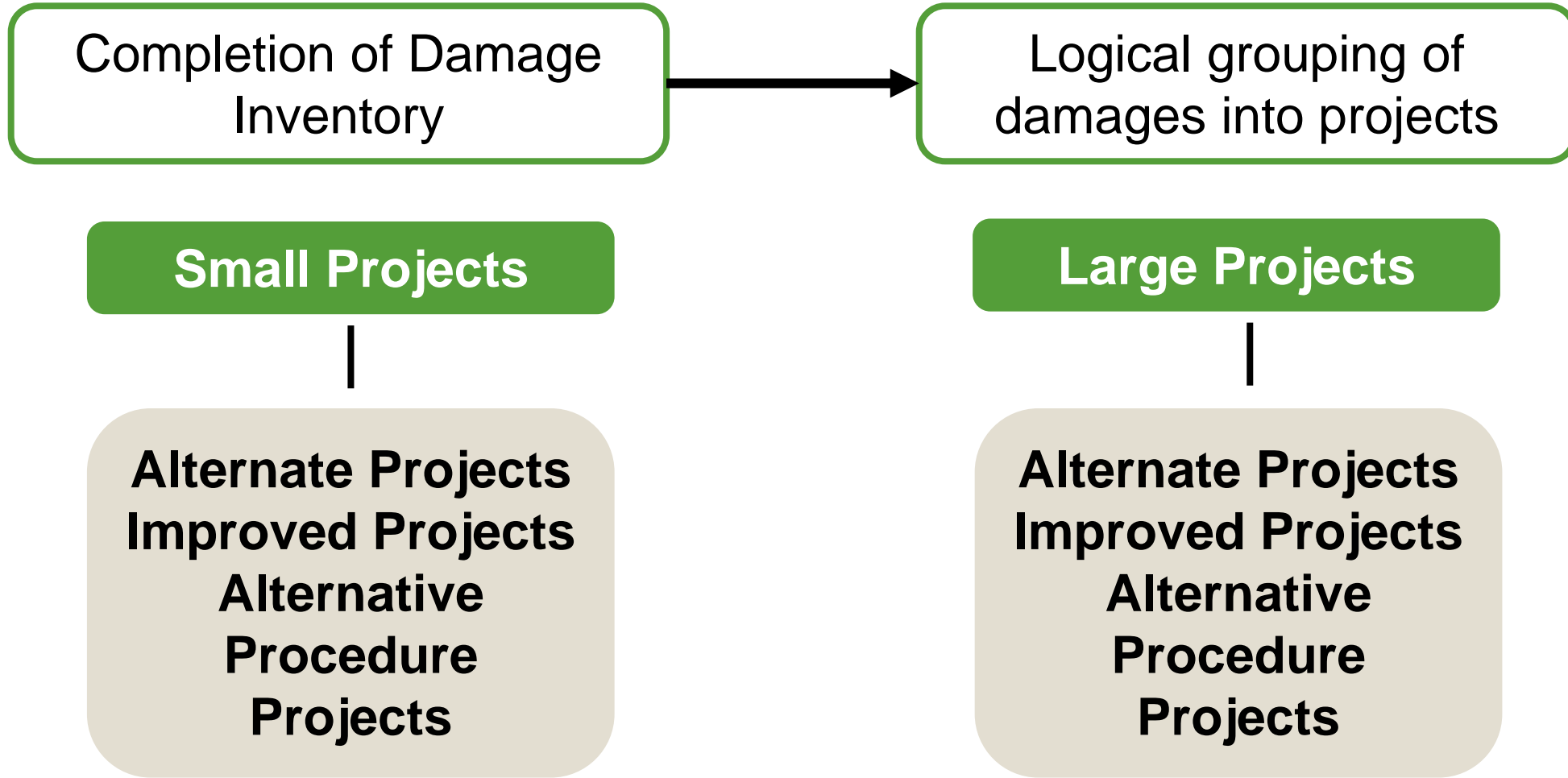
Value of donated resources can be used to offset the non-federal cost share of projects

Eligible donated resources: equipment, materials, food, volunteer labor (only recognized by FEMA)

Ineligible donated resources: from a federal source, used for ineligible work, used as an offset to another award

More information can be found on FEMA's *Donated Resources Fact Sheet*

Project Types



Completion of Damage Inventory

Logical grouping of damages into projects

Small Projects

Large Projects

**Alternate Projects
Improved Projects
Alternative Procedure
Projects**

**Alternate Projects
Improved Projects
Alternative Procedure
Projects**

Small and Large Projects

Small Projects

- ~~Projects costing less than \$1,000,000~~
- The small project cap was adjusted to \$1,037,000 effective October 1, 2023

Large Projects

- ~~Projects greater than \$1,000,000~~
- FEMA must notify congress of any obligations greater than \$1 Million before delivering an award
- Projects over \$1,037,000 and started on or after October 1, 2023

Other Project Types

**Alternate
Projects**

**Improved
Projects**

**Alternative
Procedure
Projects**

**Replacement
Projects**

Facilities are repairable when:

- Repairs to facility are feasible to restore to pre-disaster function
- Repair cost does not exceed 50% of the replacement cost

The 50% Rule

The 50% Rule helps decide whether to repair or replace a facility. Calculated by:

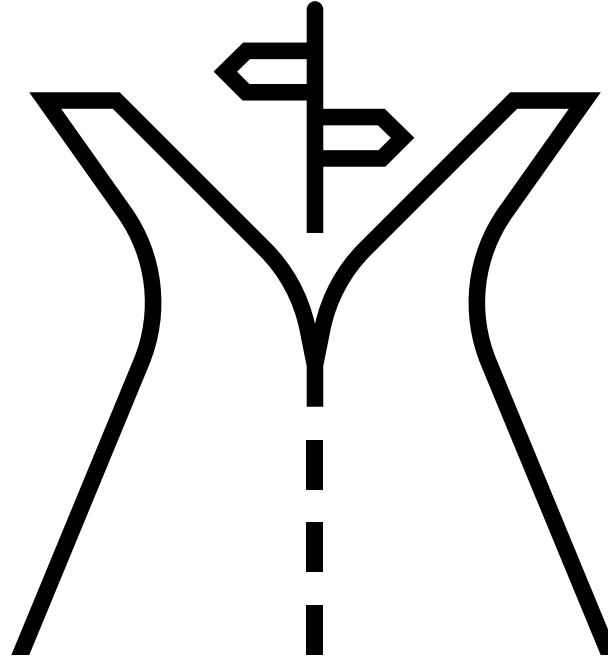
**Cost of repairs for
disaster-related damages**

**Cost of replacing a facility
based on pre-disaster
design and function**

Standard Lane and Completed Lane Projects

**Standard Lane
Projects do not need
100% of work
completed.**

**Can have both
estimated and
completed costs.**



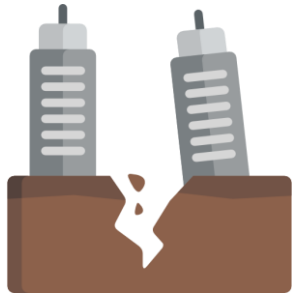
**Completed Lane
Projects need 100%
of work completed.**

**Must have all costs
submitted.**

Processing lanes help expedite project processing.

Hazard Mitigation Programs

Hazard Mitigation: Actions taken to reduce or eliminate long-term risk of natural hazards and their effects



Mitigation measures deemed ineligible as Public Assistance may qualify for Hazard Mitigation Grant Program (HMGP) funding

406 Hazard Mitigation Program

**For eligible repair
within a declared
area post-disaster**

**Funds mitigation
measures to reduce
or prevent similar
disaster damages**

**Funded under the
Public Assistance
program**



Summary

- **Phase 2 and 3 cover tasks necessary before final review by FEMA.**
- **Phase 2 requires information about impacts to be submitted within 60 days of the recovery scope meeting.**
- **Documentation for damage must be thorough and include essential information including, but not limited to, affected facility component, location, component description, damage description, dimensions, and work completion status.**
- **After an agreement is reached on the damage inventory (DI), Phase 3 begins, and a scope of work and cost estimate are created for each project.**
- **There are a variety of project types.**
- **Small projects and large projects are determined by a cost threshold.**

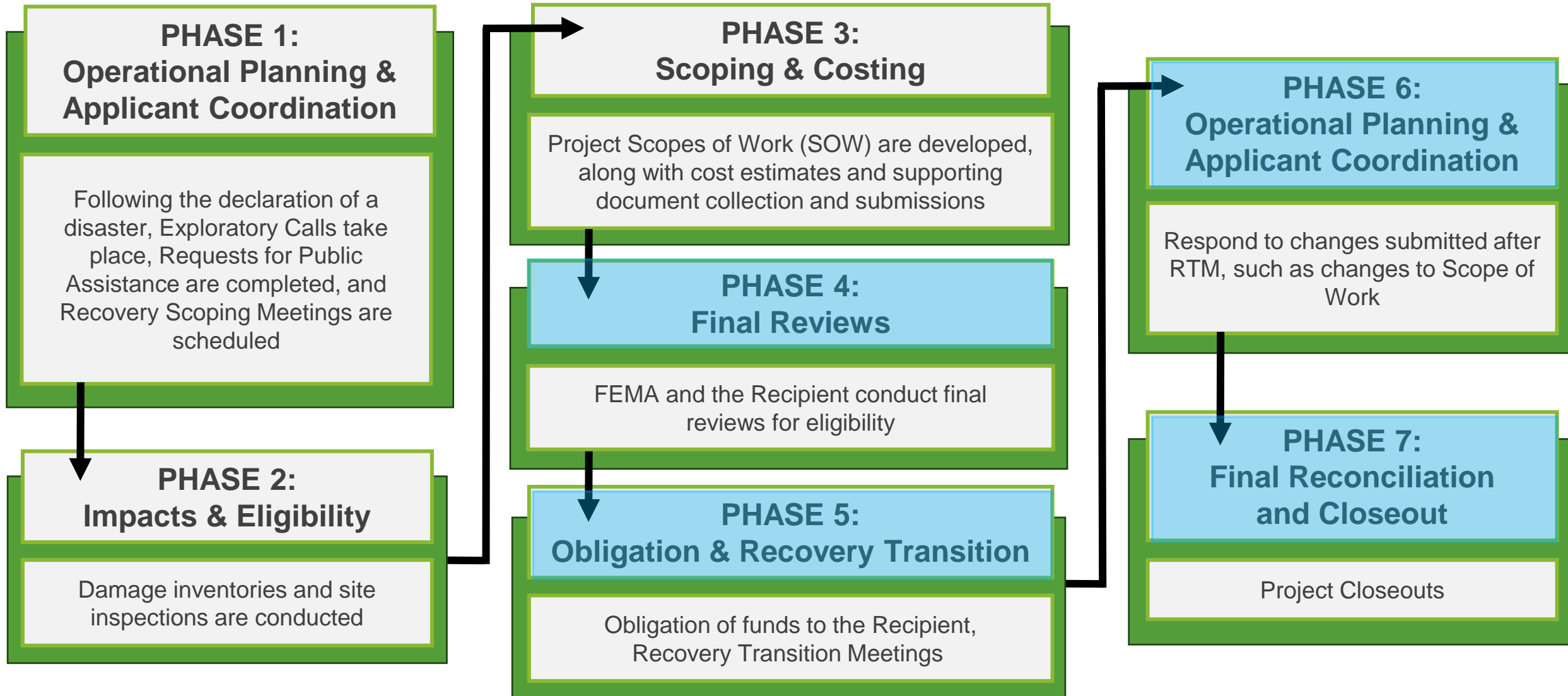
Discussion of Scenario

Program Phases IV-VII

Overview

- Phase IV: Final Reviews
- Phase V: Obligation and Recovery Transition
- Phase VI: Project Monitoring and Amendments
- Phase VII: Final Reconciliation and Closeout
- Insurance Requirements

PA Program Delivery Process Phases



Phase IV: Final Reviews

Phase IV is where FEMA and the Recipient conduct their final project reviews.

- During the Recipient review, project applications are reviewed to ensure the Subrecipient has properly addressed cost and repairs for all projects.
- Once the Recipient conducts its review, FEMA performs the final review.



Phase V: Obligation and Recovery Transition

Phase V is when project obligation and Recovery Transition Meetings take place.

Funds are obligated by FEMA following final reviews.



Recovery Transition Meetings are scheduled by the PDMG.

Attended by the Recipient, Subrecipient, and FEMA.

During the Recovery Transition Meeting, processes are discussed.

Primary POC transitioned to Recipient.

Phase VI: Project Monitoring and Amendments

Phase VI is where post-award changes and monitoring are done. Projects are monitored and changes requested if needed.



Post-Award
Changes



Extending
Completion
Deadline



Audits
and Auditing
Organizations



Audit
Required
By Law

Phase VII: Final Reconciliation and Closeout

Phase VII is the last phase, where Final Reconciliations and Closeout of projects take place.

Project closeout begins when the Subrecipient certifies all work is completed and informs the Recipient.

Once all projects are closed, FEMA closes out the Subrecipient.

Following closure of the Subrecipient, the Recipient closes out the award.

Project Reconciliation and Closeout

Reconciliation takes place when FEMA and the Recipient ensure that all administrative actions related to the PA Program are complete and all program funds related to the disaster have been reconciled.

To initiate closeout, the Subrecipient notifies the Recipient that projects are complete.



**CASE
CLOSED**

Closeout for Small Projects



Small Projects (projects less than \$1,037,000) are closed out as a group.



Prior to closing out Small Projects, ensure approved Scopes of Work are completed.



FEMA may adjust amount on Small Projects if approved work is not complete or contains errors.



Submit Small Project Completion Certification (P4) within 90 days of the completion of the last project.

Adjusting Funding for Small Projects



- FEMA only adjusts the approved amount on individual Small Projects in certain circumstances and only specific cost items that are affected by those conditions will be adjusted.
- When needed, the Subrecipient must request additional funding through a Net Small Project Overrun (NSPO) appeal process within 60 days of completion of the last Small Project.

Closeout for Large Projects



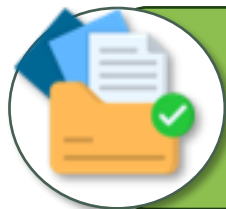
Large Projects (projects over \$1,037,000) are closed out individually, as completed.



Submit completion certification for each project within 90 days of the completion date or deadline.



Final eligible amount for a Large Project is the documented cost of the approved Scope of Work.



Closeout packages documentation allows FEMA to validate work performance and associate cost.

Permanent Work Project Closeout: Alternative Procedures

Work for Alternative Procedures Projects must be completed by the end of the latest performance period.



All work must abide by FEMA's guidelines and costs must be within approved Scope of Work.



A completion certification must be submitted within 180 days including all applicable documentation.



Federal vs State Project Closeout Procedures



- Once the Subrecipient validates that all projects are completed, the Recipient will work with FEMA to close out the Subrecipient.
- The Subrecipient should notify the Recipient immediately as it completes each Large Project and when it has completed its last Small Project.

Project Closeout vs. Disaster Closeout

- Each project gets closed out separately (with the exception of grouping Small Projects). Disaster Closeout is done at the state level and is the final closeout of the DR between FEMA and the state after all projects have been completed.

Applicants have 90 days after work is completed to submit all documentation!

Insurance Requirements

Subrecipients must obtain and maintain insurance to protect the facility against future disaster hazards.



The Subrecipient must insure facilities with reasonably adequate insurance.



Insurance not required on facilities with \$5,000 or less in eligible costs (prior to any reductions).



No greater insurance required than is reasonably available, adequate, or necessary.

NC State-Specific Insurance

Two state-specific plans were created to provide an adequate market for essential property insurance, defined by the NC General Statutes as the “Market of Last Resort.” It is highly recommended that property owners attempt to obtain insurance in the standard market.

North Carolina Joint Underwriting Association (NCJUA) offers:

Fair Access to Insurance Requirements (FAIR PLAN)

North Carolina Insurance Underwriting Association (NCIUA) offers:

Coastal Property Insurance Pool (CPIP)

These are not facilities of NC state government, but their Plans of Operation are subject to review and approval by the North Carolina Commissioner of Insurance.

NCJUA - Fair Access to Insurance Requirements (FAIR PLAN)

- Insurance products offered: Commercial and Dwelling Fire
 - All Territories except for Beach Area*
 - Coverage includes windstorm, fire, lightning, vandalism, and malicious mischief.
- Max commercial combined limit is \$2.5 million; capped at a \$6 million aggregate depending on fire wall divisions of the structure insured.
- If the coverage required exceeds the maximum building limit of the FAIR Plan, then excess coverage must be purchased to the full value of the property prior to the FAIR Plan providing the primary coverage.

More info: https://www.ncjua-nciua.org/html/svcs_cov.htm and 800-662-7048

*Defined as the areas south and east of the inland waterway including the Outer Banks

NCIUA - Coastal Property Insurance Pool (CPIP)

- Insurance products offered:
 - Commercial and Dwelling Fire (Beach Territories only)
 - Commercial and Dwelling Windstorm and Hail (Beach and Coastal Territories)
 - Crime (Beach Territories only)
- Coverage includes windstorm, fire, lightning, vandalism, and malicious mischief.
- Eligibility for a Windstorm and Hail policy requires an active primary coverage policy provided by an admitted carrier in NC that has excluded windstorm. CPIP then provides the remaining coverage.
- Max commercial combined limit is \$3 million; capped at a \$6 million aggregate depending on fire wall divisions of the structure insured.
- If the coverage required exceeds the maximum building limit of the CPIP, then excess coverage above the limit provided must be purchased to the full value of the property prior to the issuance of a primary policy by CPIP.

More info: https://www.ncjua-nciua.org/html/svcs_cov.htm and 800-662-7048

Duplication of Benefits



- FEMA is legally prohibited from duplicating benefits from other sources.
- FEMA requires the Subrecipient to pursue claims to recover insurance proceeds that it is entitled to receive from its insurers.
- If the Subrecipient receives funding from another source for the same work that FEMA funded, FEMA reduces the eligible cost or de-obligates funding to prevent a duplication of benefits.

FEMA should be treated as a last resort for funds!

Insurance Proceeds

To prevent duplicate PA funding, FEMA reduces eligible costs by the amount of actual or anticipated insurance proceeds.



IF

Subrecipient receives insurance proceeds for ineligible losses

Subrecipient expends costs to pursue its insurance claim

Maintaining Insurance

- If required insurance is not maintained from a previous disaster, the facility is ineligible for PA funding in a subsequent disaster.
- When the Subrecipient receives PA funding for a facility damaged by the same hazard in a subsequent disaster, FEMA reduces funding by the amount of insurance required from the previous disaster.
- When may the Subrecipient request FEMA modify the insurance requirement?
 - The required insurance is not readily available
 - An alternative to the insurance requirements provides adequate protection
 - The required insurance is not necessary to protect against future loss



National Flood Insurance Program

- Communities' requirements for National Flood Insurance Program participation
- Ordinance requirements for buildings to be elevated or floodproofed at or above base flood elevation (BFE)
- Work required for compliance is eligible for PA Funding if it meets eligibility criteria
- Cost to repair a facility and eligible cost caps for replacement
- More information is available at:
<https://flood.nc.gov/ncflood/ncfip.html>

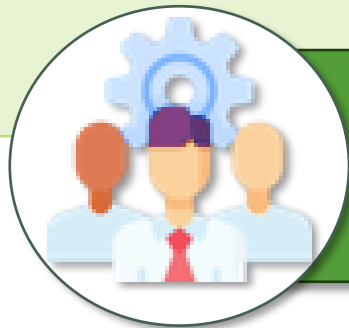
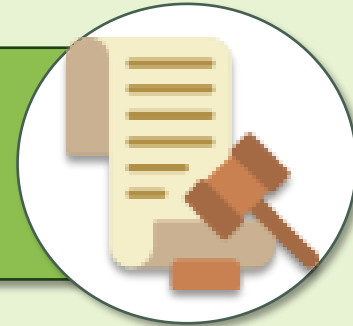


Insurance Risks



Being Underinsured

Litigation



Insurance Companies

Summary

- **Final review is performed in Phase 4, and funds are obligated starting in Phase 5.**
- **Scope and cost amendments and time extensions can be requested in Phase 6. They must be reasonable.**
- **Phase 7, for a subrecipient, starts when the subrecipient certifies all work is complete and ends when FEMA approves.**
- **Be mindful of insurance requirements.**
- **Any PA project can be audited.**

Discussion of Scenario

Discussion of Best Practices / Lessons Learned from Past Events

Closing Remarks