



# **Disaster Management Guide**

July 2023



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## I. Introduction

This disaster management guide provides general directions specific to disaster preparedness, recovery, and overall administration in the event of a disaster impacting a Texas State University System component. It includes guidance and useful tools available to each component for implementation through pre-disaster, post-disaster, and overall project administration phases of an event. This document is only meant to be a reference to assist in providing an understanding of the process and proactively preparing for an insurance property claim and/or reimbursements from the **Federal Emergency Management Agency (FEMA)**, and/or other grant programs. The procedures described in this guide were derived directly from insurance industry guidelines, OMB Super Circular **2 Code of Federal Regulations (2 CFR)** which superseded 44 CFR, as well as policies established for disaster management and Federal grants. Specifically, the FEMA **Public Assistance Program and Policy Guide (PAPPG)**.

Whenever possible, always consult, communicate, and coordinate activities with your designated insurance, FEMA, State and System Representatives.

**Disaster Preparedness:** Existence of pre-disaster procedures can help each individual component be prepared for a disaster before it strikes. Examples of pre-disaster steps that each component can undertake include management organization and leadership undertaking, conducting a risk assessment, developing a Disaster Management Plan, and adopting and implementing the plan. Managing a catastrophic event successfully requires advance planning and coordination by developing protocols on a pre-loss basis, as opposed to reacting after the loss. With the goal of returning to normal operations as quickly as possible and being fully indemnified in the process, having a defined team and plan in place will facilitate the recovery and claim processes and allow each to operate more efficiently and effectively.

**Recovery:** Reimbursement/financial assistance for all events, large or small, **always begins with insurance**. A large property claim has the potential to financially threaten the components' existence and cause long term adverse effects. A key consideration in maximizing insurance recoveries after a disaster is claims management by the insured and claim consulting/advocacy services provided by the broker/agent. For any uninsured/underinsured disaster-related damages and the corresponding recovery steps taken by any component, the TSUS components can request certain expenses to be reimbursed through the **FEMA Public Assistance (PA) program** in the event of a Presidential-declared disaster for the County for which the affected component resides. However, to request any expense reimbursements from FEMA, the component needs to be compliant with certain requirements for it to be eligible to receive federal monetary assistance. It is critical that the System and all components are aware of these eligibility requirements by FEMA, and other grant funding agencies, and always comply. The requirements may fall into effect even before the disaster strikes and extend years after the work

is completed (as required by the record retention policies). Reimbursement from FEMA and other grant programs will be covered in more detail in the Post Disaster – Source of Funding section on page 10 below.

**Post-disaster and ongoing administration:** In the initial hours after a loss, management will be focused on returning to normal operations and mitigating their damages. Decisions will be made that can dramatically impact operations and the outcome of the property claim submitted to insurers and grants agencies. The administrative work related to disasters is almost unavoidable, especially for instances when the component seeks funding resources from insurance or the federal government. Examples of administrative work may include activities related to project management, monitoring of recovery projects and issuing quarterly progress reports. Each component requesting funds should be aware of these requirements to ensure smooth recovery of disaster expenses from all sources.

## II. Pre-Disaster

### A. Overview

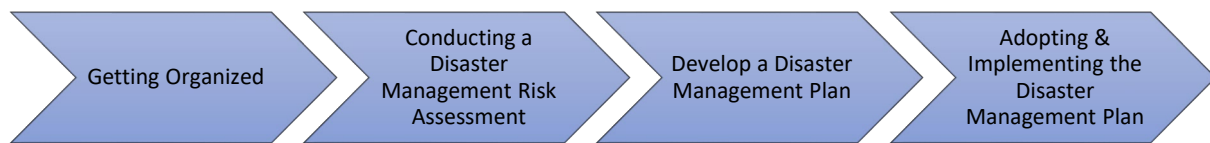
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Pre-disaster procedures prepare the institution in the event that an emergency event or disaster occurs. These procedures can be subdivided into four phases, which provide an organizing framework for the development of a Disaster Management Plan. The phases are:

- Getting Organized,
- Conducting a Disaster Management Risk Assessment,
- Developing a Disaster Management Plan,
- Adopting and implementing the Disaster Management Plan.

### B. Procedure

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#### **1. Getting Organized**

The first, and key, step before creating any disaster management procedures is to build support by obtaining leadership commitment for emergency management work. Each component should create a Disaster Management Team (DMT) comprised of key personnel representing the various administrative and academic functions of the TSUS component.

#### **2. Disaster Management Risk Assessment**

The next step involves conducting a detailed disaster-related Disaster Management Risk Assessment for each component. The purpose of this exercise is to assess the various disasters that could impact the institution, the potential consequences of a disaster impacting the institution's ability to actively respond to the disaster, and identification of mitigation strategies that could assist the institution in actively preparing for any identified potential disaster. Based on the results of the risk assessment each component should identify actions that can be taken to prevent, mitigate or prepare for disasters.

### **3. Develop a Disaster Management Plan**

The next step involves creating a detailed Disaster Management Plan. The plan should address risks and vulnerabilities identified by conducting the risk assessment. The plan should also incorporate vital administrative functions, identification of key personnel in the event of a disaster, their responsibilities, functional responsibilities etc.

Some key points to note in the creation of the plan are:

- ✓ A “Key Personnel Listing” should be created and distributed to each member of the DMT and System Office.
- ✓ A “Key Contacts Listing” with contact information for System Administration personnel, Federal, State, and Local emergency management contacts should be created and distributed to each member of the DMT.
- ✓ Create an adjustment team consisting of Risk Manager/Insurance Coordinator, Account Adjuster, and Broker/Agent outlining their responsibilities.
- ✓ Set up protocol for reporting a claim to the appropriate parties and Broker/Agent.
- ✓ A calling hierarchy should be created and incorporated as a part of the plan.
- ✓ Pre-disaster, once evacuated, all key members should communicate their location and verify contact information with a central key member.
- ✓ A plan with well-defined teams, members, and their responsibilities (such as Response Team, Damage Assessment Team) should be created.
- ✓ A plan for securing key finance and administration documents at a remote location should be in place.
- ✓ Detailed plan for evacuation of Students by component administration in the event of an emergency event.
- ✓ Prior to disaster perform an inventory of critical records to confirm the same upon return.
- ✓ Cross-training should be provided to prevent transitioning issues/challenges.
- ✓ Each component should have policies and procedures to ensure contracted parties are licensed and not debarred by either the Federal government or the State of Texas. Such policies should be enforced at all times.

Key responsibilities that should be considered for inclusion in the Disaster Management Plan are listed below:

#### **❖ Facilities**

- ✓ Assess ability of vendors to deliver goods and services to the alternate location.
- ✓ Ensure availability of backup power sources at the site and at the alternate location.
- ✓ Create a vendor listing (for both materials and labor) of alternate vendors to be used in the event of a disaster.
- ✓ Establish agreements of payment, functioning and rates of labor and equipment if required in the event of a disaster with vendors.

- ✓ Create a process and delegate appropriate authority for recording/approving disaster recovery work (completing timesheets, approving timesheets, monitoring day to day work).
- ✓ Ensure the TSUS components asset listing is either stored in a cloud or on a server at an alternate location.

#### ❖ **Planning & Construction**

- ✓ Ensure availability of an alternate location to operate in the event of a disaster.

#### ❖ **Information Technology**

- ✓ Perform backups of all critical application data.
- ✓ Perform periodic tests of backup restores prior to a disaster occurring.

#### ❖ **Human Resources**

- ✓ Review and update payment policies regularly for employees, as well as, for the possible hiring of temporary workers in the event of a disaster.
- ✓ Work together with payroll to establish time recording criteria and benefits allocation.

#### ❖ **Finance**

##### • **General**

- ✓ Create a Delegation of Authority (DOA) identifying key personnel and responsibilities that shall be followed during the recovery phase in the event of a disaster.
- ✓ Set up a cost code or separate general ledger account that captures all costs relative to the damages and recovery efforts. Costs that should be tracked and discussed with the Account Adjuster & Broker/Agent include:
  - Emergency Services and Temporary Repairs
  - Costs for permanent repairs or replacement
- ✓ Interact with State, Federal and Insurance agencies and obtain guidance on steps to be followed because of a disaster.
- ✓ Ensure emergency funds are available for recovery operations.
- ✓ Evaluate alternatives to hiring temporary workers to assist in disaster recovery administrative work. Establish methods to record time and expenses incurred by temporary workers.

- **Procurement**

- ✓ Secure copies of Purchase Orders (PO) in a cloud or on a server at offsite location.
- ✓ Analyze Texas State University System (TSUS) System/Component procurement requirements and follow the most stringent rules in the event of a disaster.
- ✓ Contact FEMA and State disaster assistance representatives to understand the procurement requirements in the event of a Presidentially declared disaster. Both FEMA and the State (TDEM) host webinars for applicants identifying common misconceptions and mistakes regarding the procurement of vendors. **Please see [Appendix E](#) for some common procurement mistakes that can lead to audits or potential loss of FEMA funding.**

- **Accounts Payable**

- ✓ Evaluate Financial Aid schedule and impact of disaster on the schedule.
- ✓ Analyze the conditions under which (and procedures for) giving students partial refunds for lodging and meals during evacuation period as well as full tuition/fee refunds in case of inability to return to school because of damage to home.
- ✓ Secure an emergency supply of pre-numbered blank checks at an off-site location/make alternative arrangements to ensure that the institution can make payments for obligations incurred.
- ✓ Analyze and establish a format to record disaster-related payments so that they can be identified in the system.
- ✓ Establish procedures to perform periodic reconciliations between funds received and expenses incurred for disaster recovery.
- ✓ Ensure the Accounts Payable register is either stored in a cloud or on a server at an alternate location.

- **Accounts Receivable**

- ✓ Ensure the Accounts Receivable register is either stored in a cloud or on a server at an alternate location.
- ✓ Analyze and establish a format to record disaster-related payments so that they can be identified in the system.
- ✓ Establish procedures to perform periodic reconciliations between funds received and expenses incurred for disaster recovery.

- **Payroll**

- ✓ Analyze the payroll schedule and determine the impact disaster-downtime will have on the ability to process and distribute payrolls.
- ✓ Complete ICS 214 Activity Logs daily. See [Appendix B](#) for a link to the ICS 214 Activity Log form.
- ✓ Ensure the TSUS Component payroll register is either stored in a cloud or on a server at an alternate location.



#### **4. Adopt & Implement Emergency Management Plan**

The final step in pre-disaster preparations includes submitting the draft plan for review and approval to component leadership. Once approved, the plan should be communicated and distributed to all involved parties. The Hurricane Annex should be reviewed yearly. In addition, the Emergency Management plan should be reviewed at least once every two years and updated as required. The plan should be tested and practiced in training sessions and exercises. Results of the tests should be evaluated, and the plan updated as required. Given that most disasters that have impacted TSUS institutions have been hurricane-related events, it is recommended that at the beginning of each hurricane season, consider backing up documents and forms for off-site storage for use in the event that the institution becomes inaccessible. See [Appendix D](#) for a checklist of documents (Disaster Preparation Checklist) to be reviewed and other steps to be taken prior to the occurrence of a disaster.

### III. Post – Disaster (Sources of Funding)

## *A. Overview*

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Following a loss event, TSUS components may be eligible to pursue reimbursement from various sources of funding including insurance, FEMA Public Assistance, and other sources of grant funding. In this section, the guide will cover some common sources of financial assistance that the system may be eligible for post-disaster. In addition, it will highlight some things to consider when pursuing funding through these various sources as well as ways to mitigate the possibility of receiving **duplication of benefits**, or being paid twice for the same expense, for which these monies would need to be returned.

## *B. Insurance*

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As mentioned above, reimbursement assistance for all events, large or small, **always begins with reviewing the insurance policy for coverage of items**. In this section, immediate actions will be discussed following any loss event; as well as the necessary steps to file an insurance claim.

### **Immediate Actions:**

- Secure the site and restore protection where applicable to protect the property from further damage. (The insurance policy requires action to protect your property from additional damage. However, because some emergency measures are impacted by FEMA requirements, you should ALWAYS consult with FEMA, State, System, and insurance representatives prior to finalizing arrangements.)
- Report the loss to appropriate parties according to the pre-designated protocol.
- Take immediate action to mitigate losses by making temporary repairs, separating/salvaging undamaged stock/inventory, and developing a plan to resume operations. Whenever possible, you should obtain clearance from the FEMA Representatives and the Account adjuster before proceeding with temporary measures. When in doubt, do what you would do if you did not have any insurance.

### **Insurance Claim Steps:**

TSUS components filing property insurance claims should follow TSUS insurance claim filing guidance. The following information can help filers ensure a complete and accurate property insurance claim. Constant and open communication is the most important factor when handling a large, complex, or sensitive property claim. The insured, insurer, account adjuster, and broker/agent need to work together during the adjustment on the following items:

- Meet with the Adjustment Team to discuss the estimated scope of damage, method of repairs and define plans to resume operations.
- Advise and assist in coordinating inspections among all parties. It is important to coordinate and accompany the Account Adjuster during inspections to understand how he/she is evaluating the damages. This will allow the insured and broker/agent's claim consultant to understand potential claim positions and posturing during settlement negotiations. It is also important to maintain situational awareness of claims-related information and documentation and to ensure that any requests are made within the agreed upon measures and understood by all parties.
- Implement agreed upon "post-loss" claims procedures. To expedite the claim process, it is important to make sure all parties understand their roles and responsibilities and how information/documentation will be distributed.
- Developing an agreed method of measuring and documenting all aspects of the claim. During the initial meetings, an agreement should be reached regarding how the loss will be measured and what documents will be required to support the claim. It is also beneficial to agree on a preliminary scope or extent of damage. This allows the account adjuster a level of confidence and awareness of what will be claimed, and it allows the insured a specific understanding of what will be required to support that claim. Also, all parties involved should reach agreement on how updates to preliminary changes in scope will be communicated and documented, in the event that initial assessments are changed following the damage assessment process.
- Secure partial payments (if necessary). On larger losses the adjustment process can extend over months or years. In cases like these, it is likely that partial payments will be required. It is important to understand the need for funding and agree to a schedule based on pre-determined benchmarks. To achieve this level of control, you must maintain a current and detailed accounting of the loss and documentation to support costs incurred and/or committed to. The use of purchase orders is an acceptable proof of commitment.
- Assist in the preparation and submission of the claim to the insurer. Use the Broker/Agent's claim consultant in reviewing the claim documentation and in developing the claim presentation for submission to the insurer. The submission will be completed after contemplating all policy coverages, in an effort to maximize the recovery. Again, filers should comply with all TSUS claim filing guidance.
- Review and explain any potential coverage limitations. Look to the Broker/Agent to review any potential coverage limitations that may apply to the loss to determine if they are being applied in accordance with the policy by the Adjuster. The Broker/Agent's claim consultant can advocate on your behalf if there is any differing of coverage interpretation.

## **Components of the Claim:**

A claim is normally divided into distinct sections that correspond to policy coverage. A typical claim is broken down into two categories: Property Damage and Time Element Losses.

- **Property Damage**

Most policies are written on a replacement cost basis. This means that if the damaged/destroyed property is replaced or repaired, the insured will be reimbursed for that repair/replacement cost incurred. This assumes that the repairs or replacement are in line with the scope of damage agreed to with the insurance company and the replacement property is of like, kind and quality of the damaged property. Costs that require tracking including Protection/preservation costs, temporary repairs, permanent repairs/replacement, extraordinary and expediting expenses. The normal elements of a property damage claim are as follows:

- Real Property, such as buildings or leasehold improvements (excluding land),
- Furniture, fixtures, and equipment,
- Technology and communications equipment,
- Inventory, stock, work in progress and finished goods,
- Valuable papers and records, including historical archives, artwork, and research efforts/assets.

- **Time Element Losses**

The objective of time element coverage is to put the insured back into a financial position as if no loss had occurred (subject to policy limitations). This element of the claim is normally the most complicated and broken into two groups: Business interruption/Loss of income and Extra Expenses to reduce the loss or maintain operations during the restoration period. The overall time element claim is defined within the “period of interruption”, which is normally tied or directly related to the reasonable time to address direct physical property damages sustained by the insured. There are, however, various types of optional coverage that provide protection when no direct physical damage is sustained by the insured. This type of coverage includes contingent business income coverage, ingress/egress coverage, denial of access, etc. This coverage will be specifically outlined in the policy.

## C. *FEMA Public Assistance*

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FEMA Public Assistance may be available to TSUS or its components following a major catastrophic event **only when a Presidentially Declared Disaster is declared for the State of Texas**. This section will provide an overview of a Presidentially declared disaster; items for consideration for TSUS components; and how to apply for FEMA Public Assistance. **Please note that traditionally FEMA is the payor of last resort** and reimbursement percentages may vary from disaster to disaster.

### **1. Conduct a Preliminary Damage Assessment**

The first step after a disaster strikes a component is to conduct a Preliminary Damage Assessment (PDA). PDAs are considered, along with several other factors, in determining whether a disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments, and that Federal assistance is necessary. The PDA is typically used as a basis for the Governor's request for a major disaster or emergency declaration when it shows the cost of response efforts, such as emergency personnel overtime, other emergency services, and damage to citizens is beyond state and local recovery capabilities. The President considers the PDA as one of the factors in making a determination whether to declare a major disaster or emergency in response to the Governor's request.

A preliminary damage assessment team reviews the types of damage or emergency costs incurred by the state, and the impact to critical facilities, such as:

- public utilities,
- hospitals,
- schools, and
- Fire and police departments.

In addition, the assessment involves considering the following:

- the effect on individuals and businesses, including the extent of the damage,
- the number of people displaced, and
- the threat to health and safety caused by the incident.

Additional data from the Red Cross or other local voluntary agencies may also be reviewed. During the assessment, the team will collect estimates of the expenses and damages. Preliminary damage assessment teams are comprised of personnel from FEMA, the state's emergency management agency, county and local officials and the U.S. Small Business Administration.

After evaluating the results of the PDA conducted by FEMA and State officials, FEMA determines which programs will be applicable to the affected applicants due to the disaster (e.g., Public Assistance, 406 Hazard Mitigation, National Flood Insurance Program etc.).

At the applicant level, each component should conduct their own Damage Assessment and assist the State/FEMA team in conducting the PDA. The damages incurred, should be photographed, and documented to the greatest extent possible. Some examples of documentation that can assist in this process are insurance documents (including insurance property visit support documents), asset listings and PDA templates. Teams should already have been created pre-disaster to perform this function, comprising of qualified personnel with the required expertise. All the damages should be documented and templates for this activity should have been created pre-disaster and should be available to the Damage Assessment team.

Throughout the PDA process, the TSUS component should report the disaster related expenses and damages daily to TSUS and to the components local jurisdictions Emergency Operating Center (EOC).

### **Presidential Disaster Declaration**

Once a disaster has occurred, and the State has declared a state of emergency, the State will evaluate the recovery capabilities of the State and local governments. If it is determined that the damage is beyond their recovery capability, the Governor will submit a request letter to the President of the United States, directed through the Regional Director of the appropriate FEMA region. The President will then make the decision whether or not to declare a major disaster or emergency. After a Presidential declaration has been made, FEMA will designate the area eligible for assistance and announce the types of assistance available. FEMA provides supplemental assistance for State and local government recovery expenses, and the Federal share will always be at least 75% of the eligible costs and up to 100% in certain circumstances\*.

\*FEMA will determine Federal cost shares by event type, category of work, or designated time periods throughout the event. Generally speaking, larger events usually receive higher cost share percentages (90% to 100%), whereas smaller events typically receive smaller cost shares of (75% to 90%).

#### ***Helpful Tips:***

1. *Following a Presidential declaration event, it is important for TSUS to begin determining what may be covered by insurance and what may or may not be eligible for FEMA PA.*
2. *TSUS components may receive **Donated Resources** from individuals or organizations to assist with the component's recovery activities.*

## **Applicant Briefing**

The Applicant Briefing is a meeting conducted by the State to inform prospective applicants of available assistance and eligibility requirements for obtaining Federal assistance under the declared event. The meeting is held as soon as practicable following the President's declaration either virtually or in person. During the briefing, the State will present the incident period and a description of the declared event, applicants, eligible work, and cost eligibility will be provided. The State will discuss the project formulation process, funding options, record keeping and documentation requirements, and special considerations issues. Finally, applicants will receive further instructions on how to submit their Requests for Public Assistance (RPA) in the FEMA Grants Portal.

## **Request for Public Assistance**

The objective of the FEMA's Public Assistance program is to provide assistance to State, Tribal and local governments, and certain types of Private Nonprofit organizations so that communities can quickly respond to and recover from major disasters or emergencies declared by the President. Through the PA Program, FEMA provides supplemental Federal disaster grant assistance for debris removal, emergency protective measures, and the repair, replacement, or restoration of disaster-damaged, publicly owned facilities and the facilities of certain Private Non-Profit (PNP) organizations. The PA program also encourages protection of these damaged facilities from future events by providing assistance for hazard mitigation measures during the recovery process. The Federal share of assistance is not less than 75% of the eligible cost for emergency measures and permanent restoration. The grantee (usually the State) determines how the non-Federal share (up to 25%) is split with the subgrantees (eligible applicants).

The RPA is FEMA's official application form that public and Private Nonprofit organizations use to apply for disaster assistance. The Request must be submitted in the FEMA Grants Portal within 30 days of the date of designation of an area. If the TSUS component requesting assistance has not created an account in the Grants Portal in the past, an account will need to be created. If assistance is required, please reach out to your local TDEM representative for assistance.

Once, the TSUS applicant gains access to the Grants Portal, it is important to go to the RPA section in the portal and follow the required submission instructions.

### ***Helpful Tip:***

*If the TSUS component has previously created an account due to a prior disaster event, you may use your same login information to click on the new disaster event and begin the RPA process for the new event.*

## **Exploratory Call**

The Exploratory Call will occur soon after FEMA Program Delivery Manager (PDMG) assignment, or approximately 30 days after the event. This will be the first communication the TSUS component applicant will have with the PDMG. The PDMG should reach out to each eligible component to begin the exploratory call process and explain what the component should have ready for the upcoming Recovery Scoping Meeting (RSM) if applicable. If necessary, components should reach out to their TDEM counterpart and FEMA to initiate this call, if a contact is not received timely. TSUS components should always strive to include TDEM in these calls.

During this call, the PDMG will develop an understanding of what the damages are, as well as what damage categories may be claimed. At this point a file called the Damage Inventory (DI) will be provided to TSUS by the PDMG to begin filling out before the RSM. Please see [Appendix B](#) for a link to a sample Damage Inventory input form.

### ***Helpful Tip:***

*In preparation for the Exploratory Call, TSUS should consider what may or may not be eligible through FEMA:*

- *The value not covered by insurance, or any other source of grant funding may be eligible.*
- *Insurance company denial of an item that is covered by insurance will not be reimbursed through FEMA. Rather it must be resolved with the insurance company.*
- *Deductibles and uncovered expenses for permanent repairs.*

## **Recovery Scoping Meeting**

The Recovery Scoping Meeting (RSM) will be scheduled typically within 21 days of the Exploratory Call and will be conducted approximately 60 days after the event. This will be the first in-person meeting with the FEMA Program Delivery Manager (PDMG) unless TSUS elects to use the streamline project application (**Categories A & B only**).

The RSM will likely include all key TSUS personnel, State and Federal, and will be the first attempt at gathering all needed information to build the component's applications. If TSUS has completed the DI in advance of the meeting, then it will be reviewed during the meeting. A discussion of the process will also take place.

If the DI is in complete at the time of the meeting, then a discussion will take place on how to best group the DI line items into projects. If not, the component will need to complete the DI as soon as possible following the RSM and submit it within the Grants Portal.



**Helpful Tip:**

*When grouping damage inventory line items into projects, remember to do it in a manner that best fits the supporting documents.*

- *Example: A vendor performs mold mitigation for the entire component. However, the PDMG recommends making a mold project worksheet for each separate building. This may be difficult to support down the road, as it is difficult to break up the invoice from the vendor by building. Rather having one component wide project worksheet may be more favorable for TSUS.*
- *When the RSM ends, it is best to have a good idea of what the projects will look like going forward.*

**Eligibility Determination & Project Formulation**

A **Project Worksheet (PW)**, also referred to as a Project Narrative, is the form used to document the scope of work and cost estimate for a project. This form supplies FEMA with the information necessary to approve the scope of work and itemized cost estimate prior to funding. Each project must be documented on a separate PW. The approved PW will then be the basis for funding under the Public Assistance Program.

A project is a logical method of performing work required as a result of the declared event. One may include more than one damage site in a project. This offers flexibility in organizing and managing the work around your needs.

Once all similar work items have been consolidated into projects, each component is required to fully document the damage and repair plan by completing a PW for each project. Although more than one site can be combined to make a project, only one project may be listed on a PW.

Please note that the PDMG will be your primary contact and resource throughout the entire FEMA process. However, **the PDMG will only guide you through the standard grants management process and will no longer complete work on the component's behalf.** Thus it will be the responsibility of the TSUS component applicant to:

- Combine various recovery efforts into projects,
- Upload documentation into the FEMA Grants Portal.

To facilitate review, approval and funding, repair projects are divided by dollar amount into small and large projects. A small project is any eligible work, either emergency or permanent; ranging from \$3,800 to \$1,000,000 (\$1,000,000 is the current threshold for small projects for Federal fiscal year 2022. Funding for small projects is based on the Federal share- usually 75%- of the approved estimate of eligible work.

Each individual TSUS component is responsible for identifying all projects and is encouraged to provide their own scopes of work and cost estimates for small projects. The PDMG will explain the entire process during the Recovery Scoping Meeting and will be available as a reference for further assistance.

Although the component is responsible for identifying large projects, only the basic description of the project and a broad cost estimate is required. However, keep in mind that details will be important later in the PA process. Estimates for projects may be used which may assist in classifying projects as Small or Large. The component can use vendor quotes, damage assessment team estimates, and purchase orders to estimate the cost of a project. **Large projects, those with damage costs over \$1,000,000 (Federal FY 2022),** will be submitted through the FEMA grants portal and the costs will be validated by the FEMA Consolidated Resource Center (CRC). Funding for large projects is based on actual costs to complete the eligible scope of work. The funding for each large project will be adjusted after all work is complete.

All documentation pertaining to a project should be uploaded into the FEMA Grants Portal, filed together with the corresponding PW, and maintained as the permanent record of the project. These records become the basis for verifying final project costs, and, for small projects, will be used to sample and validate estimated project costs. **Documents that need to be filed for each PW include purchase orders, purchase requisitions, invoices, contracts, timesheets (labor, equipment, and materials), and completion certificates.** All expenditures, for all PWs should be tracked at the PW level and timely reconciliations of expenditures to PW scopes should be performed.

Documentation is the process of establishing and maintaining accurate records of events and expenditures related to your disaster recovery work. The information required for your documentation basically describes the "who, what, when, where, why, and how much" for each item of disaster recovery work. It is critical for each component to implement activities that serve in gathering and organizing complete documentation upfront. This will help prevent challenges during FEMA and system audits and will also allow faster reimbursement of funds for disaster recovery expenditures.

Projects at the stage of formulation are classified as Small or Large depending on a cost estimate for the project. Based on the type of work performed for each project each PW is further classified under different categories of work defined by FEMA (Categories A – G).

## **2. Perform Recovery Emergency Work (Categories A&B)**

### **Emergency Work**

FEMA defines emergency work in the following two categories:

- **Category A - *Debris Removal***  
Debris Removal are activities such as clearance, removal, and disposal of items such as trees, woody debris, sand, mud, silt, gravel, building components, wreckage, vehicles, and personal property.
- **Category B - *Emergency Protective Measures***  
Emergency Protective Measures are actions taken by applicants before, during, and after a disaster to save lives, protect public health and safety, and prevent damage to improved public and private property. Emergency communications, emergency access and emergency public transportation costs may also be eligible.

After conducting and reviewing the PDA, component needs for recovery should be prioritized and work should be categorized as per FEMA definitions. Projects that are deemed Category A and/or Category B should be addressed first, and work should begin as soon as possible. For all emergency work being performed if any materials, services or rented equipment need to be procured, assess the applicability of procurement laws (the President/state may exempt the components from following procurement laws during emergency recovery activities). If the procurement laws are applicable, follow the most stringent amongst state/component/FEMA/TSUS System procurement laws, i.e. advertising the work, obtaining proposals evaluate proposals and contract with vendor (if not already contracted prior to occurrence of disaster). If the TSUS component is in a debris-prone area (for example, a forested component or area), it may be advisable to contract for debris removal well in advance of storm season (following established TSUS procurement policy).

If Force Account Labor (FAL) and Force Account Equipment (FAE) are used for emergency recovery perform the following:

- ✓ Prepare detailed shift schedules.
- ✓ Use FEMA guidelines to apply appropriate overtime rates.
- ✓ Use FEMA FAL & FAE forms to track employee and equipment hours.
- ✓ Perform review of time and equipment logs to for reasonableness and supervisor approvals.
- ✓ Prepare your teams for an increased level of documentation requirements.

### **Labor Documentation**

Each employee to be claimed must be identified by name and title. The summary of labor costs should include:

- Dates worked,

- Hours per day,
- Rate of pay (regular and/or overtime),
- Applicant fringe benefits rate, based on the total payroll for the applicant,
- Description of work performed,
- Approval of work performed,
- Benefit allocation forms with supporting documentation should be filed with each PW supporting documentation.

This information may be obtained from the individual daily timesheets and supervisor's field notes. It is important to complete the ICS 214 activity logs daily and consolidate this information on the FEMA Labor Record form at least once a week. This will enable the official responsible for disaster record keeping to show exactly who did what, when, where, and for how long on each job site. See [Appendix B](#) for the link to a sample Force Account Labor FAL form.

### **Temporary Personnel/Extra Hires**

When a regular employee is sent to the field to perform disaster work, frequently a backup person fills in for them in their normal position. There are a few circumstances that affect the eligibility of the backup person:

- If a backup person (full-time or part-time) is an extra hire, the cost of this extra person represents an extra cost to the applicant. Regular salary and overtime pay of this employee is eligible.
- If the additional person is a regular employee from another department of the applicant who is working his/her normal shift, the following costs are eligible:
  - a. Overtime, and
  - b. Pay differential for work outside normal responsibilities if the pay differential is the written policy of the applicant prior to the disaster.
- If the additional person is a regular employee who is called in on his/her day off (and thereby works time in addition to the regular workweek), regular and overtime are eligible because there is an extra cost incurred by the applicant.
- If the additional person is called in from vacation, only overtime is eligible. There will be no extra cost because the vacation usually can be rescheduled.
- Seasonally employed personnel are budgeted costs and are considered permanently employed for the purpose of eligibility.
- Regular and overtime will be determined according to the applicant's written policies and labor union contracts in effect prior to the disaster.
- When an employee has been moved to perform disaster emergency work, an additional person who is hired to backfill for that employee to do non-emergency work is not eligible for reimbursement.
- The costs of salaries and benefits for individuals sent home or told not to report due to emergency conditions are not eligible for reimbursement.
- Costs of contractors hired to accomplish emergency work are eligible for reimbursement.

## Overtime Pay

Overtime pay must be in accordance with policies in use before the disaster. **Overtime for disaster work is not eligible if you did not have a pre-existing overtime pay policy.**

### **Helpful Tip:**

*Please note that overtime eligibility varies based upon the FEMA eligible categories of work.*

- *Category A: For overtime worked on debris removal activities, both straight time and overtime can be submitted for reimbursement.*
- *Category B: For overtime worked performing emergency measures, only overtime can be submitted for reimbursement. Regular straight time is not eligible.*

***\*All disaster time or overtime must be in the applicant's payment policy prior to the event in order to be eligible for reimbursement.***

## Equipment Documentation

Documentation for applicant-owned and rented equipment must show the following:

- Equipment description and operators name,
- Dates and total hours used,
- Cost per hour with total cost for each item and,
- Total cost of all equipment used,
- Approval of usage of equipment.

Total equipment hours should be compared to appropriate personnel hours to ensure both are accurate. If a piece of equipment is used by being attached to another piece of equipment (for example, trailer hitched to a truck), this should be noted. Equipment logs and records must identify each piece of equipment used for disaster-related work at each site. Ensure operator/dispatcher logs and other actual field records are accurately kept, copied, and consolidated onto the Force Account Equipment or the Rented Equipment record forms. See [Appendix B](#) for a link to a sample Force Account Equipment (FAE) form, as well as for FEMA Equipment Rates.

## Rental Equipment

For rented equipment, the documentation must also show the date and amount paid, and the check number for evidence of payment. This agreement must specify who is responsible for all repairs to the equipment. A separate vendor invoice file should be established with copies of all rental agreements and invoices from equipment vendors. Also, a copy of the rental agreement must be maintained in the work site file. See [Appendix B](#) for a link to a sample Rented Equipment summary record.

**Materials Requirements (rip-rap, plywood, sandbags, etc.)**

The applicant must document all materials and supplies purchased or taken from stock and used on each job. Provide and attach invoices, receipts, purchase orders, paid vouchers, etc., showing the actual purchase and price of all materials used for disaster work. Use the Materials Record form to consolidate the information to one place. See [Appendix B](#) for sample Materials Summary record form.

**Purchased Materials**

If special materials were purchased to perform disaster work, show the documentation citing that purchase. Specifically, documentation must show the vendor, quantity, description, unit price, total price, date used, and the date of purchase and check number. Where appropriate, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical procurement for the Federal Government.

**Inventory Materials**

If materials were taken from stock, provide an invoice or voucher showing the last purchase of those items or stock, even if it was prior to the disaster. Some type of evidence of purchase is required for reimbursement for all materials used.

**Contract Work Documentation & Eligibility**

Often, when University resources and capacity may be limited, outside contractors/vendors may be used. Contracts must be of reasonable cost, generally must be competitively bid, and must comply with Federal, State, and local procurement standards. See [Appendix B](#) for a list of FEMA equipment rates and contracting checklist. Please also refer to [Appendix E](#) for some common procurement mistakes that can lead to audits or potential loss of FEMA funding.

Additionally, prior to engaging with contractors, each purchaser should set expectations that detailed itemized invoices will be required as part of the contractual requirements. At a minimum, vendor invoices should include information such as the following: date(s) of work performed, detailed description of the work performed, location of the work performed, purchase order reference number, and if possible, associated university general ledger code.

Obtaining this level of detailed information will allow the university to efficiently track disaster project(s) and progress and provide detailed notes for record keeping purposes. These types of details are also critical if the university is submitting an insurance claim, or a reimbursement claim through Federal or State grants as described in the sources of funding section.

**Emergency Work Completion Timelines**

The time frames for completing eligible work are also measured from the date of declaration of the disaster and vary depending on the type of work.

- Debris Clearance within 6 months
- Emergency Work within 6 months

All time frames are set by regulation; however, if extenuating circumstances or unusual project conditions exist, a time extension may be requested through the State. The State has the authority to extend the time frames for completion of emergency work and debris removal by 6 months. For all other extensions, the State must request the extension from FEMA.

Please reference [Appendix F](#) below for some FEMA Grants Portal screenshots, along with some key submission requirements.

### **3. Perform Permanent Work (Categories (C – G))**

FEMA defines permanent work into the following five categories:

- ***Category C – Roads and Bridges***

Roads (paved, gravel, and dirt) are eligible for permanent repair or replacement under the Public Assistance Program, unless they are Federal-aid roads. Eligible work includes repair to surfaces, bases, shoulders, ditches, culverts, low water crossings, and other features, such as guardrails. Damage to the road must be disaster-related to be eligible for repair. In addition, repairs necessary as the result of normal deterioration, such as "alligator cracking," are not eligible because it is pre-disaster damage. Maintenance records are key to obtaining reimbursement for road damages.

- ***Category D – Water Control Facilities***

Water Control Facilities include dams and reservoirs, levees, lined and unlined engineered drainage channels, canals, aqueducts, sediment and debris basins, coastal shore protective devices, irrigation facilities, and pumping facilities.

- ***Category E – Buildings and Equipment***

Buildings, including contents such as furnishings and interior systems such as electrical work, are eligible for repair or replacement under the Public Assistance Program. In addition to contents, FEMA will pay for the replacement of pre-disaster quantities of consumable supplies and inventory. FEMA will also pay for the replacement of library books and publications. Removal of mud, silt, or other accumulated debris is eligible, along with any cleaning and painting necessary to restore the building. If an insurance policy applies to a facility, FEMA will deduct from eligible costs the amount of insurance proceeds, actual or anticipated, before providing funds for restoration of the facility. FEMA will reduce public assistance grants by the maximum amount of insurance proceeds an Applicant would receive for an insurable building located in an identified floodplain that is not covered by Federal flood insurance. The reduction in eligible costs will be the larger of the two reductions just described. The owners of insurable buildings can expedite the grant process by providing FEMA with policy and settlement information as soon as possible after a disaster occurs.

- ***Category F – Utilities***

Typical Utilities include:

- Water treatment plants and delivery systems
- Power generation and distribution facilities, including generators, substations, and power lines
- Sewage collection systems and treatment plants
- Telecommunications

The cost of establishing temporary, emergency services in the event of a utility shut- down may be eligible.



- **Category G – Parks, Recreational Facilities & Other Items**

This category is used for any work or facility that cannot be characterized adequately by Categories A-F. Eligible publicly owned facilities in this category include playground equipment, swimming pools, bath houses, tennis courts, boat docks, piers, picnic tables, cemeteries, beaches, and golf courses.

**Helpful Tip:**

- *When procuring goods/services, use the most conservative of the requirements mandated by FEMA, State, System and Component requirements.*
- *Review all bids and select the one with the most suitable vendor with the lowest bid ensuring that the vendor is not debarred by either the Federal government or the State utilizing the System for Award Management (SAM.Gov) and the Texas Comptrollers website.*
- *During the progress of the project ensure that disaster recovery related expenses are coded in a distinguishable format in the financial systems (PO, Project, Account #).*
- *For disaster recovery related expenses incurred, each component may submit Requests for Reimbursements (RFR)s to TDEM for FEMA funds.*
- *Track the receipt of funds for each PW and record the revenue by PW and building. for which the work was performed.*

**Permanent Work Completion Timeline**

The time frames for completing eligible work are also measured from the date of declaration of the disaster and vary depending on the type of work. All permanent work should be completed within 18 months of declaration of the disaster.

All time frames are set by regulation; however, if extenuating circumstances or unusual project conditions exist, a time extension may be requested through the State. The State has the authority to extend the time frames for completion of permanent work by 30 months. For all other extensions, the State must request the extension from FEMA.

### **FEMA and Insurance:**

FEMA must reduce all project grants for insured property by the amount of actual insurance proceeds received or by the amount of proceeds that can be reasonably anticipated from a review of the insurance policy. This reduction will be made prior to project approval and noted in the cost estimating section of the Project Worksheet. Please note that estimates of insurance proceeds may be necessary until insurance payout is finalized. Each TSUS component must report any entitlement to insurance proceeds to their PDMG and or upload it into the FEMA Grants Portal. This means that copies of all insurance documentation must be submitted including the insurance policy with all data, declarations, endorsements, exclusions, schedules and other attachments or amendments. Also, any settlement documentation including copies of the claim, proof of loss, statement of loss, and any other documentation describing the covered items and insurance proceeds available for those items must be submitted. This documentation will be used to determine an applicant's level of project funding. It is important to begin the claims process with the insurance company as soon as possible and to keep the PDMG informed of any problems. An insurance Specialist at the CRC will review the documentation and determine the amount of insurance proceeds available on the project. If the facility is rented, a copy of the lease or rental agreement may be necessary.

Insurance may be purchased for a variety of valuable properties, generally the following are insurable:

- Buildings,
- Contents of buildings,
- Vehicles,
- Equipment.

If damages are over \$5,000 to any insurable facility, including equipment, vehicles, etc., FEMA will require component applicants to obtain and maintain insurance coverage on that facility as a condition of receiving disaster assistance. In addition, if any other specific insurance is reasonably available, adequate, and necessary to insure any facility, you may be required to obtain and maintain that insurance coverage. The type (flood, earthquake, wind, comprehensive, etc.) of insurance and the amount of insurance required is directly related to the disaster damage. The required insurance coverage must cover the facility for the type of hazard that caused the damage and in the minimum amount of the damage repair costs. The insurance coverage must be maintained for the useful life of the repairs.

Any other required 'specific' insurance coverages must be obtained, or letter of commitment accepted by the State, prior to the release of any Federal funds. **TSUS components are responsible for obtaining the insurance coverage that best meets their needs. It is recommended that components shop for any additionally required insurance coverage as soon as possible and have the required insurance coverage in place quickly after project approval.** It is important to describe the hazard (flood, wind, fire, hail, etc.) that caused the disaster damage in the project description. Insurance coverage often excludes certain hazards and may only cover certain damaged items within a project. In addition, a single facility may have been damaged by multiple hazards, such as wind and flood damage during an emergency event and there may only

be insurance coverage for some of those hazards. Also, it is important to document incurred repair and related costs adequately to be able to allocate costs to the applicable event.

Finally, if the facility has ever received disaster assistance from FEMA this must also be reported. It must be determined if any required insurance coverage on past disasters was obtained and maintained. **If the required insurance coverage was not obtained or maintained, FEMA may not provide assistance for the facility.** Discuss all past disaster damages and claims for Federal assistance with your PDMG.

All insurance amounts received by an applicant from their insurance companies should be allocated towards each PW and on the basis of the work done for each project. The statement of loss from the insurance company should be compared to FEMA reimbursement and FEMA PW scope of work to avoid possible duplication of benefits.

## **Management Costs (Category Z)**

FEMA defines Management Costs as the following:

- ***Category Z – Management Costs***

Management costs refer to the administrative costs incurred in the preparation of a FEMA public assistance application for all projects submitted under on disaster including both small and large projects. Management costs may include:

- Indirect cost,
- Direct administrative Cost,
- Other administrative expense associated with a specific project.

Management costs are based on actual costs incurred up to 5% of the total “obligated” amount for all projects submitted under that disaster event.

***Helpful Tip:***

***Maintain a log of Category Z activities while recovery is in process. Activities potentially eligible for management reimbursement include:***

- *Assessments*
- *Meetings regarding PA projects*
- *Correspondence*
- *Site inspections*
- *Preparing Small and Large Projects*
- *Addressing Request for Information (RFI) from FEMA/TDEM*
- *Time associated with gathering and locating supporting documentation*
- *DAC activities performed by professional service firms*

## **4. Perform FEMA On-going Administration**

Once the emergency work has been completed, each component is left with completing work for all other PW's (Categories C- G) and performing on-going administration procedures until all PW's are closed out by FEMA.

The critical on-going administrative procedures that need to be maintained by each component can be classified as:

- A. Project Management,
- B. Monitoring,
- C. Reporting,
- D. Closeout,
- E. Audits.

### **A. Project Management**

#### **Small Projects**

Small Projects are funded using an initial estimate of costs. An estimate is prepared either by FEMA or by the Applicant. The funding level for small projects is fixed, regardless of the final cost incurred by the Applicant. FEMA does not perform a final inspection of completed small projects; however, the State must certify that the Applicant completed the work in compliance with all applicable laws, regulations, and policies.

In August of 2022, FEMA published a final rule to increase the small project maximum threshold to \$1 million dollars. The new threshold applies to all projects under major disaster and emergencies declared on or after August 3rd, 2022. This will further reduce the administrative burden on TSUS when receiving FEMA PA grants following a disaster and may reduce the number of Large Projects written going forward. The link to this press release can be found in the [Appendix F](#).

#### **Large Projects**

If single project costs exceed \$1 Million dollars, then reimbursements for the Large Project will be based on the actual documented costs incurred in the completion of the approved scope of work. The steps for processing a large project are described below:

- Using estimate documentation gathered by from TSUS and the PDMG, Project Worksheets will be validated by the FEMA Consolidated Resource Center. FEMA approves funding using the estimate and obligates the Federal share of the funds to the State.
- When the project is complete, the State determines the final cost of accomplishing the eligible work, often performing inspections or audits to do so. The State then submits a report on the completed project to FEMA, certifying that the Applicant's costs were incurred in the completion of eligible work.

- After reviewing the State's report, FEMA will consider adjusting the amount of the grant to reflect the actual cost of the eligible work. While proceeding with the project, the Applicant must ensure that grant funds are used only for eligible work. Payment cannot be processed until work has been completed, documented, and paid for. The cost estimating methodology that is used in the development of large projects is called the Cost Estimating Format (CEF). This allows for a better estimate of the total cost of large projects. The CEF is a forward-pricing model that allows FEMA to account for all possible costs associated with a construction project. FEMA uses experienced cost estimators and construction engineers to apply the CEF.

Management of large PWs is critical. FEMA audits all large PW expenses as a part of its closeout process. To ensure a smooth closeout and receipt of funds, it is important that each component manages its projects appropriately adhering to all FEMA requirements. Some key project management aspects include:

- Creation of a Delegation of Authority (DOA) matrix especially for Accounts Payable and Procurement and following the DOA for all disaster recovery projects.
- Periodic reconciliations should be performed by Finance. Essentially:
  - Reconciliations between expenses noted for each PW against expenses in the GL.
  - Expenses for each PW against the corresponding funds received from FEMA.
  - Expenses for each PW against eligible PW scope.
- Monitor completion of work and ensure that work is completed as per the guidelines stipulated in the contract with the vendor and the PW scope description.
- All claims of insurance should be made and obtained from insurance companies.
- In the event of a change in scope of work or any required modifications communicate with FEMA PDMG and SAL the need for PW version changes.
- Communicate with FEMA and SAL regarding issues observed relating to payments or completion of work.
- Communicate with vendors regarding progress of the project, payments, delays etc.
- Provide senior management periodic updates on progress of the report.
- Once completed prepare PW for closeout and initiate closeout.
- All insurance receipts must be allocated towards each PW.

All expenditures, for all PWs should be tracked at the PW level and not at the disaster level and periodic reconciliations should be performed. Once expenses are incurred and all supporting documentation is in order, a FEMA Request for Reimbursement should be made.

## **Request for Reimbursement**

A **Request for Reimbursement (RFR)** is a request for the costs incurred for any large projects obligated by FEMA. For these projects, to receive payment, TSUS will need to submit an RFR by completing a ***Payment of Funds Request Form*** through the State's Grants Management System. There are two distinct ways to request funding for the cost.

1. **Traditional RFRs:** TSUS component applicants will submit traditional RFRs for any costs that have been incurred and are seeking reimbursement for. There are no minimum dollar value thresholds or a limit to the number of RFR's that can be requested however each RFR must be contain relevant supporting documentation. Due to the administrative burden that comes with each RFR submission, it is recommended that each RFR be of substantial value to the TSUS applicant.
2. **Advance of Funds Request:** If the TSUS applicant is facing financial hardships, an Advance of Funds Request can be submitted to the State. Below are the two options:
  1. Funds are needed to pay for the approved scope of work before supporting documentation is available and can be provided. The TSUS component applicant will be required to provide the State a letter that justifies the hardship the System is facing and a spend plan. The spend plan will detail what the funds will be used for and the timeline of how those funds will be used.
  2. Funds are needed to pay eligible costs of the approved scope of work and documentation is available but is unable to pay due to financial hardship. The Applicant will be required to provide the State a letter that justifies the hardship and supporting documentation.

## **B. Monitoring**

Finance should monitor all disaster-related funds and manage them separately from non-disaster-related funds. As part of routine internal audits, the scope of each should include disaster-related activities. Findings of internal and external audits should be tracked, monitored and remediation steps taken. The Internal Audit department for TSUS, should perform audits to test compliance and controls related to disaster management and business continuity.

## **C. Reporting**

Prior to beginning any recovery work, each component should communicate with their PDMG and SAL and obtain information regarding reporting requirements. Each TSUS component applicant should understand all the reports they need to issue, timelines for reporting, methods of reporting, modes of submittal and approval requirements for all reports related to disaster recovery procedures.

Reporting for disaster-related activities can include internal reports and external reports. Once all requisite data is gathered on a timely basis internal and external reports should be created. These should then be submitted for supervisory review. After correction/changes have been made these reports should be submitted to senior management for approval. Only after obtaining management approval, prepare and issue at least the following report:

- **Quarterly Progress Reports:**

The State submits reports quarterly to FEMA for projects for which a final payment has not been made. Progress reports are critical to ensuring that FEMA and the State have up-to-date information on PA Program grants. Reporting requirements for the PA Program generally concentrate on large projects. Recipients of assistance should check with the SAL to determine the particular reporting requirements. FEMA has no reporting requirements for applicants, but the State is expected to impose some reporting requirements on applicants so that it can prepare quarterly reports. The format in which the applicants submit project reports to the State will be determined by the State. As final payment is made on each large project, the project may be dropped from the report. Final payment for small projects is made at the time of project approval by FEMA and, therefore, small projects do not need to be reported to FEMA. Other reporting requirements for small projects may vary depending upon the requirements of each State. The progress report will include:

- o The status of the project, such as "in design" or "percentage of construction completed,"
- o Time extensions granted, if any,
- o A projected completion date,
- o The amount of expenditures and amount of payment for each project,
- o Any problems or circumstances that could delay the project or result in noncompliance with the conditions of the FEMA approval.

#### **D. Closeout**

Once all projects are completed and corresponding funds received from FEMA, the TSUS component applicant must initiate disaster closeout. The State of Texas (TDEM) closeout team is tasked with closing grants to determine that each applicant and project meets the eligibility requirements and documentation standards prescribed by Federal and State regulations. The Closeout Team must also confirm that the recovery work is complete, and the eligible costs have been reimbursed.

This occurs in two phases, first the State of Texas' Governor's Office of Homeland Security and Emergency Preparedness closes out the disaster by conducting final closeout inspections. Small projects (under \$1MM) are always expediated to be closed at the State level but all other expediated funds are now contingent on the disaster. Depending on the disaster, FEMA and the State will collaborate on opportunities to expediate funds once obligated at FEMA. Depending on the applicant's history of payment and the severity of the event, a dollar value up to 90% of



the total claimed value may be administered before the completion of the project. For completed projects, up to 90% could also be obligated before the review has been completed. This usually entails you selecting expediated payment during project formulation and submitting a form to the State once obligated.

Then FEMA which may or may not rely on the State audit conducts its own audit prior to closing out a disaster for an applicant.

FEMA reviews small projects at an aggregate level, i.e. if sum of obligated amounts of all small PWs is more than expenses then the surplus is for the applicant to keep. In this instance FEMA as a part of its closeout activities audits a sample of the small PWs of the applicant (usually 20%) focusing on physical examination of project completion, audit of labor and equipment timesheets. If however the aggregate sum of expenses incurred for all small PWs exceed the obligated amount for small PWs, then a more detailed audit is performed for each small PW.

All large PWs are funded at cost. All of the documentation pertaining to a project should be filed together with the corresponding PW and maintained as the permanent record of the project. These records become the basis for verifying final project costs, and, for small projects, will be used to sample and validate estimated project costs.

## **E. Audits**

Public assistance grant recipients are required to comply with the provisions set forth under the Single Audit Act of 1984 (Public Law 98-502), as amended. The act requires grant recipients expending \$750,000 or more in Federal funds in a fiscal year, to perform a single audit or program-specific audit in accordance with OMB Circular A- 133, Audits for States, Local Governments, and Non-Profit Organizations.

Even though a single audit must be performed, grant recipients also are subject to additional audits by the Department of Human Services (DHS), Office of the Inspector General, and State auditors. Office of Management and Budget (OMB) requires grant recipients to maintain financial and program records for 3 years beyond the date of final Financial Status Report (FSR) or follow their and the Grantee's standard record retention policy if that policy requires record retention beyond the 3-year requirement. If an FSR is not required, records must be maintained for 3 years from the date of the final certification of completion of the applicant's last project.

Typically, applicants will be informed of audit requirements during the Applicants' Briefing. Any questions after the briefing regarding the single audit or audits in general, should be directed to the appropriate State official or the DHS's Office of the Inspector General.

Prior to the beginning of any disaster recovery related work, each component should contact their FEMA PDMG and obtain detailed guidance for FEMA audit and closeout requirements. Issues to discuss include document retention requirements, reporting requirements, etc. Applicants should begin the record keeping process before a disaster is declared by the President.

All of the documentation pertaining to a project should be filed with the corresponding PW and maintained by the applicant as the permanent record of the project. These records become the basis for verification of the accuracy of project cost estimates during validation of small projects, reconciliation of costs for large projects, and audits. For any concerns that would affect closeout or completion of a project, the FEMA PDMG should be contacted immediately and notified of the situation. FEMA audits should be coordinated, and documentation requests fulfilled. Any results of FEMA audits should be remediated at the earliest. FEMA requires each applicant to retain

***Helpful Hint:***

***Tips to prepare for audits (FEMA/State/System):***

- Understand the scope of the audit.
- Ensure all documentation is in order and available to the auditors.
- Obtain a list of documentation required by the auditors.
- Ensure a room is available for the auditors to work.
- Understand the timeline of the audit.
- Allow for adequate staff availability to answer questions and address auditor inquiries.
- Refer to FEMA PAPPG Version 4, June 1, 2020 - Chapter 11 (Pages 193-198) for audit and closeout references. PAPPG versions are updated frequently so maintain a copy of all PAPPG versions used during recoveries.

documentation for 3 years after closeout of all PWs pertaining to a disaster.

## *D. Other Sources of Grant Funding*

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In light of the number and severity of recent natural disasters, additional sources of grant funding have been established to assist applicants with their disaster recovery. Following a loss event, TSUS components should explore what other potential sources of funding may be available, and consider these along with traditional insurance and FEMA PA. This section will cover some additional funding sources that TSUS components may want to explore.

### **FEMA 404 Hazard Mitigation Grant Program (HMGP)**

The Hazard Mitigation Program is a program authorized by section 404 of the Stafford Act, 42 U.S.C. 5170c. The programs' objective is to provide an opportunity to take critical mitigation measures to reduce the risk of loss of life and property from future disasters. The 404 HMGP program, is a state-run program that assists in implementing long-term hazard mitigation planning and projects following a Presidential major disaster declaration. The funds are used to provide protection to undamaged parts of a facility or to prevent or reduce damages caused by future disasters. The entire State, even those who were not within the presidentially declared counties, may qualify for 404 HMGP projects. This 404 HMGP grant funding may also be used in conjunction with 406 HMPG disaster specific mitigation funds to harden an entire facility. This can further add a higher level of disaster resistance, when only portions of the facility were damaged during the current disaster event.

Below is a list of some potentially Eligible Mitigation projects:

- Property Acquisition and Structure Demolition,
- Property Acquisition and Structure Relocation,
- Structure Elevation,
- Mitigation Reconstruction,
- Dry Floodproofing,
- Generators,
- Localized Flood Risk Reduction Projects,
- Structural Retrofitting of Existing Buildings,
- Non-structural Retrofitting of Existing Buildings and Facilities,
- Safe Room Construction,
- Infrastructure Retrofit,
- Soil Stabilization,
- Wildfire Mitigation,
- Post-Disaster Code Enforcement.

FEMA acknowledges the administrative burden that comes along with managing a HMGP grant and therefore may approve Management Costs for component applicants whose projects are approved. Generally, Management Costs are approved at 100% funding.

***Helpful Hint:***

*The 404 HMGP is a very competitive program. TSUS components and its affiliates should work closely with assigned State affiliates to ensure program deadlines are met.*

## **FEMA Building Resilient Infrastructure and Communities (BRIC) Grants**

FEMA's Building Resilient Infrastructure and Communities and Communities (BRIC) grant program give states, local communities, tribes, and territories funding to address future risks to natural disasters, including ones involving wildfires, drought, hurricanes, earthquakes, extreme heat, and flooding. Addressing these risks helps make communities more resilient.

FEMA provides an **annual appropriation** for pre-disaster mitigation BRIC grant funding to all states including Texas. The programs' objective is to categorically shift the federal focus away from reactive disaster spending and toward research-supported, proactive investment in community resilience.

BRIC funds may be used for capability and capacity building activities (C&CB) such as engineering and infrastructure projects, mitigation projects, and management costs.

Like the FEMA 404 HMGP program, BRIC is a very competitive FEMA grant program. Applications must be submitted to TDEM for review. The applications will then be evaluated for the following six criteria:

1. Risk Reduction/Resiliency Effectiveness,
2. Climate Change and Future Conditions,
3. Implementation Measures,
4. Population Impacted,
5. Outreach Activities,
6. Leveraging Partners.

The cost share for the BRIC program is 75% federal and 25% local share. TSUS components should check with the State of Texas Hazard Mitigation Officer and following TDEM website for additional details and deadlines. The timelines for decisions can be lengthy, so TSUS components should plan strategically and be prepared for long decision lead times.

<https://www.tdem.texas.gov/bric>

## **Community Development Block Grants - (CDBG)**

### **Overview**

Following a Presidentially Declared Disaster, as discussed on page 14 above, Congress may approve the appropriation of Community Development Block Grant Disaster Recovery (CDBG) Disaster Recovery (DR) and Mitigation (MIT) grant funds to the U.S. Housing and Urban Development (HUD) to rebuild disaster-impacted area and provide crucial assistance to start the long-term recovery process.

### **CDBG - Disaster Recovery (CDBG-DR)**

The purpose of Community Development Block Grant – Disaster Recovery (CDBG-DR) Funds are to:

- Focus on long term recovery efforts,
- Address unmet needs that other federal programs have not address yet,
- Supplement funds and fill remaining gaps,
- Not supplant other federal funds.

CDBG-DR funds must be used for necessary expenses related to disaster relief, long term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation.

Each CDBG-DR activity must:

- Clearly address a direct or indirect need because of a Presidential declared disaster,
- Be a CDBG eligible activity,
- Meet a CDBG national objective.

Some common CDBG-DR eligible activities include but are not limited to the following:

1. New construction or the rehabilitation of singly family/multifamily homes,
2. New construction or the rehabilitation of public facilities or improvement (streets, neighborhood centers, and water/sewer/drainage systems),
3. Homeowner assistance,
4. Debris removal that was not covered by another federal agency (FEMA),
5. Code enforcement,
6. Public services,
7. Planning and administration activities,
8. Helping businesses retain or create jobs.

## **CDBG - Mitigation (CDBG-MIT)**

The Community Development Block Grant Mitigation (CDBG-MIT) program funds pose a unique opportunity for eligible grantees to use this assistance in areas impacted by recent disasters to carry out strategic and high-impact activities to mitigate risks and reduce future loss

The Texas General Land Office (GLO) administers both the CDBG-DR and CDBG-MIT programs funds from HUD on behalf of the State of Texas.

## **Other Grants Funding**

Depending on the emergency(s) declared during a given year, the Federal government may provide additional emergency relief grant funds available for institutions of higher education. For example, in 2020, through the American Rescue Plan (ARPA), **Higher Education Emergency Relief Funds (HEERF)** were available to institutions of higher education and students who experienced disruptions of component operations due to the coronavirus. Collectively, HEERF funds totaling approximately \$40 billion were available to institutions of higher education. Under this grant, institutions were required to disburse 50% of the funds directly to students.

The following are eligible HEERF funds activities:

- Reimbursement of expenses incurred due to the coronavirus,
- Technology, software, and infrastructure costs from in-person to online learning,
- Faculty and staff training for distancing learning or health protocols,
- Lost revenue due to the coronavirus,
- Implement practices to monitor and suppress coronavirus.

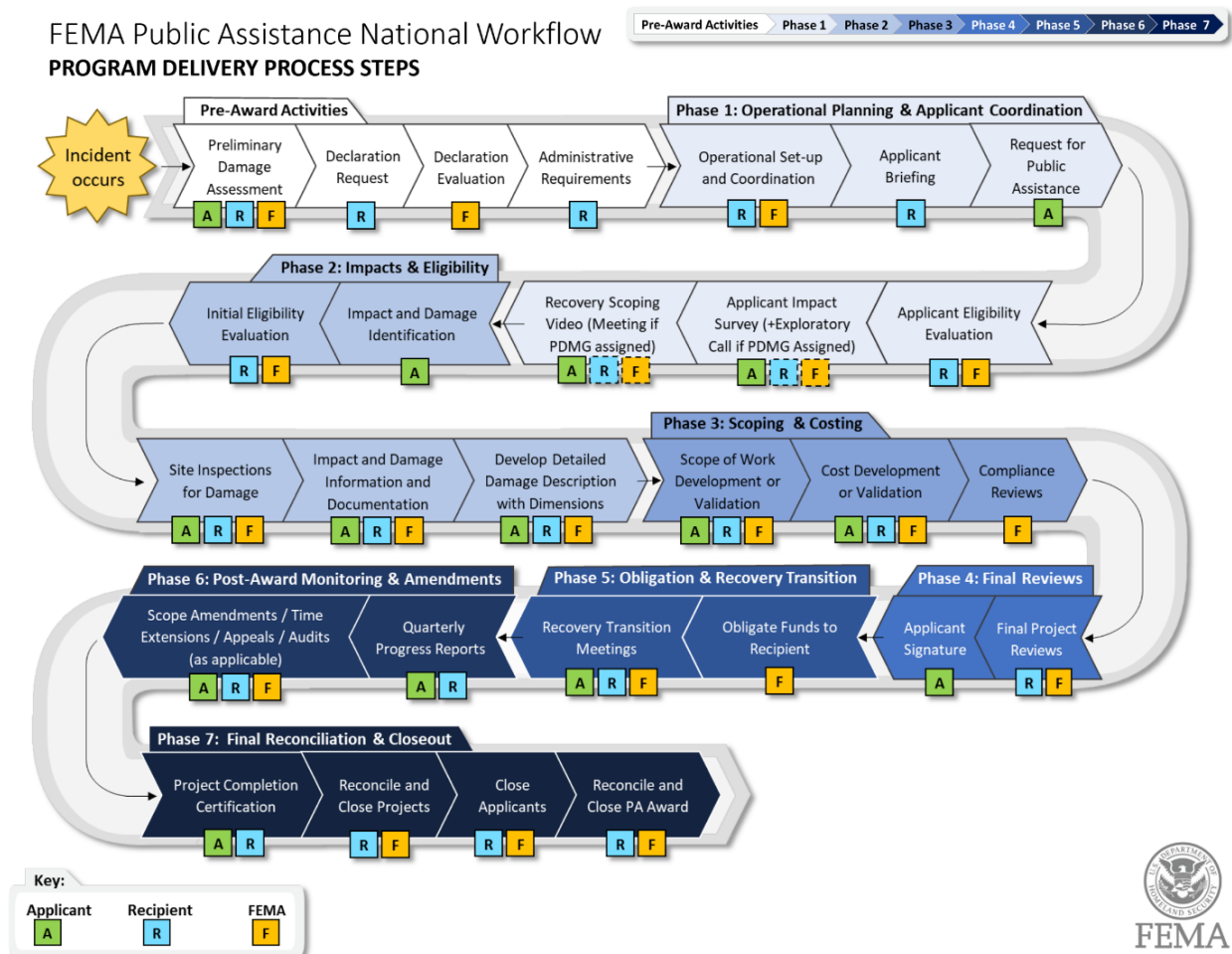


## IV. Appendices

### Appendix A

### Flow Diagrams

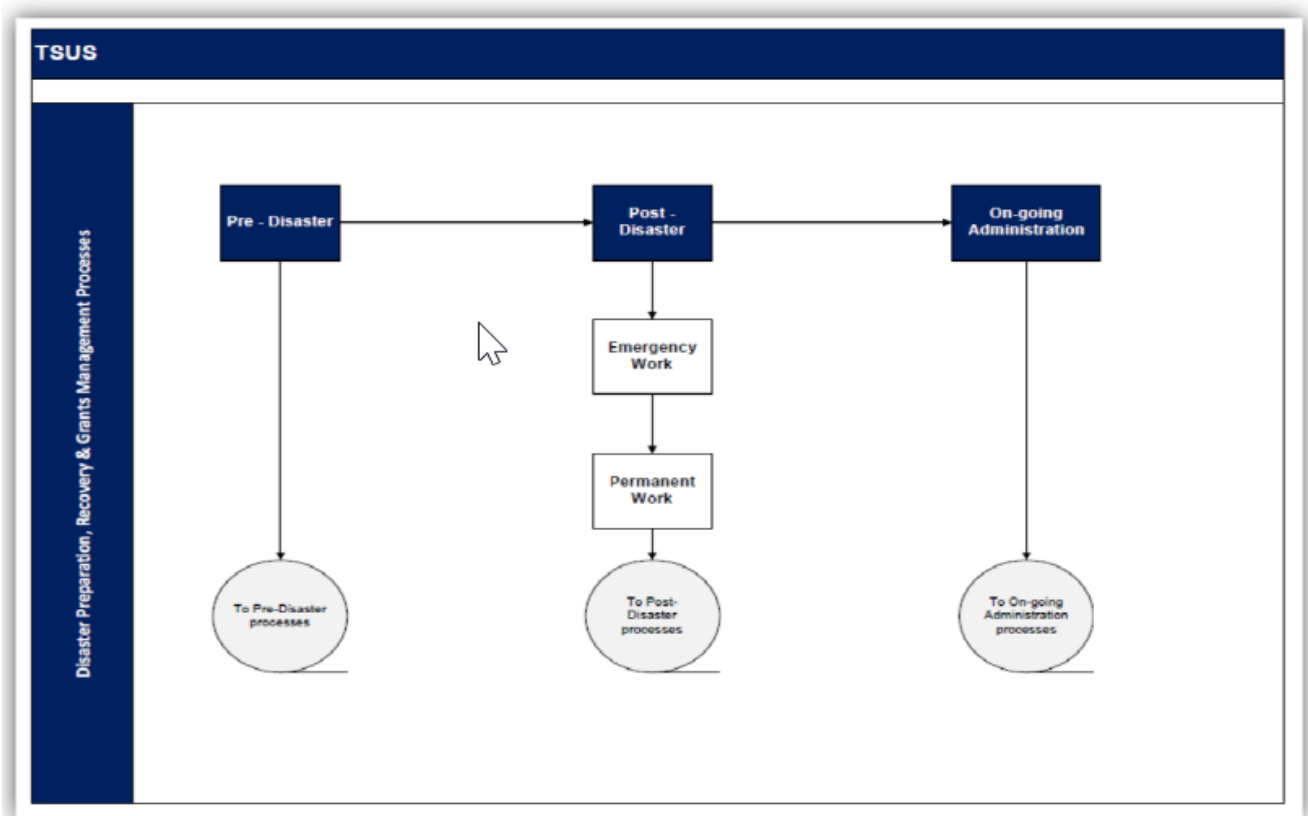
#### *FEMA Public Assistance Delivery Process*

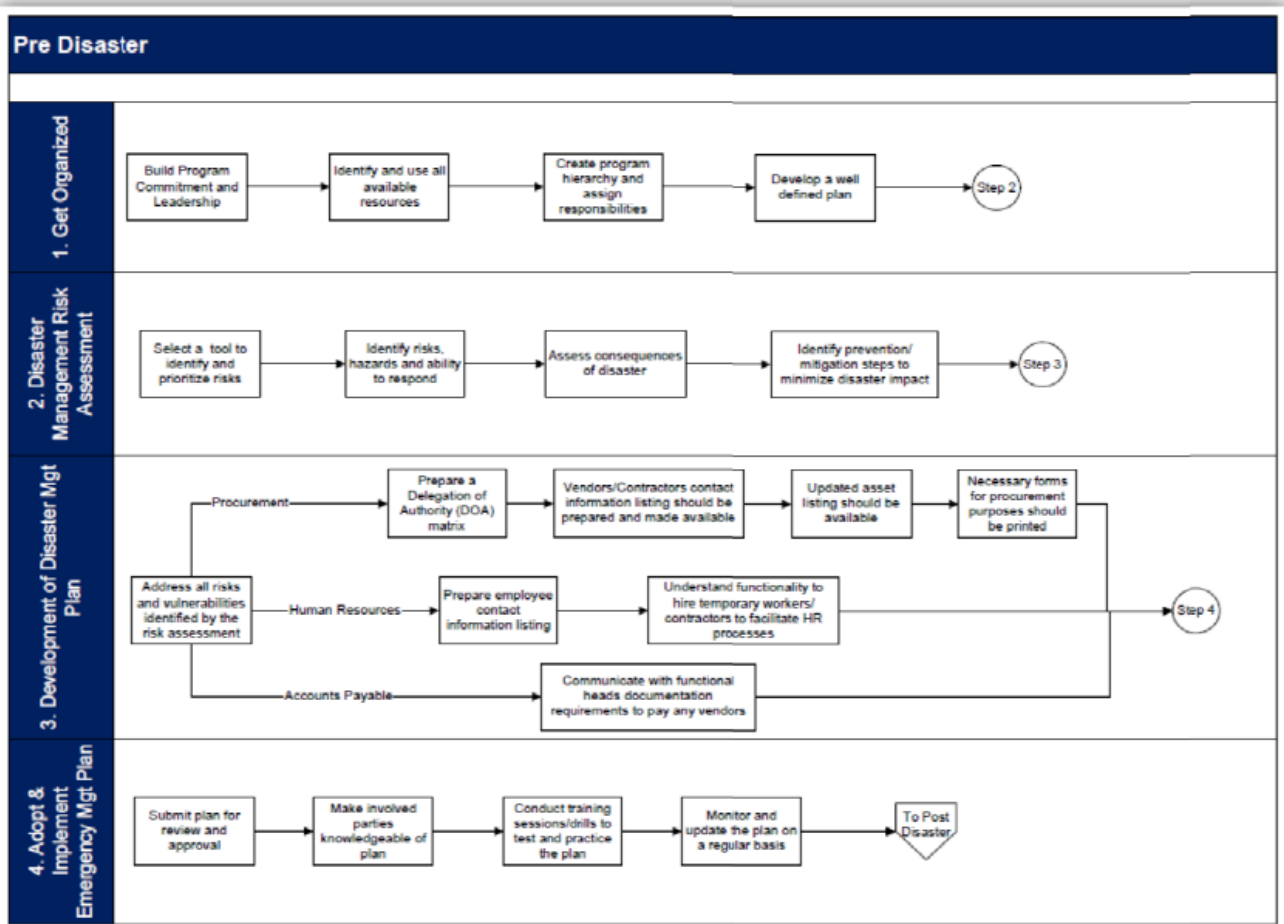


\*Source website: [Emergency Management Officials \(texas.gov\)](https://www.texas.gov/emergency-management-officials)

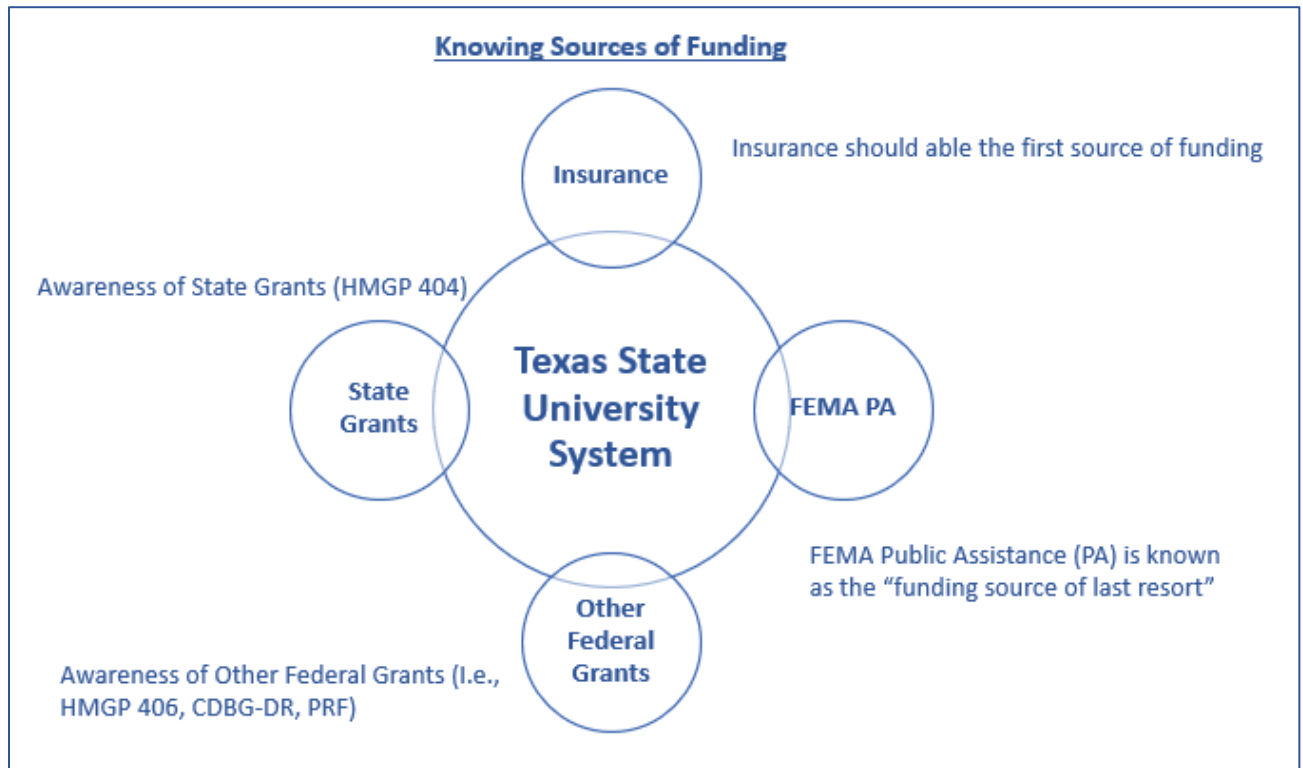
\*\*Please note that the process *may* changes from time to time. Please check the website for the latest delivery process diagram following each Presidentially Declared Disaster.

## *Disaster Management Process Flow*





## Sources of Funding



## Appendix B

### Sample Documentation Templates

1	FEMA Claim Summary	<a href="https://portal.ct.gov/-/media/DEMHS/docs/Program-and-Unit-Forms---Advisories/Grants/PA/National-PW-Template-V3-0---2018.xlsm?sc_lang=en&amp;hash=846E26E5AA01537C7AB5D7E7152AD4C8">https://portal.ct.gov/-/media/DEMHS/docs/Program-and-Unit-Forms---Advisories/Grants/PA/National-PW-Template-V3-0---2018.xlsm?sc_lang=en&amp;hash=846E26E5AA01537C7AB5D7E7152AD4C8</a>
2	Force Account Labor (FAL) Summary	<a href="https://www.fema.gov/sites/default/files/2020-06/fema-public-assistance-force-account-labor-summary_Form009-0-123_06-2020.pdf">https://www.fema.gov/sites/default/files/2020-06/fema-public-assistance-force-account-labor-summary_Form009-0-123_06-2020.pdf</a>
3	ICS Form 214 – Activity Log	<a href="https://training.fema.gov/emiweb/is/icsresource/assets/ics%20forms/ics%20form%20214,%20activity%20log%20(v3.1).pdf">https://training.fema.gov/emiweb/is/icsresource/assets/ics%20forms/ics%20form%20214,%20activity%20log%20(v3.1).pdf</a>
4	Force Account Equipment (FAE) Summary	<a href="https://www.fema.gov/sites/default/files/2020-06/fema-public-assistance-force-account-equipment-summary-record_form09-0-127_06-2020.pdf">https://www.fema.gov/sites/default/files/2020-06/fema-public-assistance-force-account-equipment-summary-record_form09-0-127_06-2020.pdf</a>
5	Material Summary Record	<a href="https://www.fema.gov/sites/default/files/documents/fema_materials-summary-record-FEMA-Form-FF-104-FY-21-138_102021.pdf">https://www.fema.gov/sites/default/files/documents/fema_materials-summary-record-FEMA-Form-FF-104-FY-21-138_102021.pdf</a>
6	Rented Equipment Summary Record	<a href="https://www.fema.gov/sites/default/files/2020-06/fema-public-assistance-rented-equipment-summary-record_form009-0-125_06-2020.pdf">https://www.fema.gov/sites/default/files/2020-06/fema-public-assistance-rented-equipment-summary-record_form009-0-125_06-2020.pdf</a>
7	Contract Work Summary Record	<a href="https://www.fema.gov/sites/default/files/2020-06/fema-public-assistance-contract-work-summary-record_form009-0-126_06-2020.pdf">https://www.fema.gov/sites/default/files/2020-06/fema-public-assistance-contract-work-summary-record_form009-0-126_06-2020.pdf</a>
8	Applicants Benefits Calculation Worksheet	<a href="https://www.fema.gov/sites/default/files/2020-06/fema-public-assistance-applicants-benefits-calculation-worksheet_form009-0-128_06-2020.pdf">https://www.fema.gov/sites/default/files/2020-06/fema-public-assistance-applicants-benefits-calculation-worksheet_form009-0-128_06-2020.pdf</a>
9	FEMA Equipment Rates	<a href="https://www.fema.gov/assistance/public/tools-resources/schedule-equipment-rates">https://www.fema.gov/assistance/public/tools-resources/schedule-equipment-rates</a>
10	Debris Removal Monitoring Guide	<a href="https://www.fema.gov/sites/default/files/documents/fema_debris-monitoring-guide_sop_3-01-2021.pdf">https://www.fema.gov/sites/default/files/documents/fema_debris-monitoring-guide_sop_3-01-2021.pdf</a>
11	Public Assistance Program and Policy Guide (PAPPG)	<a href="https://www.fema.gov/sites/default/files/documents/fema_pappg-v4-updated-links_policy_6-1-2020.pdf">https://www.fema.gov/sites/default/files/documents/fema_pappg-v4-updated-links_policy_6-1-2020.pdf</a>
12	Hazard Mitigation Assistance Guidance	<a href="https://www.fema.gov/sites/default/files/2020-04/HMA_Guidance_FY15.pdf">https://www.fema.gov/sites/default/files/2020-04/HMA_Guidance_FY15.pdf</a>
13	Damage Inventory Guide	<a href="https://prd.blogs.nh.gov/dos/hsem/wp-content/uploads/2021/11/FEMA-Damage-Inventory-Import-Template.xlsx">https://prd.blogs.nh.gov/dos/hsem/wp-content/uploads/2021/11/FEMA-Damage-Inventory-Import-Template.xlsx</a>
14	FEMA Project Threshold Increase (2022)	<a href="https://www.fema.gov/press-release/20220804/fema-increases-public-assistance-small-project-maximum-1-million">https://www.fema.gov/press-release/20220804/fema-increases-public-assistance-small-project-maximum-1-million</a>

## Appendix C

### **Abbreviations**

BCA	Benefit-Cost Analysis
C.F.R.	Code of Federal Regulations
CDBG-DR	Community Development Block Grant – Disaster Recovery
CDBG-MIT	Community Development Block Grant – Mitigation
DI	Damage Inventory
DMP	Debris Management Plan
EOC	Emergency Operation Center
EEI	Essential Elements of Information
EHP	Environmental and Historic Preservation
FAE	Force Account
FAL	Force Account Labor
FAM	Force Account Material
FEMA	Federal Emergency Management Agency
GPS	Global Positioning System
HMA	Hazard Mitigation Assistance
HMGP	Hazard Mitigation Grant Program
HUD	U.S. Department of Housing and Urban Development
IA	Individual Assistance
JFO	Joint Field Office
NFIP	National Flood Insurance Program
OT	Overtime
PA	Public Assistance
PAGS	Public Assistance Group Supervisor
PAPPG	FEMA Public Assistance Program and Policy Guide
PW	Project Worksheet
PDA	Preliminary Damage Assessment
PDMG	Program Delivery Manager
RFR	Request-For-Reimbursement
RPA	Request for Public Assistance
SAL	State Applicant Liaison
SBA	U.S. Small Business Administration
SHPO	State Historic Preservation Officer
SI	Site Inspector
SOW	Scope of Work
T&M	Time and Materials
TSUS	Texas State University System
TFL	FEMA Task Force Leader

## Appendix D

### Disaster Preparation Checklist

Disaster Preparation Checklist	
General	
✓	Prepare key personnel access listing and communicate it to the disaster management teams
✓	Secure key documents at a remote location
✓	Perform inventory of critical records prior to the disaster
Facilities	
✓	Create a vendor listing of alternate vendors to be used in the event of a disaster
✓	Ensure cloud/off-site server has copies of Force Account Labor and Force Account Equipment forms (Labor and Equipment Timesheets).
✓	Obtain material and rented equipment summary form are within cloud or off-site server.
✓	Ensure TSUS has a detailed asset listing
✓	Procure cameras to document component damage
Information Technology	
✓	Perform backups of key application data
✓	Test backup restores prior to disaster impact
Finance	
✓	Arrange adequate cash resources to be used immediately after the disaster for recovery purposes
✓	Secure an emergency supply of (Accounts Payable) pre-numbered blank checks at offsite location
✓	Secure an emergency supply of blank payroll checks
✓	Print FEMA and TSUS system contact information
✓	Validate the following documents are within the System's off-site server or cloud: <ul style="list-style-type: none"> <li>- Cash Register</li> <li>- Essential insurance documents</li> <li>- Banking information</li> <li>- Copies of Purchase Orders</li> <li>- Accounts Payable Register</li> <li>- Accounts Receivable Register</li> <li>- Time Recording Sheets</li> <li>- Purchase Orders</li> <li>- Payroll Registers</li> </ul>

## FEMA Large PW Closeout Documentation Requirements Checklist

FEMA (Large PW) Closeout Documentation Requirements	
✓	For construction projects FEMA requires the following documentation <ul style="list-style-type: none"> <li>• Certificates of occupancy</li> <li>• Certifications from architect specifying work was 100% completed</li> <li>• Inspection of dewatering work</li> </ul>
✓	Procurement documentation for vendors performing work under PWs with category E and starting later than 11/06/09
✓	Contract documents for all vendors for PWs selected in sample
✓	Insurance Settlement documents
✓	Correspondence Letters (governor's office - component)
✓	Invoices
✓	Payment Vouchers
✓	Warrants
✓	Item Slips/Weight Slips
✓	Plans & Specifications
✓	Contracts
✓	Insurance Policies & Settlements
✓	Environmental Clearance Letters/Permits*
✓	Hazard Mitigation Proposals
✓	Force Account Logs
✓	Codes & Standards
✓	Permits & Clearances
✓	Reconciliation of estimates (PW) vs Actual Costs
✓	Emergency Work should be completed in 6 months from the date of declaration of an emergency due to the disaster
(*) If applicable	



## **Appendix E**

### **Top 10 Procurement Mistakes Leading to Audits and Loss of FEMA Funding**

FEMA Release Date:  
October 7, 2017

1. Engaging in a noncompetitive procurement (i.e., sole-sourcing) without carefully documenting how the situation has created an urgent need to perform the work sooner than a competitive procurement process would allow.
2. Continuing work under a sole-source contract after the urgent need (see #1) has ended, instead of transitioning to a competitively procured contract.
3. Piggybacking onto another jurisdiction's contract in a situation that doesn't allow noncompetitive procurement (see #1) or where the other contract is materially different in terms of scope or requirements. Piggybacking is rarely allowable.
4. Awarding a "time-and-material" contract without a ceiling price that the contractor exceeds at its own risk and documenting why no other contract type is suitable.
5. Awarding a "cost-plus-percentage-of-cost" or "percentage-of-construction-cost" contract.
6. Not including the required contract clauses (available online at the below website under "PDAT Resources" menu).
7. Including a geographic preference in a solicitation (i.e., giving an advantage to or limiting competition of an award to local firms).
8. Not making and documenting efforts to solicit small businesses, minority businesses and woman's business enterprises.
9. Conducting a procurement exceeding \$250,000 without conducting a detailed cost or price analysis.
10. Not carefully documenting all steps of a procurement to create a record if questions arise potentially years later.

For further information on FEMA grant procurement requirements, including contract review checklists, detailed guidance on the above topics, and online webinar training classes, please visit <https://www.fema.gov/procurement-disaster-assistance-team>.

# Appendix F

## Grants Portal Submission Screenshots and Requirements

### Categories A - G

#### Force Account Labor (FAL)

All force account labor claims will be reviewed by the CRC to verify cost incurred.

Cost incurred is verified by reviewing documentation that reflects hourly/salaried wages, benefits rates, hours worked, and proof of payment. Upon selection of FA Labor in the Grants Portal the TSUS component applicant will receive the following request for Essential Elements of Information (EEI). Please see Grants Portal screenshot excerpt below.

EEI List   EEI Questions   **Required Documents**

Completed Lane - Category E - Version 3 0 / 18

[3] Does the Applicant wish to participate in Small Project Self-Certification of completed work? 0 / 18

[3.1] Work was performed by Force account labor/Applicant's own employees? 0 / 13

[3.1.1] Force account labor/Applicant's own employees? 0 / 5

- Force Account Labor Payroll / Timesheets (+ Add | + Add)
- Force Account Labor Pay Policy (+ Add | + Add)
- Force Account Fringe Benefit Calculation (+ Add | + Add)
- Force Account Labor Summary (+ Add | + Add)
- Force Account Labor Record (+ Add | + Add)

For all FAL claims, please note the following supporting documentation that must be provided by the applicant:

- **Force account Labor payroll/ Time sheets**
  - The following will need to be provided:
    - One Pay Stub for each pay period the employee is claiming hours.
    - One timesheet for each employee for every day they are claiming disaster hours.
    - For salaried employees who do not keep time, please see situations below:
      - Situation 1: Request a FEMA administered timesheet. These timesheets can be completed by taking their annual salary and dividing it by hours served per normal week times 52 weeks.
        - Example:  $\$60,000 / (40\text{hrs} * 52 \text{ weeks}) = \text{hourly rate.}$

- Complete the timesheets for the hours worked by this employee using this hourly rate calculated above. If the salaried employee is exempt, do not capture more than 40 hours in a work week as FEMA will not reimburse time worked that isn't funded to the employee.
- Situation 2: If your salaried employee keeps a timesheet, simply provide the timesheet to FEMA, and inform them whether they are exempt or allowed to capture overtime. Remember if they are exempt, do not request more than 40 hours.
- **Force Account Labor and Benefits Policy**
  - The pre-disaster pay policy that was in place at the time of the disaster will need to be provided. This document typically entails standard pay procedures such as pay days, work week ending, over time requirements, etc.
- **Force Account Labor Fringe Calculation**
  - The following information will need to be provided for each employee:
    - Total Salary,
    - Annual Vacation Days,
    - Annual Sick Days,
    - Annual Holidays,
    - Unemployment,
    - Health Benefits,
    - Retirement,
    - Workers Compensation,
    - Life Insurance.
- **FEMA Force Account Labor Claim Summary**
  - For Straight Time and Overtime claimed, a brief description of labor performed will need to accompany the time sheets. This includes an activity log with the employee's name, date work, date performed, and hours claimed for that day.

## **Force Account Equipment (FAE)**

All FAE claims will be reviewed by the CRC to verify cost incurred.

For all FAE applications, please provide the following supporting documentation to satisfy the list of EEI's below:

The screenshot displays a FEMA FAE application form with a checklist of required documents. The form is organized into sections, each with a folder icon and a progress indicator (e.g., 0/3, 0/5, 0/2). Each item in the checklist includes a red exclamation mark icon, a folder icon, the document name, an information icon, and two buttons: '+ Add' (with a document icon) and '+ Add' (with a speech bubble icon). A tooltip 'Add Document' is visible over the '+ Add' button for 'Contract Invoices'.

- Force Account Labor Summary (+ Add | + Add)
- Force Account Labor Record (+ Add | + Add)
- [3.1.2] Applicant's own equipment? 0 / 3
  - Force Account Equipment Summary (+ Add | + Add)
  - Force Account Equipment Rate Costs (+ Add | + Add)
  - Force Account Equipment Record (+ Add | + Add)
- [3.1.3] Applicant's own materials/supplies? 0 / 3
  - Force Account Material Summary (+ Add | + Add)
  - Force Account Material Record (+ Add | + Add)
  - Force Account Materials Invoices/Receipts (+ Add | + Add)
- Force Account Work Order / Activity Log (+ Add | + Add)
- Force Account Historical Cost Summary (+ Add | + Add)
- [3.2] Work was performed by Contract 0 / 5
  - Contract Work Summary (+ Add | + Add)
  - Contract Document (+ Add | + Add)
  - Contract Invoices (+ Add | Add Document)
  - Procurement Policy (+ Add | + Add)
  - Contract Bid / Plus Selection Process (+ Add | + Add)
- [3.3] Work was performed by Rented/leased/purchased equipment? 0 / 2
  - Rented Equipment Summary (+ Add | + Add)
  - Rented Equipment Support for Summary (+ Add | + Add)

- Fill out and sign a FEMA FAE sheet:
  - Fill this out with the following information:
    - Type of equipment used, including year, make and model.
    - Locations, days, and hours used (activity/usage logs are strongly encouraged).
    - Operator name if there is one:
      - (NOTE: if there is an operator, the equipment time must match their timesheets).

- Leased equipment:
  - Lease agreements if one is available,
  - Invoices or receipts,
  - Locations, days, and hours used (activity/usage logs are strongly encouraged),
  - Amount of fuel used, if not included in rental cost.
- Purchased Equipment:
  - Invoices,
  - Reason for Purchase.

### **Force Account Materials (FAM)**

Force Account Materials are reviewed by the CRC for usage and cost incurred during the disaster.

For all FAM applications, the following supporting documentation may need to be provided.

- Price documentation for the material:
  - I.e. Invoices or inventory documents which show the current value of the material.
- Withdrawal or Usage documentation:
  - I.e. Work orders or inventory tickets which show the withdrawal / usage of the material.
- Proof of Payment:
  - I.e. Credit card Statement of Check Stub.
- If the material has been stored in a warehouse, you will need to determine if it was purchased in bulk and please provide the checkout tickets from that warehouse.

### **Materials Purchases**

These are items not already owned by the applicant, but newly purchased for the disaster.

Costs incurred are verified by reviewing invoice/receipt and proof of payment documentation, along with the applicant's summary.

For all materials claims, please provide the following supporting documentation:

- Invoices/Receipts,
- Proof of payment,
  - I.e. Credit card statement or check stub.

### **Contractor & Invoice Expenses**

All contractor and invoiced expenses will be reviewed by the CRC to verify incurred cost.

For all contract expense claims, the following supporting documentation will need to be provided:

- Invoice,
- Proof of Payment,
- Copy of signed Contract,
- Copy of Signed Contract Amendments (If applicable),
- Copy of any related Change Orders (if applicable),
- Scope of Work – Agreement,
- Purchasing Policy.