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**2025**  
**STATE OF ALASKA**  
**ADMINISTRATIVE PLAN**  
**FOR**  
**DISASTER PUBLIC ASSISTANCE**

For State Disasters Declared in Calendar 2025

Department of Military and Veterans Affairs  
Division of Homeland Security and Emergency Management

**STATE OF ALASKA ADMINISTRATIVE PLAN  
FOR  
PUBLIC ASSISTANCE  
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**STATE of ALASKA ADMINISTRATIVE PLAN  
for STATE DISASTER PUBLIC ASSISTANCE**

**1. PURPOSE**

The purpose of this plan is to identify the State of Alaska’s Division of Homeland Security and Emergency Management (hereinafter referred to as the Grantor) roles, responsibilities, processes, and procedures for administering the State Public Assistance (PA) Program. Public Assistance (PA) is supplemental disaster aid to states, tribal and local governments, as well as certain Private Nonprofits for debris removal, emergency protective measures, and permanent restoration of infrastructure. This plan is integrated into and supportive of the State emergency plan.

The State assures that it shall comply with all pertinent federal statutes and regulations in effect during the periods for which it receives grant funding, including those listed under Section II below.

**2. AUTHORITY**

**2.1. State**

- i. Alaska Statute Title 26: Alaska Disaster Act §26.23.010 - §26.23.220  
Disaster Relief Fund §26.23.300  
Definitions §26.23.900
- ii. Any Executive Order of the Governor
- iii. State of Alaska Emergency Operations Plan
- iv. Administrative Order 170
- v. Administrative Order 175
- vi. Alaska Statute Title 29: Municipal Government, to include Chapters 4, 20, and 60
- vii. Alaska Statute 44.62 Administrative Procedure Act

**2.2. Other Related References (not inclusive):**

- i. Alaska Administrative Manual
- ii. Accounting Procedures Manual
- iii. Alaska Historical Preservation Act AS 41.35.010 et seq.
- iv. Stafford Act, Public Law 93-288, as amended by Public Law 100-707 (42 USC Chapter 68, Sect. 5121 et seq.)
- v. FEMA Regulation, 44 CFR Part 206 “Federal Disaster Assistance”
- vi. FEMA Public Assistance Program and Policy Guide

**3. DEFINITIONS**

- a. **Administrative Allowance:** Costs incurred by the applicant that are associated with staff time to conduct initial inspections, prepare and submit Project Worksheet(s) (PW), and comply with other grant administrative requirements. This allowance will be calculated using a sliding scale: 5% of eligible costs up to \$100,000, 2% of eligible costs between \$100,001 and \$1,000,000, 1% of eligible costs between \$1,000,001 and \$5,000,000 and .5% of eligible costs over \$5,000,000. There is no supporting documentation required for the sliding scale, however, due to extenuating circumstance, the Applicant may request actual costs subject to audit of all supporting cost documentation. Administrative Allowance will be paid in a separate PW or within the last open project’s final payment.
- b. **Alternate Project:** An applicant may determine that the public welfare would not be best served by restoring a damaged facility or its function to the pre-disaster design, although the facility was still in use at the time of the disaster. Projects other than the damaged facility on which the applicant spends eligible funds are referred to as alternate projects (44CFR206.203). See also Public Assistance Program and Policy Guide for further guidance.
- c. **Applicant’s Agent:** An agent specified by the Applicant’s (applicant) Principal Executive

Officer or Administrator on the Designation of Applicant's Agent Form (DHS&EM Form 30-5) as the Applicant's primary point-of-contact for all matters pertaining to its request for assistance. If no agent is appointed, the Principal Executive Officer or Administrator will be designated as the Applicant's (applicant) agent. The Designation of Applicant's (applicant) Agent form must be kept current by the Applicant (applicant) and updated as needed with DHS&EM.

- d. **Applicant's Briefing:** Meeting conducted by a representative of the State (Grantor) for all potential applicants (applicants) interested in receiving PA grants. This briefing occurs after an emergency or major disaster declaration and addresses the application process, procedures, administrative requirements, and funding and program eligibility criteria. This is also typically when RPAs are submitted from the potential applicants (applicants) to the State (Grantor). See the Public Assistance Program and Policy Guide for further information.
- e. **Capability Assessment and Recovery Tool:** A written document consisting of three parts: 1) High Risk review, 2) Preliminary Screening, and 3) Recovery Plan. This tool is deployed as soon as possible after potential PA program applicants are identified. The purpose of this tool is to assist in determining applicants' financial and recovery capabilities and to improve project worksheet development and recovery planning. Funding for permanent work may not be disbursed until an applicant's Recovery Plan is on file with DHS&EM.
- f. **Closeout:** Process by which the DHS&EM determines all applicable administrative actions, documentation, and work of the award have been completed and applicant has complied with all actions.
- g. **Disaster Assistance Program Manager (DAPM):** The Disaster Assistance Section Program Manager will provide overall program oversight and will manage resources appropriately to ensure Disaster Assistance program objectives are met.
- h. **Division of Homeland Security and Emergency Management (DHS&EM):** Within the Department of Military and Veterans Affairs (DMVA), DHS&EM has the responsibility under the Alaska Disaster Act to prepare and maintain a state emergency plan which includes provisions for prompt and effective response to disasters, emergency relief, organization of personnel, chains of command, and preventive and preparedness measures to eliminate or reduce disasters or their impact. DHS&EM is also the State agency responsible for coordinating recovery efforts.
- i. **Emergency Work:** Work performed to reduce or eliminate an immediate threat to life, protect public health and safety, and protect improved property threatened in a significant way as the result of the disaster. Under the Public Assistance Program, Category A (Debris Removal), and Category B (Emergency Protective Measures) are referred to as Emergency Work. See the Public Assistance Program and Policy Guide for further information.
- j. **Exploratory Call:** Contact to introduce applicant to State Public Assistance Officer (SPA). Applicant presents an initial sense of the damage and needs. Also identifies who needs to participate in the Recovery Scoping Meeting.
- k. **Governor's Authorized Representative (GAR):** The individual designated by the governor to execute all necessary documents for disaster assistance programs on behalf of the state and local grant Grantors. The GAR may also be designated as the State Coordinating Officer (SCO).
- l. **Hazard Mitigation (State):** The state will consider limited mitigation opportunities directly tied to disaster damages. Mitigation measures must be directly part of the reconstructed work on a facility or will protect or benefit the repaired portion of the facility. Hazard Mitigation is included, when appropriate, as part of the PW scope of work. Hazard Mitigation is different from mitigation measures that are considered under Section 404 of the Stafford Act. See the FEMA Public Assistance Program and Policy Guide for further information.
- m. **Homeowner's Associations (HOA)** A Homeowner's Association (HOA) is an organization of

homeowners of a particular subdivision, condominium or planned unit development. The purpose of a homeowner's association is to provide a common basis for preserving maintaining and enhancing their homes and property. HOA's are generally non-critical Private Non-Profits or businesses and not eligible for Public Assistance.

- n. **Immediate Threat:** The threat of additional damage or destruction from an incident that can reasonably be expected to occur within one year of the declared incident.
- o. **Improved Project:** A project in which an applicant makes improvements to the facility (beyond returning the facility to pre-disaster condition) while performing disaster restoration work. For the most part, these are projects for which funding for the improvements cannot be separated from the costs of the original repair work. The improved facility must have the same function and at least the equivalent capacity as that of the pre-disaster facility. Funding for such projects is limited to the original cost estimate associated with repairing or replacing the damaged facility to its pre-disaster design. The applicant must obtain approval for an improved project from the State prior to construction
- p. **Large Project:** Approved projects estimated to cost the same or more than the large project threshold amount, which is \$100,000 (2025).
- q. **Period of Performance (PoP):** The time during which the grant applicant may incur obligations to carry out work authorized under the award.
- r. **Permanent Work:** Work required to restore a damaged facility through repairs or replacement to pre-disaster design, function, and capacity in accordance with applicable codes and standards. Under the PA Program, Category C (Roads and Bridges), Category D (Water Control Facilities), Category E (Buildings and Equipment), Category F (Utilities), and Category G (Parks, Recreational Facilities, and Other Items) are referred to as Permanent Work. See the Public Assistance Program and Policy Guide for further information.
- s. **Personally, Identifiable Information (PII):** Information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc."

The Public Assistance Program as administered by the State of Alaska has no need to collect PII. If program staff come in contact with PII it is to be handled and controlled in accordance with Alaska Statute 45.48-Personal Information Protection Act.

- t. **Principal Executive Officer:** The Mayor (normally the Chief Elected Official), City Manager/Administrator, or, where there is no home rule or general law municipality, the recognized Traditional Village Council Chief or Administrator, or an eligible incorporated non-profit entity CEO or COO.
- u. **Project Worksheet (PW):** The form used to document the scope of work and cost estimate for a project. See the FEMA PA Program and Policy Guide for further information.
- v. **Public Assistance:** Disaster assistance provided through the State of Alaska Disaster Relief Fund for infrastructure recovery. Under this program, DHS&EM awards grants to assist state, tribal, and local governments as well as certain private non-profit entities with response and recovery from disasters.
- w. **Public Information Officer (PIO):** Public information personnel are responsible for gathering, analyzing, and proactively disseminating information to ensure accurate, timely updates on the incident or event.
- x. **Quarterly Report:** A progress report submitted by the applicant to the State on a quarterly basis. It includes details on the applicant, the project, key dates and activities, funds expended, cost over-run potentials, changes to Scope of Work or other issues, and anticipated completion dates.
- y. **Recovery Scoping Meeting:** A meeting conducted by DHS&EM, in coordination with the applicant individually in order to identify damages, assess specific needs, discuss special considerations, and develop a plan of action.
- z. **Request for Public Assistance (RPA), DHS&EM Form 90-49:** Form used by applicants as an official notification to DHS&EM of their intent to apply for Public Assistance.
- aa. **Site Inspector:** Specifically, trained DHS&EM personnel responsible for documenting the damages from the disaster site.
- bb. **Small Project:** Approved projects estimated to cost more than \$3,500 but less than the large project threshold amount. See Large Project definition above.
- cc. **State Coordinating Officer (SCO):** The individual designated by the governor to coordinate state and local disaster assistance efforts.
- dd. **State Emergency Operations Center (SEOC):** The primary coordination center for all State and federal disasters in Alaska. The SEOC coordinates all intelligence, operations, and logistics matters for the response and initial recovery phases of a disaster.
- ee. **State Public Assistance Branch Chief (PABC):** The individual(s) designated to oversee the PA program and all related support staff. The SPABC will normally be a member of the State Emergency Management staff.
- ff. **State Public Assistance Officer (SPAO):** A State representative who administers the PA Program at the state level. The SPAO will normally be a member of the State Emergency Management staff.

## 4. ORGANIZATION AND RESPONSIBILITIES

- 4.1. State (Grantor). The Governor of Alaska has designated DHS&EM as the State office responsible for managing and administering the PA Program. These responsibilities include, but are not limited to:
- a. Organization: DHS&EM, with augmentation from other state, local, and mutual aid agencies, will staff the SEOC during the response and initial recovery phases. The Disaster Assistance section will manage the state-wide post incident recovery throughout the Public Assistance and disaster recovery process, which may last up to 48 months through disaster closeout. See Appendix 1 for the current DHS&EM Organizational Chart.
  - b. The Governor designated DHS&EM as the state agency responsible for managing and administering the PA program. These responsibilities are carried out by the Disaster Assistance section and include, but are not limited to:
    - i. Assisting the local government in conducting Preliminary Damage Assessments (PDA).
    - ii. Notifying potential applicants.
    - iii. Conducting Applicant Briefings.
    - iv. Conducting the exploratory Calls
    - v. Conducting Recovery Scoping Meetings.
    - vi. Completing Capability Assessment Tool.
    - vii. Ensuring applicant compliance with all programmatic requirements.
    - viii. Assigning a SPAO.
    - ix. Determining work and applicant eligibility.
    - x. Assisting applicants with developing Disaster Recovery Plans.
    - xi. Developing the Scope of Work as part of writing the PWs.
    - xii. Processing requests for time extensions, improved projects, advance payments, and reimbursements.
    - xiii. Making determinations on requests for reconsideration and other disaster-related applicant requests; providing reviews and analyses of appeals for consideration and decision by the Director of DHS&EM.
    - xiv. Complying with procurement, contracting, and administrative requirements of the Alaska Disaster Act and related state laws.
    - xv. Securing insurance information from applicants when required.
    - xvi. Reviewing and certifying project completion information.
    - xvii. Conducting quarterly reviews, site inspections, and audits as required ensuring program compliance.
    - xviii. Determining budget and staffing requirements necessary for proper program management.
    - xix. Providing technical assistance upon request or when appropriate.
    - xx. Closing out PWs, applicants, and programs.
  - c. The Applicant's Responsibilities include but are not limited to:
    - i. Submitting a timely Request for Public Assistance (RPA).
    - ii. Preparing for and participating in the PDA.
    - iii. Complying with the state program and award administrative requirements.
    - iv. Meeting all deadlines established in this Administrative Plan or assigned by the State.
      - i. Attending the Applicant Briefing.
      - ii. Conducting the exploratory Calls
      - iii. Conducting Recovery Scoping Meetings
      - iv. Completing and returning to DHS&EM all documents included in the Preliminary Information Package.
      - v. Assigning a Designated Applicant Agent to work with the State throughout the PA process.

- vi. Identifying damages that are a direct result of the disaster within identified time limitations.
- vii. Developing a Recovery Plan utilizing the outline provided in the Preliminary Information Package.
- viii. Assisting the State in PW formulation.
- ix. Providing all required information for PW formulation within assigned deadlines.
  - x. Providing all documents as described and as needed from the Award Package by the deadline assigned.
- xi. Requesting appeals, overruns, time extensions, and related requests in a timely manner.
- xii. Providing appropriate cost documentation by established deadlines for all expenses incurred in completing the Scope of Work.
- xiii. Ensuring contracted work is not awarded to state debarred contractors.
- xiv. Ensuring Cost Plus Percentage of Cost (CPPC) contracts are prohibited. All Time and Material (T&E) contracts will require a not-to-exceed amount and significant applicant oversight to be considered eligible. Any profit/overhead listed separately, as a percentage of the cost or mark-up, in these types of contracts will strictly be the responsibility of applicant to pay.
- xv. Reviewing PWs to ensure the location of damages, damage description and dimensions, scope of work, and cost estimates are accurate and complete.
- xvi. Tracking project costs separately for each project as costs are incurred and submitting cost documentation to support claimed expenditures in a timely manner or by the deadline assigned by the State.
- xvii. Completing the approved Scope of Work as described in the PW. If alternative methods of repair are needed, additional work is required, or work cannot be completed in its entirety, the applicant will notify the SPAO immediately.
- xviii. Submitting Quarterly Reports and maintaining contact with DHS&EM on all pertinent matters.
- xix. Monitoring projects by conducting quarterly reviews, site inspections, and audits as required, ensuring program compliance.
  - xx. Accept that, as a condition of receiving any state financial assistance, that if the applicant is an entity that expends federal financial assistance totaling \$750,000 or more during the entity's fiscal year, the applicant shall submit to the State coordinating agency, within nine months after the end of the audit period, an annual audit report covering the audit period. See 2 AAC 45.010.
  - xxi. Accept that an On Behalf Of (OBO) Request is still considered a payment made through the applicant. The funds are counted towards State and/or Federal Single Audit Requirements.
- xxii. Certifying project completion.

d. Assignment of Responsibilities:

- i. Director: Acts as the appeal authority on all appeals.
- ii. State Coordinator: The person designated by the Governor to execute emergency powers invoked by the Governor and ensure state disaster assistance programs are conducted in compliance with the Alaska Disaster Act and other related laws and regulations.
- iii. Disaster Assistance Program Manager (DAPM) and/or Branch Chief (PABC): Provides program oversight and designates a SPAO who is responsible for management of the PA program for the disaster.
- iv. State Public Assistance Officer (SPAO): The person designated by the DAPM responsible for administering the PA program at the state level. The SPAO will be the applicant's primary point of contact with DHS&EM.

## 5. STAFFING AND FUNDING

- a. Following a state declaration, the Governor of Alaska will designate State certification officers to include a GAR, an Alternate GAR (AGAR), a SCO, and an Alternate SCO (ASCO). The GAR/AGAR is empowered to execute on behalf of the State all necessary documents for disaster assistance, including approval of awards and certification of claims for PA. The GAR/AGAR maintains overall management and oversight of all aspects pertaining to the disposition of disaster assistance, hazard mitigation, donations management, programmatic compliance, and materials disposition under the federal disaster assistance program.
  - b. The DAPM will provide overall program oversight and will manage resources appropriately to ensure Disaster Assistance program objectives are met.
  - c. The SPAO may have additional assigned staff (as appropriate per event) for the initial work of applicant briefings, writing/reviewing PWs, and determination of eligibility. This may include utilization of contract services to support various PA functions.
  - d. Ongoing management of the PA Program will require several staff from the Disaster Assistance Section, Information Management, Administrative Support, and Finance to augment the SPAO, SCO/ASCO, and GAR/AGAR.
  - e. After the Response Phase closes, primary responsibility for coordination of state assistance will shift from the SCO to the DAPM with the assistance of the State PABCs and the SPAO. DHS&EM will incur the costs for administrative support personnel.
- 5.1. Disaster Grants Staff:** The State (Grantor) provides a final financial audit and quality review of payment requests to ensure they comply with State and federal financial guidance. They also provide coordination of payment requests to the Department of Administration for processing.
- 5.2. Management and Program Staff:** DHS&EM is responsible for administering all funds provided under the PA Program as well as coordinating the program among the State, and the applicants.
- 5.3. Administrative Support Staff:** Since staffing requirements vary depending on the magnitude, type, and extent of the disaster, the following personnel may be used to assist the GAR/AGAR, SCO/ASCO, and DAPM in meeting program and grant administrative requirements:
- a. State PABC: Emergency Management Specialist III from the Disaster Assistance Section
  - b. SPAO: The designees will be Emergency Management Specialists from the Disaster Assistance Section.
  - c. Contractors: Disaster Assistance contractors may be used to augment State staff to conduct briefings, attend meetings, provide applicant follow-up, perform site inspections, and review PWs.
  - d. Voluntary Agency Liaisons, Applicant Liaisons, Project Officers, Program Specialists, Accounting Specialists, Technical Specialists, Resource Coordinators, and other State Administrative Support Personnel as required, including Computer Specialist, Administrative Technician and Clerk/Typist: Qualified personnel from applicable State agencies who may assist the State Emergency Management staff.
- 5.4. Administrative Allowance:** Costs incurred by the applicant that are associated with staff time to conduct initial inspections, prepare and submit Project Worksheet(s) (PW), and comply with other grant administrative requirements. This allowance will be calculated using a sliding scale: 5% of eligible costs up to \$100,000, 2% of eligible costs between \$100,001 and \$1,000,000, 1% of eligible costs between \$1,000,001 and \$5,000,000 and .5% of eligible costs over \$5,000,000. There is no supporting documentation required for the sliding scale, however, due to extenuating circumstance, the Applicant may request actual costs subject to audit of all supporting cost documentation. Administrative Allowance will be paid in a separate PW or within the last open project's final payment
- Cost Sharing:** The basis for this determination is as

follows. The DHS&EM will provide the 100% cost share for all approved PWs.

## **6. POST DECLARATION ACTIVITIES**

- 6.1.** DHS&EM will ensure negotiation, coordination, and execution of the FEMA-State Agreement.
- 6.2.** Notifying Potential Applicants: DHS&EM, the SPAO, the State Public Affairs Officer(s), City Mayor(s), Tribal Administrator(s), and local Emergency Management Coordinator(s) will be used to notify potential applicants of the available assistance programs. Potential applicants will be notified via letter, DHS&EM web page, telephone calls, and/or relevant media available in the affected area or posted on community bulletin boards. This notification will include the time and date of the Applicants' Briefing to be held in their area. Notification will occur as early as possible. The SPAO will provide details on the roles and responsibilities of the State (Grantor) and potential applicants, the appropriate staff to be in attendance, items the potential applicants should bring to the Applicants' Briefing, and brief overview on cost documentation requirements. The PIO for DHS&EM will also disperse information on the Applicant Briefings through their normal communication channels.
- 6.3.** Capability Assessment and Recovery Tool: The SPAO (or other designated staff) will complete the High-Risk review and Preliminary Screening sections of the Recovery Assessment Tool to assist in identifying any necessary special conditions or restrictions appropriate to ensure program success and recovery. The High-Risk review will be used to determine if the applicant has proper financial resources prior to awarding grant funds. This tool is also used to identify areas where additional State support/guidance may be needed to assist potential applicants with programmatic requirements. The SPAO will complete the High-Risk review and route to the State PABC and DAPM for review and concurrence. Any potential applicants determined to be high risk by the SDAPM must be forwarded to the GAR/AGAR for final concurrence prior to notification (certified mail). The notification letter will also provide appeal instructions. All associated and supporting documentation will be included in the applicant Folder. A copy should be made available to FEMA to assist with project formulation.
- 6.4.** Applicants' Briefing: Once a designated area has been approved for PA, members of the Disaster Assistance Section will conduct an Applicant's Briefing. The number of potential applicants and the area involved in the disaster will determine the number of briefings held. The local government contact will arrange for the Applicant's Briefing location through coordination with the SPAO. Typically, the Applicant's Briefing is conducted by the SPAO or another Public Assistance staff member from DHS&EM. At the Applicant's Briefing, a Request for Public Assistance (DHS&EM Form 30-1 Request for Public Assistance) application will be collected from each public entity, tribe, and Private Nonprofit organization interested in pursuing assistance under the PA Program. The SPAO will provide each potential applicant with a Recovery Plan template/outline. The SPAO will brief applicants on the purpose and importance of the Recovery Plan. DHS&EM must have a Recovery Plan for each non-State agency applicant prior to disbursement of a federal award. Also of significant importance, the Recovery Plan generated by the applicant will be invaluable to the applicant and the DHS&EM during the Recovery Scoping Meeting and project formulation. The SPAO will be responsible for providing the applicants with the various policy manuals, policies, and guides that provide information on the procedures, eligibility, and deadlines used throughout the PA Program process.
- 6.5.** Recovery Scoping Meeting: A Recovery Scoping Meeting is conducted following the Exploratory Call to provide each individual potential applicant specific information needed to meet requirements of the PA Program and to allow the potential applicants to identify specific damages to their public infrastructure. The SPAO will ensure that a list of potential projects is left with each potential applicant's representative following the Recovery Scoping Meeting. This starts the 60-day period for potential applicants to identify and report disaster related damages to the State (Grantor) and FEMA and provide documentation to support project formulation.

**6.6. Damage Assessment:** Following the conclusion of the Recovery Scoping Meeting, the State will participate in the damage assessments with local personnel. The date and time of damage surveys will normally occur immediately following the Recovery Scoping Meeting. However, final coordination shall occur between the SPAO and the applicant representative. The SPAO will make the applicant representative aware of what will be required during the damage assessments, to include the following:

- 6.6.i.a.1.** List of all identified damages that were a direct result of the declared event
- 6.6.i.a.2.** Map or drawings to indicate location of damaged facilities
- 6.6.i.a.3.** Supporting documentation for work complete
- 6.6.i.a.4.** Estimates for work incomplete or not yet begun
- 6.6.i.a.5.** Copies of applicable insurance policies
- 6.6.i.a.6.** Copies of applicable codes and standards
- 6.6.i.a.7.** Photographs of sites before and after event
- 6.6.i.a.8.** Any known environmental or historic issues related to affected sites

**6.7. Applicant Eligibility:** The State will screen all potential applicants for eligibility first by a review of the submitted RPAs. After Applicant Briefings and site visits are complete, the State teams will conduct a preliminary eligibility determination based on information gathered during the site visits. This will include verification and support by the State that the potential applicant is eligible for the PA program. If a difference of opinion arises between the team members, the issue will be brought to the State PABC for review and determination. The state makes all final determinations regarding eligibility. Applicant eligibility determinations will not be made in the field during the site visits. The State team will visit and gather all the necessary information for each damaged site shown by potential applicants that would normally be necessary to write a PW, regardless of eligibility. Per 44 CFR 206.222, eligible applicants under the PA Program are:

- 6.7.i.a.1.** State agencies, local governments, and governmental entities.
- 6.7.i.a.2.** Federally recognized Indian tribes or authorized tribal organizations and Alaska Native Village organizations. This does not include Alaska Native Corporations, which are owned by private individuals.
- 6.7.i.a.3.** Private nonprofit organizations that have an IRS tax exemption certificate and organization charter or by-laws, as outlined in 44 CFR 206.221(f)(1-2). They must also provide an essential governmental-type service to the public. Special utility districts must provide a copy of the legislation that grants the district taxing authority. Eligible private nonprofit organizations must own or operate educational, utility, emergency, medical, custodial care, or other essential governmental service facilities. Other essential governmental service facilities are defined as museums, zoos, community centers, libraries, homeless shelters, senior citizen centers, rehabilitation facilities, shelter workshops, and other facilities which provide a health and safety service of a governmental nature.

## **7. PUBLIC ASSISTANCE AWARD APPLICATION PROCESS**

**7.1. Grantor Process:** Under a state declaration, DHS&EM does not have a Grantor process as FEMA is not involved, DHS&EM is the Grantor and as such, does not receive any other funding outside of the Disaster Relief Fund. For all approved applicants, approved PWs will be the basis for issuing grants to eligible applicants in accordance with the cost sharing provisions established; for state disasters, costs are 100% state funded.

- 7.1.i.a.1.** Potential applicants Application Process: In order to receive funding, the potential applicant will submit an RPA application (DHS&EM Form 30-1 Request for Public Assistance) within 30 days of the declaration date. If the potential applicant is a private nonprofit (PNP) organization, they will be required to submit a completed PNP Questionnaire in addition to the RPA within 60 days of the declaration date. Potential applicants must also complete a Recovery Plan that includes details on the projected completion process for each

project. Requests submitted after this 30-day period will be reviewed and, if warranted, considered. The applicant may ask DHS&EM for an extension to the filing deadline.

**7.1.i.a.2.** Applicant Preliminary Information Package: Once DHS&EM makes an eligibility determination, DHS&EM forward the appropriate Applicant Preliminary Information Package Grant Agreement forms to the potential applicant for signature. All applicable forms must be completed and returned to DHS&EM prior to delivery of the award document. The Applicant Preliminary Information Package includes:

- Award Information Cover letter
- Designation of Applicant's Agent (DHS&EM Form 30-5)
- Recovery Plan template
- Contract/Procurement information
- Procurement Method Report (PMR)
- Non-Competitive Single Source Procurement
- RPA
- PNP RPA Form
- PNP Facility Questionnaire

## **7.2. PW Preparation**

**7.2.i.a.1.** Depending on the size and nature of the disaster, DHS&EM will participate at various levels in the PA Program process. The SPAO will have primary responsibility for developing the PWs, but will be completed with applicant assistance at all levels. This will include the SPAO and /or disaster assistance contractors working with the various applicants to advise and assist them in providing the information required formulate a project worksheet. In addition, the SPAO and /or disaster assistance contractors and the applicant can identify hazard mitigation opportunities for consideration. Projects will be based on the following sources: Flood Hazard Mitigation Handbook for Public Facilities, and the PA Program and Policy Guide.

**7.2.i.a.2.** All project information required to complete the PWs, Damage Description and Dimensions, Scope of Work, Cost Estimate, insurance information, etc. must be submitted within 60 days of the Recovery Scoping Meeting. Any newly discovered damage not reported at the Recovery Scoping Meeting must be reported to the State within 60 days of the Recovery Scoping Meeting. If this timeframe cannot be met, the applicant should follow the procedures for requesting a time extension. If all project information required to complete the PWs cannot be obtained because of weather or other factors hindering the ability to view the damages and the Recovery Scoping Meeting has already occurred, the new deadline assigned will be 60 days from the date of the actual site visit, pending state approval.

**7.2.i.a.3.** If damages are not fully documented within the 60-day deadline and an extension has not been requested by the applicant or has been denied, the PW will be written based on information provided from the applicant up to that point. The DHS&EM may use local sources for estimating repair/replacement costs. Changes requested after this point will be coordinated through the DHS&EM for action. If the applicant remains dissatisfied with the outcome of these informal activities to incorporate changes, the applicant will be given a standard 60 day appeal option following the state's eligibility determination as outlined in the award document.

- 7.2.i.a.4.** PW Review: The State will process PW's by hard copy and will complete a memorandum with any project worksheets containing ineligible damage, work, and/or costs.
- 7.2.i.a.5.** If there are any areas of disagreement noted, the applicant will contact the State to discuss the specific areas of concern and concurrently make changes to the PW as required. If agreement cannot be reached, the PWs will be formalized and the applicant will be granted appeal rights.
- 7.2.i.a.6.** Disputes/Conflict Resolution: In order to expedite funding and minimize applicant appeals, the following conflict resolution process should be followed:
- If an applicant Liaison has been assigned, the applicant should notify this individual of the unresolved issue.
  - The Applicant Liaison should work to resolve the issue with the PA representative. If the issue remains unresolved, the Applicant Liaison should notify the SPAO.
  - The SPAO should work to resolve the issue with the applicant liaison.
  - If these steps do not result in resolution, the applicant is referred to the appeal process.
- 7.2.i.a.7.** Award Package: After PWs have been written, reviewed, and approved/obligated, the applicant will receive an award package that includes the grant awarding document, PW(s), appeal instructions, and the following documents:
- Award Cover Letter
  - Obligating Award Document (contains required information for applicants and pass-through entities)
  - Disaster Public Assistance Assurances and Agreements form
  - Disaster Public Assistance General Requirements form
- 7.2.i.a.8.** Forms Package: DHS&EM will also provide to each applicant all award processing forms. One set of blank forms will be provided and applicants are responsible to safely maintain them so copies can be generated as needed through the PA project process. The Forms Package includes the following documents:
- DHS&EM Applicant Insurance Commitment Form
  - Waiver of Sovereign Immunity (DHS&EM Form 30-62)
  - Indemnity and Hold Harmless Agreement (DHS&EM Form 30-81)
  - DHS&EM Form 30-3 Request for Funds Form
  - Direct Vendor Payment Form (On Behalf Of)
  - DHS&EM Form 30-4 Statement of Documentation
  - DHS&EM Form 30-60 Project Quarterly Report
  - DHS&EM Form 30-80 Certificate of Compliance
  - DHS&EM Form 30-102 Project Final Narrative Form
  - FEMA Form 90-91 Project Worksheet
  - DHS&EM Form 30-72 Force Account Labor Summary Record
  - DHS&EM Form 30-73 Materials Summary Record
  - DHS&EM Form 30-74 Rented Equipment Summary Record
  - DHS&EM Form 30-75 Contract Work Summary Record
  - DHS&EM Form 30-76 Force Account Equipment Summary Record
  - FEMA Form 90-128 Applicant's Benefits Calculation Worksheet
  - DHS&EM Form P.4 Project Completion and Certification Report
- 7.2.i.a.9.** Eligible PW: The State (Grantor) will notify the applicant when its project application is prepared and ready for signature.
- 7.2.i.a.10.** Ineligible PWs: written notification to the applicant of the ineligibility finding with the State's justification and the applicant's appeal rights.

- 7.2.i.a.11.** The varied levels of State involvement may include:
- Assign an SPAO, Specialist(s), and/or Contracted Service Staff to the JFO.
  - Assist the applicant in developing scopes of work and cost estimates
  - Notify applicant of any eligibility questions and/or technical assistance requirements needed to facilitate project approval
  - Provide support as needed, such as engineers for highly technical projects or mediators to resolve disputes
  - Assist the applicant in identifying hazard mitigation opportunities
  - Request re-inspections or time extensions for additional significant damage not previously identified within 60 days of an initial applicant inspection
  - Facilitate informal resolution of disputes through management oversight by the DAPM

- 7.2.i.a.12.** The applicant will:
- b.** Identify all disaster related projects
  - c.** Assist in the preparation of all PWs by effectively ensuring damage descriptions, scopes of work, cost estimates, etc. are accurate and complete. Must also be proactive in identifying and correcting all errors and/or discrepancies to DHS&EM staff
  - d.** Address pertinent environmental and historic preservation requirements, insurance coverage, floodplain management issues, and hazard mitigation opportunities
  - e.** Report to State any damage that is not previously identified to the State within 60 days of the initial Recovery Scoping Meeting
  - f.** Describe the pre-disaster facility, function, and location
  - g.** Describe the repairs necessary to repair facility to its pre-disaster design, function, and capacity
  - h.** Describe any change in the pre-disaster design of the facility that may be necessary
  - i.** Provide a justifiable cost estimate to complete the repairs
  - j.** Apply for and obtain all necessary permits
  - k.** Ensure research is conducted (view and print a screen shot from the federal SAM site <https://www.sam.gov/portal/public/SAM/>) to verify material purchases and contracts are prevented from being awarded to any party that is barred or suspended or is otherwise excluded from participation in federal programs under Executive Order 12549, “Debarment and Suspension.” This action must be taken prior to a contract being awarded or material purchase being made and documented on the procurement method report along with the SAM screen shot and provided to SPAO
  - l.** Comply with all local and State (Grantor) insurance requirements

## **8. PROJECT FUNDING**

**8.1.** Applicants (applicants after grant obligation) are briefed of the requirements imposed on them by State statutes, such as Allowable Costs, Cash Management, and Reporting throughout the PA Process and acknowledge by signing the Assurances and Agreements form. The applicant also receives a copy of this Administrative Plan that outlines those requirements. The DHS&EM is responsible for the 100% cost share requirements.

**8.1.i.a.1.** Applicable Cost Principles – For each kind of organization, there is a set of State principles for determining allowable costs. Allowable costs will be determined in accordance with the cost principles applicable to the organization incurring the costs as follows:

- State, Local, or Indian Tribal Governments – Section 2, AAC 12.560
- Educational Institutions – Section 2, AAC 12.560

**8.1.i.a.2.** Section 2, AAC 12.560 – Requirements for pass-through entities:

- The State of Alaska shall follow State law and procedures when administering awards to applicants, whether on a cost reimbursement or fixed amount basis. The State will ensure that every award is clearly identified to the applicant as a award and includes the following information at the time of the award and if any of these data elements change, include the changes in subsequent award modification:
  - Applicant name
  - Applicant’s unique entity identifier
  - Award Period of Performance start and end date
  - Amount of state funds Obligated to the applicant
  - Total Amount of the Award
  - Project description
  - Name of the Federal Awarding Agency

**8.2.** The State will manage PA funding (100% state) separately by specific disaster. The State will allocate and account for funds based on approved and obligated PWs. As PWs are obligated, the State will encumber the obligated amount within the state finance system, Integrated Resources Information System (IRIS) throughout the entire disaster. The SPAO is responsible to check for anomalies and on a quarterly basis, complete a thorough review, ensuring all programmatic funds are accurately accounted for. Funds are tracked daily within the PA Section by use of detailed disaster status sheets created for each specific disaster.

**8.3.** The State will disburse funds to the applicant after the PWs are obligated, the applicant completes the grant agreement between the applicant and State and they request an Advance, an On-Behalf-Of (OBO) payment, a in progress reimbursement or complete the project and submit all required back-up documentation Summary and Closeout forms with a final payment request. The State will maintain records of all applicant issues across disasters. Applicants who are determined to be high risk as described in the State Administrative Plan will be monitored at a greater degree than non-high risk applicants (see VI section C. Project Performance, (k) Special applicant conditions for high risk applicants” and (1) Required Close-Out Documents (iii) high risk applicants) and may have payment requests adjusted to limit risk to public funds. After accumulating 12 consecutive months of successful PA financial grant actions, high risk applicants may submit a written request to the Disaster Assistance Program Manager to be removed from high risk status. Payments will be made utilizing the following methods:

**8.3.i.a.1.** Small Projects – (\$3,500-\$99,999.99) DHS&EM will adjust this amount periodically to reflect changes in the Consumer Price Index for all Urban Consumers and publish it in the Federal Register before October 1. The determination of the threshold that will be used to classify a project is based on the declaration date of the disaster. For 2022, the maximum Small Project amount is \$99,999.99 and is identified in any disaster specific PA Administrative plans required during 2025. Funding for small projects will be based on actual expenditures.

- Final Payments - When the applicant has completed work associated with each Small Project, submitted the appropriate Close-Out forms and received a Final Inspection (optional) the State will issue a final payment to the applicant. This payment will be for up to the remaining 25% of grant funding for the project. When the final payment is made the State will consider each Small Project closed.

**8.3.i.a.2.** Large Projects- (projects costing \$100,000 or more) Approved projects estimated to be equal to or greater than the large project threshold amount are considered Large Projects. For Non-High-Risk applicants funding is based on actual documented costs. However, due to the complexity and nature of most large

projects, work typically is not complete at the time DHS&EM writes the project worksheet. Because of this, many Large Projects initially are approved based on estimated costs. Funds generally are made available to the applicant on a progressive payment basis as work is completed (up to 75% of the total PW amount). When all work associated with the project is complete the State performs an audit of actual costs and reconciles those costs and documentation against the PW scope of work. Reimbursement is based on actual eligible costs incurred to complete the approved PW scope of work not the PW approved amount. Funds are typically disbursed to applicants through several payment methods.

- b.** Advance Payments - Upon submittal of a “Request for Funds” form (DHS&EM Form 30-3) the State (Grantor) may advance an applicant up to 30 % of the total PW cost estimate that must be used within 30 days of receipt.

  - The amount allowed by the SPAO will be determined by the information provided on the “Request for Funds” form, specifically, the type of work that will be completed and the start and end dates identified. Any amount not expended within the 30-day period must be returned to the State (Grantor) immediately. Failure to comply with this requirement may jeopardize the applicant’s grant funds and will require them to report and return interest earned while these funds were on deposit in an interest-bearing account.
  - The applicant must report on status of advance funds within 30 days of receipt and has up to 60 days to provide the appropriate Summary forms and supporting cost documentation i.e., invoices, timesheets, etc. If the Summary forms and supporting cost documentation is not received within the time limitations the State (Grantor) will begin the de-obligation process for remaining funds, collection procedures on advance funds provided and closeout the applicant’s project file.
  - An applicant may request additional advance payment of funds, not to exceed 30%, of the PW total estimate by completing an additional “Request for Funds” form and providing the appropriate Summary forms with all supporting back-up documentation to substantiate expenditures for the previous advance.
  - The total of all advances for any one PW will not exceed the federal share for the grant award (75% of the PW amount).
- c.** Reimbursements - Applicants may receive payments for small or large projects after portions of the work have been completed on a reimbursement basis.

  - For these types of payments applicants will be required to submit the following:
    - “Request for Funds” (DHS&EM Form 30-3).
    - All appropriate Summary Forms.
    - Cost back-up documentation to support all claimed costs. The total of all reimbursements prior to Closeout will not exceed 75% of the PW amount unless the GAR approves the waiver to the 75% requirement limitation.
  - Requests for reimbursements are reviewed and approved in five levels:
    - 8.3.i.c.1.1.1. The SPAO completes a thorough review to ensure compliance with programmatic and eligibility requirements. All payments will be tracked by the SPAO in order to keep a running total of funds paid per project. The PABC completes a spot check audit to verify the determination. Disaster Grants staff completes a financial review to ensure compliance with OMB requirements. The DAPM then completes a spot check to verify the final determination. The GAR, or alternate, provides final approval prior to payment.
- Due to the high costs associated with processing payment requests, DHS&EM will not process a grant reimbursement payment request for less than \$3,500 or the lowest dollar threshold for a small project unless it is the project’s final

payment or the payment request is based on a Project Manager's billing for a specific period of time. State entities requesting payments through IRIS are not subject to this limitation.

- Additional indirect costs are not allowable for applicants under this grant program. This grant program already offers an administrative allowance as a percentage of the total cost all project worksheets, by applicant, for each disaster. (See Section 5.4)
  - On Behalf Of (OBO) Payments - Applicants may request that some costs incurred for eligible work performed be paid directly to the vendors who provided the goods or services.
    - Applicants who request OBO Payments must complete and sign the "Request for OBO Payment" form. The applicant must submit original invoice(s) or certified copies of invoice(s) signed by the vendor to support request and all appropriate Summary Forms.
    - Any costs included in the invoice(s) deemed ineligible under the project scope of work will remain the responsibility of the applicant for payment.
    - The applicant will be required to account for all OBO Payments in addition to other eligible costs they incurred on the appropriate summary forms before final payment is made.
  - Final Payments - When the work associated with each PW is completed and the appropriate Summary and Closeout forms are submitted (with supporting cost documentation) the State (Grantor) will issue a Final payment. This payment is the remaining balance of grant funding for each project. Once final payment is made the State (Grantor) will consider the Large Project financially closed and will submit for FEMA programmatic closure.
    - No Cost Overrun - If during audit, the SPAO determines the actual eligible reimbursement amount is less than the amount claimed by an applicant, an amended Statement of Documentation will be completed by the SPAO using the cost estimate found in the PW, the amount being claimed by the applicant on the original Statement of Documentation form, and the final eligible costs after the audit is conducted. The amended Statement of Documentation will then be submitted to the applicant with information regarding why the reductions were made. The applicant can then sign the amended form or submit additional supporting documentation for consideration.
    - Cost Overrun - If the applicant discovers a potential cost overrun, it must inform the State (Grantor) as soon as that situation is identified. The applicant may only seek the additional funding by submitting a Cost Overrun Request. However, these costs must be clearly supported with accurate documentation that directly indicates they were necessary to complete the approved scope of work. Cost Over-runs will be requested and finalized as a separate process prior to project "Close-out" and the SPAO will provide the applicant with updated DHS&EM Form P.4 Project Completion and Certification Report for signature in order to proceed with any final payment and project close-out.
- 8.3.i.c.3.** If the applicant is a State Agency, funding is provided through a Reimbursable Service Agreement (RSA) contract.
- Applicants covered under an RSA contract must still provide the appropriate Summary and Closeout forms with all backup cost documentation as is required for all "Small" and "Large" Project Worksheets outlined above.

- The SPAO will review the documentation provided for programmatic eligibility and submit the “Request for Payment” through the levels of review outlined above.
- Any documentation provided from the applicant State agency’s finance section to DHS&EM’s financial support will be reviewed by the SPAO
- Payments will only be processed after RSA Executes have been entered into the IRIS System.
- If there is a discrepancy between the submitted back-up cost documentation provided by the Programmatic personnel of the State Agency and the financial documentation contained within IRIS, DHS&EM will notify the programmatic personnel of the discrepancy and return the mismatched documentation back to the originator until all errors have been reconciled. There will not be any transfer of funds until all discrepancies have been corrected.
- If the State determines that it is necessary to de-obligate PA grant funds appropriated for a particular applicant and project, due to non-compliance with programmatic requirements, it will be accomplished utilizing the De-obligation Checklist. This option will be activated at the discretion of the DHS&EM DAPM.

## 9. PROJECT PERFORMANCE

- i. The State will utilize the following procedures when processing requests from applicants regarding Improved and Alternate Projects, Appeal Requests and Decisions, Time Extensions, and Cost Overruns.
- ii. The State (Grantor) through the SPAO will monitor program performance by Sub-Recipients in the completion of projects to ensure costs are limited to eligible grant performance activities and within grant performance periods. State program, grant and financial staff will monitor and adequately safeguard all assets to ensure they are used solely for authorized purposes.
- iii. Improved Projects: When performing restoration work on a damaged facility, an applicant may decide to use the opportunity to make improvements to the facility.
  - 9.1.iii.a.1. An applicant may request an improved project for either a small or a large project, but is limited to Category C-G projects only.
  - 9.1.iii.a.2. All improved projects must be approved by DHS&EM utilizing the Improved Project Checklist prior to starting the improved portion of the proposed work.
  - 9.1.iii.a.3. Requests for Improved Projects must be submitted to DHS&EM in writing and must contain the following:
    - 9.1.iii.a.3.1. A reason for requesting the improved project
    - 9.1.iii.a.3.2. A description of the proposed work
    - 9.1.iii.a.3.3. A schedule of work
    - 9.1.iii.a.3.4. A cost estimate
    - 9.1.iii.a.3.5. Information adequate to establish compliance with special requirements including, but not limited to, floodplain management, environmental assessment, protection of wetlands, endangered species, and insurance
  - 9.1.iii.a.4. The improved facility must have the same function and at least the same capacity as that of the pre-disaster facility.
  - 9.1.iii.a.5. Exceptions to these requirements are improvements associated with required Codes and Standards as outlined in 44 CFR 206.226 (d).
  - 9.1.iii.a.6. Once the request is submitted to DHS&EM, the SPAO will review the request to ensure that all required information is contained in the request. If it is determined there is a significant change from the pre-disaster configuration (different location, footprint or size) the SPAO will send a Request for Information for justification on why the proposed repairs differ from disaster damages identified. Once received, the SPAO will make a recommendation and forward the request to the PA Branch Chief and DA Program Manager for a decision. Funding for Improved Projects is typically limited to the estimated amount outlined in the original PW.

**iv.** Alternate Projects: When an applicant decides that the public welfare would not be best served by restoring a damaged facility or its function to the pre-disaster design (although the facility was still in use at the time of the disaster) they can choose to request an Alternate project for other capital improvement purposes.

- A subrecipient may request an Alternate Project for either a small or a large project but is limited to Category C-G projects only.
- All alternate projects must be approved by DHS&EM utilizing the Alternate Project Checklist prior to construction.
- Requests for Alternate Projects should be submitted to DHS&EM in writing within 12 months following the Recovery-Scoping Meeting and must contain the following:
  - A reason for requesting an alternate project
  - A description of the proposed work
  - A schedule of work
  - A cost estimate
  - Necessary assurances to document compliance with special requirements including, but not limited to, floodplain management, environmental assessment, protection of wetlands, endangered species and insurance
- Alternate projects are eligible for 100% of the approved PW amount for eligible costs associated with repairing the damaged facility to its pre-disaster design, or the actual costs of completing the alternate project, whichever is less. The proposed alternate project may not be located in the regulatory floodway and will have to be insured if located in the 100-year floodplain. Funding may not be used for operating costs or projects that utilize other federal grants. In general, they may be used for capital projects such as facilities or equipment. 406
- funds cannot be applied to an alternate project. An environmental review will be performed for all alternate projects.
- Alternate projects for PNP subrecipients must be for facilities that would be eligible for assistance as outlined in the State PA Plan.
- Once the request is submitted to DHS&EM, the SPAO will review the request to ensure that all required information is contained in the request. They will then make a recommendation and forward the request to the PA Branch Chief and DA Program Manager for a decision.
- If the request is denied, the SPAO must submit a letter to subrecipient informing them that their request is denied. This letter will contain information on why it was denied and the appropriate appeal procedures.

**v.** Requests for Reconsideration/Appeals and Decisions: An eligible applicant may appeal any determination made by DHS&EM/FEMA relating to an application for PA. The following conflict resolution process should be followed to expedite funding and minimize applicant appeals:

**9.1.iv.a.1.** The applicant will notify the SPAO of the unresolved issues.

**9.1.iv.a.2.** The SPAO will attempt to resolve the issue with the applicant through an informal basis. If the issues cannot be resolved, a formal request for reconsideration from the applicant should be submitted to the SPAO. This request will be reviewed by the State PABC and DAPM for potential resolution.

**9.1.iv.a.3.** The applicant is encouraged, but not required, to follow steps 1 and 2 above before filing an appeal with the State (Grantor) in accordance with 44 CFR 206.206. The appeal time limits apply even if the informal process is utilized.

**9.1.iv.a.4.** If the applicant decides not to follow the steps above, the applicant will need to make a formal appeal in writing to the GAR/AGAR. The GAR/AGAR will review, evaluate, make additional investigations as necessary, and make a written recommendation on all appeals. The following applies:

- Under the State Administrative Plan, the applicant is entitled to appeal any eligibility determination. The applicant may appeal determinations to DHS&EM. If the applicant elects to file an appeal, the appeal must: (1) contain

documented justification supporting the applicant's position, (2) specify the monetary figure in dispute, and (3) cite the provisions in statute, regulation, or policy with which the applicant believes the initial action was inconsistent. An appeal must be submitted to the State (Grantor) by the applicant within 60 days of the applicant's receipt of rendered decisions. The Grantor's response to the appeal must be communicated to the applicant within 60 days of receiving the applicant's letter.

- 9.1.iv.a.5.** The appeal shall contain documented justification supporting the applicant's position, specifying the issue in dispute and the provisions in Statute law, regulation, or policy under which the applicant believes the initial action was unacceptable.
- 9.1.iv.a.6.** Once the appeal is received by DHS&EM, the SPAO will review the appeal and prepare correspondence for the GAR/AGAR that includes analysis and a recommendation concerning the applicant's request and the basis for the action that resulted in the appeal. The PA Branch Chief and Program Manager will review and provide analysis to the GAR as needed. The GAR will review all of the information provided and render a written determination.
- 9.1.iv.a.7.** Complex appeals may require use of subject matter experts or technical assistance in order to complete a thorough investigation or analysis. DHS&EM will work with applicants to facilitate additional assistance when required.
- 9.1.iv.a.8.** Time limits:
- The applicant must submit their written appeal to DHS&EM within 60 days after receipt of a notice of action that is being appealed.
  - The GAR will review and forward appeals from an applicant, with a written determination within 60 days.
  - If appeals involve highly technical issues, the GAR/AGAR may, at his or her discretion, submit the appeal to an independent scientific, technical or legal person or group having expertise in the subject matter of the appeal for advice or recommendation. The period for this technical review may not exceed 90 days and may be in addition to the 90-day time limit for the GAR/AGAR to render a decision.
  - Requests by DHS&EM for additional information will be made formally with a 30-day response period.
  - If the appeal is denied, the SPAO must submit a letter to the applicant informing them that their appeal is denied. This letter should contain information on why it was denied.
- vi.** Time Extensions: The State (Grantor) may grant time extensions for the completion of approved work associated with all PWs. As the Grantor, the State's expectation is that all projects will be completed within the appropriate programmatic time limits. All time extension requests will be thoroughly reviewed to ensure justification meets established approval requirements.
- 9.1.v.a.1.** For Debris Removal and Emergency Protective Measures PWs, the State (Grantor) may, on a case-by-case basis, grant up to an additional six months for the completion of work described in the PW. SPAO will complete the Time Extension Checklist and include it with the transmittal.
- 9.1.v.a.2.** Temporary Facilities: The regulatory time limitation for temporary facilities (Emergency Work) is 6 months from the declaration date. Depending on the extent of damage to the facility, the Applicant may be unable to restore the facility to its pre-disaster design and function within 6 months. Normally, the Grantor has the authority to extend the deadline for Emergency Work for up to 6 additional months. However, for temporary facilities, only the Grantor may extend beyond the statutory deadline.
- 9.1.v.a.3.** For Permanent Work, the State (Grantor) may, on a case-by-case basis, grant additional time for the completion of work described in the PW. SPAO will complete the Time Extension Checklist and include it with the transmittal.
- 9.1.v.a.4.** All time extension requests must be submitted to DHS&EM prior to the expiration of any existing deadlines. Extensions will only be considered for extraordinary circumstances that are clearly beyond the control of the applicant.

- 9.1.v.a.5.** Requests by applicants for time extensions must include the following:
    - 9.1.v.a.5.1. The PW number the time extension is being requested for.
    - 9.1.v.a.5.2. The dates and provisions of any previous extensions granted.
    - 9.1.v.a.5.3. A detailed justification for the delay and need for more time.
    - 9.1.v.a.5.4. A projected completion date.
  - 9.1.v.a.6.** In order for the State (Grantor) to consider any time extension request, the applicant must be current with all quarterly reports and other project documentation.
  - 9.1.v.a.7.** If an applicant requests a time extension beyond the State's (Grantor) standard timelines, the SPAO may process the extension up to the State's (Grantor) normal limit but must submit the request to the DAPM for approval for the remaining time.
    - 9.1.v.a.7.1. If the State (Grantor) supports an extension that goes beyond an overall Disaster time limit, the disaster will automatically be extended commensurate with an approved PW extension.
  - 9.1.v.a.8.** If DHS&EM provides an Initial Incentive Payment to applicants for their small project(s), Time Extensions must be approved by the DAPM.
  - 9.1.v.a.9.** If an applicant is denied a time extension for any reason, the applicant may, upon completion of the project, be reimbursed for eligible project costs incurred only up to the latest approved completion date. If the project is not completed, no funding will be provided for the project and the State (Grantor) will take appropriate actions to have any funds issued to the applicant refunded back to the State (Grantor).
  - 9.1.v.a.10.** If the request is denied, the SPAO must submit a letter to the applicant informing them that their request is denied. This letter will contain the reason(s) for denial and appeal procedures.
  - 9.1.v.a.11.** All project and disaster Time Extensions will be annotated by the Obligor Award Document. The following will provide examples of circumstances that do and do not justify approval from the State (Grantor) for requests for a Time Extension:
    - 9.1.v.a.11.1. Approval Examples:
      - Delays caused by weather
      - Delays caused by limited construction season
      - Delays caused from limited barge service in a remote community
      - Other extraordinary circumstances clearly beyond the control of the applicant
    - 9.1.v.a.11.2. Denial Examples:
      - Requests that are not supported by a detailed justification for any delays
      - Requests that are made and past Quarterly reports submitted by the applicant that do not show progress being made in a timely manner
      - Requests made that do not include the required information outlined in (d) (iii) above
      - Time Extensions may be denied solely on the basis of late submission
  - 9.1.v.a.12.** Disaster Time extensions pertain to Period Of Performance (POP) and Liquidation Period extensions.
    - POP extensions are considered when approved work on one or more PW's cannot be completed within the current approved POP for the disaster.
    - Liquidation period begins when the POP ends and is for 90 days for DRs declared after 11/12/2020. This period of time is for the Grantee to liquidate all obligations incurred during the POP, submit payment request and closeout documentation to the state. Liquidation period extensions may be approved under extraordinary circumstances but should be avoided.
- vii.** Cost Overruns: Since the majority of PWs are based on cost estimates, there may be occasions where the applicant incurs additional expenses that exceed the cost estimate assigned to the project.
- 9.1.vi.a.1.** Requests for cost overruns will be logged in the Disaster Assistance Database that will be completed by each SPAO.
  - 9.1.vi.a.2.** Large Project Cost Overrun:
    - 9.1.vi.a.2.1. Applicants must monitor their projects and notify the State (Grantor) as

soon as possible if a cost overrun is anticipated. Unapproved costs may not be reimbursed.

- 9.1.vi.a.2.2. Cost overrun requests must be in writing and contain detailed justification for the eligibility for any additional costs. If the increase is due to additional damage, it will be necessary for the applicant to show how that damage is disaster related.
- 9.1.vi.a.2.3. The cost overrun request must be reviewed by the SPAO, utilizing the Large Project Cost Overrun checklist for a cost overrun approval.
- 9.1.vi.a.2.4. SPAO will keep Disaster Grants Section informed of any major funding changes.
- 9.1.vi.a.2.5. If the request is approved and funds are available, the State will write an amendment to the PW adjusting the cost estimate to reflect the change.
- 9.1.vi.a.2.6. If the request is denied, the SPAO must submit a letter to applicant informing them that their request is denied. This letter will contain information on the denial, the amended PW, and the appropriate appeal procedures.
- 9.1.vi.a.3. Small Project Cost Overrun:**
  - 9.1.vi.a.3.1. Cost overruns for Small Projects are the same as for large projects.
  - 9.1.vi.a.3.2. To determine eligibility, the SPAO will work with the applicant to identify any additional information or documentation that may be required to render a decision.

**viii.** Project Management: Upon request, the state can authorize a pre-contracted Project Management company to assist applicants in completing projects. The approval for this service is based on the applicant's capability assessment and the project/s complexity. Once the damage inventory is finalized and submitted, an applicant can request project management. This service will be written into the PW and funded as part of the project. The SPAO will send the PW to the pre-bid project management company with a request for an estimate. The estimate and PW SOW will be used to create a task order which is submitted to DHS&EM Logistics. Once approved, the task order will go to MVA Procurement for a Delivery Order which is sent to the project management company for signature. Once signed and returned, the project management company can engage the applicant to begin competing the PW. Two task orders are created, one for project management and one for grant management costs. Likewise, two PWs will need to be developed and obligated before a delivery order can be produced to cover all costs associated with project management.

**ix.** Project Tracking: The SPAO will use the Disaster Assistance Data Base to monitor each PW for the disaster. Grant monitoring visits may be conducted annually for all applicants with open "Large" projects or when needed to verify performance. At a minimum a Project Status report will be completed by the SPAO and utilized to capture details on the progress of each project, the status of advances, level of completeness and category of work etc. A Quarterly Review will be conducted on each open applicant/project to ensure any issues are identified. The SPAO will complete on-site inspections for any projects as deemed necessary. The SPAO will also track insurance requirements, de-obligations and any other issues jeopardizing PW funding or completion on the Database. This information will be utilized to assist DHS&EM in the grant project monitoring process.

## **10. PROJECT REQUIREMENTS**

**10.1.** The State (Grantor) will utilize the following procedures in regards to: Insurance, Project Tracking, Disposition of High Cost items, High Risk grant conditions, Scope of Work changes, Contract Requirements, Force Account expenses, and Time Limitations.

**10.2.** The State (Grantor) shall participate during the review of applicant insurance coverage. The State Administrative Plan establishes requirements which apply to disaster assistance due to a major disaster.

- 10.2.i.a.1.** Eligible costs shall be reduced by the amount of any insurance recovery actually received or anticipated relating to eligible costs. The State will base the decision on whether the insurance settlement is reasonable and proper.
- 10.2.i.a.2.** The full coverage available under the standard flood insurance policy from the National Flood Insurance Program (NFIP) will be subtracted from otherwise eligible costs for an insurable facility and its contents within the special flood hazard area. The deductible amount or damages in excess of the NFIP limits or for flood damaged items not covered by standard NFIP policy will be eligible.
- 10.2.i.a.3.** If eligible damages are greater than \$5,000, an applicant must obtain and maintain insurance to cover the facility for the hazard that caused the loss in the amount of the eligible damage to the facility.
- If a facility meets the requirements of paragraph 3, DHS&EM will send a letter to the applicant through certified mail informing them of the requirement to obtain and maintain insurance on their facility in order to receive grant funding. Enclosed with the letter will be a copy of the Insurance Commitment Certification form.
  - No funds will be made available to the applicant on current or future disasters until actual documentation is received which provides information sufficient in detail that insurance has actually been provided for the damaged facility, or extraordinary circumstances prohibit obtaining insurance and appropriate documentation to support this is provided to DHS&EM.
  - An applicant is exempt from the insurance purchase requirements for projects where the eligible damage (before any reductions) is less than \$5,000.00 or for facilities that, in the determination of the State Insurance Commissioner, the type and/or extent of insurance being required by FEMA are not reasonable (does not apply to facilities insurable under the NFIP).
  - The applicant and facility information will then be entered into the disaster status spreadsheet for future reference.
  - See 44 CFR 206.250-253 or the Public Assistance Program and Policy Guide for further information and exceptions.
- 10.2.i.a.4.** The State (Grantor) will make every reasonable attempt to identify facilities with a current insurance policy in effect at the time of the disaster. This process will be initiated once a facility is identified as being damaged and covered under a disaster declaration. Applicants will be required to provide all available insurance information upon request. The State (Grantor) will make an initial review of the insurance documents and information gathered and render a preliminary recommendation. The State (Grantor) will rely on a State Insurance Specialist to make final determinations on how the insurance may impact project funding. Applicants will be required to provide the following items to the State (Grantor) as soon as possible:
- Pertinent insurance information
  - Copy of insurance policy
  - Statement of Loss
  - Information on anticipated insurance proceeds
  - Details on any insurance settlements
- 10.2.i.a.5.** Recoupment of State Funds: The applicant will be notified as soon as possible if an approved PW is totally or partially de-obligated. Reimbursement by the applicant to the State (Grantor) will be requested once an amended PW de-obligating the approved funding is processed. If the discovery of the overpayment occurs when the disaster is still open and the funds are already drawn down from the federal Payment Management System, DHS&EM would reduce the next drawdown from the federal Payment Management System by the amount overpaid to the applicant. If the disaster is closed and DHS&EM discovers an overpayment, the funds will be returned to FEMA via a warrant within 30 days of the discovery.
- 10.2.i.a.6.** The State (Grantor) will conduct periodic systems reconciliations

between programs and finances in the State (Grantor) by comparing records found with accounting records of the State (Grantor) quarterly.

**10.3.** Disposition of Equipment, Supplies, and Salvaged Materials: The State (Grantor) will track and document any projects that require the purchase of equipment with a value of \$5,000.00 or more. The SPAO will ensure the requirement to purchase the equipment is noted in the PW with language that discusses the various methods such equipment can be accounted for when no longer required for the project.

**10.4.** An applicant may be considered high risk if DHS&EM determines that the applicant has a history of unsatisfactory performance, is not financially stable, has not conformed to terms and conditions of previous awards, is non-compliant with single audit requirements, is subject to a federal or State tax lien, or is otherwise not responsible.

**10.4.i.a.1.** If DHS&EM determines an award will be made, special conditions and/or restrictions shall correspond to the high-risk condition and shall be included in the award. Special conditions or restrictions may include but are not limited to:

- Payment on a reimbursement basis only
- OBO payments only
- Withholding project funds pending evidence of acceptable project performance
- Additional project monitoring
- Submission of monthly rather than quarterly reports
- Requiring the applicant to obtain technical or management assistance
- Periodic on-site project inspections/audits

**10.4.i.a.2.** If DHS&EM decides to impose such conditions, written notification to the applicant will occur as early as possible with information regarding the nature of the special conditions/restrictions, the reason(s) for imposing them, corrective actions required for removal of restrictions, and the method of requesting reconsideration of the conditions/restrictions imposed.

**10.4.i.a.3.** Failure to accept special conditions may result in project closure and de-obligation of funding.

**10.4.i.a.4.** Decisions to place special conditions on applicants can be appealed following the appropriate procedures outlined in this plan.

**10.5.** Change in Scope of Work: During the performance of work on a project, an applicant may discover hidden damage or additional work that is necessary to properly complete the project.

**10.5.i.a.1.** Changes in the Scope of Work may result in additional environmental/historic preservation compliance reviews and/or new permits.

**10.5.i.a.2.** When the need for a change in scope is discovered, the applicant must notify the State (Grantor) as soon as possible

**10.5.i.a.3.** Requests for changes in scope must include a detailed justification for the eligibility of the additional work.

**10.5.i.a.4.** If additional damage to the facility is involved, it will be necessary to show how that damage is disaster related. Hidden damage can only be added to projects within 12 months of disaster declaration.

**10.5.i.a.5.** The State (Grantor) will review the request, utilizing the Change in Scope of Work checklist, and forward the request to FEMA with written recommendation. A copy of the applicant's letter requesting the change will be included with DHS&EM's written recommendation/analysis.

**10.6.** Contract Requirements: The State (Grantor) will utilize the following procedures with regards to applicants who are currently utilizing or planning on utilizing contractors to complete any portions of work outlined in PWs.

**10.6.i.a.1.** The SPAO will review the applicant's Recovery Plan to verify method of project completion and schedule.

**10.6.i.a.2.** If an applicant has already awarded a contract (or intends to) in order to accomplish work outlined in the PW, DHS&EM will require completion of the Procurement Method Report (PMR), a copy of the RFP, contract and bid documents that outline the Scope of Work the contractor is to complete, and a copy of the applicant's procurement policy. This is to ensure proper procurement methods are utilized.

**10.6.i.a.3.** If the applicant intends to utilize Non-Competitive Proposals as the procurement method, the applicant must complete and return to DHS&EM the Sole Source Checklist for approval prior to awarding a contract.

**10.6.i.a.4.** See the PA Program and Policy Guide for information on allowable procurement methods and contract types.

**10.6.i.a.5.** Payment requests will not be processed until the procurement/contract information is received.

**10.7.** Force Account Requirements: The State (Grantor) will utilize the following procedures with regards to applicants who will complete the scope of work outlined in the PW utilizing Force Account Labor, Equipment, Materials, and/or Rented Equipment.

**10.7.i.a.1.** SPAO will review the applicant's Recovery Plan to verify method of project completion and schedule.

**10.7.i.a.2.** Applicants will be required to report to the State (Grantor) project progress on a quarterly basis using the Quarterly Report form and including information on costs, work start and end dates, percentage of work complete, and any known cost under/overruns.

**10.7.i.a.3.** Payment requests will not be processed until the projected construction schedule information is received.

**10.8.** Time Limitations: Applicants must complete approved work within specified time frames from the date a major disaster or emergency is declared in order to remain eligible. Emergency Work must be completed in 6 months and Permanent Work in 18 months.

**10.8.i.a.1.** Further Time Limitations: DHS&EM has established various time limits the applicant must adhere to during the PA process. These include the following:

- Request for PA. The applicant must file a Request for Public Assistance with the State (Grantor) within 30 days from the date of the disaster declaration.
- Identifying Additional Damages. The applicant has 60 days from the date of the Recovery Scoping Meeting to notify the State (Grantor) of any damage not yet reported.
- Alternate Projects. All requests for alternate projects should be made within 12 months of the Applicant Briefing and approved by DHS&EM prior to construction.
- Projects Identified as 100 % Complete. When a PW is identified as 100 % complete, (through applicant conversations, Quarterly reports, etc.) the applicant has 90 days to submit all appropriate Close-Out documents and cost documents as appropriate for Large and Small Projects. If a PW was 100 % complete prior to the PW being written, the applicant has 90 days to submit documentation from the date the Grant Award letter is received. Additionally, the applicant must submit a Project Final Narrative (DHS&EM 30-102), a Statement of Documentation (DHS&EM Form 30-4), and a Project Completion and Certification Report (State P.4S) certifying that all work has been completed in accordance with funding approvals.
- Appeals. The applicant must file an appeal with DHS&EM within 60 days of receipt of the notice of the action or decision being appealed.
- Quarterly Reports. Quarterly reports are due 15 days after the quarter ends. Failure to provide quarterly reports may result in funding being withheld or withdrawn.
- Submission of State (Grantor) forms package (applicant preliminary information package). The applicant must submit all required State (Grantor) forms within 30 days of receiving the applicant preliminary information package.

- Time Extensions. If extenuating circumstances or unusual project conditions exist, a time extension may be requested through DHS&EM. DHS&EM has the authority to extend the time frames for completion of debris removal and emergency protective measures by six months periods beyond that must be approved through the DAPM..
- Information for PW Formulation. Applicants will have 60 days from the Recovery Scoping Meeting to submit all of the necessary information/documentation necessary to complete the PW formulation process.

**10.9. Project Completion:** DHS&EM will follow the project Close-Out described below:

**10.9.i.a.1. Large Projects.** Upon being notified by the applicant that a large project is complete, the SPAO will schedule a Final Inspection, if required. Prior to performing the Final Inspection, the SPAO must have all of the following:

- Statement of Documentation
- All applicable Summary Forms and back-up cost documentation, including but not limited to:
  - Labor costs and records
  - Fringe Benefits
  - Personnel policies
  - Equipment Salvage values
  - Applicable Equipment Rates
  - Procurement Method Report/Procedures
  - Invoices/Receipts (must include vendor screen shot from the federal SAM site (<https://www.sam.gov/portal/public/SAM/>) to verify vendor is not barred)
  - Copy of RFP(s)
  - Copy of contract(s)
  - Insurance policies and settlements
- Final Project Narrative
- Certificate of Compliance
- Project Completion and Certification (P. 4S).
  - The SPAO will audit all cost documentation and complete a Final Inspection Report (DHS&EM 30-7). The SPAO will inspect all aspects of the Scope of Work outlined in the PW and will photograph and verify work completion. If a portion of the Scope of Work has not been completed, the applicant must either complete the work or make a request through the State to have it removed from the PW. This request must include detailed justification of why the work was not completed.
  - If all work was verified as complete, the SPAO will fill out the Final Inspection Report, process any final payments of eligible costs, and close the PW out. All payments will be accompanied by payment processing checklist and reviewed by the programmatic Branch Chief and Program Manager. Further review will be conducted by grants administration staff prior to financial processing and payment. This is documented on a “transmittal” form which is dated and initialed by the reviewers.
  - If a large project was 100% complete at the time the PW was prepared, the eligible cost was based on actual cost information, and the applicant is not claiming additional funding, an on-site final inspection will not be conducted; however, a final inspection report will still be generated noting this information.

**10.9.i.a.2. Small Projects (Reimbursement Process):** Documentation and closeout for these projects may be accomplished by one of several methods.

- No Cost Overrun: For any/all small project(s) reported complete by applicants with no cost overrun being requested, applicant will submit close-out forms, payment request and evidence of project completion such as photos that clearly depict the work completed or invoices and certified statements for material only projects. The SPAO will complete a Final Inspection Report process any final

payments, and close out the PW. If the evidence provided by the applicant is insufficient to demonstrate project completion, the SPAO will conduct an on-site inspection before proceeding with payment or closeout. Documents required for final payment and close out:

- Statement of Documentation
- All applicable Summary Forms and back-up cost documentation, including but not limited to:
  - Labor costs and records
  - Fringe Benefits
  - Personnel policies
  - Equipment Salvage values
  - Applicable Equipment Rates
  - Procurement Method Report/Procedures
  - Invoices/Receipts (must include vendor screen shot from the federal SAM site (<https://www.sam.gov/portal/public/SAM/>) to verify vendor is not barred)
  - Copy of RFP(s)
  - Copy of contract(s)
  - Insurance policies and settlements
- Cost Overrun: In order to request a Cost Overrun for a Small Project(s), an applicant must:
  - Complete all their Small Projects
  - Have total actual costs to complete all Small Projects combined that exceed the total approved dollar amount for all the Small Projects by at least \$3,500.00
  - Submit all cost documentation and appropriate summary forms to support claimed costs
  - Provide a written request for the overrun with analysis supporting how costs were necessary to complete approved PW scope of work
  - Required Close-Out Documents (Cost Overrun):
    - (a) Statement of Documentation
    - (b) Final Project Narrative
    - (c) Certificate of Compliance
    - (d) Project Completion and Certification (P. 4S)
    - (e) Evidence of project completion
    - (f) All applicable Summary Forms and back-up cost documentation, including but not limited to:
      - Labor costs and records
      - Fringe Benefits
      - Personnel policies
      - Invoices/Receipts (must include vendor screen shot from the federal SAM site <https://www.sam.gov/portal/public/SAM/> to verify vendor is not debarred)
      - Equipment Salvage values
      - Applicable Equipment Rates
      - Procurement Method Report/Procedures
      - Copy of contract(s)
      - Insurance policies and settlements
- Applicant (High Risk): Any applicant identified as high risk must follow the Large Project procedures for their Small Projects. Generally, all costs claimed must be accompanied by supporting cost documents, summary forms, payment request forms and closeout documents. Payments will be limited to reimbursements and OBO payments (No Advances or Initial Incentive Payments). These payments will be capped at the federal share (75%) of the approved PW amount until final inspection and closeout. If a portion of the scope of work is not completed, the applicant must either complete the work or make a

written request through the State (Grantor), to FEMA to have it removed from the PW. This request must also include detailed justification of why the work was not completed. The SPAO will coordinate with the applicant to schedule a Net Small Project Final Inspection when all small projects are completed.

- The SPAO Final Inspection may be completed by document review and photos if sufficient to demonstrate completion of the scope of work. It may also be completed by site visit if necessary to verify work completion. If a site visit is required, the SPAO should evaluate the option of a “Net” Small Project Inspection when all “Small” projects are complete to conserve travel costs.
- When all work is verified complete, the SPAO will fill out the Final Inspection Report, process any final payments of eligible costs, and request Project Closeout through FEMA.

**10.9.i.a.3.** Grantor:

- Upon completion of both small and large projects, the State (Grantor) will send a written email to the applicant certifying that all projects are completed in accordance with State approvals and the State (Grantor) and/or applicant’s contribution to the non-guidelines.
- Large project certifications require that all reported costs were incurred in the performance of eligible work and that all approved project work was completed in compliance with the provisions of the State Administrative Plan.
- Payments for the project were made in accordance with State Statutes Note: An accounting of actual eligible costs for each large project is required at project completion. An accounting of eligible cost means the total amount of actual eligible costs. If actual costs exceed the approved project grant, additional information supporting and explaining the additional costs claimed is required (see cost overruns above).

## **11. RECORDS AND REPORTS**

**11.1.** SPAOs are responsible for grant and project management of all applicants. SPAOs ensure projects are being completed as outlined in the PW’s scope of work, narrative and fiscal reports are timely, and documentation is received for all expenditures. Applicants are required to submit quarterly reports to DHS&EM 15 days after the quarter ends. Failure to provide quarterly reports will result in funds being withheld or withdrawn. Large projects are monitored (on-site) and Final Inspections are performed and Final Inspection Reports completed by SPAOs. Applicants are responsible for retaining all records for three years from the closeout of their last PW. State (Grantor) financial status reports are prepared by the finance section and narrative reports are prepared by the SPAO for each open disaster. These reports are submitted to FEMA based on established deadlines.

**11.1.i.a.1.** *Quarterly Progress Reports (DHS&EM Form 30-60) will be required for each Project Worksheet, (Large and Small) for each quarter beginning in the quarter an Obligating Award Document (OAD) is provided to the applicant.*

Quarterly reports are due 15 days after the quarter ends on April 15, July 15, October 15 and January 15. Once the quarterly report is received, the SPAO will review it to ensure it is correctly and completely filled out. If any information is missing, the SPAO will contact the applicant for revisions. Applicants will submit quarterly reports until their project is 100% complete and they submit a closeout package including the Project Final Narrative (DHS&EM Form 30-102). Failure to provide quarterly reports may result in funding being withheld or withdrawn. Requests for advances, payments, time extensions, etc. will not be processed unless all quarterly reports have been submitted. The SPAO will inform all applicants that did not submit a quarterly report of the possible effects this may have on their grant and make an additional request for them to submit a report. If the applicant continues to not submit a quarterly report, the SPAO will follow the de-obligation procedures.

**11.1.i.a.2.** Applicant Closeout – The State (Grantor) will close each applicant once

its Small and Large projects are closed. Small projects will be closed out individually or as a “Net” Small Project Close-Out, in accordance with State Statutes after the State (Grantor) has determined that all work has been completed, all necessary documents have been received, and any appeal for small project overruns has been reconciled. Large projects will be closed out individually, after the State (Grantor) has determined that all work has been completed, all necessary documents have been received, the costs for each individual large project have been reconciled, all project payments have been made, and no further action is pending or anticipated (including litigation or lawsuits).

**11.1.i.a.3.** Grant Closeout – After all applicants have been closed-out and all eligible Grantor funding has been reconciled (including statutory administrative costs and/or State management costs), the State (Grantor) closeout the PA Program Grant for the disaster.

- All closeout activities must occur within the approved Grant Performance period specified by the State (Grantor).
- The state will budget sufficient funds for grant close out as needed and be responsible for any costs in excess of the State Management Cost approved amount.
- Applicants must submit all financial and back-up documentation for closeout no later than 90 days prior to the end of the performance period. Any documentation submitted after this period may result in forfeiture of all or part of the specific sub-grant(s).

**11.1.i.a.7.** The closeout of a grant does not affect:

- Records retention as required by the State
- Property management requirements
- Audit requirements in State Statutes

**11.1.i.a.8.** Record Retention – The applicant will be required to keep complete records of all work (i.e. receipts, checks, job orders, contracts, equipment usage documentation and payroll information) funded under the PA Program for a minimum of three years. The start date is determined by the date FEMA acknowledges closing the applicant for the disaster. During this three-year period, all approved PWs are subject to federal and State (Grantor) reviews or audits. DHS&EM will confirm the start date for record retention period to begin by letter to applicants. As the Grantor, DHS&EM will retain all records obtained during the Grant Management process for three years. Information may be kept in both hard copy and electronic files for each applicant. The 3-year retention period begins the date final SF-425 is submitted to FEMA.

**11.1.i.a.9.** Real Property and Equipment Reporting – Through PW progress monitoring the state will ensure equipment valued at \$5000 or more is used by the applicant in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the State award, and the applicant must not encumber the property without prior approval of the State. When no longer needed for the original program or project, the equipment may be used in other activities. When original or replacement equipment acquired under a State award is no longer needed for the original project or program or for other activities currently or previously supported by a the State, except as otherwise provided in State statutes, regulations, or State disposition instructions, the applicant must request disposition instructions from the State if required by the terms and conditions of the State award. Disposition of the equipment will be made as follows in accordance with State disposition instructions.

**11.1.i.a.10.** Federal Funding Accountability and Transparency Act (FFATA) – This act requires direct Grantors of federal non-disaster and disaster grants to report award information about first-tier sub-awards in the amount of \$25,000 or greater made after October 1, 2010. These reports are due by the end of the month following the month in which the sub-award obligation is made. See State of Alaska Standard Operating Procedure same subject effective May 18, 2015.

## **12. AUDITS**

Audit requirements will be in accordance with 2 CFR 200.501. Grantors and applicants that expended \$750,000 or more of federal funds, including State Management Costs (SMC) in a Grantor and applicant fiscal year are required to have a single audit done for that year. Single audit reports are submitted to the State's single audit coordinator (907-465-4666). The State's single audit coordinator will distribute a copy of the single audit report to each department. The department's single audit representative will notify the division's program managers when applicant audits contain adverse findings and reportable conditions. Corrective actions will be required of applicants within a six-month time frame, or further actions will be taken.

**12.1.** Single audit requirement information is included in the applicant grant application and, in the Assurance, and Agreement document. All applicants sign acceptance of these requirements prior to receipt of approved PWs.

**12.2.** Applicant grant management deficiencies identified through ongoing DHS&EM applicant monitoring will be reported to the applicant's signatory official for corrective actions. If deficiencies are not corrected, the GAR will provide formal notification to applicant of withdrawal of funding for the project and notification to the State's Single Audit Coordinator for potential further action.

**12.3.** Audit findings issued to the State through a State Legislative Audit will be addressed within six months. The GAR is responsible for ensuring resolution of audit findings and corrective actions to prevent future audit deficiencies.

**12.4.** Financial Management:

- 1.** The State verifies through [www.sam.gov](http://www.sam.gov) that applicants are not debarred, suspended or otherwise excluded for participation in Federal assistance programs. A screenshot of their Exclusion Summary will be maintained for each Applicant.
- 2.** State and Federal expenditures and revenues are tracked within the state financial system Integrated Resources Information System (IRIS) using numerous structures. These structures include appropriations, collocation codes, ledger codes and program codes. An appropriation number will be assigned for each disaster for each federal and State program. Each appropriation will receive an authorization for revenue based on the State's finance plan for the disaster. A collocation code is assigned to each type of federal program in each disaster. Each project will be assigned a program code. Program codes for projects will have an encumbrance placed based on the estimated costs of the PW. The encumbrance commits funding from the overall authorization located at the appropriation level. DHS&EM will submit request for payment for each project to the finance section. The finance section will assign the collocation code and program code. After the payment is processed from the encumbrance, a copy of a financial transaction report will be provided to DHS&EM to ensure payments are made from appropriate program codes and encumbrances. The financial transaction reports are filed within each PW file. The finance section will process and submit drawdown requests to the Division of Treasury after payments are made.

3. Disbursement of funds will be as expeditious as possible to minimize the time between the grant award and actual disbursement. The State prefers to use Electronic Funds Transfers (EFT) whenever feasible to the applicant. Payments will be made by “Warrant” (check) only upon request by the applicant.
4. The requirements for the State (Grantor) to describe procedures for addressing excess cash not needed for immediate cash disbursement and for immediately returning any State funds that are in excess to the program needs are not applicable. The State (Grantor) only draws down funding when expenditures are incurred. Therefore, there will not be any instances where excess cash will be available.
5. The State (Grantor) will return any additional federal funds identified after closeout by issuing a warrant from the State (Grantor) payable to FEMA as soon as practicable after discovery. The warrant will be supported with a letter explaining the details and reasons for the return of funding.
6. SPAOs are responsible for grant management of all PWs. They ensure projects are being completed as outlined in the scope of work, reports are timely, and documentation is received for all expenditures. Requests for reimbursements from applicants on a PW are reviewed and approved by three levels: the SPAO, the SPABC, and the SDAPM. The request with full documentation is then audited by the Disaster Accountant in Finance to ensure compliance and then final approval is given by the GAR/AGAR prior to payment.
7. Per 2 CFR 200.313 - The real and personal property acquired with the State grant funds will be maintained on inventory following State or local procurement guidelines to include serial number, property identification tag, location, cost, date and other tracking data. A physical inventory will be conducted annually and reconciled with property records every two years to include after closing of a grant.
8. State or local procurement regulations will be followed when purchasing property, equipment, goods, and services. A purchase order and/or delivery order is issued and must be approved by authorized personnel. For small purchase orders (\$100,000 or less), price quotations will be obtained from an adequate number of qualified sources. Purchases above \$100,000 will be bid competitively.

### **13. PLAN DEVELOPMENT AND MAINTENANCE INSTRUCTIONS**

- 13.1. The State (Grantor) will annually submit a plan and amendments for each disaster for which PA is included. Revisions will be reviewed by the Director of DHS&EM for approval.
- 13.2. The State (Grantor) will amend this plan whenever necessary to reflect current policy guidelines and any new or revised statutes or regulations or a material change in any State law, organization, policy, or State agency operation that is relevant to the State’s administration of the PA program.