



Department of  
**Military**

**TEMA**

## **COVID-19 Public Assistance Applicant Briefing**

FEMA-4514-DR-TN

Good morning/afternoon/evening. My name is Judy Huff, Public Assistance Manager with the Tennessee Emergency Management Agency. Welcome to the Applicants Briefing for Disaster 4514 – the major disaster declaration issued for the State of Tennessee in response to COVID-19. We realize that these are difficult times for everyone and that you all are extremely busy and appreciate you taking the time to be a participant in this briefing. This webinar will provide you with information to help you to prepare and submit projects for reimbursement in this disaster. Under the unique circumstances of this extraordinary event, it may not be possible to identify and reach all potential Applicants within Tennessee, so we ask each of you to help if you can by spreading the word in your communities to as many organizations as you can, especially any not-for-profit entities that may not be aware of their potential eligibility.

Please note that due to the number of attendees, all callers will be muted while the presentation is presented.

As we go through the webinar, if you have any questions, go ahead and use the chat feature to ask. Our associates will provide answers as the briefing continues, or note the questions and follow up with you after this briefing. Once the briefing has concluded, we will provide an email address that future questions can be sent to.

Last, if you will use the chat feature to send me your email address, I will be happy to send you a copy of this presentation.



# Overview

## Overview

### FEMA-4514-DR-TN

- **Declaration Date:** April 2, 2020
- **Incident Period:** January 20, 2020 – TBD
- **Category B:** Emergency Protective Measures



The President issued a major disaster declaration for Tennessee on April 2, 2020. FEMA assigns a number to every federally declared disaster, and the disaster number for this COVID-19 incident is 4514.

The incident period for this declaration goes back to January 20, 2020. This means that eligible expenditures for activities conducted on or after January 20th can be submitted to FEMA for reimbursement. The incident period for DR 4514 is currently open-ended. We anticipate that FEMA will establish an end date for the Incident Period at some point in the future and we will make that information available when it is known.

This disaster declaration only covers Category “B” (Emergency Protective Measures) and we will discuss what this means later in the presentation. All 95 counties of Tennessee are included in the declaration.

## Overview

<https://www.tn.gov/tema/emergency-community/covid-19-guidance.html>

<https://www.fema.gov/coronavirus>

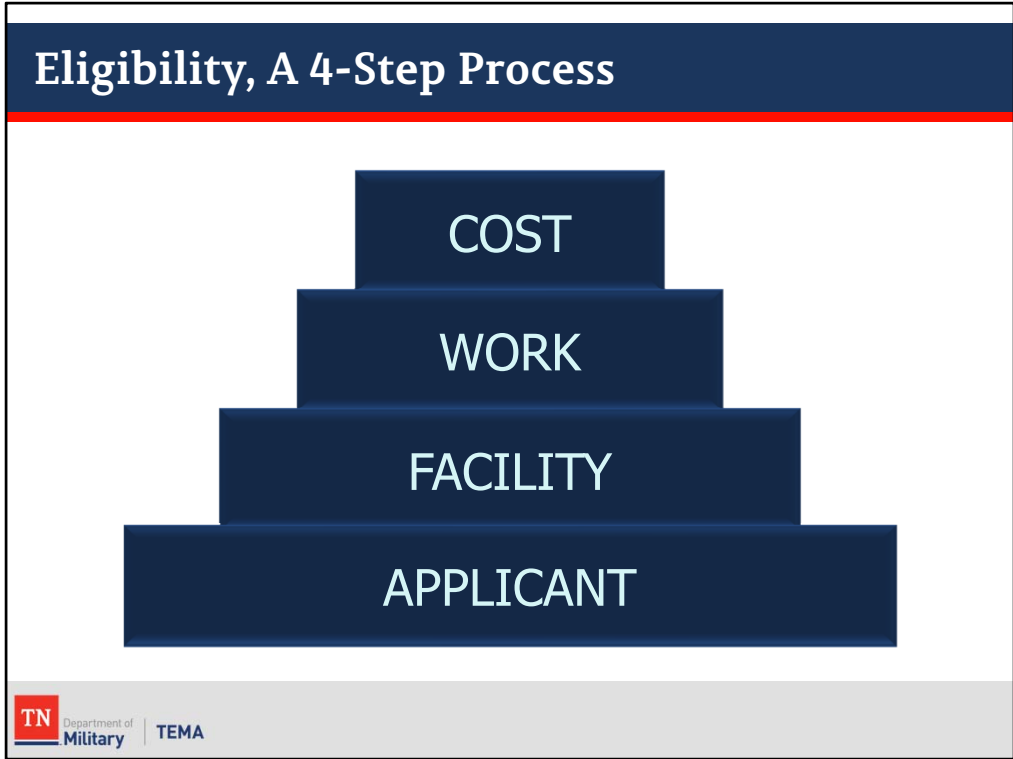
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Periodically throughout this presentation you will see these web addresses and email address at the bottom of the screen. The first web address is where you can find information on determining whether you may be an eligible applicant, how to apply, what types of projects are eligible, how to document your costs, and opportunities for training, such as webinars on procurement requirements. The second web address is FEMA's and provides nationwide informative news releases, fact sheets, guidance, and more about COVID-19. Both websites are updated as new information is received so is a good resource for up-to-date guidance.

The email address is one we've set up so general questions, submissions of the Request for Public Assistance, and other communication may take place. It's set up to where multiple persons will be checking and can respond to your specific needs.





Eligibility is determined through a 4-tiered process. All four tiers must be deemed eligible to obtain FEMA funding. We will cover all of these, with the first being the bottom tier – eligible applicants.

## Eligibility, Applicant

- **State Governments**
  - State Agencies
- **Local Governments**
  - Local public authorities
  - Counties
  - Municipalities, cities, towns, boroughs, and townships
  - School districts
- **Private Non-Profit Organizations**
  - Tax Exemption Status
  - Must own or operate a facility that provides an eligible service
  - Supported through Charter or By-Laws

<https://www.tn.gov/tema/emergency-community/covid-19-guidance.html>  
<https://www.fema.gov/coronavirus>  
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On this slide, you can see the types of eligible Applicants and determine what group you fall into. In this event we will have a large number of private non-profit organizations, or PNPs.

Private Non-Profits have a little more to provide to establish them as an eligible applicant.

- When determining PNP eligibility, the first thing checked is the Non-Profit Status. Basically, is the PNP tax exempt under section 501(c), (d), or (e) – OR – does the PNP have documentation from the State certifying they are a non-revenue, non-profit entity under State law.
- The second thing checked is whether the PNP owns or operates a facility that provides an eligible service. This is supported through charter or by-laws. Eligible services are usually divided into critical and non-critical.

## Eligibility, Critical PNPs

- **Education**
  - Primary or Secondary Education, Certain Higher-Education Institutions
- **Utility**
  - Electric, Gas, Water, Sanitation, Water Treatment, Communications Transmission
- **Emergency Services**
  - Ambulance, Fire Protection, Rescue
- **Medical**
  - Clinics, Hospitals, Hospices and Nursing Homes, Laboratories, Long-Term Care Facilities, Outpatient Facilities, Rehabilitation Centers that Provide Medical Care

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Critical PNPs are facilities that provide a critical service. Critical services are defined as education, utility, emergency services, or medical. As you can see, there are examples of these types of PNPs included under each category on the slide.



## Eligibility, Non-Critical PNPs

- Community Centers
- Child Care Facilities
- Food Assistance Programs
- Performing Arts Facilities
- Senior Citizen Centers
- Homeless Shelters
- Houses of Worship

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Non-critical facilities provide a non-critical, but essential governmental service AND is open to the general public. Some examples of these types of facilities are displayed on the slide. The list is not exhaustive and there may be other types of PNPs that are potentially eligible under this category. If you know of one that is not listed and you need more information, please contact us and we will be happy to assist.

In fact, although we have tried our best to get the message out to all potential applicants, there may be some we have missed. If you know of any that may be an eligible PNP, please urge them to contact us.

## Eligibility, Facility and Work

### All work and/or facilities must be:

- Damaged as a result of the disaster event
- Located in a designated disaster area
- Legal responsibility of the applicant
- Active use at the time of the disaster event
- Not be under the authority of any other Federal agency to fund
  - Health and Human Services
  - Direct Federal Assistance



The next two tiers of eligibility is facility and work. I combine these two since the requirements are the same. Now, for many municipalities, there may not be a physical facility involved in this event and their costs may be comprised of services they provided to the public in response to COVID-19. Regardless, this event is looking only at Emergency Protective Measures and Applicants must clearly identify the work and how it is directly related to the COVID-19 event.

The last bullet is included to point out that many applicants may be receiving Federal aid from multiple Federal Sources like Health and Human Services. We need to make sure we capture and document where that aid or Direct Federal Assistance is coming from and where it is being utilized to avoid duplication of benefits under the Public Assistance Program. We will discuss this further later in this presentation.

## Emergency Work

### **Category B – Emergency Protective Measures:**

Actions taken before, during, and following a disaster to save lives, protect public health and safety, or eliminate immediate threat of significant damage to improved public and private property

- First major disaster for a medical emergency
- First instance of applying FEMA Emergency Protective Measures in a major disaster declaration for a pandemic response
- Discussions regarding eligible work activities and costs are still very much underway with FEMA



Category B, Emergency Protective Measures, is defined by actions taken before, during, and following a disaster to save lives, protect public health and safety, or eliminate immediate threat of significant damage to improved public and private property.

DR 4514 was declared only for Category B – Emergency Protective Measures. No other Category of work is eligible. However, Category Z projects to reimburse applicants for Management Costs will be discussed later in this presentation.

This is the first time a major federal disaster declaration has been declared for a medical event and the first time that emergency protective measures have been eligible for reimbursement through the FEMA Public Assistance Program for a major disaster declaration based on a medical/pandemic event.

Due to this unprecedented event, the State is working closely with FEMA to provide as much specificity as possible on what costs and activities are eligible. These discussions are ongoing and we will update you as things change through FEMA fact sheets on our website.

## Emergency Protective Measures

- EOC Operations
- Emergency Medical Care
- Medical sheltering
- Medical supplies & equipment
- Provision of food, water, ice, medicine, and other essential needs
- Security and law enforcement for temporary facilities
- Communications of general health and safety information to the public



This slide provides some examples of emergency protective measures that may be undertaken for the COVID-19 response.

This list is by no means all inclusive and in this event there may be some leeway for previously undefined measures that are feasible and necessary to address this unique situation.

These are the examples currently listed on FEMA's COVID-19 fact sheet.

If you have a question on a specific measure undertaken or expense you incurred or expect to incur, please raise that issue as you develop your project(s) in the Grants Portal so we can respond with appropriate guidance.

## Emergency Protective Measures

### Non-Congregate Sheltering

- Non-congregate sheltering includes locations where individuals have a level of privacy (e.g., hotels, motels and dormitories).
- Must be pursuant to the direction of appropriate public health officials and not extend beyond the duration of the Public Health Emergency.
- Limited to that which is reasonable and necessary to address the public health needs of the event.
- Subject to prior approval by FEMA.
- Ongoing discussions with FEMA regarding eligibility criteria for non-congregate sheltering.

<https://www.tn.gov/tema/emergency-community/covid-19-guidance.html>  
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FEMA recognizes that non-congregate sheltering may be necessary in this Public Health Emergency to save lives, to protect property and public health, and to ensure public safety, as well as to lessen or avert the threat of further widespread infection. When existing facilities are reasonably forecasted to become overloaded in the near future and cannot accommodate needs, the following criteria must be considered before setting up non-congregate sheltering and support services:

- The non-congregate sheltering must be at the direction of and documented through an official order signed by a state or local public health official.
- Any approval is limited to that which is reasonable and necessary to address the public health needs of the event and should not extend beyond the duration of the Public Health Emergency.
- Applicants must follow FEMA's Procurement Under Grants Conducted Under Exigent or Emergency Circumstances guidance and include a termination for convenience clause in their contracts.
- Prior to approval, the applicant must provide an analysis of the implementation options that were considered and a justification for the option selected.
- The funding for non-congregate sheltering to meet the needs of the Public Health Emergency cannot be duplicated by another federal agency, including the U.S. Department of Health and Human Services or Centers for Disease Control and Prevention.
- Applicable Environmental and Historic Preservation laws, regulations, and executive orders apply and must be adhered to as a condition of assistance.

TEMA is working actively with FEMA to get specific guidance on the eligibility of certain costs and activities related to medical sheltering. An official health order for non-

congregate sheltering has also been added to our website under the Documenting Costs subheading.

## Environmental Considerations

### Examples

- Repurposing, renovating, or reusing existing facilities as temporary medical or sheltering facilities
- Placement of prefabricated facilities on a site
- Construction of new temporary medical or sheltering facilities
- Storage of human remains and mass mortuary services
- Staging resources on an undeveloped site
- Proper disposal of medical waste

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Most actions taken for emergency protective measures do not require any environmental evaluation, but there are some that do have the potential to adversely affect natural, historic, and/or archaeological resources. Examples of these type activities could include:

- Repurposing, renovating, or reusing existing facilities
- Placement of prefabricated facilities
- Construction of temporary medical or sheltering facilities
- Mass mortuary services
- Staging resources; and
- Disposal of medical waste

If any of these are activities being considered, you may want to contact the Tennessee Department of Environment and Conservation. They can help you determine if there are any environmental concerns that need to be addressed and can help provide the documentation proving due diligence in this area.

## Expedited Projects

### FEMA

- Project Template
- Funded at 50% of estimated project cost then divided into shares
  - Project Cost x 50% x 75% = Federal Share Award

### State

- Contract

#### Example

*Emergency operation center activities for an Applicant for the first 90 days after a declaration is estimated to cost \$500,000.*

$$\$500,000 \times 50\% \times 75\% = \$187,500$$

Before covering cost eligibility, there's one more area to discuss. FEMA may provide expedited funding for Emergency Protective Measures that exceed the large project threshold of \$131,100. The project template FEMA has recently finalized will identify Expedited Project criteria whereby projects may be processed with a Scope of Work, Cost Estimate and minimal supporting documentation. This does not mean that you should not continue to gather the documentation, as full documentation will be required to close the project out and receive full funding. FEMA will review the cost estimate and Scope of Work for reasonableness. Expedited Projects are initially funded at up to 50% of the original approved estimate and then broken down into the Federal and non-Federal shares. Subsequently, the applicant must request that FEMA create an amendment to capture full actual costs once the applicant is able to provide all necessary documentation.

In the example, the estimated cost is \$500,000. Using the formula, 50% of \$500,000 is \$250,000. That \$250,000 is then broken down into the Federal Share of \$187,500, leaving a non-Federal share match of \$62,500.

Now I want to make sure everyone understands how Expedited Projects would work in Tennessee. When you think about an expedited award, you may think you will get the funding immediately upon approval. Tennessee inserts a contract between approval and payment. It's a state requirement and takes 2 to 3 months. So if you end up considering expedited projects, keep this timeframe in mind.



## Eligibility, Cost

### Eligible Costs

- Labor
- Equipment
- Materials
- Fees Paid: Contracts/Mutual Aid
- Management Costs



### Costs Must Be

- Be reasonable and necessary to accomplish eligible work;
- Be in compliance with Federal, State, and local laws, regulations, and policies; and
- Must deduct any insurance proceeds, salvage value, and purchase discounts.

The last of the 4-tiered process is reviewing the costs. You can see the types of eligible costs listed on this slide: labor, equipment, materials, fees paid, and management costs. The key here is to make sure all your costs are documented and comply with appropriate guidelines. They must be reasonable costs - basically what any other prudent person would pay in the same circumstances - and necessary to accomplish the work. Another way of saying that could be that the costs need to be directly tied to the protection of the public from the COVID-19 event. The work and documentation must show compliance with Federal, State and local laws, regulations, and policies, including deductions from duplication of benefits, such as insurance proceeds, salvage value, or purchase discounts.

## Force Account & Donated

### Labor

Emergency Work Labor Eligibility	Overtime	Straight-Time
Permanent Employees	<input checked="" type="checkbox"/>	
Temporary Employees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Volunteer/Donated Labor	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

- All time must be documented with separation between regular and overtime, including fringe benefits
- Permanent and Temporary employees are eligible for reimbursement for eligible work
- Volunteer/Donated Labor cannot be reimbursed, but can contribute to non-Federal share requirement.

Force Account Labor costs are for the Applicant's employees, both full-time and those that may have been hired as temporary employees to address the COVID-19 situation. For permanent employees, only their overtime used on DR 4514 work is eligible. Their regular work time is not eligible. For temporary employees hired to work on DR 4514, both regular and overtime cost are eligible.

In addition, fringe benefit costs for eligible hours are also eligible and you may be asked to calculate an average fringe benefit hourly rate for your employees.

If you have volunteer or donated labor performing eligible work, that work can be used to offset the non-Federal share of any awards you receive. The cost would be determined at what would be reasonably expected pay for the services.

We'll go over the documentation for labor later in the presentation.

## Force Account & Donated

### Equipment

- **Must be used for eligible work**
  - All usage time is eligible
  - Standby and idle time are not eligible
  - If intermittent use exceeds more than half of the regularly scheduled working hours for a day, use for the entire day may be claimed
- **Equipment Rates**
  - FEMA's Schedule of Equipment Rates
  - Local rates or rental costs may be used if different than FEMA and established prior to the COVID-19 event



Equipment costs are for equipment you own, lease or purchase for necessary use in COVID-19. The equipment/vehicles you own are normally reimbursed based on an **hourly rate**. Leased/rented equipment is based on the rental/lease agreement, and purchased equipment may be reimbursed based on purchase cost minus salvage value.

When claiming reimbursement on an hourly rate, FEMA allows credit for a **full work day** when the equipment is used for half the work day or more. For example, you have a vehicle that transports medical equipment to a temporary medical facility. The equipment is then off loaded and used for 5 hours at the temporary facility and then is loaded back on the vehicle and returned to its origin. The vehicle use is only eligible for the actual hours in transit to and from the site, but the equipment used at the facility for 5 hours is eligible for the entire work day because it was used for more than half of the regular work day.

FEMA has cost codes establishing equipment rates which are normally used to reimburse equipment usage, but Applicants can use local rates if they were established **prior to the event**. FEMA cost codes are normally more advantageous except perhaps in high cost areas where local rates may be higher. Applicants can select the FEMA rates or their local rates but **must use the same method for all of their projects**.

## Force Account & Donated

### Materials

- Purchased or used from stock
- Used for eligible work



Force account materials are those that you either use from your stock or purchase for use in the event. If you have invoices for your stock items, they can be used to establish costs, or you can get 3 quotes from local vendors to establish costs.

You do not have to replace the items taken from stock in order to submit for reimbursement for that stock used in response to the COVID-19 event.

Keep in mind, that items you purchase must meet all contracting and purchasing requirements and be fully documented.

## Fees Paid: Mutual Aid

- **Mutual Aid**
  - Applicant is the Requesting Entity legally responsible for the work
  - Providing Entity assists the Requesting Entity
  - Pre- or Post-Event Mutual Aid Agreement
  - Providing Entity bills the Requesting Entity and include supporting documentation for costs claimed
  - Eligible Mutual Aid
    - Straight-time and overtime labor, including fringe benefits
    - Overtime for backfills of deployed personnel's normal position
    - Equipment
    - Materials



We've gone over three of the categories of cost: Labor, Equipment, and Materials. Now we'll look at Fees Paid. For this, I've broken Fees Paid into two categories. The first one is Mutual Aid. If mutual aid was used in response to COVID-19 activities, it is important for both the Requesting Entity and Providing Entity to know what must take place to ensure a full reimbursement. First, the...

- The Applicant is the Requesting Entity. They're the ones that are legally responsible for the work
- The Providing Entity is the one assisting the Requesting Entity.
- The Requesting Entity and the Providing Entity must have a Mutual Aid Agreement they are a part of
- In Mutual Aid, the Providing Entity bills the Requesting Entity. The bill must include all supporting documentation for costs claimed.
- Mutual Aid activities include
  - Straight-time and overtime labor, including fringe benefits
  - Overtime for backfills of deployed personnel's normal position
  - Equipment (based on terms of agreement or FEMA's Schedule of Equipment Rates); and
  - Materials

## Fees Paid: Contracting

Contract Types	Allowed	Prohibited
Fixed Price	✓	
Time and Materials	✓*	
Cost Plus Percentage or Percentage of Construction		✓
Piggybacking onto another jurisdiction's contract		✓
Pre-existing Contract	✓**	

\*When other types are not suitable – must have ceiling price contractor will exceed at their own cost, high level of oversight, and only until scope becomes clear

\*\*As long as it meets all requirements.

Oversight



The other side to Fees Paid is Contracting. FEMA's purchasing requirements come from 2 Code of Federal Regulations. Based on that, I wanted to go over the different types of contracts.

- The preferred contract is a **Fixed Price** contract. This is the best contract to use for ensuring the agreement is in the Applicant's best interest.
- The next contract is **Time and Materials**. The only time Time and Materials contracting is allowed is when no other contract will serve the needs. It is only allowed for a short period of time and must have a ceiling price the contractor will exceed at their own cost. It also requires a high level of oversight and can only be used until the scope of work is clear enough to move into a Fixed Price contract.
- The next two are displayed here just to ensure all know that they are prohibited. There are no circumstances when the Federal Government allows cost plus a percentage or piggybacking onto another jurisdiction's contract.
- Last, a pre-existing contract can be an acceptable type of contract as long as it meets all the procurement requirements involved in setting it up.

## Management Costs

- Five percent of all projects (excluding donated resources)
- Management of *all awarded projects, collectively*
- Allows direct AND indirect costs
- Must have documentation to support costs
- Reimbursement will not exceed five percent
- Left over funds deobligated
- Funds are 100% Federal
- Optional
- Funds provided in separate PW, Category Z

Now we're to the last category of eligible costs: Management Costs.

- Management Costs are calculated at 5% of all awarded projects (excluding donated resources).
- The Public Assistance Program provides management costs for the management of all awards in both direct and indirect costs.
- It does require documentation to support costs incurred, and
- It will not exceed the 5% provided.
- However, if less than 5% of the funds are used, the left over funds are deobligated.
- A nice benefit to management costs is that they are 100% federal. There is no non-federal share match.
- You have the option to refuse management costs if you desire. It is not a mandatory award.
- Though the award is held until all other projects have been awarded to determine the final 5% amount.
- Last, all Emergency Protective Measure project awards will be Category B. The Management Cost award is Category Z.



We've covered the review process and what is considered eligible. Now let me tell you about the Public Assistance Process.



# COVID-19 Delivery Model



• Currently here

For this unprecedented event, FEMA is using a modified Delivery Model in order to expedite the process and get much-needed funds to Applicants as quickly as possible. We are at the first step in this process in conducting these virtual Applicant briefings, and we will cover the remaining steps in this presentation. Those of you who are familiar with normal FEMA delivery processes will see significant changes.

# FEMA Grants Portal Account

- Accessing the Grants Portal
  - All counties and cities already have an account
  - PNPs must provide an Applicant Registration Form for account creation
- Request for Public Assistance
- Grants Portal Resources
  - COVID-19 Guidance
  - Public Assistance Project Forms
  - Policy and Guidance
  - Grants Portal Applicant Manual
  - More...

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FEMA uses a Grants Portal web-based system for processing applications and claimed costs. If you do not already have access to this portal, we can help you through this process. Every city and county in Tennessee has an account already. We set those up when the Grants Portal was first introduced. There was no way to determine which private non-profit organizations would be a part of a future event, so we worked with those that were affected following an event to establish their accounts. If you need an account set up, or need to gain access to an existing account, visit the web address at the bottom of the slide and access the Applicant Registration Form. When that is completed, email to the email address at the bottom of the slide. We will work with you to get you into the system.

To establish you as an eligible applicant so you may submit your costs for reimbursement, FEMA requires all applicants to submit a Request for Public Assistance. This must be done electronically through the Grants Portal. Once you've established your account, you will see a link at the top of the portal's opening page that takes you to the RPA. It's a very easy step-by-step process. If you send us the Applicant Registration Form, we will be in communication with you and can submit the RPA for you if that is your wish.

Once in the Grants Portal, look around. There is a resources link on the left side. If you look at what resources are available, you will find a lot. The very first one is on COVID-19 Guidance. There is also a Grants Portal Applicant Manual that can literally walk you through any step in the portal. It's worth taking a look to see what's there.

## Delivery Model Changes

### Eliminated from the Process

- Exploratory Call
  - Introductory call with FEMA Program Delivery Manager
- Recovery Scoping Meeting
  - Stakeholder meeting to discuss all damages and outline needed documentation
- Timeline for adding damages
  - 60 days from the Recovery Scoping Meeting

### Simplified Application Process

- Applicants drive their own recovery process
- Creation of a project template



For those that have been involved in previous disaster declarations, there are some steps that FEMA has removed for COVID-19 in the hopes that this will expedite the process. FEMA will not be conducting Exploratory Calls or Recovery Scoping Meetings. Some projects, such as the creation of, or relocations to, temporary facilities may require a site visit, but the majority of projects will not require a site visit. Additionally, there is usually a 60-day window to report all costs from the Recovery Scoping Meeting. This is not being used since there is not yet an end date to this event.

Every applicant can wait for FEMA to assign a Program Delivery Manager to work with you, but FEMA is actually encouraging Applicants to be proactive and drive their own recovery process. This event does not include the normal infrastructure repair and replacement that is normally associated with declarations. This has enabled FEMA to simplify the application process. They have released a simplified online form applicants can complete. Applicants will enter information on this project template, provide documentation as required by the template, provide a cost estimate and submit the project. However, it's important to stress that you may be required to provide additional documentation at some point so it is essential to continue to maintain complete and accurate records. This applies not only to the costs you incur, but also to the funding you receive since some costs may be covered by multiple funding streams.

## Project Development Assistance

- Available Assistance
  - Grants Portal
  - Developing scopes of work and cost
  - Understanding eligible components
  - Supporting Documentation
  - [COVID.PA@tn.gov](mailto:COVID.PA@tn.gov)
- Websites
  - Tennessee Emergency Management Agency  
<https://www.tn.gov/tema/emergency-community/covid-19-guidance.html>
  - Federal Emergency Management Agency  
<https://www.fema.gov/coronavirus>



We want to make sure each applicant has resources available to them if needed to assist them through the process. There are different areas that may require such help. From maneuvering inside the Grants Portal, development of the scopes of work, determining estimated or actual reasonable costs, understanding what is eligible, what documentation is needed to support eligible work, and an email address for questions. As you begin this process you can count on us to guide you and assist you wherever possible.

A little bit of a reiteration on the websites, but it is so important to know where to get up-to-date information. Both the TEMA and FEMA websites are updated continually to bring you the best tools to use in the Public Assistance process.

## Project Development

- **Components of Project Development**
  - **Basic Information**  
Applicant, Location, Category of Work, etc.
  - **Damage Description and Dimensions (DDD)**  
What conditions did the virus cause?
  - **Scope of Work (SOW)**  
Actions to Protect lives and public safety in response to the virus.
  - **Cost Estimate**  
Is it a reasonable estimation? What is it based on?
  - **Attachments**  
Documentation of Costs, Contracts, Proof of Payment, etc.

These are the various elements of a project that will be necessary to develop in order to process your project(s). This is not the typical kind of natural disaster that causes damages to buildings and roadways. This pandemic event will require documenting the activities and costs incurred in responding to the virus. The most important thing to remember is make sure you have all of the required documentation to support your project. This includes invoices, contracts, insurance policies, claims and settlements, actual costs, personnel policies, procurement documentation, proof of payment, etc. If you do not provide the required documentation, FEMA may issue a Request for Information (RFI) and withhold reimbursement until you comply.

## Delivery Model Final Steps

- Enter work and supporting documentation into the Grants Portal
  - File Contents
  - Naming Files
- FEMA and State review documents
  - Prior to project write-up
  - Work with Applicant on any needed information
  - Send for project write-up
- Electronic Signatures
  - FEMA, State, and Applicant have opportunity to review and sign-off on final Project Worksheet
- Funding Awarded
- Recovery Transition Meeting



Developing the projects and gathering the documentation is the bulk of the Public Assistance process and includes a lot of work in the Grants Portal. As all the projects and documentation are entered into the Grants portal, keep a few things in mind. Be organized in what is put together. If you are working with labor and equipment costs, separate the files into two; one for labor and one for equipment and title them so the reviewers can find them. For example, using labor, let's say there's over 100 pages in the labor summary sheets and one file containing all 100 pages is too large. Separate the file into periods of time, then name the files Labor for February 2020, Labor for March 2020, etc. Another example is when attaching the Pay Policy, let it be the only document contained in the file and name it Pay Policy. If you have something hidden within another document, it may not be recognized and therefore might not be included in awarded costs.

When all the work and documentation have been entered, the State and FEMA review everything before it moves toward approval. The reviews may see missing documentation or see an area that needs some clarification. If any additional information is needed, they will work with each applicant to receive what is required. When that is complete, it is forwarded for project write-up.

Now a really nice feature here is the ability for FEMA, the State, and the Applicant to see the final write-up, what's called a Project Worksheet, before it is awarded. This ensures you have the opportunity to review what the final award will be. It's important that you review the scopes of work and costs as that is what the closeout review will be based on. You want to make sure it matches the need.

The last two can be interchangeable. When the projects are awarded, the award document does not come from the Grants Portal. It comes from another system FEMA uses for obligating funds and will be provided to you by the TEMA Public Assistance Staff. And when all project documentation and submission is completed, there will be a Recovery Transition Meeting between FEMA, State, and the Applicant. This provides an opportunity for the Applicant to ensure all eligible work has been captured.

## Funding

- \$3,300 minimum per project

Total Cost to Rebuild/Repair	4,000
Insurance Payment	3,000
Project Eligible Cost	1,000

Ineligible

- 75% Federal Share / 25% Non-Federal Share
  - Municipal Utilities must be their own applicant, separate from their jurisdiction

FEMA has a minimum project cost that must be met before any eligible projects can be funded. This \$3,300 is compared to the net project eligible cost. All discounts, duplication of benefits, or any other deduction is subtracted from the overall cost to get this net figure. If the result of that meets the minimum, then it is considered fundable.

Per regulation, FEMA provides a 75% federal share to eligible projects leaving a 25% non-Federal share for the applicant. Every time a disaster is declared in Tennessee, a decision is made on whether the state can assist with the non-Federal share. This decision has not yet been decided. So for now, all Applicants can expect to be responsible for the full 25% non-Federal Share. When the decision is made on how much the State can assist, notification will be provided for your own budgeting purposes.

Last, if you are a municipal utility, you must apply separately from your jurisdiction and be your own applicant.





We are more than half-way through the presentation. The rest of the presentation will cover Procurement and Administration and What's Next

## Procurement

### **Must comply with ALL federal, state, and local procurement requirements:**

- Procurement Disaster Assistance Team website
  - Top 10 Procurement Mistakes
  - Contracting During Exigent/Emergency Circumstances
  - Procurement guidance and checklist
  - Videos covering regulations
  - Resources (Socioeconomic Contracting Resources)
  - Mandatory contract clauses
  - Much, much more...

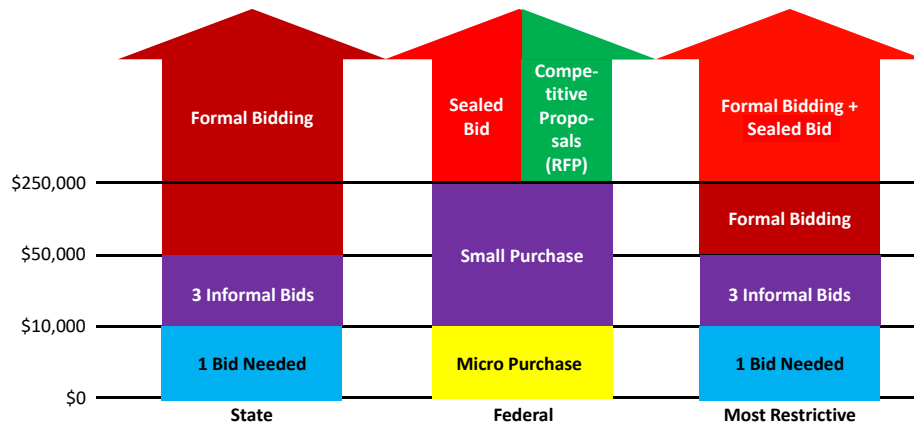


[www.fema.gov/procurement-disaster-assistance-team](http://www.fema.gov/procurement-disaster-assistance-team)

The Federal procurement requirements, also referred to as the Uniform Guidance, are covered in 2 CFR §200.318-326, including Appendix II to Part 200. In these regulations, it states that when provided Federal grant funds, the Applicant must comply with the most stringent of Federal, State and local procurement policies. To better understand what requirements affect Public Assistance, FEMA's Office of Chief Counsel put together the Procurement Disaster Assistance Team website. This website has an immense amount of information and guidance on procurement requirements. What you see here are just a few. If you're contracting, this website has a checklist you can use to ensure required clauses are in the contract. It can provide resources for finding minority and women owned businesses, or other socioeconomic contracting resources. It provides the mandatory control clause language that can be copy/pasted. There's just a lot of useful information to make sure you stay in compliance with the Uniform Guidance.

# Contracts

2 CFR §200.318: Most stringent of Federal, State, and Local



As mentioned in the previous slide, Applicants must use the most stringent of Federal, State, and Local procurement requirements. This slide shows the comparison between Federal and State. The first column is the State requirements. The second column covers Federal Requirements. The third column combines the most stringent elements. In this case, the State procurement requirements meet or exceed Federal requirements.

## Required Contract Language

Required	FEMA	State
Legal/contractual/administrative remedies for breach of contract	✓	
Conflicts of interest	✓	✓
Termination for cause or convenience	✓	
Equal Employment Opportunity / Nondiscrimination	✓	✓
Lobbying/Byrd Anti-Lobbying Amendment	✓	✓
Contract Work Hours and Safety Standards Act	✓	
Clean Air Act and Federal Water Pollution Control Act	✓	
Debarment and Suspension	✓	
Procurement of Recovered Materials	✓	
Public Accountability		✓
Public Notice		✓

**2 CFR §200.326 requires contract provisions  
Appendix II to Part 200 contains the provisions**

When talking about the Procurement Disaster Assistance Team website, I mentioned their being Federal required contract clauses. The State of Tennessee's contract includes language on mandatory contract clauses as well. This chart shows the areas and where the requirement comes from. Without going through each one of these, I just want to point out the FEMA's Procurement website contains a document with all Federal clauses. The State of Tennessee's contract provides the clauses the State mandates.

## Project Administration

### Periods of Performance (POP)

- Begins on date of declaration – **April 2, 2020**
  - Allows costs going back to the beginning of the Incident Period of January 20, 2020.
- Performance Period is 6 months – **October 1, 2020**
  - TEMA can authorize an additional 6 months – **April 1, 2020**
  - FEMA authorizes anything longer than 1 year
- Parameters for reimbursable expenditures
  - Work performed before January 20, 2020 or after the end date of the performance period is ineligible for reimbursement

The performance period is very important to receiving reimbursement. Any reimbursements must be performed within the established period of performance. The beginning date for every project, regardless of when it is approved, is the Declaration Date, which is April 2, 2020. You might wonder, “What about the eligible costs that we had before the declaration date?” Those costs will be covered. When COVID-19 first became a concern in the United States, the beginning of the Incident Period was determined to be January 20, 2020. For the Public Assistance program, all eligible costs incurred from January 20, 2020 to the declaration date are covered automatically. From the declaration forward is what must be monitored to ensure coverage of eligible incurred costs.

Six months are automatically provided as the performance period for Emergency Protective Measures. This means that any project awarded will have an approved period through October 1, 2020. If further time is needed, the Public Assistance Program allows the State to authorize up to 6 more months – or to April 1, 2021. If more time is needed after that, the request must go to FEMA for authorization. Time extension request are relatively simple to do with good justification and can be processed quickly to ensure you remain in an eligible timeframe for reimbursement.

## Project Administration

### Prior Approval Required

- Changes to Scope of Work
- Overruns
- Time Extensions

Any deviation from the approved project requires  
TEMA/FEMA approval PRIOR to executing

There are a few things that require State and FEMA prior approval. Any changes to the scope of work that changes the footprint of the project must be reviewed and approved to remain reimbursable. Overruns are also something to watch. I'm not talking about a small overrun. I'm talking about a large overrun that would cause a lot of scrutiny as to why there was such a change in the cost. If this happens, we need to assist you in gaining FEMA approval so the cost remains in an eligible and reasonable status. And finally the time extensions. As mentioned in the previous slide, time extensions can be processed quickly with good justification. The important thing to remember is to refrain from deviating from the approved project, large overruns, and expired performance periods. Get with Public Assistance staff to help ensure all remains eligible for reimbursement.

## Project Administration

### Documentation

- Each project/PW (separately – not bundled together)
- All Labor, Materials, Equipment, and Fees Paid
- Proof of compliance with Federal, State, and Local requirements
- Completed the approved scope of work
- Pictures
- Audits
- Closeout Reviews

Now we're going to go into documentation. I cannot overemphasize the importance of documentation. Really, it is imperative to keep good documentation of all expenses so you receive maximum grant funding. Only documented eligible costs will be approved and therefore reimbursed. In FEMA's pamphlet on the Top 10 Procurement Under Grants Mistakes, every one of them is because of inadequate documentation. If you don't hear anything else today, hear this. Document, document, document, document, and document. Document each project. Keep the documentation orderly. Document everything, all labor, materials, equipment, and fees paid – which we'll be covering next. Make sure you have documentation showing you met compliance with Federal, State and Local requirements. Maintain documentation showing the approved scope of work was completed as it was approved to be completed. Sometimes pictures can be an outstanding source of documentation.

To sum this up, if it isn't in black and white, it didn't happen. So with good documentation, any audits, as well as the State and FEMA's closeout reviews, should be quick and painless.

## Documentation

Who

What

When

Where

How Long

How Much

---

**Labor**

- **Who** is the Worker (ID Info)
- **What** the Worker did (Task)
- **When** the worker worked (Date)
- **Where** the Worker worked (Location)
- **How long** the worker worked (Written record)
- **How much** did the worker get paid (Payroll record)

**Documentation**

- Payroll Policy
- Pay Rate & Fringe Benefits Calculation
- Separate the Donated, Regular & Overtime hours
- Force Account Labor Summary Record

Department of  
Military

TEMA

<https://www.tn.gov/tema/emergency-community/covid-19-guidance.html>

[COVID.PA@tn.gov](mailto:COVID.PA@tn.gov)

When documenting labor costs, there are specific questions that must be answered. Using the following formula provides all the information needed to support labor costs: who, what, when, where, how long, and how much. Documentation covering those questions is what is needed for internal employees, mutual aid, and donated services.

Who is the worker (Name, Title)

What the worker did (Task)

When the worker worked (Date)

Where the worker worked (Location)

How long the worker worked (Written record)

How much did the worker get paid (payroll record, fringe benefits calculation and payroll policy)

Documentation that supports claimed labor costs include timesheets, payroll records, payroll policy, and fringe benefits calculation. All of the information assembled from the formula questions must be put in some type of organized manner, keeping any donated, regular, and overtime hours separate. If you already have such a system that requires minimal modification to collect all this data, then that is acceptable. If you don't, you can use FEMA's *Force Account Labor Summary Record*. Just add information to show the location where the worker worked and what task the worker performed. You can also use FEMA's *Fringe Benefit Calculation Worksheet* for calculating the fringe benefits of each worker. You can download the spreadsheets from our website, or request it through the COVID.PA email.





## Documentation

Who

What

When

Where

How Long

How Much



**Equipment** (*Force Account & Donated*)

- **Who** Operated the Equipment
- **What** Task was Performed with What Equipment
- **When** was the Equipment Used
- **Where** was the Equipment Used
- **How Long** was the Equipment Used
- **How Much:** Use FEMA's 2019 Schedule of Equipment Rates <https://www.fema.gov/schedule-equipment-rates>

**Documentation**

- Force Account Equipment Summary Record

Leased Equipment may be an alternative to purchasing equipment if costs are reasonable and do not exceed the purchase price.

MAKE SURE EQUIPMENT MATCHES LABOR

Much of the equipment documentation mirrors that of the labor. The same formula is used with variations on the questions. In addition, the documentation covering these questions is what is needed for internal work, mutual aid, and donated equipment.

Who operated the equipment

What equipment and what task was performed with the equipment

When was the equipment used

Where was the equipment used

How long was the equipment used

How much cost for equipment is determined using FEMA's *2019 Schedule of Equipment Rates*. However, if you have your own schedule of equipment rates, FEMA will use whichever is the lesser.

Like Labor, if you have your own organized system for this data, that is fine. If you use FEMA's *Force Account Equipment Summary Record*, you will need to add information to show the location where the equipment was used and what task was performed with the equipment. Make sure that the person who is operating the equipment is also on the labor record for the same time period as the equipment. Documentation that supports claimed equipment costs may also include an equipment log or record.

# Documentation

- **Who** is the vendor
- **What** materials were used (description)
- **When** were the materials purchased and used
- **Where** were the materials used
- **How much** to replace the materials

**Documentation**

- Procurement Policy
- Invoices/Purchase Orders
- Cancelled Checks

Maintenance or up-keep items are not eligible  
(i.e., oil, gasoline)

Material documentation uses the same formula with variations of the questions. As stated before, if you have all the information required in your own spreadsheet or organized system, this is sufficient. If not, the *Force Account Materials Summary Record* is excellent for capturing all the data required if you use the comments field to input the location of where the materials were used.

Who is the vendor

What materials were used (description)

When were the materials purchased and used

Where were the materials used

How much to replace the materials

Documentation that supports claimed material costs include the procurement policy, bids, purchase orders, invoices, cancelled checks, etc. It is dependent on the purchases. Whatever is required by your procurement policy is reviewed to ensure it was followed.

Be aware maintenance or up-keep items are not eligible, like oil or gasoline.

## Documentation

### Fees Paid

- Procurement Policy
- Bid Advertisement
- Bid Summary
- Qualified bidders (licensed, insured, bonded, etc.)
- Contract (including required clauses)
- Invoices/Statements
- Canceled checks

Types of documentation required for purchases is the same as shown under Materials. For contracting, the documentation includes, but may not be limited to: the Procurement Policy, Bid Advertisement, and Bid Summary. Where there Qualified Bidders? Did the Contract have all the required Clauses? Invoices/Statements, and Canceled Checks

The best resource for Federal procurement information applicable to the Public Assistance program is via the Procurement Disaster Assistance Team website talked about earlier. Among other great topics, this website includes a 2019 Contract Provisions Template and a PA Reasonable Cost Evaluation Job Aid.

## Documentation

### **Categorical Information Checklist for Category B**

- What FEMA uses in the field
- Set up for documentation on eligible work
- Covers more than labor, equipment, materials, and fees paid

<https://www.tn.gov/tema/emergency-community/covid-19-guidance.html>  
COVID.PA@tn.gov



The last thing I want to mention on documentation is FEMA's *Categorical Information Checklist for Category B*. This checklist contains a lot of information and is what FEMA uses when working with applicants in the field. It is set up to include all possible types of eligible work. Some of the documentation needed is not contained in the previous four areas. Fill in what you can where it applies to your claimed costs.

Another thing, all costs do not have to be in one spreadsheet or report. It's actually preferable for them to be logically grouped.

If you have any questions on what is considered eligible, FEMA's Public Assistance Program and Policy Guide contains a section on eligible activities under Category B, Emergency Protective Measures. This publication can be downloaded from TEMA's website or provided to you at your request.

## Large & Small Projects

- Large Projects:
  - Total amount = or > \$131,100
  - Must request payments for completed work attaching supporting documentation
  - Specific Quarterly Progress Reports
- Small Projects:
  - Total amount < \$131,100
  - Automatic payment for projects written at 100% complete
    - Remaining provided at close of all small projects or at the close of grant
  - General Quarterly Report Information

FEMA divides all projects into two areas: Large Projects and Small Projects. The dividing factor is \$131,100 so large projects are above \$131,100 and small projects are below \$131,100. There are differences in how large and small projects are handled.

Small project payments are provided when all small projects have been completed unless specifically requested. One exception though, is if a small project was 100% complete when it was developed and put into the grants portal. If that occurred the applicant would receive a full reimbursement after the state contract is executed. For large projects, there are no automatic payments. Payments are provided by request of the Applicant. Supporting documentation showing the work completed and payments made are reviewed for justification of the payment. The applicant must also be current with any quarterly reporting to receive a payment. That actually applies to small project payments too.

Large projects require specific information be provided on quarterly reports such as: how much has been expended, percentage of completion, etc. Small projects information is general in nature. All we're looking for there is when the anticipated date of completion will be for all the small projects awarded.

## Project Administration

### Closeout: Small Projects

- When all small projects are completed, notify PA Specialist in writing
- Small Project Verification Form
- 20% validation (Pictures of completed sites with identification and location expedite the closing)
- Upon completion, final payment for small projects will automatically be provided either:
  - Immediately, if there are other large projects open; or
  - At applicant closure if small projects are the only open projects

Now we're going to look at what happens when the projects are completed. There are three closeout processes: small project closeout, large project closeout, and applicant closeout. On small projects, they are closed as a whole. When all have been completed, you would notify the State. We will work with you to verify all projects were done in accordance with the approved scope of work and validate 20% with further data or site visits. Once all reviews are done, we will give you a final payment as long as it doesn't close the contract. If it would, we would pay you 90% and provide the rest at Applicant closure.

## Project Administration

### Closeout: Large Projects

- Large projects are reviewed individually
- Notify State as each large project is completed
- State Compliance Review
- Local concurrence on final costs
- Send to FEMA for approval and processing
- Upon completion, final payment for large project will automatically be provided either:
  - Immediately, if there are other projects open; or
  - At applicant closure if no other projects are open



Large projects are closed individually. As each large project is completed, the applicant notifies the State. We conduct a State Compliance Review where we go over the completed work, documentation and costs. When finished, we provide our results to the applicant for review and concurrence. If there are concerns, we will work further with you to resolve those so when the closeout is sent to FEMA for final review, we are in concurrence with what is sent. FEMA makes the final decision. When they have completed their review and provided notification to us, we forward their review results to the applicant. A final payment will be provided at that point if it will not close the contract. Again, as stated about small projects, if that is the case, we will provide you 90% and provide the remaining amount at Applicant closure. Last, if final costs of a large project provide additional funding, a contract amendment will have to be performed before final payment may be given.



## Project Administration

### Closeout: Applicant

- When all small and large projects have been closed
- Project Certification and Completion Report (P.4)
- Submit P.4 to FEMA
- Provide final payment upon FEMA's closing notification
- Closeout Letter
  - Applicant closed
  - Right to appeal
  - Audit requirement

The last closing is to close you as the applicant. This is the easiest to do because all the special reviews that take place on the projects have already been done. To close you as an applicant, we sent you a Project Certification and Completion Report to fill in data regarding the awarded projects and sign. We also sign the report before forwarding to FEMA. This is a very quick process and we usually have FEMA's closing notification within a week or two. At that point we will provide any remaining funds with a final letter of closeout.

## Project Administration

### Appeals

- Any determination related to Federal assistance may be appealed up to two times.
- The time limit for appeal submission is 60 days from receipt of notice of the action which is being appealed.



In the Public Assistance program there are approval and denial determinations made on submitted projects. When this happens, the state provides you with a notification letter that explains that applicants have the right to appeal the decision. Regulations allow the applicant two times to appeal any one determination. The first time it is reviewed by the FEMA Regional Office. The second time it is reviewed by FEMA Headquarters and their decision is the final decision.

Any appeals must be submitted to TEMA in writing, within 60-days following notification of FEMA determination. Again, the appeal right is contained in the State's notification to you. Any appeal must have supporting documentation and references of how program law, regulation, or policy supports the appealed items. If at anytime you have questions about a FEMA decision, please let your Specialist know. They will walk you through any process.

## Project Administration

### Record Retention

- Records must be kept for five (5) years from date of official close letter
- Files must be in an accessible place (paper or electronic)
- FEMA and/or the State may audit anytime within that period

When you are closed as an applicant, FEMA's regulation states that record retention must last for three years; however, the State of Tennessee's contract mandates a five-year period. In the closure letter we send you, we will include the timeframe required. During that 5-year span, the files must be in an accessible place for any auditing that may occur.

## Don't Forget

### Funds are Lost if Applicants Don't:

- Ask questions
- Obtain FEMA pre-approval to change scope of work
- Follow procurement procedures
- Review the project write-ups
- Follow the scope of work in the project
- Meet PA program deadlines
- Keep complete, clear and accurate records



Pitfalls can be avoided when you follow the procedures, guidelines and regulations. If you are not sure of something, ask your specialist and get an answer before you proceed. Don't assume modifications are no big deal. Not following the approved scope of work can jeopardize your funding. Make sure any desired changes have been approved. Remember the Procurement Disaster Assistance Team website has a lot of information that can help you through procurement. When the time comes to sign off on your projects, be sure to review the write-up. Meet program deadlines and keep clear and accurate records.



We're at the end of the briefing so the next few slides are dedicated to guide you in beginning the Public Assistance process journey.

## What's Next?

**Follow-up email to each email address sent to me in chat**

We normally have these applicant briefings in person and provide an applicant package to the attendees. As COVID-19 has forced us to conduct Applicant briefings using internet technology, we'd still like to get information to you. One of the things you will receive is this presentation, so please send me your email address in the chat feature.

## What's Next?

# Send in your Applicant Registration Form

<https://www.tn.gov/tema/emergency-community/covid-19-guidance.html>  
COVID.PA@tn.gov



If you haven't already sent in your Applicant Registration Form, please do so. It establishes contractual authority, tells us who we need to contact, and provides us the information necessary to create an account for you in the Grants Portal. If you do not have the Applicant Registration Form, you can obtain one by looking in the "Apply for COVID-19 Declaration" section of the webpage listed on the slide. If you do not know whether you are an eligible applicant that needs to do this, the same website has a section called Are you an eligible applicant. It details the information required for private non-profit organizations.

## What's Next?

# Request for Public Assistance



Submit your Request for Public Assistance. This is what establishes you as an applicant and begins the process. Nothing happens until this is done. If you have Grants Portal access, you should see a link at the top of the opening page that you can use to complete the Request for Public Assistance which I believe they use the acronym of RPA instead of spelling it out. If you do not have Grants Portal access and send us the Applicant Registration Form, we will establish your account and give you access. At that point, we can submit the RPA for you, or you can do this yourself. The important thing is to get it done so the process may begin.



## What's Next?

**Applicant Agent Form**

**Supplier Direct Deposit  
Authorization**

**Title VI Survey**

Once we establish communication with you, we may ask for one of more forms be filled out. The Applicant Agent Form is what can be used in place of the Applicant Registration Form if you already have grants portal access and have submitted your RPA. The Supplier Direct Deposit Authorization provides the connection needed to supply electronic direct deposits. And the Title VI Survey is to show compliance with the Civil Rights Act prohibiting discrimination.

## What's Next?

Kim Sekol  
315-520-3228  
COVID.PA@tn.gov



Last, we don't want you leaving this briefing without someone to contact. Ms. Kim SeaCall is your initial point of contact that can be reached at the number shown. You can also contact us using the COVID.PA@tn.gov address. So this completes the Applicant Briefing. I'm going to leave this up on the screen for a few minutes to make sure everyone can make note of the contact information.