



Public Assistance Program
**Field Operations
Pocket Guide**

FEMA P-1011 / *April 2014*



FEMA

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Introduction

This Public Assistance (PA) Program *Field Operations Pocket Guide* (Guide) provides direction on a consistent approach to delivering the PA Program.¹ It describes the fundamentals to be followed in PA field operations nationally in order to streamline processes for more efficient program delivery and provides detailed instructions on critical elements of the Project Worksheet (PW)² development process. **It is not intended to be a comprehensive manual for program delivery;**³ however, it is intended to be used across all FEMA Regions as protocol to ensure that the PA Program is delivered consistently throughout ALL disaster operations. This document identifies the critical elements of the PA Program, as provided in Appendix B, and establishes the methods by which business should be conducted. The Guide reinforces existing protocol, introduces improvements to procedures for PA Program delivery, and describes how to consistently implement PA policy. The Guide also introduces the process for appealing eligibility determinations that

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- 1 This document provides guidelines for implementing the PA Program. These guidelines should not be interpreted as regulatory requirements or law.
 - 2 Subgrant Applications are referred to as PWs in this Guide.
 - 3 Refer to Appendix A for a listing of other PA Program publications and tools that provide additional pertinent information relative to the implementation of the PA Program.

follow PW development and the option for arbitration in select cases.

In support of FEMA's objective to streamline the PA Program, the Sandy Recovery Improvement Act of 2013 (SRIA) (P.L. 113-2), signed on January 29, 2013, authorizes several significant changes to the way FEMA may deliver disaster assistance to PA Applicants. The law amends the Stafford Act to add Section 428, which authorizes Alternative Procedures for debris removal and permanent work. It also authorizes FEMA to implement the Alternative Procedures through a pilot program. Guidance documents describing the Alternative Procedures for debris removal and permanent work are provided at <http://www.fema.gov/public-assistance-local-state-tribal-and-non-profit/alternative-procedures>. Standard operating procedures and job aids are being developed to support the implementation of the Alternative Procedures.

SRIA also directed FEMA to establish a nationwide Dispute Resolution Pilot Program (DRPP). The DRPP allows certain Applicants appealing eligibility determinations to choose between a second level appeal with FEMA Headquarters or arbitration with an independent review panel. Regulations are being developed that will provide the procedures for filing arbitration requests and the arbitration process generally.

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SECTION 1

Applicants' Briefing

The Applicants' Briefing is hosted by the State and is always performed after an emergency or major disaster has been declared. FEMA attends the briefing to demonstrate partnership with our State partners. The briefing addresses application procedures, administrative requirements, funding, and general program eligibility criteria. The purpose of the briefing is to present a broad overview of the Public Assistance (PA) Grant Program and generate a Request for Public Assistance (RPA) from all potential Applicants. The RPA is an Applicant's official notification to FEMA of the intent to participate in the PA program. The form outlines general information identifying the Applicant by name, address, and primary and secondary contacts.

FEMA's expectation is that Applicants will submit the RPA at the briefing (or before). Regulations require RPAs to be submitted to FEMA within 30 days of the date of designation of the area (county, parish, tribal boundary) for a PA declaration. However, an Applicant should not wait until all damage is identified before requesting assistance. State and Federal personnel will review each RPA to ensure Applicant eligibility.



SECTION 2

Kickoff Meeting

A Kickoff Meeting is held with each Applicant to provide a detailed overview of PA Program requirements, define roles and responsibilities of the stakeholders, and identify program delivery timelines. Most importantly, the Kickoff Meeting allows participants to review the Applicant's identified damages and logically group the disaster damage to formulate projects in accordance with this Guide (see the Project Formulation section).

The Kickoff Meeting is led by the FEMA and State Public Assistance Crew Leaders (PACLs). In instances of PACL resource constraints, a Project Specialist Level II, with appropriate experience in attending and participating in Kickoff Meetings, may be designated to conduct the meeting delivery.

The Kickoff Meeting should be scheduled and conducted **within 21 days** of FEMA's approval of the RPA (i.e., the date the RPA is approved within

the Emergency Management Mission Integrated Environment/National Emergency Management Information System [EMMIE/NEMIS]). Kickoff Meetings should not be held for any Applicants, including Private Nonprofits, prior to RPA approval.

In accordance with Federal regulations, Applicants have 60 days from the Kickoff Meeting (considered the first substantive meeting) to identify and report disaster damage. The PACL and Project Specialist should work with Applicants to schedule and perform site inspections within this period to record detailed damage descriptions necessary to estimate grant funding through the Project Worksheet (PW) formulation process.

Introductory/Exploratory Call to Schedule Kickoff Meeting

The PACL will call the Applicant to schedule the Kickoff Meeting and will coordinate attendance with all stakeholders. The PACL will use the Exploratory Call Checklist (refer to Appendix C) as a guide in conducting this call. Prior to the call, the PACL should evaluate data collected through the Preliminary Damage Assessment (PDA) and any information provided in the RPA. This call should be used as an exploratory call to accomplish the following:

- Ensure the Applicant will provide a list of all known items/facilities damaged as a result of the

disaster. Consistent with above requirement to report all damage within 60 days, this list may be amended.

- Inquire whether any work is completed and, if so, request that the Applicant bring any associated documentation (e.g., invoices, contracts, bids, spreadsheets with force account information).
- Advise Applicant of the option to elect to participate in the SRIA Alternative Procedures for permanent work and debris removal projects.
- Advise Applicant of the obligation to address environmental or historical compliance. Notify the Applicant of any environmental or historic preservation sensitive areas identified in the PDA, and inquire whether the Applicant is aware of any other sites with such issues. If relevant, ensure that an Environmental and/or Historic Preservation (EHP) representative is available to participate in the meeting.
- Ask whether facilities are covered by insurance. If so, have an Insurance Specialist attend the meeting or make certain copies of relevant policies are available.
- Depending on the level of damage identified during the exploratory call, inquire whether site inspections could be conducted immediately following the Kickoff Meeting. If the Applicant has a complex project with questionable

eligibility, the PACL should attend the initial site inspection(s).

- Based on the information gathered during the phone call, discuss the following items with the Applicant:
 - » Appropriate Applicant representatives to attend the Kickoff Meeting (e.g., Emergency Management Director, Public Works Director, City/Town Engineer, Finance Director, Risk Manager, representatives from Police and Fire Departments).
 - » Expected duration of the meeting and number of people representing FEMA and the State.

After the Exploratory Call is completed, **email** the PA Kickoff Meeting Agenda to the Applicant, along with a reminder of information and staff to have available at the meeting.

Meeting Objectives

The PACL will use the **Kickoff Meeting Checklist** (see Appendix D) as a guide in conducting the meeting. The PACL should provide an overview of PA Program eligibility addressing all categories of work; however, the main focus should be to address categories of work that correlate to the Applicant's disaster damage. This meeting should also be viewed as an educational opportunity to help develop the

Applicant's knowledge of the PA Program. The PACL's objectives should be as follows:

- Introduce the team and their roles and responsibilities in assisting the Applicant in the recovery process.
- Identify and address all known disaster damage in terms of scope and types of facilities (to properly categorize projects), locations, actual or estimated cost, and the manner in which the Applicant plans to complete the work (i.e., Contract or Force Account).
- Determine whether the claimed disaster damage is the legal responsibility of the Applicant or under the jurisdiction/authority of another Federal Agency (e.g., Federal Highway Administration's [FHWA's] Emergency Relief Program for Category B work (temporary road repairs) and all permanent repairs; U.S. Army Corps of Engineers' PL 84-99 Program; Natural Resources Conservation Service's Emergency Watershed Protection Program).
- Identify ALL Special Considerations associated with the claimed disaster damage, including those identified in the PDA and others identified by the Applicant. Communicate identified issues with appropriate resources (environmental, historic preservation, insurance, and mitigation).

- Evaluate the identified damage and formulate projects by logically grouping damaged sites and/or facilities into a PW (see the Project Formulation section and pages 98–99 of FEMA 322, *Public Assistance Guide*, June 2007).
- Based on the Applicant’s recovery strategy, determine if the Applicant intends to elect to use the SRIA Alternative Procedures for permanent work and debris removal projects.
- Inform Applicants about Strategic Funds Management (SFM). Explain that SFM focuses on Public Assistance project funding based on Applicant’s capacity, resources, and schedule to execute the scope of work. Emphasize that SFM ensures that Applicants have funding when it is required.
 - » Further guidance for SFM is provided in FEMA’s Standard Operating Procedure 9570.24, Strategic Funds Management Procedures for the Public Assistance Program, dated December 21, 2012.
- Discuss process for resolving eligibility issues
 - » Inform Applicants of the potential to participate in a facilitated discussion regarding unresolved eligibility issues prior to a FEMA eligibility determination. (See pages 20 and 26 for information on facilitated discussions.)

- » Introduce Applicants to the Public Assistance Determination Memorandum. Explain that FEMA uses the memorandum to clearly define what, if any, eligibility issues exist with the project and why.
- » Inform Applicants of the timeline for filing a first appeal.
- » Educate Applicants about their option to either file a second appeal or request arbitration through the DRPP in instances where the amount in dispute is \$1 million or greater.
- » Emphasize the importance of identifying and updating Applicant points of contact.



SECTION 3

Case

Management File

The PACL is responsible for initiating and updating each Applicant's Case Management File (CMF).

The CMF is an electronic file containing critical information pertinent to an application, including data collected during meetings, that lead to the processing of grant funds. Following any contact with the Applicant, the PACL should update the CMF with information obtained during the contact. The PACL should, at a minimum, provide the following information in the CMF:

- Kickoff Meeting information and contact information for the Applicant's authorized representative(s).

- A contact log of pertinent meetings, calls, and correspondence, including the items discussed, actions required, and resolutions.
- Note whether FEMA offered a facilitated discussion, if and so, when it occurred and the outcome. (See page 20 and 26 for information on facilitated discussions.)
- A projection of the number of small and large projects and the actual or estimated cost.
- General comments that provide additional information regarding any issues or document information pertaining to floodplain management, insurance, hazard mitigation, and/or or requirements for compliance with other Federal laws and regulations relating to environmental protection and historic preservation.

General comments in NEMIS/EMMIE cannot be deleted once they are saved. If Project Specialists are maintaining the CMF, the PACL should review records before they are saved. The CMF is not designed to house ALL documents, only those necessary to record pertinent information for historical accountability (i.e., only include items that are in dispute and could lead to an appeal, or circumstances when the Applicant is not responsive). The PACL should carefully monitor the information provided in the CMF, as it will become part of the administrative record. The compilation of a formal administrative record is a requirement when an applicant requests arbitration through the DRPP.



SECTION 4

Project Formulation

The basic elements of the project formulation process should take place during the Kickoff Meeting (i.e., develop a conceptual and logical approach for grouping an Applicant's damages). During this process, the PACL will work with the Applicant's list of damages to form logical groupings for PWs. The intent of such groupings is to minimize the number of PWs necessary to provide assistance for that Applicant.

Site Sheets should be used to capture separate items of damage (e.g., facilities, sections of road, storm drains) to define the overall project, rather than creating a separate PW for each item. Site Sheets should be titled to identify the specific location and/or scope provided on that sheet, similar to naming a PW. Each site sheet will include all components normally provided on a single PW,

including damage description, scope of work, cost estimates, Special Considerations, etc.

Emergency Work, in general, should be captured on one Category A PW and one Category B PW.

- For Category A work, there may be several departments within an Applicant's organization that have performed emergency debris removal work. In such cases, the Applicant may prefer these departments be accounted for on separate PWs. However, the department's damage impacts and costs should be captured on a single PW through the use of Site Sheets for each department.
- For Category B work, emergency protective measures should be documented by date, location, and type using spreadsheets that account for all protective measure actions under a single PW. As with Category A work above, if departments perform emergency protective measures, Site Sheets should be used to identify activities and costs per department.

Note: The size of an event may affect project formulation, especially when emergency work is completed by multiple contractors and/or force account across an entire jurisdiction. In such cases these impacts should be captured (when logical) on a single PW using Site Sheets to track activities and costs, whether the work is completed or to be completed. If needed, the impacts can be captured on

separate PWs, however, the overall objective should be a focus on administrative efficiencies.

Permanent Work may be logically grouped on a single PW in the following situations:

- All work will be awarded under a single contract (e.g., an Applicant plans to address all culvert repairs through a single contract).
- All damage is within or along the same facility or system (e.g., multiple damage sites along the same roadway, storm drain channels, wastewater/sewer systems).
- All damage is within a site-specific area or boundary (e.g., park or recreational facility, a school campus). This includes all access roads, perimeter walls, fencing, and signage within the defined area or boundary.

Separate PWs may be preferable when environmental or historic preservation reviews are required for individual sites or facilities. Related compliance requirements for the one site could delay funding for other sites if grouped on one PW.

When logically grouping items of damage to formulate them on a single PW, the resulting PW category is based on the primary work being performed. For example, a school campus PW that includes several buildings plus ancillary components, such as access roads and perimeter walls, would be a Category E PW.

Although there are valid reasons for preparing separate PWs for disaster damages, the damages (on an Applicant's list) should NEVER be split for the following reasons:

- To limit the PW estimated cost below the large project threshold or million dollar queue threshold.
- To document building damage separately from associated contents for tracking insurance. **Note:** *The scope of building and content damage must be captured under a single PW. The scope of work and costs for both elements should be clearly identified on the PW/Site Sheets to ensure National Flood Insurance Program (NFIP) and insurance review requirements are addressed.*
- To separate different elements of facilities (e.g., a building from perimeter fencing, access roads, other appurtenances within property boundaries).
- Because documentation is not available for all of the specific sites, facilities, or work items. **Note:** *This typically occurs when work has been completed by a contractor or force account and records are not available. In these cases, the Project Specialist should estimate the cost of repair using an acceptable estimating tool.*
- When work has been performed under a single contract on multiple buildings/facilities for a specific task (e.g., painting contractor has painted multiple buildings in a school complex).



SECTION 5

Site Inspection Process

The purpose of a site inspection is to validate disaster damage and obtain all of the information necessary to prepare a detailed damage description. Site inspections will be completed with the appropriate member of the Applicant's staff, and all information needed to formulate the project's damage description will be recorded. Site inspections are to be conducted as follows:

- The Project Specialist should inspect all sites identified by the Applicant and report on the list of damage provided, with exception of the following two conditions:
 - » The sites are confirmed to be ineligible and all parties (FEMA, State, and Applicant) concur. For example, facilities documented to be under another Federal authority, such

as FHWA “on system” road damage. **Note:** *This determination should be made during the Kickoff Meeting so as to not waste time in the field. If the determination cannot be made during the Kickoff Meeting, proper notation should be recorded for future reference. The determination should be documented using the Public Assistance Determination Memorandum.*

- » The work has been completed and is validated by the Applicant through appropriate documentation (e.g., damage photographs/post-repair photographs, before and after video, force account records).
- If the Applicant claims damages at a site where eligibility is questionable, perform the site inspection and record the damage information with the caveat that the work will be reviewed for eligibility by the PACL. If needed, the PACL will visit the site to determine eligibility. **Refrain from discussing eligibility determinations during site inspections.**
 - » The goal of this part of the process is to define a detailed damage description and obtain agreement by all parties.
 - » The Project Specialist will notify the PACL of a potential disagreement regarding project eligibility. The PACL will resolve the issue directly with the Applicant, or elevate the

issue to the Task Force Leader for further assistance.

- The Project Specialist should ask how the Applicant intends to repair the damaged site; in doing so, the Project Specialist should be careful not to suggest repair method(s) or make design recommendations for an Applicant's disaster damage.
- All aspects of site conditions should be clearly articulated to facilitate evaluation of future requests for changes to the original scope of work without the need for another site inspection. Relevant information includes:

- » Site location, including the street address (if applicable) and accurate latitude/longitude (Note: GPS coordinates are to be taken from the front entrance).
- » Photographs that document overall site conditions (taken at a distance) and isolate specific damage (taken as close-ups), with appropriate identification, orientation, and description.
- » Sketches of the site conditions and damage, with appropriate orientation to accessibility.
- » Plans, drawings, and/or "as-built" specifications, if applicable.

- For non-critical Private Nonprofit facilities, the Applicant must apply first to the Small Business Administration (SBA) for Permanent Work assistance. Site inspections should be conducted for these facilities to record detailed damage descriptions while the SBA is reviewing the loan request. Recorded information will be used by FEMA in the event the SBA declines funding or eligible costs are not fully accounted for under the SBA loan amount.



SECTION 6

Project Worksheet Preparation

The development of the PW is a collaborative effort among FEMA, the State, and the Applicant. The Applicant is responsible for identifying damages and providing documentation to support the request for funding. To ensure an efficient means of proceeding through the project development process, FEMA recommends that FEMA, the State, and the Applicant work in partnership to reach agreement on each step of project development before proceeding to the next step, as described herein. A facilitated discussion is one option that furthers collaboration among FEMA, the State, and the Applicant. PA Program staff are encouraged to consult with FEMA's Alternative Dispute Resolution (ADR) staff about offering a

facilitated discussion, which is designed to resolve outstanding eligibility issues before FEMA makes an eligibility determination.

FEMA, through PW approval, will obligate the approved funding, which will be made available to the State for distribution to the Applicant.

ALL PWs MUST BE ENTERED DIRECTLY INTO EMMIE BY THE PROJECT SPECIALIST (i.e., not Data Technicians). The following must be adhered to:

- Describe the pre-disaster facility, function, and location (including latitude/longitude when known).
- Describe in detail the disaster-related damage to the facility.
- For permanent work or debris removal projects, indicate if the Applicant has elected to use the Alternative Procedures for specific projects. Ensure proper coding for the Alternative Procedures is used in EMMIE for these projects. Further information for the Alternative Procedures is provided in the *Public Assistance Alternative Procedures Pilot Program Guide for Permanent Work* and *Public Assistance Alternative Procedures Pilot Program Guide for Debris Removal*.
- Define the scope of work to repair the facility to its pre-disaster design.

- Describe any Special Considerations, including insurance, floodplain management, environmental, and historic preservation considerations.
- Describe any change in the pre-disaster design of the facility required by codes and standards.
- In the case of multiple sites being combined to form one project, descriptions of location, dimension, damage, and scope of work are needed for each site.
- Any other information that is pertinent to the scope of work, including upgrades required by codes and standards, pre-disaster damage, or maintenance problems, should be documented.

Damage Description and Dimensions

The PW must contain a comprehensive detailed damage description that includes dimensions and cause of damage. The damage description and dimensions are the most critical elements of the PW. The State, FEMA, and the Applicant should concur on the damage description and the dimensions, preferably before initiating the development of the scope of work.

The following must be adhered to regarding damage descriptions:

- All damaged elements must be clearly defined in quantitative terms with physical dimensions (length, width, depth, and capacity).
- The details of the assessment should be sufficient to support an eligible scope of work, but not so detailed that the effort exceeds the value of the information. For example, if a wall suffered excessive cracking and the area requires replacement, providing detailed dimensions of each crack is not necessary. Describing the impact of the cracking to support the wall replacement is sufficient.
- Damage sustained as a direct result of the disaster must be differentiated from all pre-existing or non-disaster-related damage, including deferred maintenance.

Scope of Work

The scope of repair work should be specific to elements of damage and defined in quantifiable (i.e., length, width, depth, and capacity) and descriptive terminology.

The following must be adhered to regarding the scope of work:

- The scope of work should address individual repair items, bulleted and listed in the same order as the elements of the damage description.

- If an Applicant's engineering consultant develops the scope of work, FEMA will review the scope for program eligibility, but will rely on the technical expertise of the engineering consultant when developing the PW.
 - » If the Applicant chooses to hire a consultant to develop the scope of work, the responsible party should be a licensed engineer and/or architect (non-licensed technical professionals under the supervision of licensed professionals are acceptable).
 - » The scope of repair work must be specific to the elements of damage agreed upon by the Applicant, State, and FEMA in accordance with the *Damage Description and Dimensions* section on pages 22 and 23.
- If portions of the repair work have been completed prior to project approval, the work that has been completed should be distinguished and recorded separately from the work remaining to be completed.
- Items that may be of questionable eligibility, or that are clearly ineligible but may be the subject of a dispute with the Applicant, should be documented in the PW and in a Public Assistance Determination Memorandum.
 - » Provide a detailed damage description and dimensions.

- » Scope of work and cost estimate documentation is not required, but should be included with the PW documentation if provided by the Applicant. Otherwise, this information will be developed later if items are determined to be eligible.
 - » Document all ineligible damages associated with a facility at the end of the Detailed Description and Dimensions section of the PW.
- The scope of work in all PWs must include a standard comment stating the Applicant's decision to claim or not claim direct administrative costs.
 - If the Applicant has elected to use the Alternative Procedures for specific projects, state this in the Scope of Work and ensure that the cost codes for the Alternative Procedures are used in EMMIE for these projects.
 - For all Permanent Work PWs (Categories C–G), a comment must be included to address what mitigation measures have been or should be considered.
 - If the Applicant wishes to pursue hazard mitigation, the mitigation proposal must be included with the PW when the PW is prepared. If the proposed measure is pre-identified as cost effective in accordance with the list in

Appendix A of Disaster Assistance Policy 9526.1, the proposal should include a reference to the corresponding letter from the list.

- The scope of work should not be described simply as “restore to pre-disaster design.”

Facilitated Discussion

During PW development, PA Program staff should communicate openly and collaborate closely with Applicants and States to resolve eligibility issues. A facilitated discussion is encouraged if, in the discretion of PA Program staff and ADR staff, the conversation would provide a reasonable opportunity for all interested parties to identify, clarify, and attempt to resolve outstanding eligibility issues before FEMA makes an eligibility determination. Joint Field Office management staff can contact ADR representatives to consult about the need for a facilitated discussion.

Communicating Ineligible Items to Applicants

If FEMA determines that the facility or some portion of the damage, work, or cost requested by the Applicant is ineligible, FEMA will prepare a Public Assistance Determination Memorandum to document the situation. The Determination Memorandum documents the relevant issue(s) and FEMA’s rationale for the determination. The Memorandum gives the Applicant a clear idea of the ineligibility

determination, allowing the Applicant to make an informed decision about whether to file an appeal of the determination. The Memorandum is included as part of the PW in EMMIE.

Importance of Administrative Record

The PW is the governing document in FEMA's determination of eligibility of damage, work, and costs. Therefore, it will become the centerpiece of the administrative record if one is required as a result of the Applicant's request for arbitration under the DRPP. It is essential that the PW is clear, contains information about items that are eligible and ineligible and why, and that any documents that relate to decisions about eligibility are attached to the PW and scanned into EMMIE.



SECTION 7

Cost Estimates

Cost estimates must correlate to detailed damage descriptions and the scope of work, be based on reasonable and appropriate cost data, and be well documented. FEMA's goal is to develop the most accurate cost estimate based on all available data.

- Use of the Cost Estimating Format (CEF) is mandatory for all large Permanent Work projects less than 90 percent complete at the time of inspection.
- When combining like work through project formulation, application of CEF applies only to individual sites that exceed the large project threshold.
- The cost of each repair item should be itemized in the cost section in the same order as the detailed damage description and scope of work elements for repair. Separate cost estimates should be provided for each Site Sheet.

- The basis for the cost estimate (e.g., actual costs, unit costs) must be fully documented.
- If the facility requires an engineering analysis to determine either the cause of damage or the methods of repair, then consideration for an initial PW to fund an engineering report should be recommended to include parameters for the study, with a clear statement that a version of the PW will be prepared upon submittal and review of the Applicant's engineer's report.
- If the Applicant elects to use the Alternative Procedures for Permanent Work projects:
 - » Funding will be fixed at the estimate agreed upon by the Applicant, the Grantee, and FEMA.
 - » Applicants have greater flexibility in how they use the funds within the fixed estimate, including consolidation of projects and use of excess funds.
 - » FEMA will accept an Applicant's cost estimate if it has been prepared by a professionally licensed engineer or other estimating professional mutually agreed upon by FEMA and the Applicant, if it is properly conducted and certified, and if it complies with PA Program eligibility requirements.
 - » The Applicant may request that a FEMA-funded, independent Expert Panel validate a

cost estimate for a project with an estimated Federal share of at least \$5 million.

- » Further information for the Alternative Procedures is provided in the *Public Assistance Alternative Procedures Pilot Program Guide for Permanent Work*.
- If the Applicant provides a cost estimate prepared by a licensed engineer or other estimating professional, FEMA will review the estimate. FEMA will ensure that the costs correlate to the detailed damage description (as agreed upon by all parties during site inspection and through engineering reports) and scope of work, and will validate the Applicant's costs. FEMA will not create a competing estimate. Guidance in the *CEF Instructor Guide* will be used for this validation.
- If ineligible items of work are identified, the Project Specialist should not spend time developing a cost estimate for those ineligible items. Collect cost information from the Applicant, if readily available and the Applicant desires for future consideration.

Completed Work

- If the Applicant has produced all cost data at the time the PW is prepared, the PW should be prepared based on actual costs, and should be identified as 100 percent (not 99 percent) complete.

- So as to not cause undue delays in providing funding, if the Applicant has not produced cost data **within 2 weeks of the site inspection**, the Project Specialist will prepare the PW on the basis of an estimate for the work accomplished. The Project Specialist must clearly identify in the scope of work section those costs that are based on an estimate and describe the basis for the estimate.

Work to Be Completed

- Estimates should include all work items required to complete the eligible scope of work, including all potential soft costs and preliminary engineering report costs.
- Special attention must be paid to estimates in situations involving:
 - » Hazard mitigation proposals, to ensure appropriate cost-effective analysis.
 - » Repair vs. replacement, to facilitate appropriate determinations of whether facilities should be replaced (based on the 50% Rule).
 - » Improved or alternate projects, to ensure accurate calculation of capped eligible cost estimates.

Zero Dollar PWs

Zero dollar PWs may only be developed to document (for purposes of an appeal) work determined to be ineligible by FEMA that may be the subject of a dispute with the Applicant. The PW must include specifically what is not eligible and why, and the supporting regulation and/or policy.

At no time should a zero dollar PW be used in NEMIS/EMMIE as a placeholder for a project to be developed later.

Estimates for Direct Administrative Costs

To be reimbursed for administrative costs, the Applicant may claim, and is entitled to, reimbursement for costs incurred to help formulate a specific PW. Direct administrative costs must be tracked and clearly documented in terms of activities, with focus on reasonable level of effort in the performance of defined task or activity. Further, the activity must be attributable to a specific PW.

To help identify direct administrative costs, the following documents should be provided to the Applicant at the Kickoff Meeting:

- FEMA 9525.9: Section 324, Management Costs and Direct Administrative Costs and attachments, dated March 12, 2008 provided at <http://www.fema.gov/public-assistance-9500-series-policy-publications/95259-section-324-management-costs-direct>.

Cost estimates for direct administrative costs should be prepared in accordance with the following:

- Direct administrative costs cannot be estimated based on a percentage of the eligible work. The estimate must be based on specific tasks and associated costs. To be clear, a scope of work **must accompany** a request for direct administrative costs.
- The direct administrative cost template should be used for the estimate (<http://www.fema.gov/interactive-forms-library>).
- Focus should be on the “level of effort” that an individual spends on defined tasks when developing a PA grant.



SECTION 8

Exit Briefing

The Exit Briefing is a management tool used to ensure that all of the Applicant's disaster impacts have been addressed through the project formulation process. It provides the representatives from FEMA, the State, and the Applicant the opportunity to review the PA Program delivery process.

The Exit Briefing is conducted when project formulation for the specific Applicant is complete and all the Applicant's PWs are developed and entered into NEMIS/EMMIE. At this briefing, the PACL provides the Applicant with a copy of the Exit Briefing Form. This document will summarize the projected grant funding level of all small and large projects prepared for each Category of Work. The PACL will discuss the following:

- The requirement for the local government to maintain complete records and cost documentation for at least 3 years after its grant has closed.

- The ability of the local government to appeal any determination related to Federal assistance, but it must do so within 60 days from the receipt of the determination.
- The content of the Public Assistance Determination Memorandum and how the information in that document identifies what is ineligible and why.
- Notice of the Applicant's right to appeal the determination through a two-tiered appeal process. The first appeal opportunity is with the corresponding FEMA Region. The second appeal opportunity is with FEMA Headquarters, in most cases. If the amount in dispute is \$1 million or greater, an Applicant has the option of choosing between the second appeal process with FEMA Headquarters or arbitration before an independent review panel.
- All work must comply with the provisions of the Clean Water Act, Clean Air Act, Resource Conservation and Recovery Act, Endangered Species Act, Fish and Wildlife Coordination Act, the National Historic Preservation Act, related Federal statutes, and associated State, Tribal, and local laws, codes, ordinances, and other statutes.
- Contact information in case the Applicant has questions pertaining to changes in the approved scope of work, Alternate or Improved Projects, 406 Hazard Mitigation, or major cost overruns.

APPENDIX A

REFERENCE MATERIALS

The following FEMA publications and tools provide pertinent information relative to the implementation of the Public Assistance (PA) Program as it relates to the content of this Guide. In addition to the specific documents referenced below, the FEMA Web site links have further information about PA Program eligibility.

Public Assistance Program Laws and Regulations

- Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, and Related Authorities as of April 2013 (<http://www.fema.gov/robert-t-stafford-disaster-relief-and-emergency-assistance-act-public-law-93-288-amended>)
- Title 44 of the Code of Federal Regulations (<http://www.gpo.gov/fdsys/pkg/CFR-2007-title44-voll/content-detail.html>)
- FEMA Disaster Assistance Policy 9525.5, Americans with Disabilities Act (ADA) Access Requirements (<http://www.fema.gov/9500-series-policy-publications/95255-americans-disabilities-act-ada-access-requirements>)

- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments (http://www.whitehouse.gov/omb/circulars_a087_2004)

Public Assistance Reference Documents

Available upon request from FEMA Headquarters:

- *FEMA Project Worksheet Development Guide*, July 2008
- Public Assistance Determination Memorandum
- Public Assistance Program Appeals Procedures, July 2013

Public Assistance Publications

(<http://www.fema.gov/public-assistance-policy-and-guidance>)

- FEMA 321, *Public Assistance Policy Digest*, January 2008
- FEMA 322, *Public Assistance Guide*, June 2007
- FEMA 323, *Applicant Handbook*, March 2010

Public Assistance Resources and Tools

(<http://www.fema.gov/public-assistance-resources-and-tools>)

- Application and Forms
- Cost Estimating Format Resources

Public Assistance Standard Operating Procedures and Fact Sheets

- 9570.24 FEMA Standard Operating Procedure: Strategic Funds Management Procedures for the Public Assistance Program, December 12, 2012 (<http://www.fema.gov/media-library/assets/documents/30301?id=6846>)
- 9580.5 Fact Sheet: *Elements of a Project Worksheet*, December 2008 (<http://www.fema.gov/9500-series-policy-publications/elements-project-worksheet>)

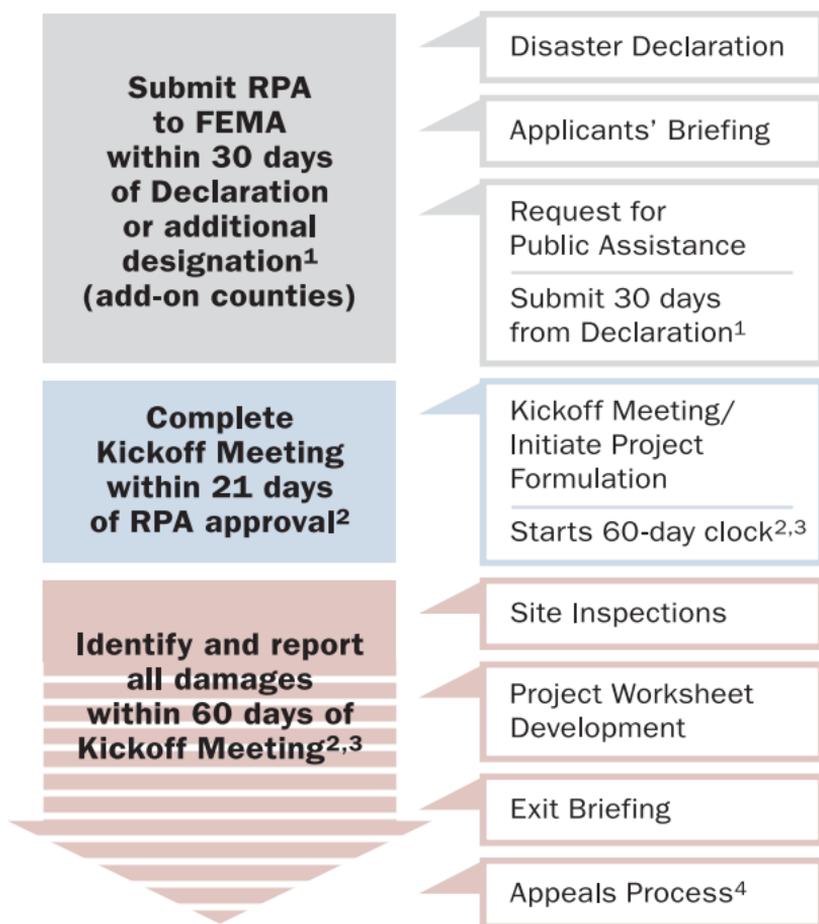
Public Assistance Alternative Procedures

(<http://www.fema.gov/public-assistance-local-state-tribal-and-non-profit/alternative-procedures>)

APPENDIX B

PA PROGRAM

IMPLEMENTATION TIMELINE



1. Refer to 44 CFR 202.202c
2. Kickoff Meeting is considered first substantive meeting with FEMA/State
3. Refer to 44 CFR 206.202d.1.ii
4. Refer to 44 CFR 206.206

Document pertinent Applicant and project information throughout the process in the Case Management File.

APPENDIX C

EXPLORATORY CALL CHECKLIST

Date/time of meeting: _____

Location: _____

Emergency Work	YES	NO
Category A:	<input type="checkbox"/>	<input type="checkbox"/>
Has the work begun?	<input type="checkbox"/>	<input type="checkbox"/>
Is the work completed?	<input type="checkbox"/>	<input type="checkbox"/>
Category B:	<input type="checkbox"/>	<input type="checkbox"/>
Has the work begun?	<input type="checkbox"/>	<input type="checkbox"/>
Is the work completed?	<input type="checkbox"/>	<input type="checkbox"/>
Permanent Work	YES	NO
Category C:	<input type="checkbox"/>	<input type="checkbox"/>
Has the work begun?	<input type="checkbox"/>	<input type="checkbox"/>
Is the work completed?	<input type="checkbox"/>	<input type="checkbox"/>
Category D:	<input type="checkbox"/>	<input type="checkbox"/>
Has the work begun?	<input type="checkbox"/>	<input type="checkbox"/>
Is the work completed?	<input type="checkbox"/>	<input type="checkbox"/>
Category E:	<input type="checkbox"/>	<input type="checkbox"/>
Has the work begun?	<input type="checkbox"/>	<input type="checkbox"/>
Is the work completed?	<input type="checkbox"/>	<input type="checkbox"/>
Category F:	<input type="checkbox"/>	<input type="checkbox"/>
Has the work begun?	<input type="checkbox"/>	<input type="checkbox"/>
Is the work completed?	<input type="checkbox"/>	<input type="checkbox"/>
Category G:	<input type="checkbox"/>	<input type="checkbox"/>
Has the work begun?	<input type="checkbox"/>	<input type="checkbox"/>
Is the work completed?	<input type="checkbox"/>	<input type="checkbox"/>

	YES	NO
Is all disaster-related work complete?	<input type="checkbox"/>	<input type="checkbox"/>

Note: If Category E damage is reported, request that applicable insurance policies be provided. If work has been completed, request documentation associated with that work (e.g., force account, contract documentation, invoices, proof of payment).

Special Considerations	YES	NO
Are there any known environmental or historic preservation issues?	<input type="checkbox"/>	<input type="checkbox"/>
If yes, identify in the Additional Comments section.		

Attendance

Identify the appropriate attendees, the subject matter experts, and others with the best knowledge of the disaster-related damage to maximize efficiency.

Specialists/Representatives required:

- Emergency Manager
- Insurance Risk Manager
- Environmental/Historic Specialist
- Public Works Staff
- Finance Representative
- Engineering Representative
- Police/Fire Representatives

Site Visits

If possible, schedule site visits immediately after the meeting based on staff availability and impact level.

APPENDIX D

KICKOFF MEETING CHECKLIST

Introductions and Public Assistance (PA) Program Overview

Provide declaration summary sheet.

First and foremost, inform the Applicant that the Kickoff Meeting represents the first substantive meeting between FEMA and the Applicant, and that *the Applicant now has 60 days to identify and report disaster impacts.*

See Meeting Objectives in Section 2.

Alternative Procedures

Inform the Applicant that he/she has the opportunity to participate in the Alternative Procedures for debris removal and permanent work projects. Participation is voluntary. Specific elements of the Alternative Procedures will be discussed, as applicable. Inform the Applicant that he/she will be asked to sign an acknowledgement regarding the Alternative Procedures before the conclusion of the meeting.

Categories of Work: Emergency Work (Categories A & B)

Categories A & B

- 6 months from date of the declaration
- Reimbursable costs (Disaster Assistance Policy [DAP] 9525.7)
- Only overtime labor for full-time staff⁴

4 Inform the Applicant that the Alternative Procedures could be applied. Refer to the PA Alternative Procedures Pilot Program Guides for details.

Categories A & B (continued)

- Regular and overtime for emergency/ temporary hires
- All equipment (both force account and rented) time and contracted work
- Materials (emergency supplies used during the event; will vary depending on disaster)
- Donated Resources, DAP 9525.2, if applicable
- Facility must be actively used and maintained by the legal entity responsible
- Check for Other Federal Agency authority and eliminate facilities that are the responsibility of Other Federal Agencies (Federal Highway Administration [FHWA], U.S. Army Corps of Engineers [USACE], Natural Resources Conservation Service [NRCS], etc.)
- As of October 1, 2012, debris removal on FHWA roads is eligible for FEMA funding under a Presidential declaration

Category A: Debris Removal

- Discuss Documentation.** Depending on information provided, discuss documentation needed to formulate Project Worksheet (PW).

Category B: Emergency Protective Measures

- Any measure taken to eliminate or reduce an immediate threat to life, public health, or safety
- Costs incurred in the performance of eligible emergency protective measures
- Temporary Facilities, DAP 9523.3

Categories of Work: Permanent Work (Categories C–G)

Cover all categories of work; explain in detail all categories that will apply to the damage and associated work identified by the Applicant.

Category Definition

- Category C: Roads and Bridges**
- Category D: Water Control Facilities**
- Category E: Buildings and Equipment**
- Category F: Utilities**
- Category G: Parks, Recreational, and Other**

Categories C–G

- 18 months from date of declaration to complete the work under Federal authority; 30 additional months under State authority
- Reimbursable costs to restore facility to pre-disaster design, function, and capacity⁵
 - **Labor:** Reimburse both regular time and overtime (*request pay policies for applicable departments*)
 - **Equipment:** Applicant owned, rented
 - **Materials**
- Facility must be actively used and maintained by the legal entity responsible
- Check for Other Federal Agency authority and eliminate facilities that are the responsibility of Other Federal Agencies (FHWA, USACE, NRCS, etc.)

⁵ Inform the Applicant that the Alternative Procedures could be applied. Refer to the PA Alternative Procedures Pilot Program Guides for details.

Private Nonprofit (PNP) Facilities

Describe additional eligibility criteria for PNP facilities

- Must provide essential government services and must be open to the general public
- Educational, utility, emergency, medical, and custodial care services are not required to be open to the public

PNP Emergency Work

- All eligible PNP facilities may apply directly to FEMA for emergency work assistance

PNP Permanent Work / Critical Services

- Only PNP facilities that supply critical services may apply directly to FEMA for Permanent Work assistance
- Critical services include power, water, sewer and wastewater, communications, education, emergency medical care, and fire protection/emergency services
- Facilities with mixed activities (eligible and non-eligible) may be eligible if the facility has >50% of space dedicated to eligible uses

PNP Permanent Work / Non-Critical Services

- ☑ Non-critical PNP facilities must apply first to the Small Business Administration (SBA) for Permanent Work assistance, then to FEMA for the remainder
- ☑ When submitting the SBA request, the Applicant should also notify FEMA of the facility damage so that site inspections can be conducted while the SBA is reviewing the loan request. FEMA will use the collected information in the event the SBA declines funding.

Small Business Administration

- ☑ If declined for an SBA loan or if the loan does not cover all eligible damages, the Applicant may apply to FEMA for the remainder
- ☑ If the Applicant is approved for an SBA loan but chooses not to take the loan, the Applicant may still be eligible for FEMA funding for the difference between the offered SBA loan and eligible costs
- ☑ Include all SBA-related documentation with the PW

For all Categories of Work contract as follows:**Contracts should have a clear relationship to the approved scope of work**

- ☑ Properly procured
- ☑ Costs incurred to fix disaster damage
(*invoices, bid pricing, schedule of values*)

Copy of the contract, procurement procedure

- Time and materials only eligible for the first 70 hours of operations in most circumstances
- Contract must be procured in accordance with Federal, State, Tribal, and local procurement laws. Federal requirements are stated in 44 CFR Part 13 and 2 CFR Parts, 215, 220, 225, and 230. Compliance with procurement rules is a condition of receiving grant funding.

Monitoring: Load tickets and supporting documentation to quantify debris

Types of contracts that are acceptable

Types of contracts that are not acceptable

Special Considerations

Insurance: Request that the Applicant present all applicable insurance information as requested during the Exploratory Call to prevent duplication of benefits.

Environmental and Historic Preservation

- Work performed in undisturbed areas
- Work performed in or near waterways
- Potential endangered species in the area
- Removal of critical habitat
- Historic structures 50 years or older and eligible for listing in the National Register of Historic Places

Floodplain Management

- ☑ Facilities in a floodplain: Adhere to Executive Order (EO) 11988 (Page 135 of FEMA 322, PA Guide)
- ☑ Facilities in wetlands: Adhere to EO 11990 (Page 135 of FEMA 322, PA Guide)

406 Hazard Mitigation (DAP 9526.1)

- ☑ Discretionary funding is available to prevent like damage from a similar event
- ☑ Must be cost effective
- ☑ Three possible funding methods
 - 15% of total project costs
 - 100% list (Appendix A of DAP 9526.1). Mitigation must not exceed 100% of the eligible repair work and must be directly related to the eligible damaged elements
 - For proposals greater than 100%, must provide Benefit-Cost Analysis (BCA)

Note: Inquire whether the Applicant plans to make any changes to the pre-disaster design, function, or capacity of any of the damaged facilities. If yes, then the following is relevant:

Improved Projects (under the State's authority)

Improve while still maintaining function

Limited to the Federal estimate

Must be cleared for environmental compliance

Alternate Projects (DAP 9525.3)

Applicant may determine that the public welfare would not be best served by restoring a damaged facility or its function

Must be approved by FEMA prior to start of construction

Funded at 90% of the Federal share of the initial estimated amount⁶

Damaged facility will not be eligible in future disasters

Funds may be used for repair/expansion of public facilities, new public facilities, hazard mitigation measures, or purchase of equipment

PWs

The mechanism for recording disaster damages and funding the eligible grant

Two Major Components

- **Damage Description and Dimensions:**
The damage description needs to identify the disaster-related damage and the dimensions, as well as materials, design, and all other relevant information.
- **Scope of Work:** Identifies work necessary to repair or replace disaster-related damage.

6 Inform the Applicant that the Alternative Procedures could be applied. Refer to the PA Alternative Procedures Pilot Program Guides for details.

Project Dollar Thresholds

- ✓ **Small Projects (for fiscal year of declaration)**
 - Federal cost share funded in full at time of obligation
 - Federal cost share funded based on estimates: overruns require submittal of an appeal for a Net Small Project Overrun within 60 days from completion of last small project
- ✓ **Large Projects (for fiscal year of declaration)**
 - Funded based on estimated or actual costs to complete eligible scope of work
 - Subgrantee draws funding from State

Funding of Projects

- ✓ FEMA funds a minimum cost share of 75% subsequent to qualified cost share changes
- ✓ After review and obligation, the funding is released to the Grantee, the State
- ✓ State controls the funding process from that point

Formulating Items of Damage into PWs

Damage will be logically grouped (e.g., by facility, geographic location, system, contract, type of work, etc).

Logical groupings

- ✓ Minimize the number of PWs necessary to provide assistance
- ✓ Site Sheets should be used to separately capture items of damage to define the overall project

Logical groupings (continued)

- **Emergency Work:** One Category A PW and one Category B PW
- **Permanent Work** may be logically grouped on a single PW if:
 - All damage is within a single jurisdiction
 - All work will be awarded under a single contract
 - All damage is within or along the same facility or system
 - All damage is within a site-specific area or boundary, including access roads, perimeter walls, and signage

- ☑ Separate PWs may be preferable when environmental, historic preservation, or hazard mitigation reviews are required for individual sites or facilities. Related compliance requirements for the one site could delay funding for other sites if grouped on one PW.

NEVER separate work into separate PWs for the following reasons:

- ☑ To limit the PW estimated cost below the large project threshold or million dollar queue threshold
- ☑ To document building damage separate from associated contents for tracking insurance
- ☑ To separate different elements of facilities
- ☑ Because documentation is not available for all of the specific sites, facilities, or work items

Note: Again, if any changes are necessary in the scope of work (quantities or method of repair), notify the State prior to performing repairs. Hidden damage must be documented through photographs or site visit validation with the State and FEMA.

Direct Administrative Costs

Governing policies: FEMA DAP 9525.9, Title 44 of the Code of Federal Regulations (CFR) §207.7, 44 CFR §13.22, Office of Management and Budget Circular A-87.

Direct administrative costs must be tracked and charged against the specific project to which they are related.

Documentation must be submitted to support the direct costs.

A Grantee or subgrantee cannot directly charge costs to a PA project that are considered indirect costs for any other Federal award or activity or if similar costs incurred for the same purpose in like circumstances have been allocated to indirect costs.

- ☑ **Direct Costs** are site inspections and PW development costs.
- ☑ **Indirect Costs** are not allowed for subgrantees.
- ☑ **Administrative Costs:** If a project has been completed, administrative costs should be accounted for based on actual costs as opposed to estimates.

- ☑ **Direct Administrative Costs** cannot be estimated based on a percentage. The estimate must include the specific tasks being claimed and the associated costs involved.

Exit Briefing

Signifies FEMA/State has addressed all of the identified eligible damage and formulated all PWs.

Acknowledgement to the Applicant of ineligibility determinations. Review the eligibility determination with the corresponding Public Assistance Determination Memorandum, noting all ineligible items and the support for finding items ineligible. Explanation of the appeals process and the option of either filing a second appeal or requesting arbitration in cases where the amount in dispute is \$1 million or more.

Confirmation that all items of damage on the Applicant's list have been addressed.

Questions and Answers



FEMA

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