

MICHIGAN STATE POLICE
PUBLIC ASSISTANCE

APPLICANT BRIEFING 4494-MI (COVID-19)



DISASTER DECLARATION FEMA-4494-MI



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- You should have signed in with your name and agency when you signed into the webinar, if not, please enter it into the chat box so you get credit for attending the applicant briefing.
- The presentation will be posted on the MSP/EMHSD web site.
- Questions and answers at the end of the presentation; around the hour mark we will leave the chat open for 15 minutes.
- Enter your questions into the chat box, and we will provide a Q/A document after each briefing to be posted on our web site.
- THIS IS AN UNPRECEDENTED EVENT for all of us including FEMA.
- FEMA continues to develop guidance and provide direction; we will update you as information becomes available and we will post them on our web site.
- ***COVID-19 Declarations authorize funding for emergency protective measures – actions taken to eliminate or lessen immediate threats to lives, public health or safety.***

AGENDA

Objective: Provide overview of the delivery of the Public Assistance (PA) Grant Program for COVID-19

- Introduction/Disaster Information
- PA Process for COVID-19
- PA Eligibility
- Additional Considerations
- Post-Award Grants Management
- Next Steps
- Questions

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- FEMA makes the final decision on eligibility and funding
- FEMA will not duplicate assistance provided by HHS or CDC or any other Federal assistance
- Must be direct response activities for COVID-19 for emergency protective measures to protect public health and safety
- Please don't confuse Category B, Emergency Protective Measures, with the Governor's Executive Orders

DECLARATION SUMMARY

- Number: FEMA-DR-4494-MI
- Declaration Date: March 27, 2020
- Incident Period: January 20, 2020 and continuing
- Type: Coronavirus 2020 (COVID-19) pandemic
- Designated Areas*: All states, tribes, territories, and the District of Columbia
- Cost Share: 75% Federal, 25% Non-Federal

*Pursuant to section 501 (b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207



PUBLIC ASSISTANCE PROCESS FOR COVID-19

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FEMA has made changes to the normal delivery system to streamline the process to enable applicants to take more control of their recovery.

FEMA Public Assistance

FEMA's Public Assistance Program provides supplemental grants to state, tribal, territorial, and local governments, and certain types of private non-profits so that communities can quickly respond to and recover from major disasters or emergencies.

More detailed information can also be found in the [FEMA Public Assistance Program and Policy Guide](#).



FEMA



The program provides funding for emergency assistance to save lives and protect property, and assists with funding for permanently restoring community infrastructure affected by a federally declared incident (FEMA PA is normally used in the event of a natural disaster)

PUBLIC ASSISTANCE PROGRAM

- Assists in the restoration of community infrastructure to **pre-disaster conditions**
- Provides supplemental cost **reimbursement** with specific eligibility requirements
- FEMA provides funds to the **State (Recipient)** who reimburses **eligible** applicants

TERMINOLOGY: Recipients, Subrecipients, and Applicants

FEMA Quick Guides and Other Tools

- **Recipients** - are states, tribes, or territories that receive and administer Public Assistance Federal awards.
- **Applicants** - are state, local, tribal, or territorial governments or private non-profit entities that submit requests for assistance under a Recipient's Federal award.

Grants Portal

- **Recipients** - are states, tribes, or territories that receive and administer Public Assistance Federal awards.
- **Subrecipients** - are state, local, tribal, or territorial governments or private non-profit entities that submit requests for assistance under a Recipient's Federal award.

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When an entity applies for PA funding, it is the **Applicant**. Once the Applicant receives funding, it is either the **Recipient, pass-through entity** or a **Subrecipient**. For simplicity, FEMA uses the term Applicant throughout this document when referring to the responsible entity for a project rather than making distinctions between an entity as the Applicant, Recipient, pass-through entity, or Subrecipient. FEMA uses the terms Recipient and Subrecipient when necessary to differentiate between the two entities.

COVID-19 PROCESS OVERVIEW - NEW

The streamlined application for COVID-19 allows for applications to be processed and managed remotely through the following steps:



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Different from other FEMA PA Declarations, the process for COVID-19 is shown on the slide above

- For some, the first and second steps are reversed
- Grants Portal Account Creation and RPA has been extended; when FEMA announces the formal deadline for RPA submission we will post the deadline on our web site; the incident period is still ongoing and applicants may still be incurring costs
- April 30 date was to get an idea of the number of potential applicants for this unprecedented event

Direct Account Requests and RPA submission through Grants Portal

[\(https://grantee.fema.gov/\)](https://grantee.fema.gov/)

COVID-19 Direct Project Application

- For COVID-19 Declarations, Applicants will have the ability to apply for assistance directly through FEMA's Grants Portal without requiring traditional Exploratory Calls or Recovery Scoping Meetings
- FEMA's Quick Guides and How-To Videos provide step-by-step instructions and can be found in the Grants Portal,
 - <https://grantee.fema.gov>
- For technical assistance with Grants Portal, Applicants can call the Grants Portal Hotline at 1-866-337-8448

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A major change to the process is the creation of the Direct Project Application

Applicants submit potential projects directly to FEMA thru the Grants Portal; paper applications no longer accepted by FEMA

Applicants with multiple organizations under a single structure will need to determine if they should apply as a single entity or as separate organizations. This should be based on the both legal relationship between organizational components as well as how they function and interact. For example, are operations and accounting systems intermingled or totally separate

COVID-19 Direct Project Application



Slide is a screen shot of the FEMA Grants Portal:

- Many valuable tools by clicking to the left on “Resources”
- COVID-19 Guidance
- Quick Guides for Grants Portal and PA project process
- Forms/Templates are also available

NOTE: The use of FEMA forms for documenting costs is not required; however, documents, spreadsheets, etc., must include the required elements.

COVID-19 Direct Project Application

- Do not submit ineligible projects (minimum is \$3,300 will not go through) and when in doubt if something is eligible, please reach out to MSP/EMHSD staff.
- FEMA Program Delivery Manager (PDMG) assignment - please reach out to us if you think you would like a PDMG assigned to guide you through the process.
- Grants Portal updates will allow direct submittal in GP, no downloading, completing and uploading required.
- Divided into schedules.

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Project Applications

- Do not submit ineligible projects (minimum project amount is \$3,300; projects less than \$3,300 will not be processed) and when in doubt if something is eligible, **please reach out to us.**
- Program Delivery Manager (PDMG) assignment - please reach out to us if you think you would like a PDMG assigned to you; they are in short supply
- All tasks are now direct entry; navigate through by answering questions and uploading documents where required; paper applications will not be accepted by FEMA
- Contact the Grants Portal Hotline for technical assistance
- Grants Portal allow direct submittal in GP, no downloading, completing and uploading required
- Direct Project Applicant is divided into schedules

COVID-19 Direct Project Application

Cost	Funding Request Type	Work Status	Cost Basis	Schedules Required					
				A	B	C	D	EZ	F*
Less than \$131,100	Small	Any	Any					X	X
Equal to or greater than \$131,100	Large Expedited	Any	Applicant-Provided Information	X					X
	Large Regular	Complete	Actual Costs		X		X		X
		In-progress	Actual Costs & Applicant-Provided Information			X	X		X
		Not started	Applicant-Provided Information			X	X		X

*Schedule F may be required based on specific activities.

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Small project minimum is \$3,300
 Small project maximum is \$131,100

- Schedule A – Expedited Funding
- Schedule B – Completed Work Estimate
- Schedule C – In Progress Work Estimate
- Schedule D – Large Project Eligibility Questions
- Schedule EZ – Small Project Estimate (<\$131,100)
- Schedule F – Environmental/History Preservation Questions

Expedited projects:

Require confirmation that the Applicant ***has not and will not request funding*** for these activities from the U.S. Department of Health and Human Services (HHS), to include the Centers for Disease Control and Prevention (CDC), or other federal agencies.

For expedited projects, applicants only receive 50% of the 75% federal share immediately –

these projects will still be reconciled on actual costs with same documentation standards as other large projects.

COVID-19 Direct Project Application

- 1) Applicant submits project application in Grants Portal.
- 2) FEMA and Recipient review/follow up.
- 3) Applicant is notified project is ready to be awarded.
- 4) Applicant will review, agree to the terms and conditions, and sign to accept the award in Grants Portal.
- 5) FEMA obligates the award.
- 6) Recipient may request additional information before disbursing funds, i.e., Grant Agreements, etc.
- 7) Recipient and Subrecipient work together to monitor, report, and close the subaward.

FEMA COVID-19 Project Application Applicant-Assigned Project Application #

Section I – Project Application Information

Instructions: Applicants must complete this section and should refer to the Public Assistance Grants Portal for the declaration # and FEMA PA code. The Applicant must assign a unique title and number for each project application. This title and number can help the Applicant connect this project application to their accounting or other systems. Any documents attached to this project application should include the project application number and title.

Declaration #:	Name of Organization Applying:	FEMA PA Code:	Applicant-Assigned Project Application #:
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Project Application Title:

Continue to Section II – Scope of Work.

Section II – Scope of Work

Instructions: Applicants must complete this section and describe the activities that the Applicant conducted or will conduct in response to COVID-19. For certain activities Applicants must provide additional information in Schedules D and F.

1. DESCRIPTION OF ACTIVITIES

Please provide a brief description of the activities the Applicant conducted or will conduct:

Please select all the activities the Applicant conducted or will conduct:

Management, control, and reduction of immediate threats to public health and safety

- Emergency operations center activities
- Training
- Facility disinfection
- Technical assistance on emergency management
- Dissemination of information to the public to provide warnings and guidance
- Pre-positioning or movement of supplies, equipment, or other resources
- Purchase and distribution of food, water, or ice
- Purchase and distribution of other commodities
- Security, law enforcement, barricading, and patrolling
- Storage of human remains or mass mortuary services
- Other - Please describe:

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What happens after submitting the project application?

- FEMA and the Recipient will review the information in the project application and may follow up with limited requests for additional information as part of the process outlined in the **FEMA Fact Sheet *Coronavirus (COVID-19) Pandemic: Public Assistance Simplified Application***. After submission:
 - 1) FEMA and the Recipient review the project application and validate information and documentation provided to ensure compliance with all federal laws and regulations. If there are additional questions to evaluate the eligibility of the project application, FEMA and the Recipient will contact the Applicant to discuss. This may include contacting the Applicant by phone, email or through the Public Assistance Grants Portal.
 - 2) Upon completion of these reviews, the Applicant will be notified that funding for their project application is ready to be awarded. The Applicant will be required to review, agree to terms and conditions, and sign to accept the subaward in the Public Assistance Grants Portal.
 - 3) Once the Applicant signs the subaward, FEMA makes funding available to the Recipient for disbursement to the Applicant.
 - 4) Once FEMA obligates and transfers funding for the subaward, the Applicant will become a Subrecipient in the Public Assistance program. The Recipient may request additional information before disbursing funds to the Subrecipient.

- 5) The Recipient will work directly with the Subrecipient to: monitor and report on the status of the activities, comply with federal and Recipient grant requirements, and close the subaward in accordance with **44 C.F.R. § 206.204-209, 2 C.F.R. Part 200, FEMA's *Public Assistance Program and Policy Guide (PAPPG)*, and FEMA's *Program Management and Grant Closeout SOP*.**



PUBLIC ASSISTANCE ELIGIBILITY

PUBLIC ASSISTANCE ELIGIBILITY STRUCTURE



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- Four basic components of PA eligibility
- FEMA refers to these as the building blocks of an eligibility pyramid
- Each must be considered eligible beginning from the foundation “Applicant” of the pyramid
- All four must be met

**The Applicant is responsible for providing documentation to support each component.

APPLICANT ELIGIBILITY

State, Tribal, Territorial and Local Governments

- State Agencies
- Tribes
- Counties, Cities, Townships, and Villages
- Local public authorities
- School districts
- Special districts established under state law

Certain Private Non-Profit (PNP) Organizations

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FEMA must determine if the Applicant is eligible before evaluating the Applicant's claim

Many PNPs are applying for direct FEMA assistance for this disaster; however, not all will have eligible work

PRIVATE NON-PROFIT ORGANIZATIONS

Critical Services

Private Non-Profit (PNP) facilities that provide the following critical services are eligible for PA:

- Fire/Emergency Rescue
- Medical Treatment
- Power, Water, and Sewer Utilities
- Communications Systems
- Educational Institutions



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- Upon submitting an RPA, the PNP must provide documentation substantiating the PNP is a non-revenue producing, nonprofit entity organized or doing business under State law. We may reach out to you to see if you have had eligible work.
- Private entities, including for profit hospitals or restaurants, are not eligible for assistance from FEMA under Public Assistance. However, state, local, tribal, and territorial government entities may contract with private entities to carry out eligible emergency protective measures. In these cases, FEMA will reimburse the eligible applicant for the cost of eligible work, and the applicant will then pay the private entity for the provision of services.
- For schools, the only work currently eligible is disinfecting their schools. Eligibility could be expanded by FEMA in the future.

PRIVATE NON-PROFIT ORGANIZATIONS

Essential Services

PNP facilities that provide essential services are eligible for PA:

- Community Centers
- Houses of Worship
- Homeless Shelters
- Custodial Care
- Museums, Libraries, Zoos

Other facilities that provide health and safety services of a government nature



****Measures to protect life, public health, and safety are generally the responsibility of state, local, tribal, and territorial (SLTT) governments; to be eligible for PA reimbursement, work must be the legal responsibility of an eligible applicant.***

Some private non-profits may be eligible applicants; however, funding will generally be limited to costs associated with their facility, e.g. disinfecting public facilities. Some medical or emergency services PNPs may be eligible to apply directly to FEMA for reimbursement of costs beyond facility cleaning.

Due to the limited eligibility of this disaster and only being for Category B, Emergency Protective Measures activities private non-profit organizations cannot directly apply to FEMA unless they are providing emergency services.

If this was a flood, and the PNP had physical damage to property they own, then they may be eligible to apply direct.

WORK ELIGIBILITY

To be eligible, work must:

- ✓ Required as a result of the declared incident;
- ✓ Located within the designated area; and
- ✓ Legal responsibility of an eligible Applicant.



**For more information refer to the FACT SHEET:
*Coronavirus (COVID-19) Pandemic: Eligible
Emergency Protective Measures***

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To determine legal responsibility for Emergency Work, FEMA evaluates whether the Applicant requesting the assistance either had jurisdiction over the area or the legal authority to conduct the work related to the request at the time of the incident.

Under the COVID-19 Emergency Declaration, FEMA may provide assistance for emergency protective measures including, but not limited to, the following, if not covered by the CDC, HHS or another Agency:

- Management, control and reduction of immediate threats to public health and safety:
 - Emergency Operation Centers (EOC) costs.
 - Training specific to the declared event.
 - Decontaminating eligible public facilities, to include emergency responder vehicles.

Emergency medical care (some activities listed may be eligible for funding through HHS. Final determinations regarding reimbursement will be coordinated by HHS and FEMA):

- Tracking potentially exposed persons
- Congregate sheltering (when existing facilities are overloaded and cannot accommodate needs) must be conducted in accordance with standards and/or guidance approved by HHS/CDC.
- Non-congregate sheltering, such as hotels, dormitories, etc. for the specific purpose of

quarantine and/or treatment (requires prior approval by FEMA's Assistant Administrator, Recovery Directorate)

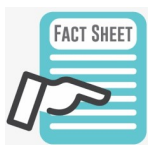
Note: All sheltering (congregate or non-congregate) must be implemented in a manner that incorporate social distancing measures

- Household pet sheltering and containment actions related to household pets in accordance with CDC guidelines
- Purchase and distribution of food, water, ice, medicine, and other consumable supplies, to include personal protective equipment (PPE) and hazardous material (HAZMAT) suits
- Movement of supplies and persons
- Security and law enforcement
- Communication of health and safety information to the public
- Search and rescue to locate and recover members of the population requiring assistance,
- Reimbursement for State, Tribe, U.S. Territory and/or local employee overtime costs (See 44 CFR §206.228 for additional information)
- Donated Resources may be credited toward the non-federal cost share

Work Activity Eligibility - Floodplain Considerations

Site considerations for facilities that deliver critical services must include an evaluation of flood risk to limit threats to the delivery of services:

- All critical actions - such as temporary hospitals - should be located outside high-risk flood hazard areas.



For more information refer to the FACT SHEET:
*COVID-19 Floodplain Considerations for
Temporary Critical Facilities*



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PA ELIGIBLE WORK – COVID-19

Emergency Work

A – Debris Removal

B – Emergency Protective Measures

Permanent Work

C – Road and Bridge Systems

D – Water Control Facilities

E – Public Buildings/Equipment

F – Public Utilities

G – Parks, Recreational, and Other Facilities

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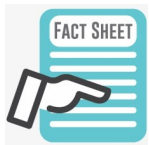
For COVID-19, most if not all work will be in Category B, Emergency Protective Measures. Emergency Protective Measures include activities such as:

- Transporting and pre-positioning equipment and other resources for response
- Emergency Operation Center (EOC) related costs
- Supplies and commodities
- Medical care and transport

CATEGORY B: EMERGENCY PROTECTIVE MEASURES

Eliminate or lessen immediate threats to:

- lives
- public health
- or safety



For more information refer to the FACT SHEET:
*Eligible Emergency Protective Measures for
COVID-19*

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COVID-19 declarations authorize funding for emergency protective measures – actions taken to eliminate or lessen immediate threats to lives, public health or safety (examples on next slide)

CATEGORY B: EXAMPLES

Emergency Protective Measures may include:

- EOC related costs
- Medical care and transport
- Evacuation and sheltering
- Supplies and commodities, including medical supplies, PPE, and other equipment
- Search and rescue operations
- Dissemination of information to the public
- Security, law enforcement, barricades and fencing
- Temporary facilities

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Emergency Medical Care and Facilities

- Additional guidance is coming from FEMA HQ to expand eligibility of work from that which is typically eligible.
- Eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of public health officials may be reimbursed under the PA program.
- Costs must be directly related to COVID-19 cases. For example, emergency medical care costs related to a non-COVID-19 illness or injury are not eligible.

Mid-Long Term Actions – FEMA HQ is addressing the eligibility of mid-long term actions including sanitation, physical barriers, temperature readers, etc. (information will be provided)

CATEGORY B: FORCE ACCOUNT LABOR

Emergency Work Labor Eligibility		
Budgeted Employees	Overtime	Straight-Time
Permanent employee	☑	
Seasonal employee working during normal season of employment	☑	
Unbudgeted Employees	Overtime	Straight-Time
Essential employee called back from administrative leave	☑	☑
Permanent employee funded from external source	☑	☑
Temporary employee hired to perform eligible work	☑	☑
Seasonal employee working outside normal season of employment	☑	☑

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For Emergency Work, only overtime labor is eligible for budgeted employees. For unbudgeted employees performing Emergency Work, both straight time and overtime labor are eligible. (See slide)

Hazard Pay

See [Public Assistance Program and Policy Guide \(PAPPG\)](#), p 23 Labor Policies and p 25 Other

- Must be included in pre-disaster written labor policy
- Only available for essential employees who are called back to duty during administrative leave to perform eligible Emergency Work are eligible if costs
- Only overtime is eligible

Reassigned Employees p 24 PAPPG

The Applicant may assign an employee to perform work that is not part of the employee's normal job. For example, a police officer may clear debris. FEMA provides PA funding based on the reassigned employee's normal pay rate, not the pay level appropriate to the work, because the Applicant's incurred cost is the employee's normal pay rate. ***Straight-time of a permanent employee funded from an external source (such as a grant from a Federal agency or statutorily dedicated funds) is eligible if the employee is reassigned to perform eligible Emergency Work that the external source does not fund.*** FEMA must confirm that

no duplication of funding exists prior to approval.

COST ELIGIBILITY

To be eligible for reimbursement, costs must be:

- Incurred from **eligible** work and adequately **documented**;
- **Reduced** by insurance proceeds, salvage value, or other credits;
- **Authorized and permitted** under Federal, State, Tribal, or local government laws or regulations;
- Consistent with the Applicant's **internal policies**, regulations, and procedures; and
- **Necessary** and **reasonable** to accomplish the work properly and efficiently.

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To be eligible, Costs must be:

- Directly tied to the performance of eligible work;
- Adequately documented;
- Reduced by credits, such as insurance proceeds or salvage value;
- Authorized and not prohibited under Federal, State, Tribal, or local government laws or regulations;
- Consistent with the Applicant's internal policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the Applicant; and
- Necessary and reasonable to accomplish the work properly and efficiently.

COST ELIGIBILITY – REASONABLE COSTS

The Applicant is responsible for providing documentation to demonstrate that claimed costs are reasonable.

FEMA determines **reasonable cost** by evaluating whether the cost is recognized as necessary for type of work. For more information, refer to the [*Public Assistance Reasonable Cost Evaluation Job Aid*](#).

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FEMA determines reasonable cost by evaluating whether:

- Cost is of type generally recognized as ordinary and necessary for the type of work
- Applicant participated in ethical business practices
- Exigent or emergency circumstances exists, FEMA evaluates the length of time the circumstances existed compared to the length of time costs were incurred
- Cost is comparable to current market price (based on historic data, average costs in area, etc.)
- Applicant deviated from its established practices and policies
- Applicant complied with procurement requirements
- Cost compare with other Applicant's project Cost

DUPLICATION OF BENEFITS

- FEMA is prohibited from duplicating benefits from other sources and will reduce eligible costs accordingly
- FEMA will not fund any activities or services covered by another Federal agency such as the Department of Health and Human Services (HHS)
- The HHS Centers for Disease Control and Prevention (CDC) has primary authority to support States or Tribal Governments in response to an infectious disease incident
- FEMA assistance in response to an infectious disease incident is coordinated with the CDC

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Under some circumstances if another Federal agency pays for some equipment, i.e., ventilators or PPE, but then funding runs out, FEMA may cover additional such expenses as long as they are FEMA eligible.

****Applicants should not seek funding from multiple federal agencies for the same activities.***

****Application for funding will require Applicants to certify they are not seeking funding from another federal source for the same activity.***

DONATED RESOURCES

Applicants can use Donated Resources to offset the non-Federal cost share for eligible work costs. The Applicant must track all donated resources in order to do so.

Donated resources include:

- Volunteer Labor
- Donated Equipment
- Donated Supplies and Materials
- Logistical Support

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FEMA does not provide PA funding for donated resources; however, the Applicant may use the value of donated resources to offset the non-Federal share of its eligible Emergency Work projects and DFA.

If asked, additional details on examples of donated resources:

•**Volunteer Labor:** based on the same hourly labor rate and fringe benefits as a similarly qualified person in the Applicant's organization who performs similar work

•**Donated Equipment:** based on equipment rates

•**Donated Supplies or Materials:** based on current commercial rates

•**Logistical Support:** Reasonable logistical support for volunteers doing eligible work may be eligible either for funding or as a donations credit

PA MANAGEMENT COSTS

Management costs (under Category Z) may be claimed for administering and managing PA awards as follows:

- For Recipients, up to 7% of the total award amount (based on actual costs)
- For **Subrecipients**, up to **5%** of the Subrecipient's **total award amount** (based on actual costs)

Eligible activities may include, but are not limited to, meetings regarding the PA program or claim, preparing correspondence, reviewing PWs, collecting, copying, filing, or submitting documents to support a claim, and training

Additional information is available in FEMA's interim policy, [*FEMA Recovery Policy FP 104-11-2, Public Assistance Management Costs*](#) and [*FEMA's Public Assistance Management Costs Standard Operating Procedures*](#)

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Additional information is available in FEMA's interim policy, [*FEMA Recovery Policy FP 104-11-2, Public Assistance Management Costs*](#) and [*FEMA's Public Assistance Management Costs Standard Operating Procedures*](#)

Procurement under Exigency or Emergency Circumstances

Many Applicants will need to procure supplies, labor, or equipment through contracts

For COVID-19 declarations, OMB has implemented administrative relief for Applicants under COVID-19 citing exigent and emergency circumstances

[Procurement Disaster Assistance Team \(PDAT\)](#) online provides tools and resources

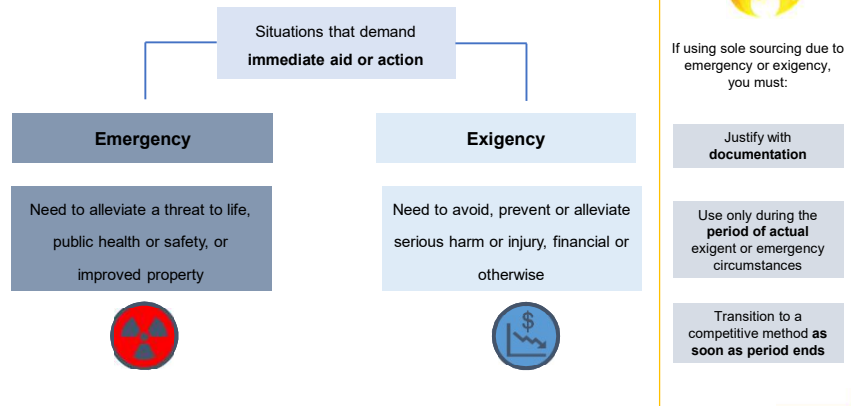
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For more information please see the *Fact Sheet: Procurement Under Grants Conducted Under Exigent or Emergency Circumstances*

Procurement Disaster Assistance Team (PDAT) web site has many resources regarding procurement including:

- 36-minute video tutorial to help you understand how to properly contract during emergency and exigent circumstances
- Fact Sheets regarding Procurement
- Key points on how to avoid the top 10 Procurement Under Grants Mistakes

Sole-Source Procurement Under E&E



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FEMA has given exceptions to full/open competition for a limited time period (end date to be determined) during the exigent and emergency period.

Exigency or Emergency Circumstance: The public exigency or emergency will not permit a delay resulting from the full and open competition process.

- The use of this exception to full and open competition is limited and only permissible during the period of actual exigency or emergency. Once this period ends, the non-state applicant must transition to a procurement compliant with the requirements of full and open competition.
- Although the terms are often used interchangeably, “exigency” and “emergency” are not necessarily the same.

Emergency: an unexpected and unusually dangerous situation that calls for immediate action or an urgent need for assistance or relief. E.g. threat to life, public health or safety, improved property, and/or some other form of dangerous situation.

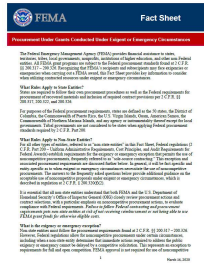
- Example: A severed power line remains live and is dangling near an apartment building. If not addressed immediately, this live wire poses a risk of igniting the building on fire or

causing bodily harm. The emergency would not extend to repair and restoration of the city's power lines beyond resolution of this limited dangerous situation.

Exigency: something that is necessary in a particular situation that requires or demands immediate aid or action.

- Example: Augusta, GA using a noncompetitive procurement in advance of The Masters Golf Tournament to remove debris blocking the roadways. If not removed immediately, the debris threatened to force cancellation of this major economic activity for the region. The exigency only existed up until the day that the tournament started. Full and open competition was required for procurements after the commencement of the tournament.

Procurement Under E&E for COVID-19



If sole-sourcing under the E&E exception, non-state entities MUST:

- Use only during the period of actual Public Health Emergency (HHS)
- Document and provide justification for the use of the exception (list of suggested elements for justification provided)
- Conduct a cost or price analysis if applicable
- Follow bonding requirements if applicable



Important Considerations while using this exception:

- The applicant needs to document the justification for using the emergency or exigency exception. The justification will be fact-based. Even if procurement by a noncompetitive proposal was necessary initially due to an exigency or emergency, that exception is not indefinite. Once that exigency or emergency ends, the applicant should transition to a competitively awarded contract when competition becomes feasible. Accordingly, it is very important to start PLANNING for one of the other procurement methods as soon as that initial contract is awarded.
- In some cases a state, local, or tribal law allows for the waiver of procurement requirements when an emergency is declared; however, those laws only allow for the waiver of the applicable state, local, or tribal procurement rules. An applicant must still abide by the Federal procurement standards under 2 C.F.R. sections 200.317 through 326.

When does the exigency or emergency exception apply and for how long?

Use of the public exigency or emergency exception *is only permissible during the actual exigent or emergency circumstances*. Exigency or emergency circumstances will vary for each incident, making it difficult to determine in advance or assign a particular time frame

when noncompetitive procurements may be warranted. Exigent or emergency circumstances may exist for two days, two weeks, two months, or even longer in some cases. Non-state entities must ensure that work performed under the noncompetitively procured contracts is specifically related to the exigent or emergency circumstance in effect at the time of procurement. Importantly, because the exception to competitive procurement is available only while the exigent or emergency circumstances exist, non-state entities should, upon awarding a noncompetitive contract, immediately begin the process of competitively procuring similar goods and services in order to transition to the competitively procured contracts as soon as the exigent or emergency circumstances cease to exist.

FEMA may review a non-state entity's justification that exigent or emergency circumstances warrant an exception to competitive procurement. If the agency determines that exigent or emergency circumstances did not exist or did not preclude a non-state entity from adhering to competitive procurement requirements, FEMA may disallow all or part of the non-state entity's cost related to the contract or take other actions permitted by statute and regulation. (See 2 C.F.R. § 200.338).

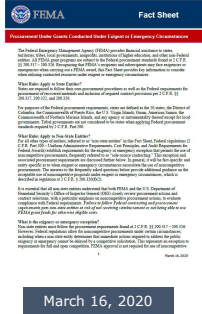
What documentation is required to support the use of the exigency or emergency exception?

While FEMA approval is not required for a non-state entity to use noncompetitive procurement proposals under the emergency or exigency exception, non-state entities must document and provide justification for the use of the exigent or emergency exception. A list of elements that non-state entities may wish to include as part of their written justifications can be found at the end of this Fact Sheet. The justification must be included in the non-state entity's records for each FEMA award, subaward, or project

Non-state entities must comply with the following requirements even when exigent or emergency circumstances exist:

- The non-state entity must complete a cost or price analysis to determine that the cost or price of the contract is fair and reasonable if the contract exceeds or is expected to exceed the Federal simplified acquisition threshold (2 C.F.R. § 200.323(a) and (b)).
- Contracts exceeding the Federal simplified acquisition threshold must include the Federal bonding requirements if the contract is for construction or facility improvement (2 C.F.R. § 200.325).

Procurement Under E&E for COVID-19



If sole-sourcing under the E&E exception, non-state entities MUST:

- Include required contract clauses
- Follow T&M contract requirements if applicable
- NOT enter into CPPC contracts. They are prohibited
- Award contract to a responsible contractor
- Follow documentation, oversight, conflict of interest requirements



Non-state entities must comply with the following requirements even when exigent or emergency circumstances exist:

- Contracts must include the required contract clauses (2 C.F.R. § 200.326 & Appendix II) (also applicable to states).
- Use of time and materials contracts must comply with 2 C.F.R. § 200.318(j).
- The use of cost-plus-percentage-of-cost contracting is prohibited (2 C.F.R. § 200.323(c)).
- Contracts must be awarded to a responsible contractor (2 C.F.R. § 200.318(h)).
- The non-state entity must follow documentation, oversight, and conflict of interest requirements among other general procurement requirements in 2 C.F.R. § 200.318. If a conflict of interest is unavoidable due to the exigent/emergency circumstances, the non-state entity must explain that in the procurement documentation.

Use of Pre-Awarded/Pre-Existing Contracts during E&E



If the pre-awarded/pre-existing contract is not in compliance with the federal procurement requirements, it may still be possible to use the contract for the duration of the E&E

FEMA recommends that **non-state entities**:

- Review the requirements applicable during E&E and **take actions to modify pre-awarded or pre-existing** contracts where applicable
- **Justify the use of a sole-sourced contract** with suggested documentation



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What if the non-state entity wants to use a pre-awarded or pre-existing contract in an exigency or emergency and that contract does not comply with the Federal procurement requirements?

If a pre-awarded or pre-existing contract is not in compliance with the Federal procurement requirements (e.g., the contract was not fully and openly competed (*see* 2 C.F.R. §§ 200.319, 200.320), the six affirmative socioeconomic contracting steps were not completed (2 C.F.R. § 200.321), there is a conflict of interest involved (2 C.F.R. § 200.318)), it may still be possible to use the contract for the duration of the exigency or emergency. FEMA recommends that non-state entities review the list of procurement requirements above and take actions to modify pre-awarded or pre-existing contracts where applicable. In addition, non-state entities must prepare the appropriate documentation to justify the use of a noncompetitively procured contract.



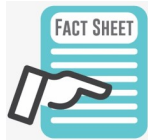
PUBLIC ASSISTANCE ADDITIONAL CONSIDERATIONS

Environmental & Historic Preservation (EHP)

All FEMA projects must comply with applicable Federal, state, and local environmental and historic preservation (EHP) laws

Best Practices

- Avoid placement of critical actions, such as temporary hospitals, in high-risk flood hazard areas
- Avoid placement in wetlands, brownfields, and other use restricted sites.
- Place tents, temporary structures, and modular units on existing parking lots, other hard surfaces, or improved surfaces and connect to existing utilities
- Avoid new ground disturbance when possible. Should ground disturbance reveal archaeological resources, notify FEMA and State Historic Preservation Officer immediately



For detailed information please review *COVID-19 Fact Sheet Environmental and Historic Preservation (EHP) and Emergency Protective Measures for COVID-19*



FEMA



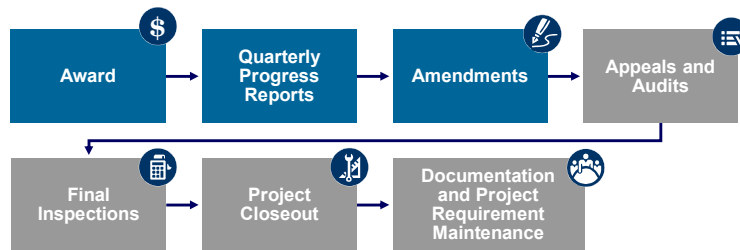


POST-AWARD GRANTS MANAGEMENT

After a Subgrant is Awarded

After an initial subgrant has been awarded and obligated, FEMA will work with the Recipient and Applicant to:

- Ensure federal laws are followed with all documentation and process requirements, and
- Update project information as needed before the grants are closed.



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- MSP/EMHSD is the Recipient of the grant award and the liaison with FEMA
- Subrecipients are **NOT** to direct with FEMA

Post award activities:

- Quarterly project reports are required to be submitted to MSP/EMHSD PA staff for all large projects over \$131,100
- Any amendments (scope of work changes) to projects must be requested through MSP/EMHSD
- Subrecipients have the right to appeal any decision of FEMA or the MSP/EMHSD (see PAPPG p 145-146 for information)
- Both Recipients and Subrecipients are subject to federal and nonfederal audits
- In some cases inspections may be conducted by MSP/EMHSD to ensure scope of work
- Project closeout for Emergency Work projects is to be completed within 6 months of the disaster declaration

Quarterly Reports, Closeout, Appeals, and Audits

Quarterly Progress Reports

A tool for FEMA and the Recipient to track the progress of open Large Projects on a quarterly basis

Project Reconciliation and Closeout

The purpose of closeout is for the Applicant to certify that all work has been completed

Appeals

Applicants may appeal any FEMA determination related to an application for, or the provision of, assistance under the PA Program.

Audits

Recipients and Subrecipients are subject to Federal and non-Federal audits.



FEMA



Documentation and Record Keeping

Stafford Act Section 705 - Imposes a three (3) year limit on FEMA's authority to recover payments made to State, Tribal, or local government Recipients and Subrecipients unless there is evidence of fraud

- The Applicant must maintain all original documentation supporting project costs claimed.
- The Recipient and the Applicant must keep all financial and program documentation for 3 years after the date of the Recipient's final Financial Status Report (FSR).
- Records are subject to audit by State auditors, FEMA, the U.S. Department of Homeland Security Office of Inspector General, and the U.S. Government Accountability Office.



FEMA





PUBLIC ASSISTANCE NEXT STEPS

FUTURE COMMUNICATIONS

After FEMA and MSP/EMHSD final project approval:

- FEMA obligates funds to MSP/EMHSD
- Information letter sent to Applicant
 - Grant Agreement
 - Risk Assessment Certification
 - Audit Certification and IRS W-9 Form
 - Quarterly Report Form



NEXT STEPS - APPLICANTS

- Register on SAM.GOV (*if not already registered*)
- Request or respond to an invitation to access Grants Portal and submit an Request for Proposal (RPA) using the *Applicant Quick Guide: Grants Portal Account and Request for Public Assistance* (*if not already submitted*)

NEXT STEPS - APPLICANTS

- **Begin to submit direct project applications to FEMA via Grants Portal**
- **You will need:**
 - ✓ Documentation to Support Costs Claimed
 - ✓ Proof of Payment to be submitted to MSP/EMHSD

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Specific documentation listed on the next few slides.

NEXT STEPS - APPLICANTS

Force Account Labor

The Applicant should submit the following to support costs claimed (not an all-inclusive list):
Applicant (Force Account) Labor and Prisoner Labor:

For each individual:

- Name
- Job title and function
- Type of employee (i.e., full-time exempt, full-time non-exempt, part-time, temporary, prisoner, etc.)
- Days and hours worked
- Pay rate(s) and fringe benefit rate(s)
- Description of work performed with representative sample of daily logs / activity reports, if available
- Representative sample of timesheets
- Fringe benefit calculations
- Pay policy

NEXT STEPS - APPLICANTS

Equipment and Supplies

Rented or Purchased Equipment:

- Rental or lease agreements, invoices, receipts
- Days used

Supplies from Stock:

- Historical cost records
- Inventory records
- Type of supplies and quantities used, with support documentation such as daily logs

Purchased Supplies:

- Receipts or invoices

NEXT STEPS - APPLICANTS

Contracts and Mutual Aid

Contracts:

- Procurement policy
- Procurement and bid documents
- For procurements in excess of the simplified acquisition threshold, a cost/price analysis
- Contracts, change orders, and invoices
- Dates worked
- For time and materials (T&M) contracts, monitoring documentation

Mutual aid:

- Written agreement
- Services requested and received
- Same information listed for labor, equipment, and supplies above (as applicable)
- Invoices

NEXT STEPS - APPLICANTS

Donated Resources

Donated Resources:

For each individual:

- Name
- Days and hours worked
- Location of work and work performed

Equipment:

- Same information listed under Applicant-Owned Equipment above
- Who donated each piece of equipment

Supplies or materials:

- Quantity donated
- Who donated
- Location(s) used

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- Donated resources can be used to offset the 25% cost share
- These will be included in a separate project

NEXT STEPS - APPLICANTS

Cost Reasonableness

- Documentation showing current market price for similar goods or services, such as:
 - Historical documentation;
 - Average costs in the area; or
 - Published unit costs from national cost estimating databases.
- Documentation supporting necessity of unique services or extraordinary level of effort
- Documentation supporting shortages, challenging procurement circumstances, and length of time shortages or procurement challenges existed, such as:
 - News stories
 - Supply chain vendor reports

NEXT STEPS – RECIPIENT

MSP/EMHSD:

- Assist Applicants with preparing and submitting project applications in Grants Portal
- Prepare Grant Agreement packages for Subrecipient review and signature when FEMA obligates funding for projects
- Process reimbursements upon receipt of signed Grant Agreements and Project Completion and Certification Reports (P.4)

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FEMA currently does not have a requirement for the combination or separation of projects

Recommendations on formulation of projects:

- Small dollar amounts can be combined into one Category B project
- Complex, higher dollar amounts – separate out

Upon obligation of a subrecipient's first project, MSP/EMHSD will send out Grant Agreements for signature BEFORE reimbursement

FEMA Resources

Other Helpful Resources

- FEMA PA Grants Portal - Grants Manager YouTube Channel: [youtube.com/channel/UCIjp91Ds2laVIR1t8uXcEKg](https://www.youtube.com/channel/UCIjp91Ds2laVIR1t8uXcEKg)
- Technical and training support at FEMA's PA Grants Portal Hotline: **(866) 337-8448**
- Grants Portal inbox: FEMA-Recovery-PA-Grants@fema.dhs.gov

MSP/EMHSD Resources

Other Helpful Resources

- MSP/EMHSD online at https://www.michigan.gov/msp/0,4643,7-123-72297_60152---,00.html
- MSP/EMHSD inbox: MSP-EMHSD-DisasterPA@Michigan.gov



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Grants Portal related instructions are provided in the two guides accompanying this document: *Applicant Quick Guide: Grants Portal Account and Request for Public Assistance and Applicant Quick Guide: Grants Portal Account and Request for Public Assistance*.

The Grants Portal, <https://grantee.fema.gov>, is FEMA's system for Recipients and Applicants to apply for Public Assistance funding. Applicants who do not already have accounts should work through their state, tribal, or territorial representative to create one in Grants Portal following the instructions in the Quick Guide.

Submitting a Request for Public Assistance

Requests for Public Assistance (RPAs) are the official mechanism to apply for PA funding. FEMA's regulatory deadline for receipt of RPAs is 30 days from the date the respective area was designated. Due to the extenuating circumstances of this emergency, FEMA has extended the RPA submittal deadline and it will remain open until further notice. FEMA will provide a 30-day notice before imposing the RPA submission deadline. RPAs should be submitted through the Grants Portal system, following instructions in the Quick Guide.

FEMA FACT SHEETS – COVID 19

Below is a list of FEMA Fact Sheets for COVID-19:

1. Coronavirus (COVID-19) Pandemic: Eligible Emergency Protective Measures
2. COVID-19 Floodplain Considerations for Temporary Critical Facilities
3. Coronavirus (COVID-19) Pandemic: Private Nonprofit Organizations
4. Environmental and Historic Preservation (EHP) and Emergency Protective Measures for COVID-19
5. FEMA Fact Sheet: Procurement Under Grants Conducted Under Exigent or Emergency Circumstances

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These were referenced throughout the Power Point; others on our web site

OTHER PA GUIDANCE

Below is a list of other PA Guidance for COVID-19:

1. 44 C.F.R. § 206.204-209, 2 C.F.R. Part 200
2. [FEMA's Public Assistance Program and Policy Guide \(PAPPG\)](#)
3. [FEMA's Program Management and Grant Closeout SOP](#)
4. [Public Assistance Reasonable Cost Evaluation Job Aid](#)
5. [FEMA Recovery Policy FP 104-11-2, Public Assistance Management Costs](#)
6. [FEMA's Public Assistance Management Costs Standard Operating Procedures](#)

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These are what we referenced throughout the Power Point; others on our web site



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We look forward to working with you!