

MEMO

To: Vermont Municipal Officials

From: Kim Canarecci, Vermont Public Assistance Officer

RE: Federal Emergency Management Agency (FEMA) Public Assistance Grant Steps

Date: 5/22/2024

After a federally-declared disaster, municipalities may be overwhelmed with the actions they need to take to recover. This memo serves as a step-by-step overview of the FEMA Public Assistance Grant process.

1. **Disaster Event Occurs.** A disaster can happen over a single or many days; the eligible “incident period” is determined by FEMA based on a request from the Governor.
2. **Emergency Protective Measures** – City/town acts to prevent loss of life / property. The city/town considers activating its Emergency Operations Center. Emergency Management Director may seek assistance from [State Emergency Operations Center](#), and reports damages to [Vermont Agency of Transportation District Technician](#) and/or [Regional Planning Commission](#) (usually within 72 hours of event). Documentation of damage is very important with notes and photos by city/town staff and volunteers, see step 3 for additional details. These costs will be used by the State in an Initial Damage Assessment to determine if they meet threshold to request a federal disaster declaration. Cities/towns should reach out to their local [Agency of Natural Resources River Engineer](#) immediately to report any damage in/near waterways to determine if need to upsize as well as obtain proper emergency and permanent repair permits.
3. **Daily Work Reports & Photos** – City/town continues to respond to new damages, such as sink holes or landslide discoveries, documenting all costs, with photos, GPS, and damage dimensions. Daily work reports should include damages broken down by site. Keep track of labor, equipment, materials and/or contract costs. Cities/towns must procure work properly and meet both local and federal procurement requirements, even during an emergency. Federal requirements found at 2 C.F.R. §§ 200.317 to 200.326 are the default standards regarding procurement under emergency and disaster situations. Cities/towns must have and follow a local procurement policy.
4. **Town Insurance Carrier** – Notification of potential and actual losses to insurer (Vermont League of Cities and Towns (VLCT) PACIF for most cities/towns). Insurance coverage deduction is required as part of the FEMA grant eligibility determination.
5. **Preliminary Damage Assessment Summary** – City/town to create summary with GPS locations for initial tracking of damaged sites until FEMA Damage Inventory form requested; designate one or two administrative personnel to collect all data and serve as lead point(s) of contact for Vermont Emergency Management and FEMA. Include estimated costs to repair damages as well as actual costs and documentation for work already completed.
6. Within a week after the federal disaster is declaration, the State will conduct Applicant Briefings in affected areas. It is recommended that the city/town attend an Applicant Briefing to learn about the Public Assistance process, including policy changes.
7. **Submit Request for Public Assistance (“RPA”)** -- through the FEMA Grants Portal Expect the new disaster to be added to the Grants Portal shortly after presidential declaration. Submit Request for Public Assistance within 60 days of disaster declaration. If an RPA is not submitted within this timeline, you will not be eligible for federal funding. FEMA will assign a program delivery manager within a month of the Request for Public Assistance submission and approval. Maintain your Grants Portal account with 2 personnel having access and ability to check it often.
8. **Exploratory Call** with the assigned FEMA Program Delivery Manager (or “PDMG”) to discuss the process, describe damages and begin to upload documents to Grants Portal. FEMA will discuss the “Damage Inventory” (an Excel worksheet) form and ask the town to fill out all damages on this form. This is required to be completed within 60 days of receipt to ensure all damages are reported to FEMA (See 11 note).
9. **Recovery Scoping Meeting** (or “RSM”) about a week after the exploratory call to assign costs by “FEMA Categories” and meet with FEMA Team (federal and state). Recovery Scoping Meeting will provide more

details on eligible costs and costs that may not be eligible. For example, town highway personnel straight time & overtime is eligible for debris removal and for permanent work, but only overtime is eligible for “emergency protective measures”. Regular meetings are scheduled with the FEMA Program Delivery Manager as project costs and documentation are developed.

10. **Backup Documentation** – City/town to send to the FEMA Program Delivery Manager or into the Grants Portal a copy of the Current city/town Personnel Policy (overtime labor pay policy), Payroll Cost Sheet, VLCT Insurance Binder (and any supplemental insurances for property or flood), and city/town Purchasing Policy.
11. **Final Damages List** – no later than 60 days after the Recovery Scoping Meeting the town must list all damaged sites in the Damage Inventory. Any damage not on this form will not be included in the event. These will be used to form your project worksheets/i.e. Grants. Project Worksheets numbers will be assigned in the FEMA portal for tracking projects through reimbursement.
12. **Mitigation** – Some damaged sites may move to FEMA 406 mitigation program which requires additional documentation and may be a longer process to accomplish permanent repairs, like resiliency upgrades above and beyond the city/town’s adopted road and bridge construction standards.
13. **Grant Obligation** – Once costs are finalized, FEMA obligates specific funding amount and notifies Vermont Emergency Management to begin the reimbursement process.
14. **State Grant Agreement** – About 2-3 weeks after obligation the State financial office sends a subgrant agreement and confirms the level of [Emergency Relief and Assistance Fund](#) supplemental state funds. Emergency Relief and Assistance Fund rates are captured 30 days after a declaration, and you can view your city/town’s current [Emergency Relief and Assistance Fund rate](#) anytime.
15. **Category Z administration**– Administrative work is capped at 5% of all project damage costs and is the last amount to be calculated. Eligible administrative work includes activities such as responding to emails related to the disaster, meeting with FEMA/State on project documentation, working in the FEMA Grants Portal and site inspections. The Category Z project worksheet must be closed out with documentation of actual costs provided to DPS prior to payment.
16. **Grant Closeout** – Vermont Emergency Management will work with the city/town on Project Completion & Certifications to conclude the disaster event and reimbursement process. All records must be retained for three years from the closure date of the disaster in case of federal audit.

Additional Notes:

- All projects will need a Project Completion and Certification Report (or “PCCR”) completed to be closed by FEMA.
- **SMALL PROJECTS (under \$1 million for fiscal year 2024):** When all of an Applicant’s small projects are completed, a Project Completion and Certification Report form will be sent from VEM to the Agency of Transportation District Technician and/or State Public Assistance Coordinator (or “PAC”).
 - The Project Completion and Certification Report is signed by the Applicant to assert that the work is completed, and signed by the Vtrans District Technician and/or State Public Assistance Coordinator to assert that they have completed a final inspection on each project and determined that the work was completed in accordance with the written scope of the Project Worksheet.
 - The District Technician or State Public Assistance Coordinator and Applicant signs and submits it back to the Public Assistance Officer.
 - The Public Assistance Officer reviews and signs off on the Project Completion and Certification Report form and forwards it to the Financial Office for final payment.
- **LARGE PROJECTS (over \$1 million):** Applicants can request drawdown payments from the Department of Public Safety Financial Office for up to 75% of the 75% federal share on large projects by sending in a letter request along with invoices and proof of payment.
 - Applicants must submit [quarterly large project reports](#) to the Public Assistance Officer (by January 15, April 15, July 15, October 15 and for final closeout) for all large projects (above \$1M) until the project is closed out.

- When the project is completed, the town must submit the Large Project Closeout Request package to the State.
- Large projects must go through a formal closeout process as detailed in federal regulation. Closeout documentation must be organized according to the guidance available in the FEMA Project Documentation Closeout Checklist.

RECEIVING STATE SHARE:

a. For most federal disasters (with 75% federal Public Assistance cost share), the State of Vermont pays a portion of the 25% non-federal share. How much the State contributes varies, based on the Applicant's status regarding the criteria set forth in the rules of Vermont's Emergency Relief and Assistance Fund ("ERAF"). All city/town applicants receive a minimum State Share of 7.5%. Those who meet four criteria qualify for 12.5%, and those who meet the four criteria and also take additional measures to protect against future flood damage can qualify for 17.5%. Emergency Relief and Assistance Fund percentages are determined by the Secretary of Administration or their designee, based on conformance with Emergency Relief and Assistance Fund rule requirements, as of 30 days after a federal declaration.

b. The Financial Office uses the Project Completion and Certification Report form along with the GMU 502F to reimburse the Emergency Relief and Assistance Fund State Share of the Applicant's obligated projects. State Share is dispersed for ALL projects after they are obligated and closed out by FEMA with a signed Project Completion and Certification Report, signed by the Vtrans District Tech, is received by the Public Assistance Officer. State Share is dispersed for large projects on a project-by-project basis as each project is obligated and closed.

FINAL CLOSEOUT:

The Department of Public Safety finance office emails out a letter closing out the Applicant's subgrant after all final payments have been made. You made it!