Module 3 Participant Guide

Disaster Recovery Public Assistance (PA) Financial Administration Training

North Carolina Association of Regional Councils of Government

FY 2023 – 2024

Table of Contents

ABOUT THE PARTICIPANT GUIDE 4

WHAT WILL I FIND IN THE GUIDE AND HOW DO I USE IT? 4

GETTING STARTED 5

COURSE DESCRIPTION 5

COURSE OVERVIEW 5

MODULE TIMINGS, MICROLEARNINGS, AND SCHEDULE SAMPLES 5

PRE- AND POST-TESTING 8

PARKING LOT QUESTIONS AND FOLLOW-UPS 8

CRTICIAL TAKE-AWAYS SHORT BRIEF 8

EXPERIENTIAL LEARNING ACTIVITIES 8

MODULE 3 9

COURSE OVERVIEW 9

UNIT 0: WELCOME AND ADMINISTRATIVE ITEMS 10

INTRODUCTIONS 12

ADMINISTRATIVE ORIENTATION 13

MODULE 3 OVERVIEW 15

UNIT 12: 404 MITIGATION AND PROJECT CLOSEOUT 19

HAZARD MITIGATION: 404 FUNDING 21

404 HAZARD MITIGATION 23

KNOWLEDGE CHECK 3.1 25

PROJECT RECONCILIATION AND CLOSEOUT 26

CLOSEOUT FOR SMALL PROJECTS 28

ADJUSTING FUNDING FOR SMALL PROJECTS 30

CLOSEOUT FOR LARGE PROJECTS 32

KNOWLEDGE CHECK 3.2 34

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PERMANENT WORK PROJECT CLOSEOUT: ALTERNATIVE PROCEDURES 35
FEDERAL VS. STATE CLOSEOUT PROCEDURES 37
REVISITING DOCUMENTATION 39
MODULE 3: UNIT 12 SUMMARY 40
UNIT 13: INSURANCE 42
INSURANCE REQUIREMENTS 44
NC STATE-SPECIFIC INSURANCE 46
NCJUA – FAIR ACCESS TO INSURANCE REQUIREMENTS (FAIR PLAN) 48
NCIUA – COASTAL PROPERTY INSURANCE POOL (CPIP) 50
DUPLICATION OF BENEFITS 52
KNOWLEDGE CHECK 3.3 54
INSURANCE PROCEEDS 55
MAINTAINING INSURANCE 57
NATIONAL FLOOD INSURANCE PROGRAM) 59
INSURANCE RISKS 61
MODULE 3: UNIT 13 SUMMARY 63
UNIT 14: DONATED RESOURCES 65
ELIGIBLE DONATED RESOURCES 67
MODULE 3: UNIT 14 SUMMARY 69
MODULE 3: LONG-TERM RECOVERY SUMMARY 70
MODULE 3 EXPERIENTIAL LEARNING ACTIVITY SCENARIO 72
MODULE 3 EXPERIENTIAL LEARNING ACTIVITY INSTRUCTIONS (25 min) 73
WRAP-UP AND QUESTIONS 75
CONCLUSION 76
COURSE KEY TERMS AND ACRONYMS 77
ADDITIONAL RESOURCES 81

FEMA Resources 81

North Carolina Resources 82

Other Resources 82

ABOUT THE PARTICIPANT GUIDE

The Participant Guide (PG) should be used as a reference tool by participants before, during, and after course delivery for the North Carolina Association of Regional Councils of Government (NCARCOG) Disaster Recovery Public Assistance (PA) Financial Administration Training. The PG expands on presentation slide content delivered by the course instructor, providing contextual information to maximize participant understanding of key themes and topics. It also serves as a workbook for notetaking and provides instructions for completing Knowledge Checks and Experiential Learning Activities.

WHAT WILL I FIND IN THE GUIDE AND HOW DO I USE IT?

The PG is a comprehensive package that contains:

- The recommended course delivery sequence
- Presentation visuals and contextual notes
- Space for notetaking during the course
- Knowledge Checks
- Instructions for Experiential Learning Activities
- Appendices for key terms, concepts, and resources to support the course and continued self-study

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GETTING STARTED

COURSE DESCRIPTION

This course serves as a subject matter expert (SME) designed learning experience that allows for Council of Government staff to build local government capacity to effectively secure disaster recovery reimbursements and ensure those funds address local and regional priorities. The Public Assistance Local Government program provides the knowledge and tools for Units of Local Government (ULGs) to build and/or maintain the necessary financial systems and identify staff support needed to administer and report on the utilization of disaster recovery funds efficiently and effectively. This course is designed to incorporate recovery staffing and business practices into day-to-day financial administration operations.

Through completing this course, you will be more aware of the Public Assistance (PA) Program, the tools, resources, and contacts you can call upon for support, and best practices to prepare for, respond to, and recover from disasters. This course is designed to prepare local government officials and public asset stakeholders to become ready to engage with the PA Program from a place of familiarity and develop pre-disaster strategies to implement preparedness processes on “blue-sky” days before a disaster hits.

COURSE OVERVIEW

Title: Disaster Recovery Public Assistance (PA) Financial Administration Training

Audience: This course is for participants training to support local governments in the financial administration of Public Assistance local funds.

Learning Environment: You will be in a classroom setting and use available technology.

Delivery: This course is taught via Instructor-Led Training (ILT) modules and includes experiential scenario-based activities. The Participant Guide will be made available to you for use during and after the course. It is suggested that you also receive a digital copy of the Participant Guide upon course completion.

Media: This course utilizes Microsoft (MS) PowerPoint (PPT) presentations, Portable Document Format (PDF) documents, and linked website content. Facilitators may use a digital platform such as MS Teams as a repository for any ‘Parking Lot’ items or discussions that occur during the class.

MODULE TIMINGS, MICROLEARNINGS, AND SCHEDULE SAMPLES

This Disaster Recovery Public Assistance (PA) Financial Administration Training is designed to be flexible and scalable to the needs of instructors and participants. Instructors may choose to present all three modules of the course in sequence, teach individual modules as separate offerings, or teach single units as time allows.

Following is a list of expected timings for Module 3 and a sample schedule for full-day and half-day deliveries. Your instructor will review the chosen schedule prior to beginning the course.

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Module 3 Pre-Assessment – 30 Minutes

Unit 0: Welcome and Administrative Items – 40 Minutes

Unit 12: 404 Mitigation and Project Closeout – 50 Minutes

Unit 13: Insurance – 50 Minutes

Unit 14: Donated Resources – 20 Minutes

Experiential Learning Activity – 40 Minutes

Module 3 Post-Assessment – 30 Minutes

Module 3 Microlearning Videos

- Unit 12: 404 Mitigation and Project Closeout – 5 Minutes
- Unit 13: Insurance – 5 Minutes
- Unit 14: Donated Resources – 5 Minutes

Below is a sample schedule for Module 3 which can be modified to best fit the needs of the instructor, participant availability, and course delivery. This schedule can be included in the Module 3 PPT slides if desired.

Example Schedule

Module/Unit/Activity	Estimated Time
Participant Registration	8:00 a.m. – 8:30 a.m.
Module 3 Pre-Assessment	8:30 a.m. – 9:00 a.m.
Module 3 Intro / Unit 0: Welcome and Administrative Items	9:00 a.m. – 9:40 a.m.
Break	9:40 a.m. – 9:50 a.m.
Units 12 Microlearning Video / Unit 12: 404 Mitigation and Project Closeout	9:50 a.m. – 10:40 a.m.
Break	10:40 a.m. – 10:50 a.m.
Unit 13 Microlearning Video / Unit 13: Insurance	10:50 a.m. – 11:40 a.m.
Lunch Break	11:40 a.m. – 12:30 p.m.
Unit 14 Microlearning Video / Unit 14: Donated Resources	12:30 p.m. – 12:50 p.m.
Break	12:50 p.m. – 1:00 p.m.
Experiential Learning Activity	1:00 p.m. – 1:40 p.m.
Break	1:40 p.m. – 1:50 p.m.
Module 3 Post-Assessment	1:50 p.m. – 2:20 p.m.
"Parking Lot" Items / Closing Remarks / End of Day	2:20 p.m. – 2:45 p.m.

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PRE- AND POST-TESTING

Each module of this course has an associated pre- and post-test designed to serve as a check for understanding before and after taking the module. You will complete the pre-test prior to starting the module, and the post-test will be administered immediately after finishing the module.

PARKING LOT QUESTIONS AND FOLLOW-UPS

You will be provided with a method to ask and log follow-up questions throughout the course. The Parking Lot allows for technical questions to be identified and answered later by SME outreach conducted by the instructor. The instructor will gather and organize all Parking Lot questions and review them prior to the close of the session to ensure the follow up is successful and the responses are shared with all participants.

CRTICIAL TAKE-AWAYS SHORT BRIEF

This course is meant to provide local government officials with the knowledge they need to develop pre-disaster strategies to help prepare their communities before a disaster hits. These strategies revolve around critical preparedness steps to take on a “blue-sky” day. To that end, below are some of the key points, actions, and questions that ULGs should be examining immediately following course completion:

1. Examine your Public Asset Insurance Coverage to ensure the information is correct. Insurance pays first, not FEMA.
2. Examine your HR Policy for hourly rates, overtime pay policies, and disaster pay policies. Examine the job descriptions of personnel who are responsible for disaster recovery. Does their job description and day-to-day work reflect those responsibilities, and are they capable of performing those responsibilities? Do they need support or additional training?
3. Does your procurement policy meet the required state and federal emergency declaration procurement needs to expedite purchases or assign responsibilities and oversight? Does it include emergency budget and capital decisions?
4. Do Mutual Aid agreements with state, county, and local partners reflect your disaster needs and access to goods and services to manage a disaster event? Are any critical partners missing or does the list need to be updated or expanded?
5. Examine the need to establish a Local Disaster Recovery Manager. Develop a Pre-Disaster Recovery Plan process that will be ongoing between Emergency Management and Local Government staff and critical stakeholders. Continue to develop a long-term plan for training and updates that includes vulnerable residents in your community such as seniors, disabled, children or fragile populations. The Pre-Disaster Recovery Planning Guide from FEMA included in the course materials is an excellent place to start.

EXPERIENTIAL LEARNING ACTIVITIES

Each module in this course concludes with an experiential learning activity (ELA). These ELAs are designed to give you an opportunity to practice the skills and apply the knowledge you gained from each module. The ELAs are optional. The instructor will assess the available time and appropriateness of conducting the ELA and will facilitate if they determine to use it.

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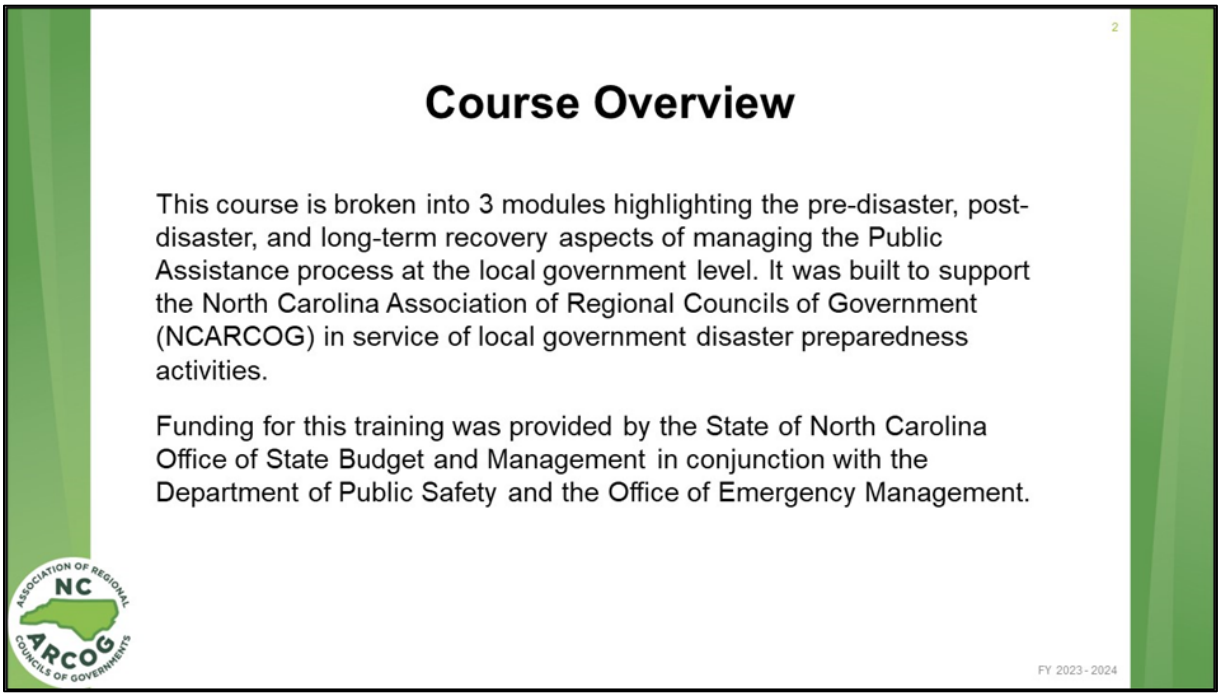
MODULE 3

COURSE OVERVIEW

DESCRIPTION

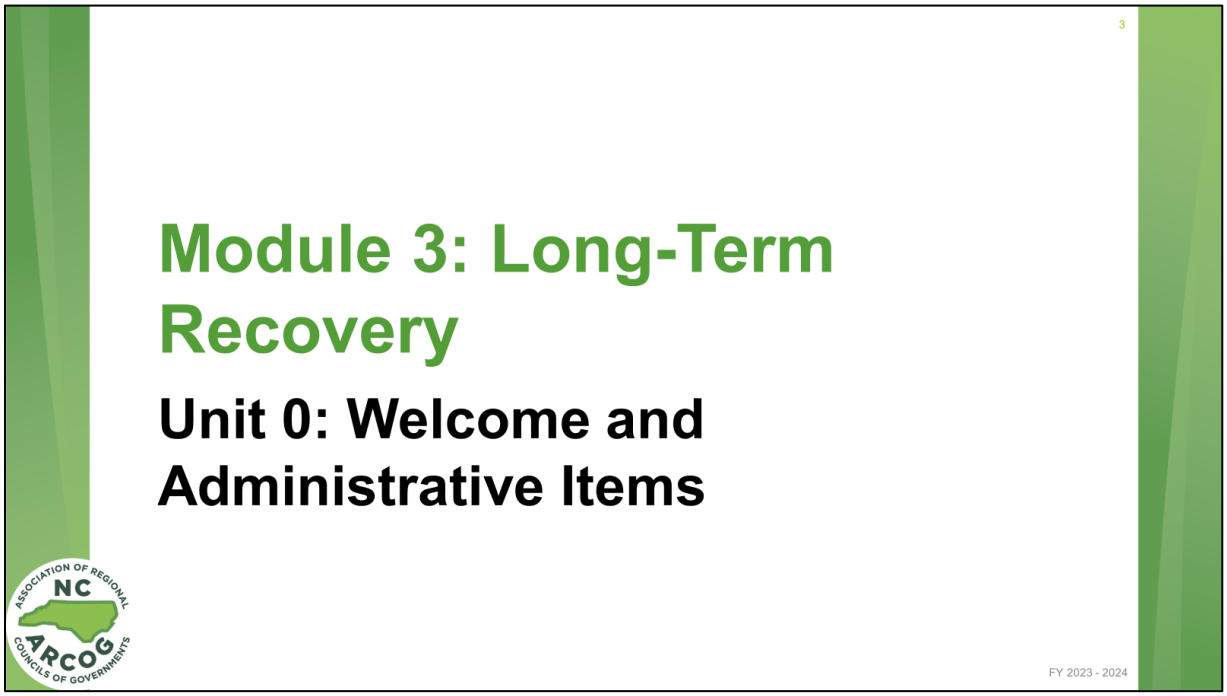
Instructors will welcome you to the course and review the course description outlined in the Getting Started section of the Participant Guide.

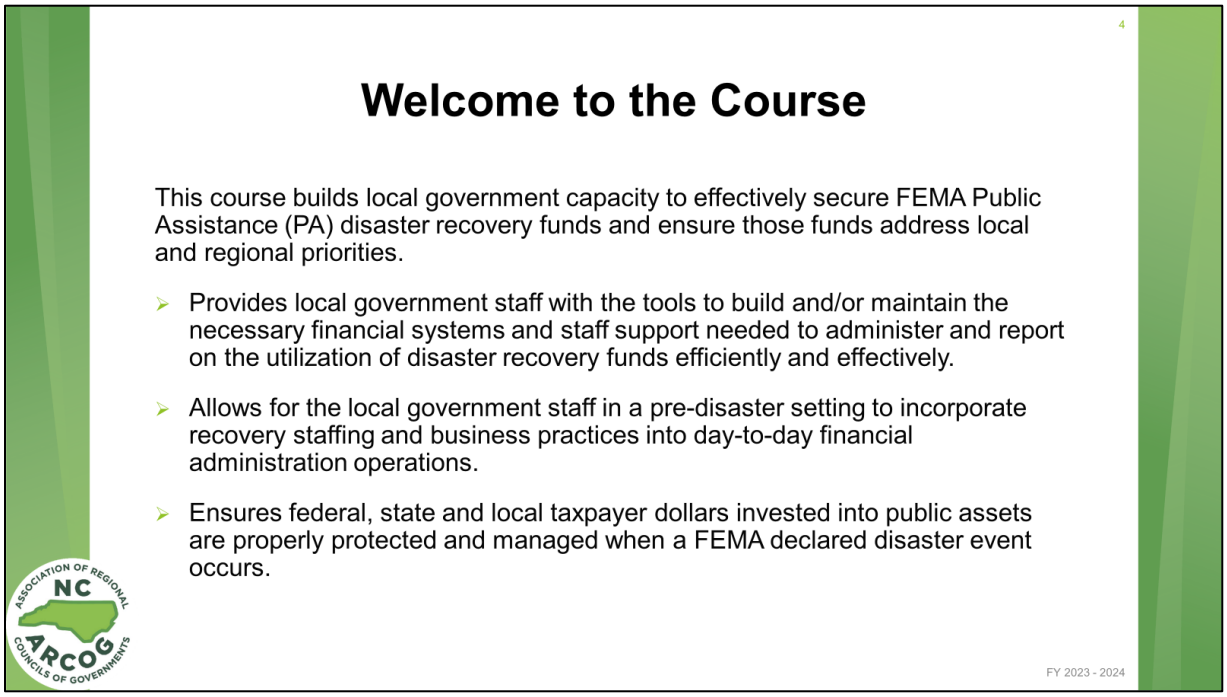
SECTION SLIDE



NOTES

SECTION SLIDES





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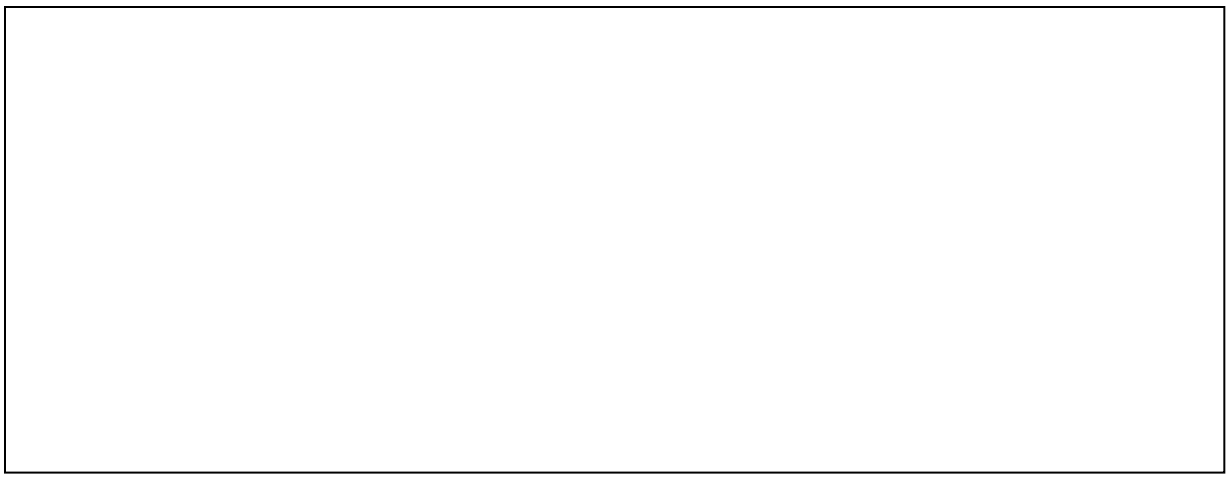
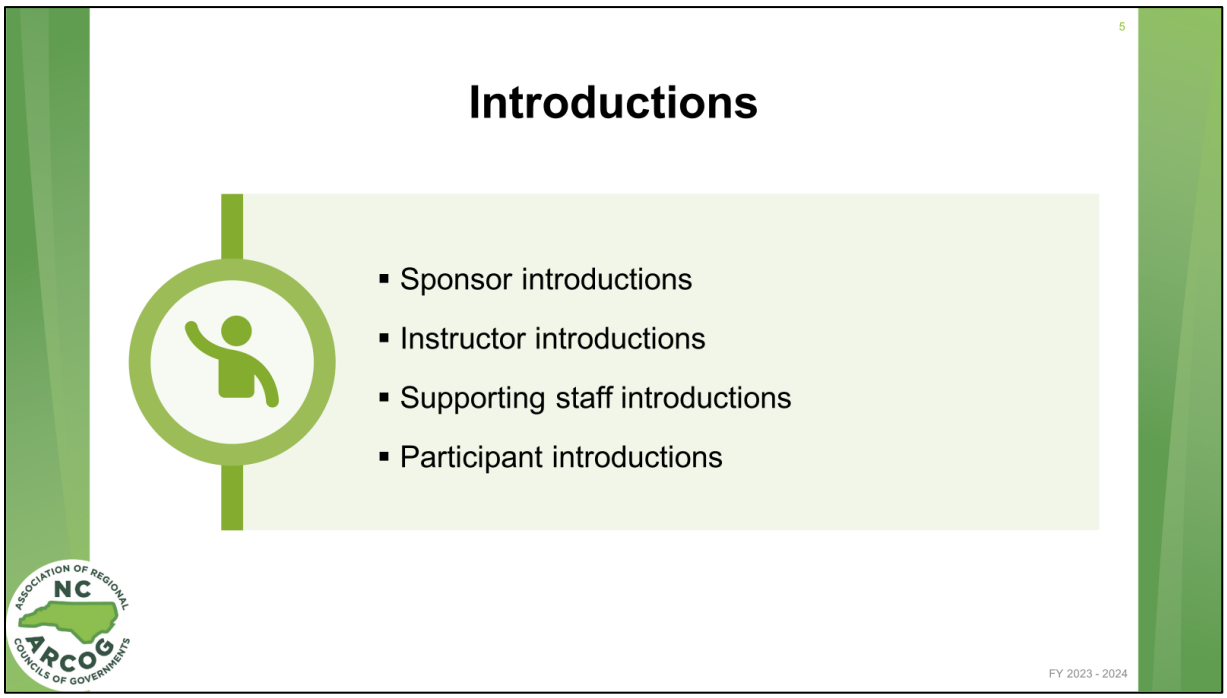


INTRODUCTIONS

SECTION OVERVIEW

Instructors and supporting staff will introduce themselves.

SECTION SLIDE



NOTES

Instructors and supporting staff will each provide a brief self-introduction. Depending on class size, instructors may ask you to introduce yourself.

At this time, if the instructor chooses, the course pre-test may be administered. The pre-test consists of 15 multiple choice questions and is estimated to take 30 minutes.

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ADMINISTRATIVE ORIENTATION

SECTION OVERVIEW

The instructor will provide an overview of the physical features of the facility including the location of emergency exits and restrooms, and overview of basic classroom etiquette.

SECTION SLIDE

NOTES

The instructor will inform you of the locations of emergency exits, restrooms, and any other resources or features within the facility that they may be required to access during the training. They may review an inclement weather policy and any other safety plans set for the facility, such as for an active shooter incident. They will review basic classroom etiquette, phone etiquette, and communication “rules” for a respectful experience.

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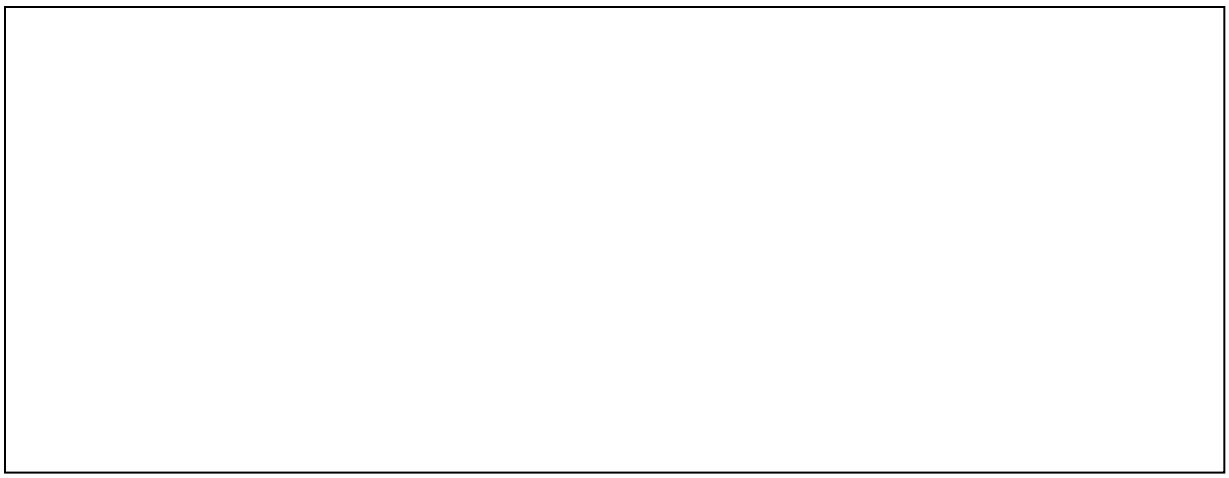
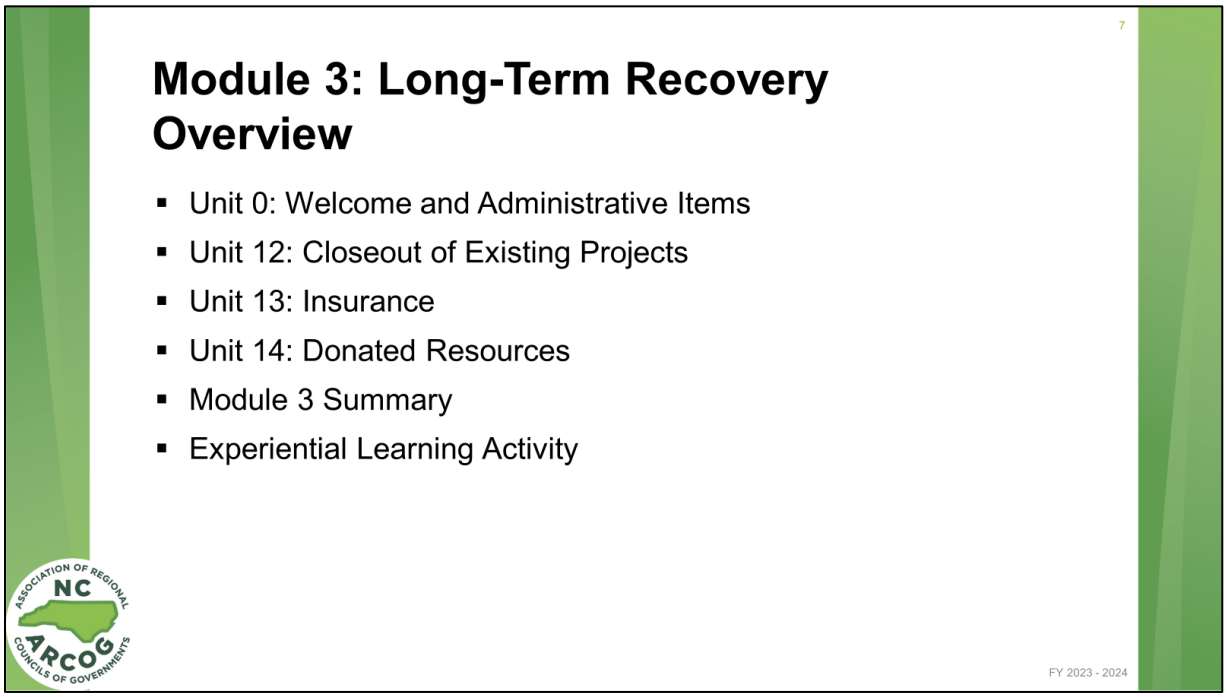


MODULE 3 OVERVIEW

SECTION OVERVIEW

The instructor will provide an overview of the units in Module 3, and the learning objectives for the Module.

SECTION SLIDE



NOTES

- Unit 0: Welcome and Administrative Items
- Unit 12: Closeout of Existing Projects
- Unit 13: Insurance
- Unit 14: Donated Resources
- Module 3 Summary
- Experiential Learning Activity

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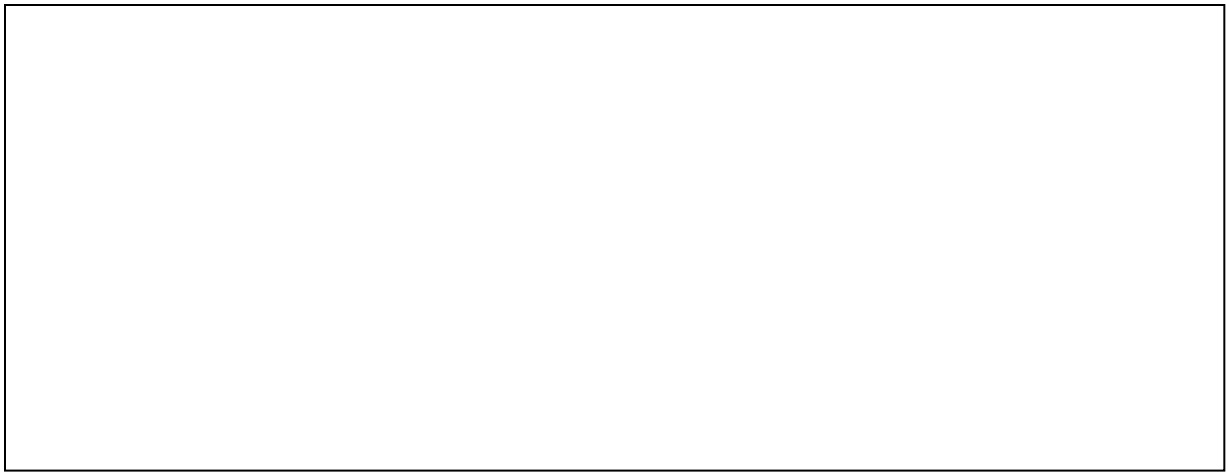
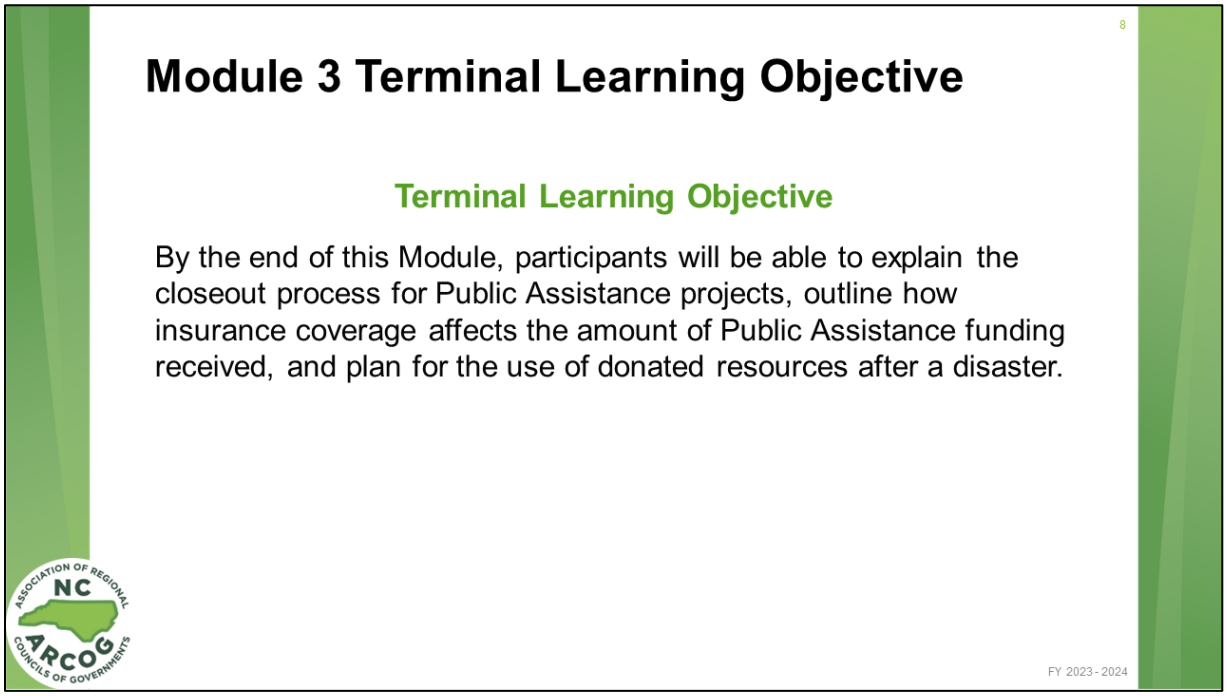
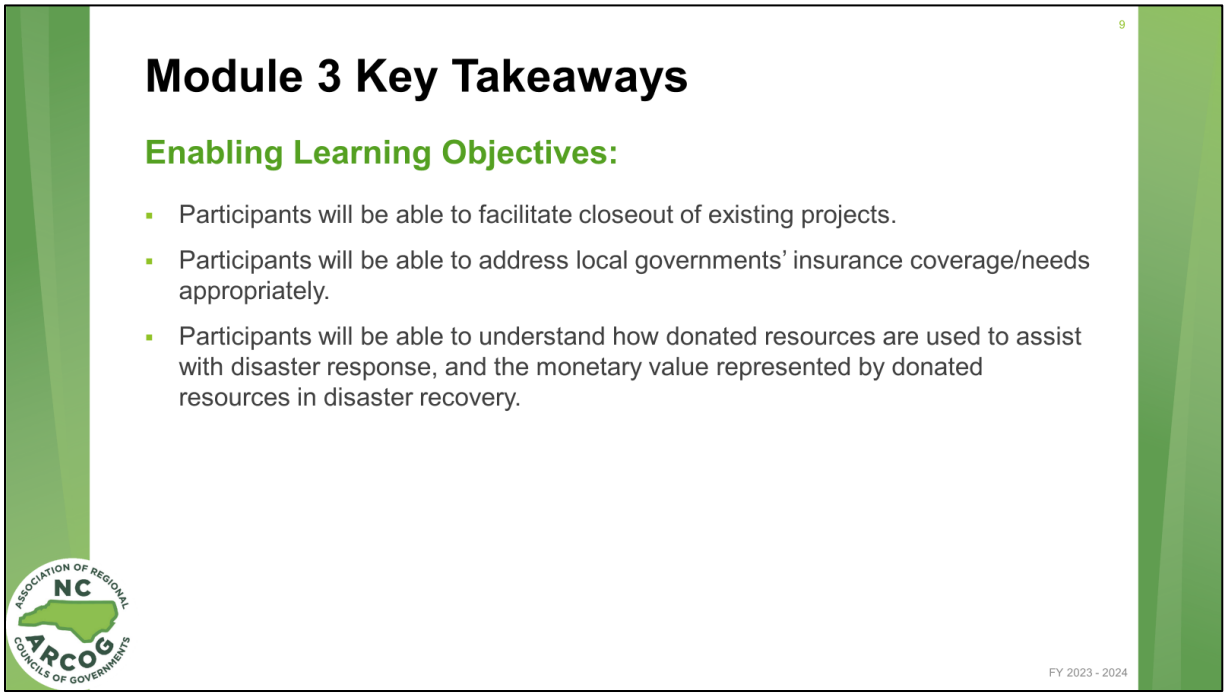


OBJECTIVES



NOTES

By the end of this Module, you will be able to explain the closeout process for Public Assistance projects, outline how insurance coverage affects the amount of Public Assistance funding received, and plan for the use of donated resources after a disaster.



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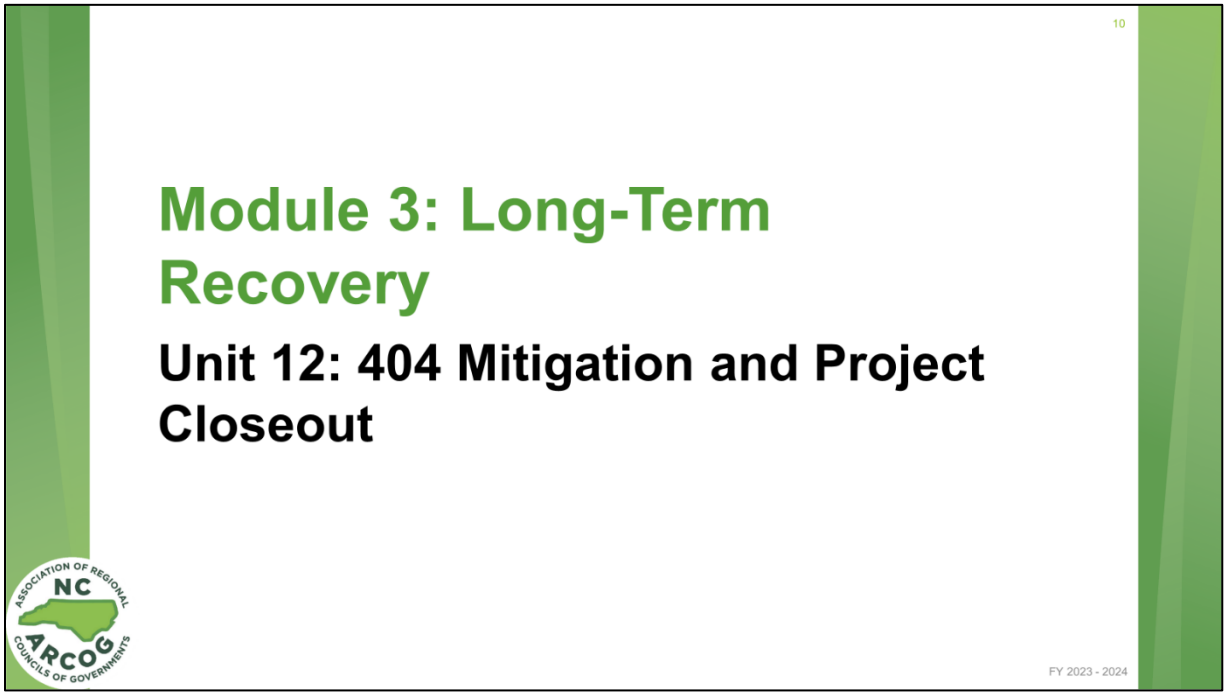
NOTES

- You will be able to facilitate closeout of existing projects.
- You will be able to address local governments' insurance coverage/needs appropriately.
- You will be able to understand how donated resources are used to assist with disaster response, and the monetary value represented by donated resources in disaster recovery.

UNIT 12: 404 MITIGATION AND PROJECT CLOSEOUT

SECTION OVERVIEW

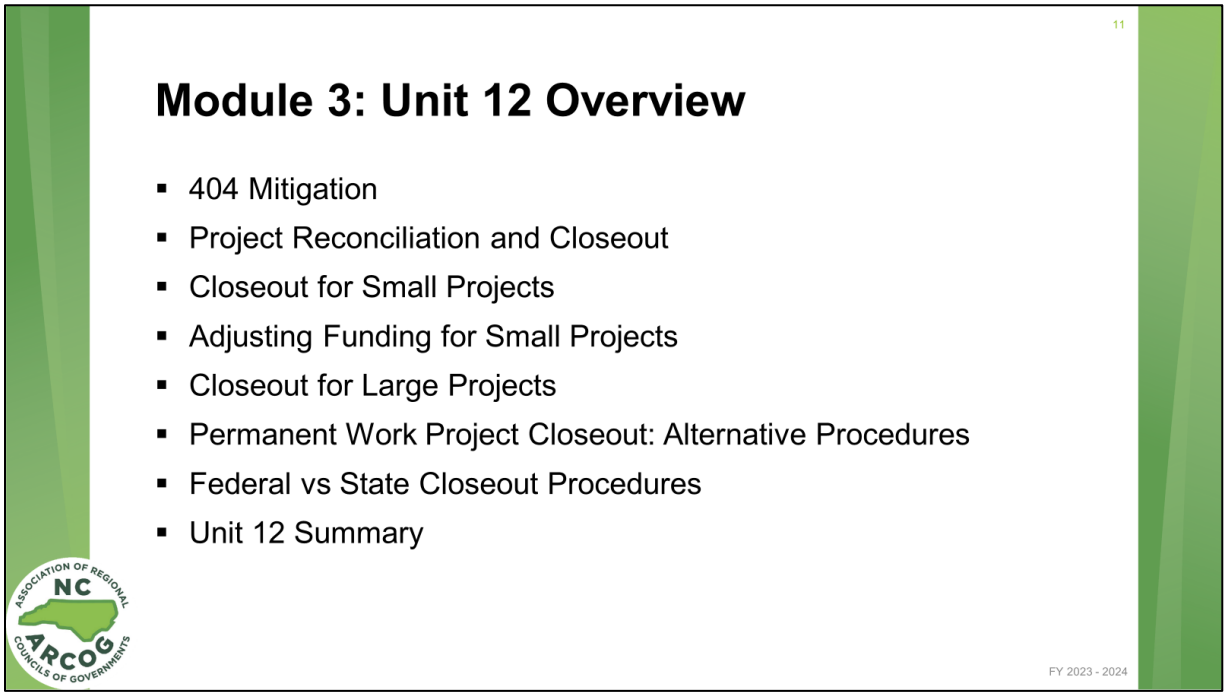
In this Unit, we will discuss how to facilitate closeout of existing projects.



NOTES

In this Unit, we will learn how to close out projects, Subrecipients, and the Public Assistance award.

OVERVIEW



NOTES

HAZARD MITIGATION: 404 FUNDING

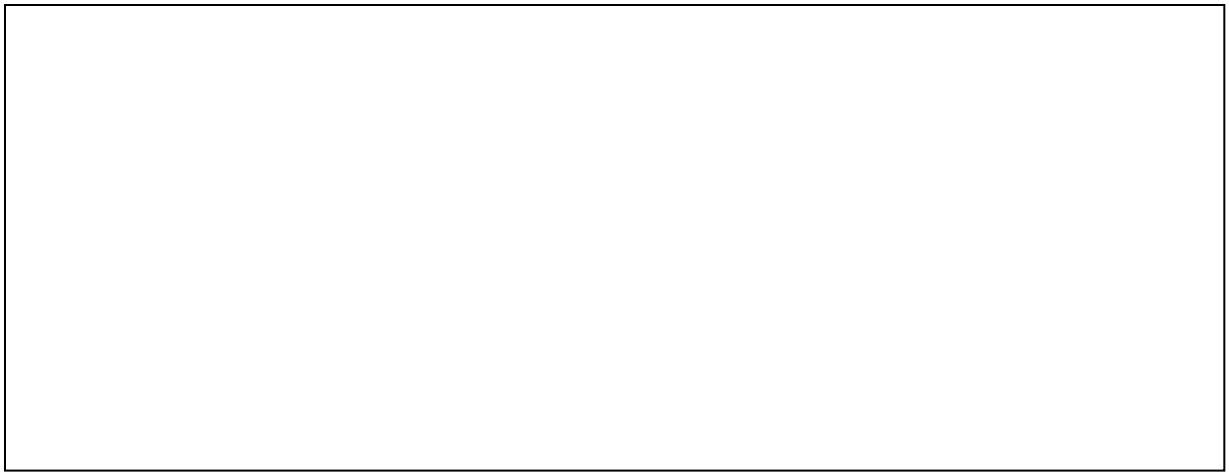
SECTION OVERVIEW

A brief description of the basics of Hazard Mitigation 404 Funding.

SECTION SLIDE

NOTES

- 404 funding is used to provide protection to undamaged parts of a facility or to prevent or reduce damage caused by future disasters.
- The entire state - not just presidentially declared counties - may qualify for 404 mitigation projects.
- The 404 grant is managed by the state under funding provided for in the Stafford Act.
- Section 404 mitigation measures are funded under the Hazard Mitigation Grant Program (HMGP).



404 HAZARD MITIGATION

SECTION OVERVIEW

A detailed description of the 404 Hazard Mitigation Program.

SECTION SLIDE

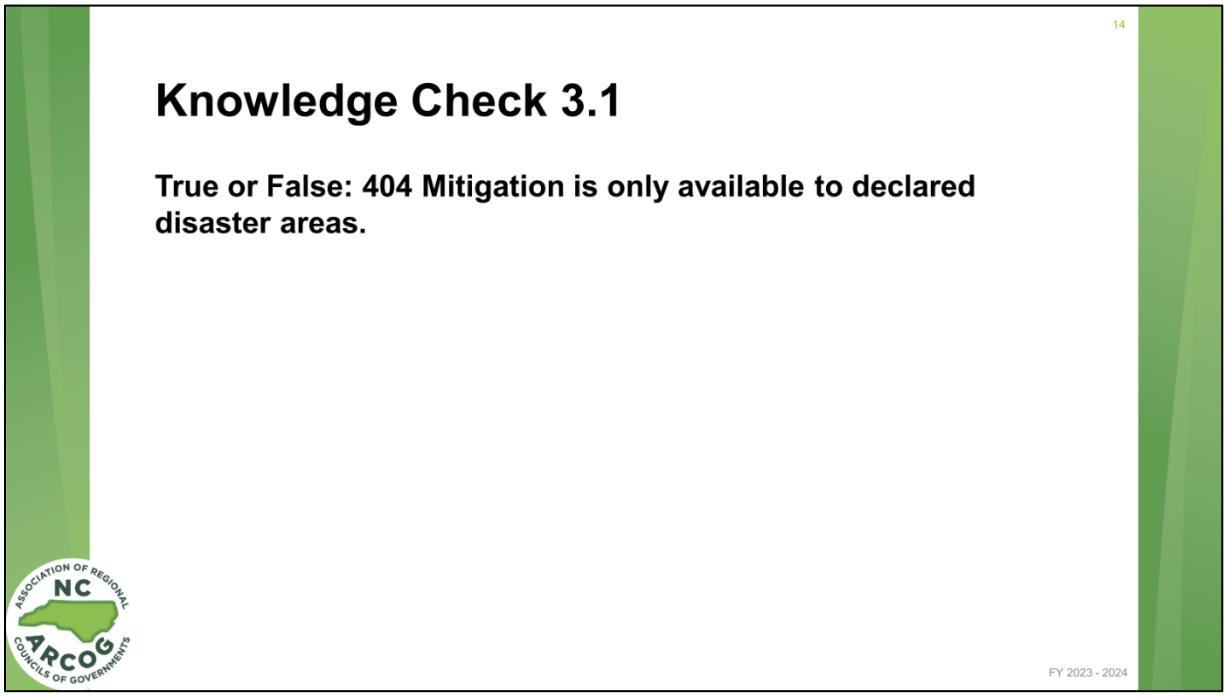
NOTES

- Section 404 funding is used to provide protection to undamaged parts of a facility or to prevent or reduce damage caused by future disasters. **The entire state - not just presidentially declared counties - may qualify for 404 mitigation projects.**
- The 404 grant is managed by the state under funding provided in the Stafford Act. Section 404 mitigation measures are funded under the Hazard Mitigation Grant Program (HMGP).
- The state receives 20% of the Total federal share of the declared disaster damage amount and uses it to fund projects anywhere in the state, regardless of where the declared disaster occurred or the disaster type.
- Examples of 404-approved measures:
  - Early warning sirens
  - Portable generators
  - Building a retention pond
  - Building a flood wall to prevent flooding

What other projects can you think of that can be funded under this program?

KNOWLEDGE CHECK 3.1

SECTION SLIDE



NOTES

True or False: 404 Mitigation is only available to declared disaster area.

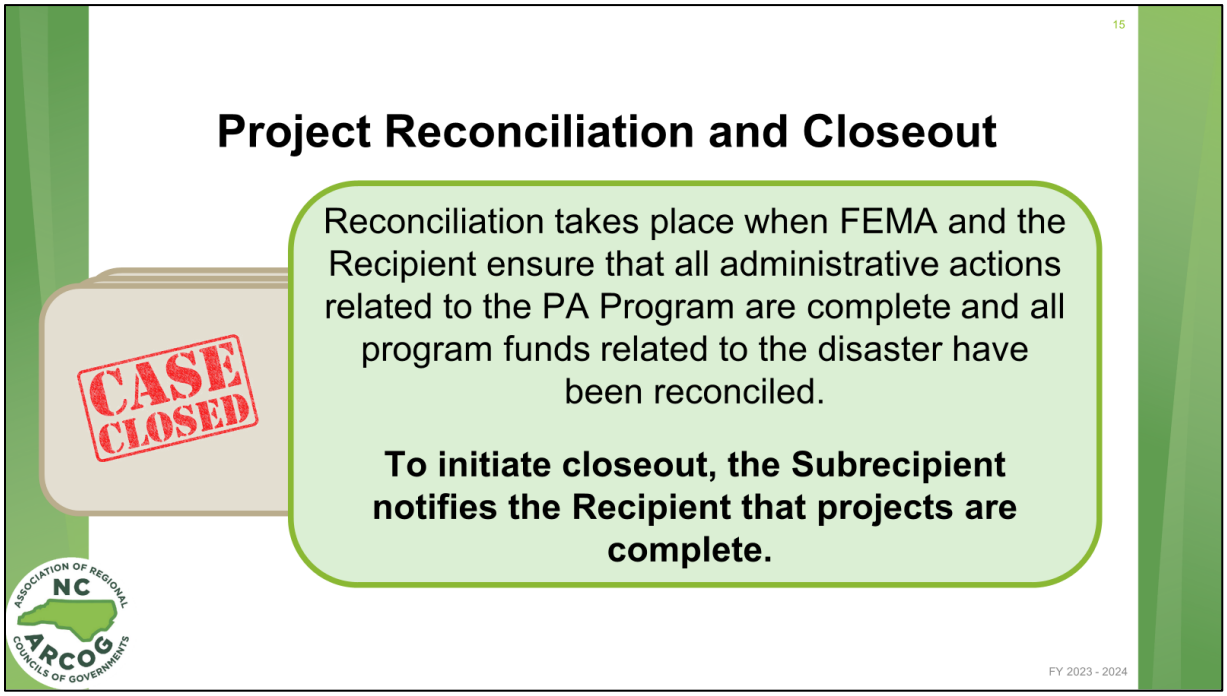
Answer: _____

PROJECT RECONCILIATION AND CLOSEOUT

SECTION OVERVIEW

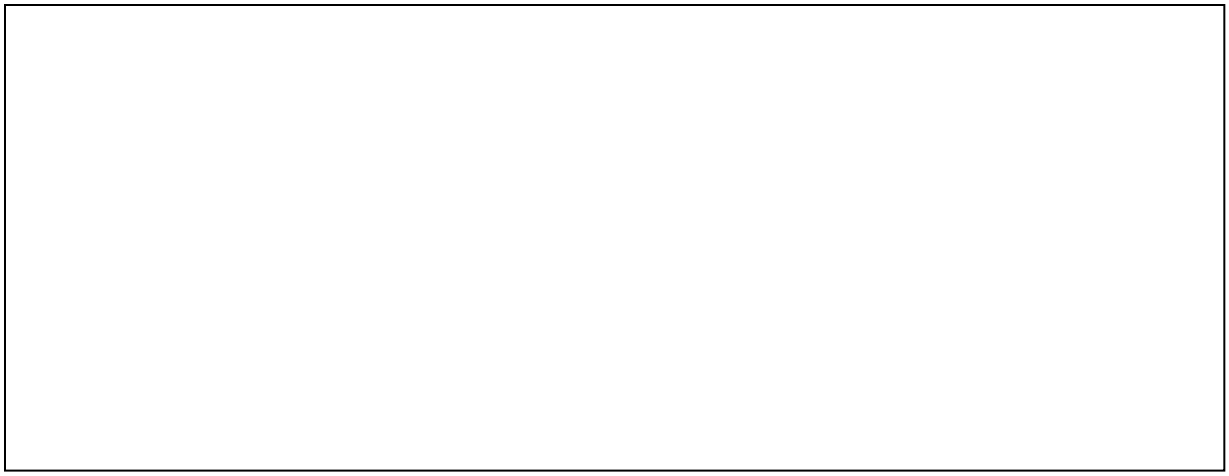
An overview of when project reconciliation takes place and FEMA requirements to close out projects.

SECTION SLIDE



NOTES

- Reconciliation takes place when FEMA and the Recipient ensure that all administrative actions related to the PA Program are complete and all program funds related to the disaster have been reconciled.
- To initiate closeout, the Subrecipient notifies the Recipient that projects are complete.
- Prior to closing Projects, FEMA:
  - Verifies all appeals and arbitration cases are resolved
  - Validates that all invoices and other documentation related to work performed is consistent with the approved Scope of Work
  - Determines whether the Subrecipient completed the work within the approved deadline
  - Ensures duplication of benefits has not taken place
  - Validates compliance with cost reasonableness, procurement procedures, and other cost principles
  - Ensures compliance with all terms and conditions of the award, including Special Consideration issues such as code and standard requirements, EHP requirements, and insurance requirements

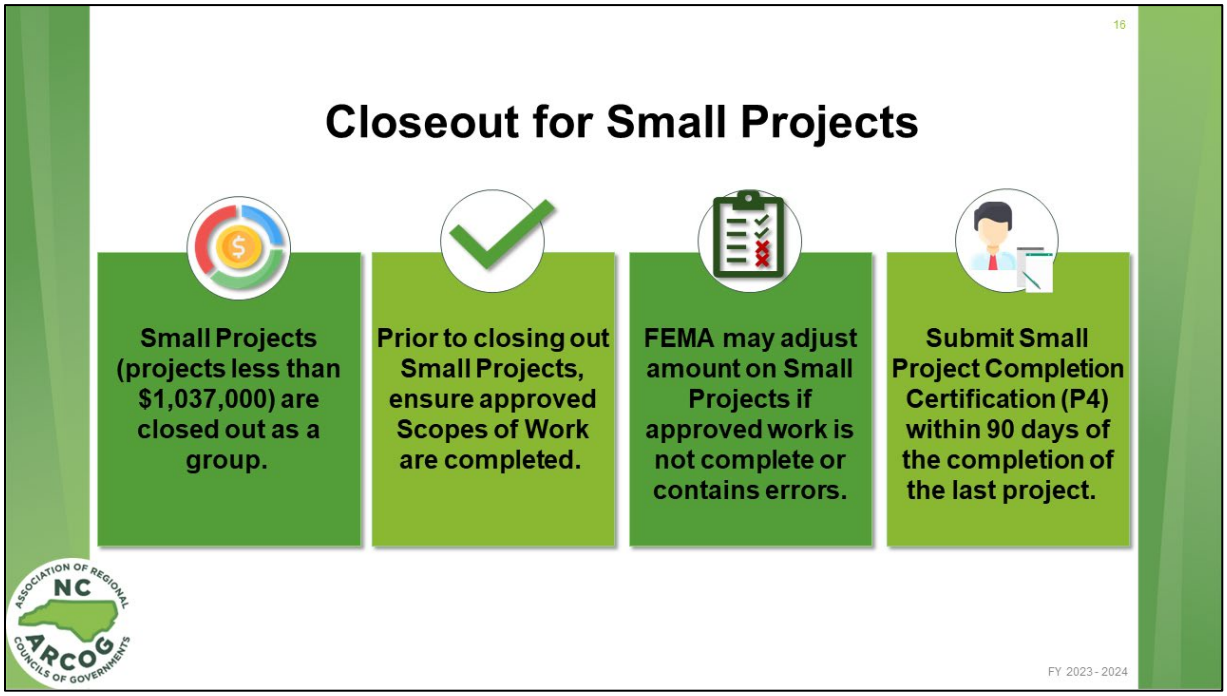


CLOSEOUT FOR SMALL PROJECTS

SECTION OVERVIEW

A description of how to close out Small Projects.

SECTION SLIDE



NOTES

- Small Projects (projects less than $1,037,000) can be closed out as a group, allowing the applicant to only have to go through the process once. Closing out as a group makes the process easier akin to carrying your groceries in one bag rather than one-by-one.
- Prior to closing out Small Projects, the Subrecipient must ensure the approved Scopes of Work are completed. If a significant cost overrun is identified after completing all work on Small Projects, a funding reconciliation can be requested.
- FEMA may adjust the approved amount on Small Projects if the approved Scope of Work was not completed or the individual Small Project contains errors.
- To close Small Projects, the Subrecipient submits a Small Project Completion Certification (also known as a P4) within 90 days of the completion of the last Small Project.

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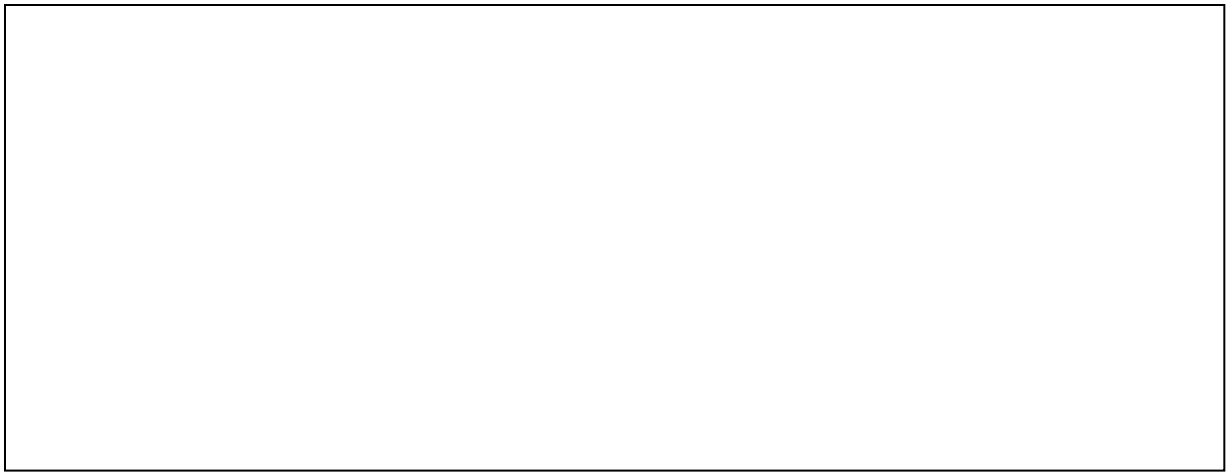
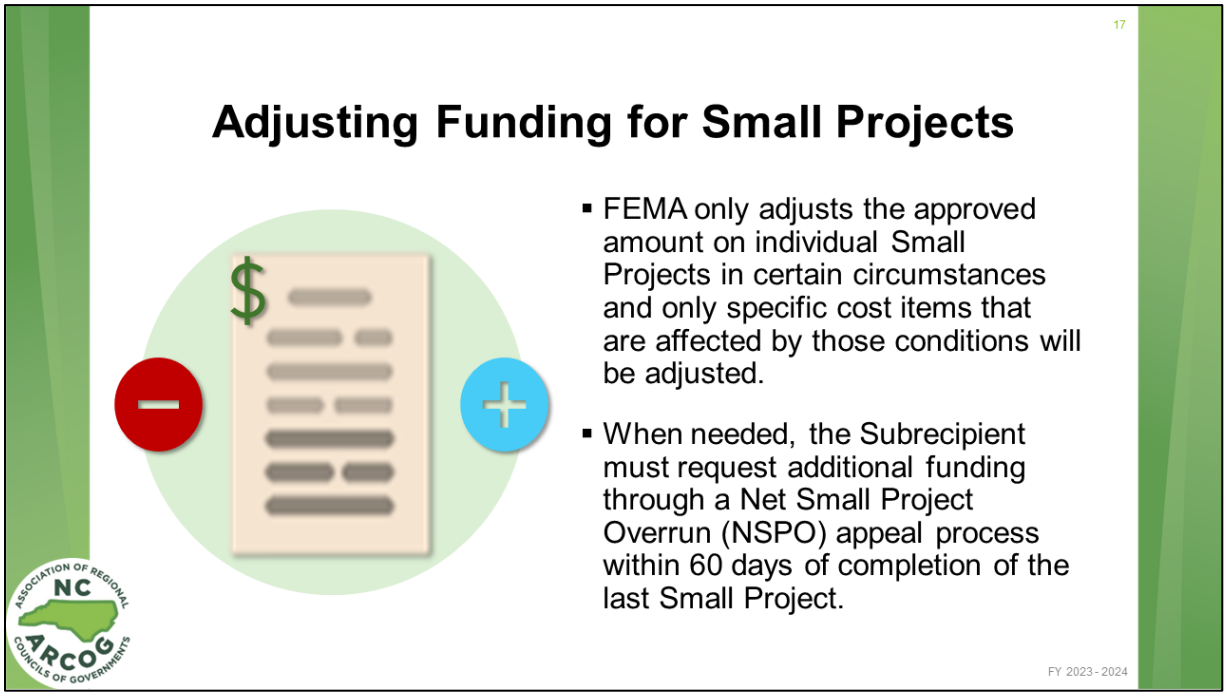


ADJUSTING FUNDING FOR SMALL PROJECTS

SECTION OVERVIEW

A brief description of the process to adjust the approved amount of a Small Project.

SECTION SLIDE



NOTES

- FEMA only adjusts the approved amount on **individual** Small Projects in certain circumstances discussed in the previous slide.
  - Only specific cost items that are affected by those conditions will be adjusted.
- When needed, the Subrecipient must request additional funding through a Net Small Project Overrun (NSPO) appeal process within 60 days of completion of the last Small Project.
  - The appeal must include actual cost documentation for the Small Projects.
- The NSPO is a form available in Grants Portal that the applicant fills out and submit via Grants Portal. Confirm the NSPO with NCEMA and your PDMG prior to submitting!

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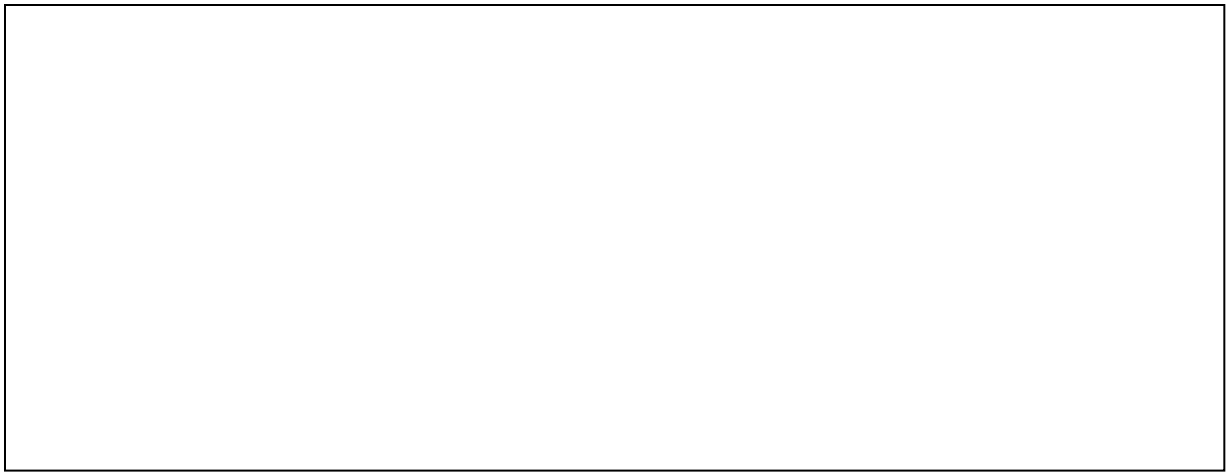
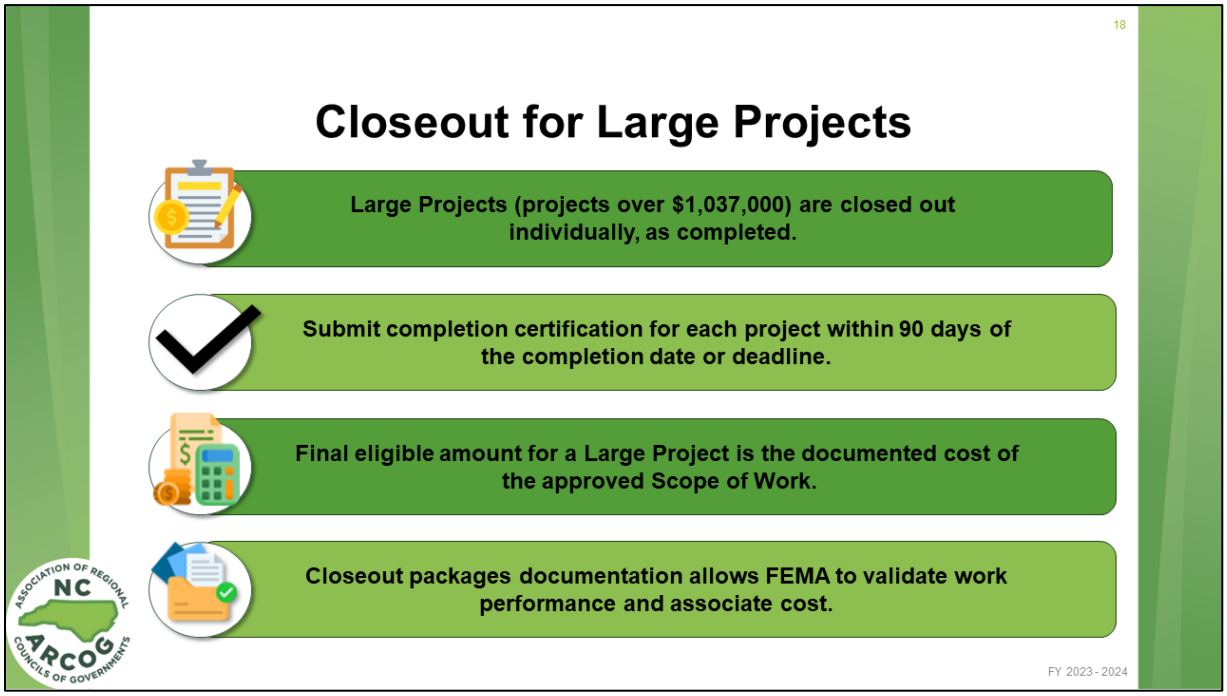


CLOSEOUT FOR LARGE PROJECTS

SECTION OVERVIEW

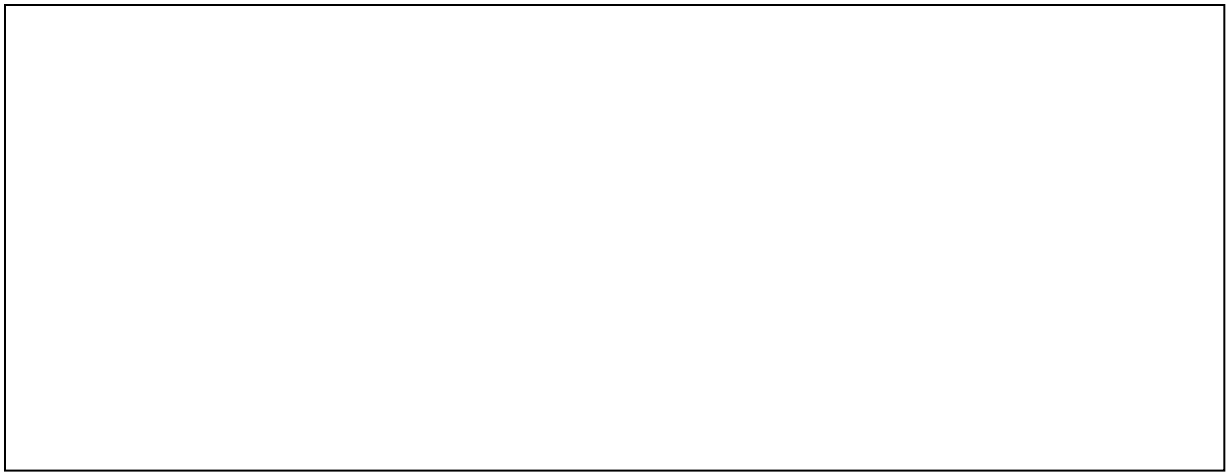
A description of how to close out Large Projects.

SECTION SLIDE



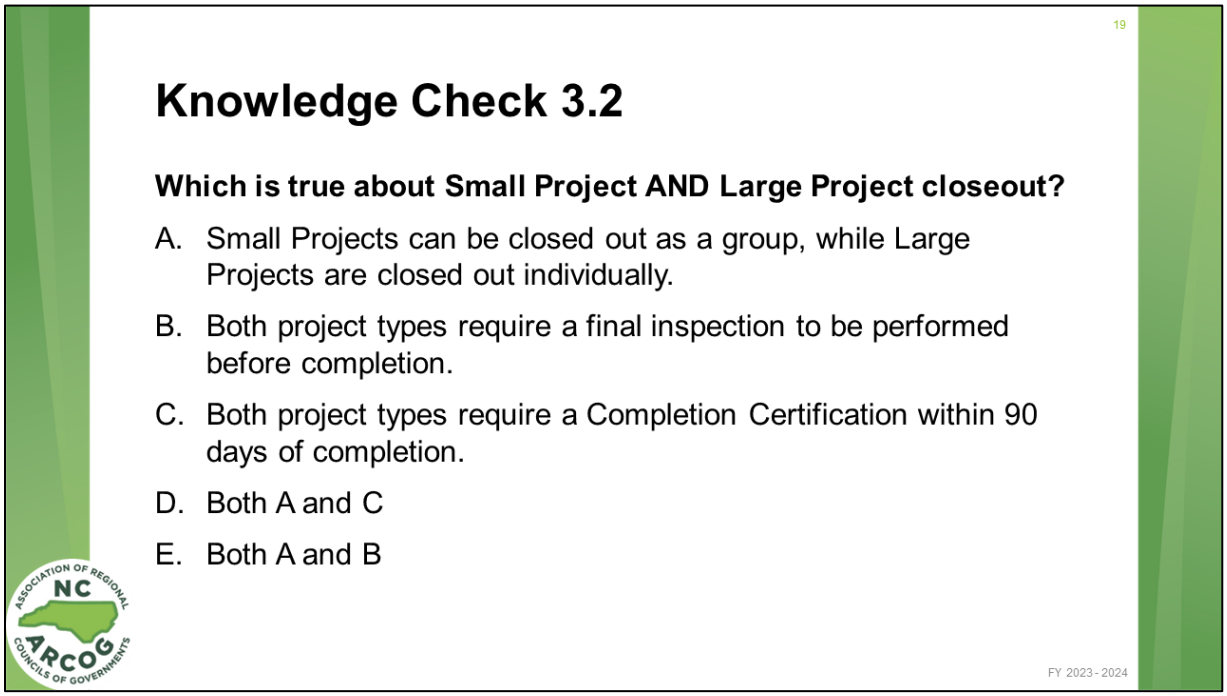
NOTES

- Large Projects (projects over $1,037,000) are closed out individually, as they are completed. The State will perform a final inspection, certify completion, and submit a final cost accounting to FEMA for approval of final project payment of each completed Large Project.
- A completion certification for each Large Project must be submitted within 90 days of the work completion date or the project deadline, whichever occurs first.
- The final eligible amount for a Large Project is the documented cost of the approved Scope of Work; documentation supporting the costs must be submitted within 90 days of work completion.
- Large Project closeout packages include documentation that allows FEMA to validate work performed and all associated (actual) costs. When necessary, documentation that validates compliance with special considerations such as EHP compliance and insurance proceeds need to be submitted as well.
- It is crucial to abide by the 90-day closeout window.



KNOWLEDGE CHECK 3.2

SECTION SLIDE



NOTES

Which is true about Small Project AND Large Project closeout?

A. Small Projects can be closed out as a group, while Large Projects are closed out individually.

B. Both project types require a final inspection to be performed before completion.

C. Both project types require a Completion Certification within 90 days of completion.

D. Both A and C

E. Both A and B

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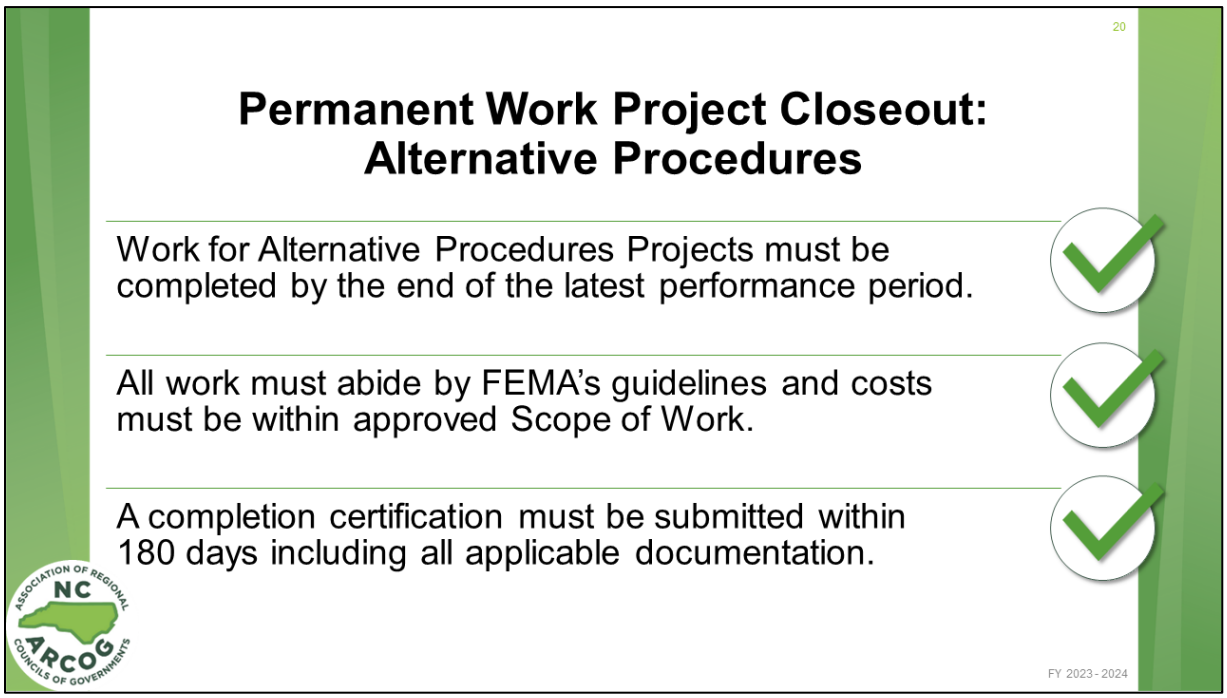
PERMANENT WORK PROJECT CLOSEOUT: ALTERNATIVE PROCEDURES

SECTION OVERVIEW

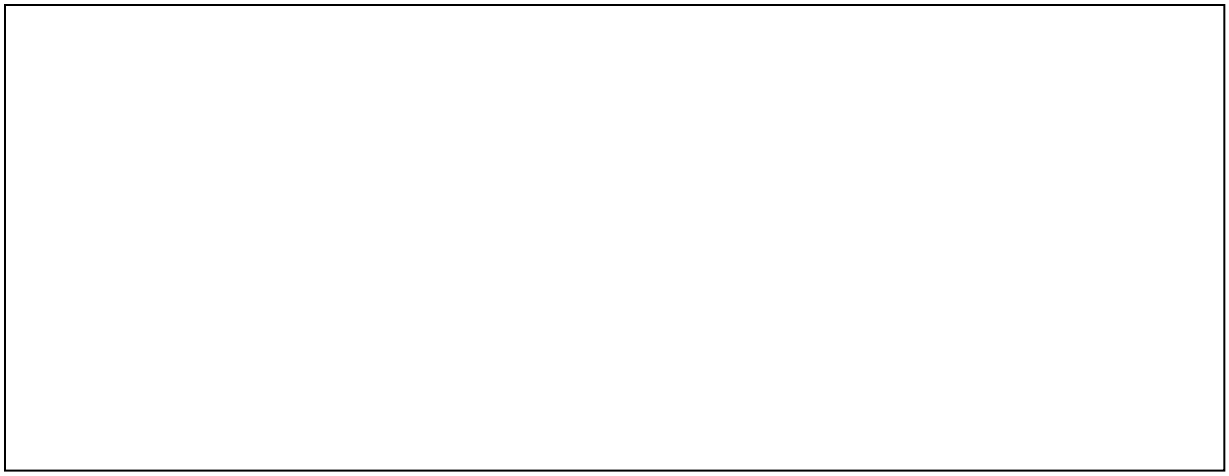
A description of how to close out Alternative Procedures Projects.

SECTION SLIDE



NOTES

- With Alternative Procedures Projects, work must be completed by the end of the latest period of performance. All work must be completed to abide by FEMA's guidelines, and all costs must be associated with the approved Scope of Work.
- A completion certification must be submitted within 180 days. The Recipient must submit its certification to FEMA within 180 days of the completion of the last Alternative Procedures Project or the latest project deadline, whichever occurs first. It should include documentation that describes:
  - Actual work completed and associated costs
  - Compliance with EHP and insurance requirements
  - Compliance with federal procurement procedures

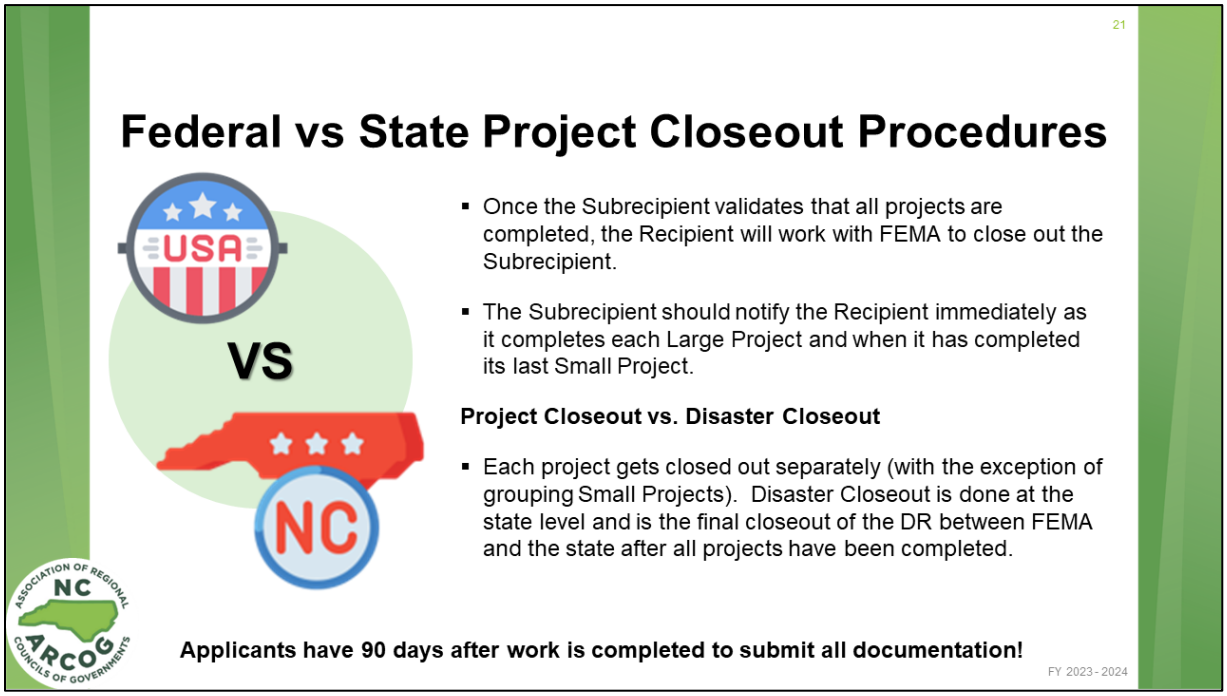


FEDERAL VS. STATE CLOSEOUT PROCEDURES

SECTION OVERVIEW

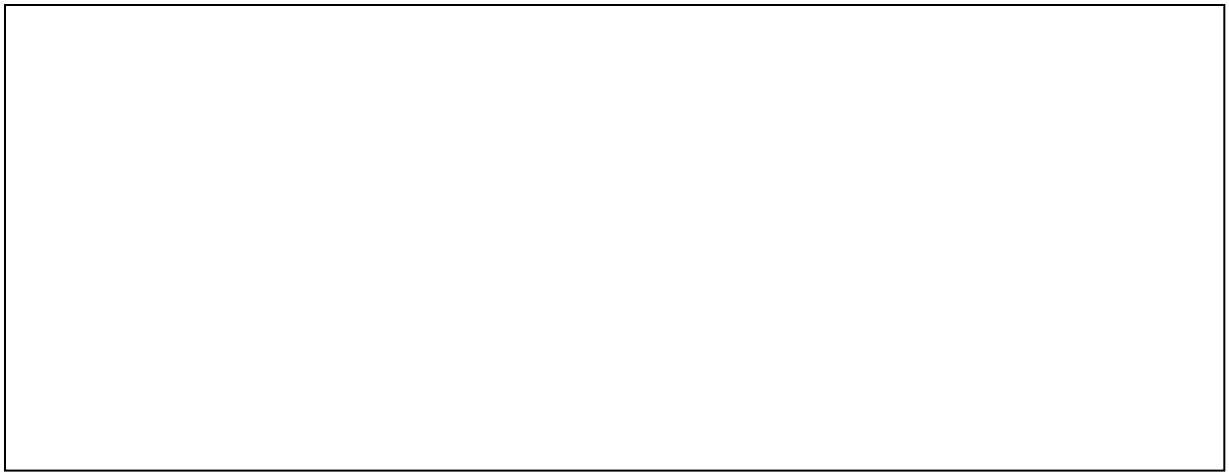
A comparison of actions taken by FEMA and the state during closeout.

SECTION SLIDE



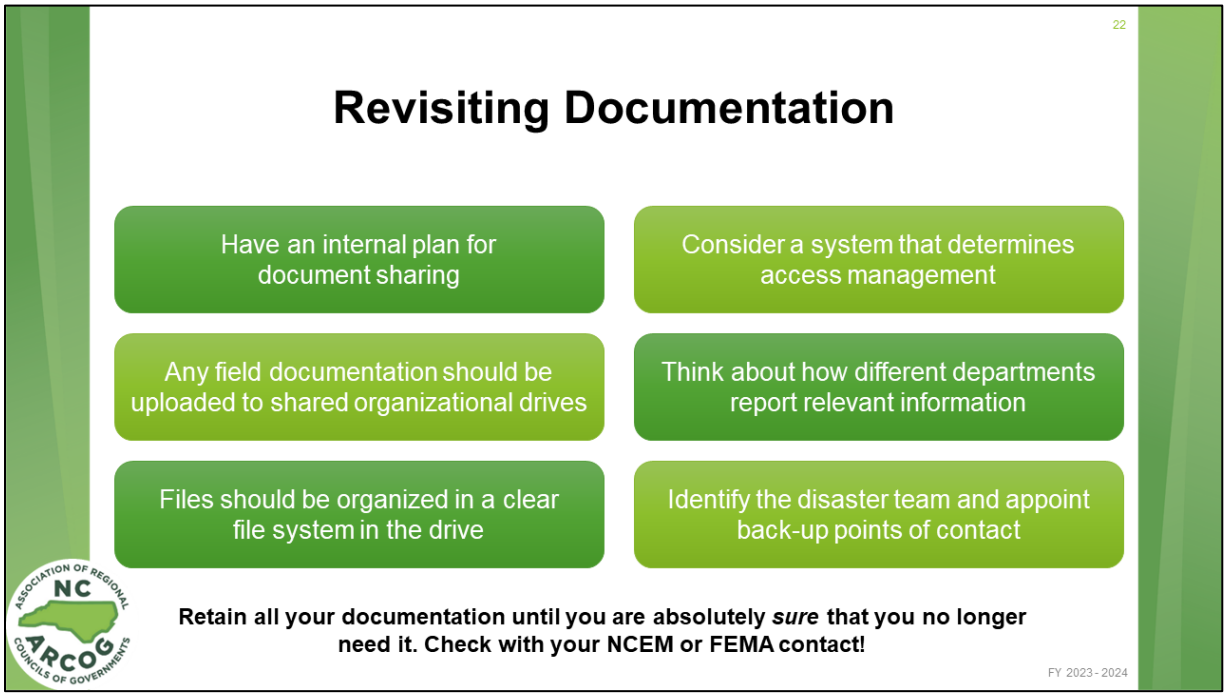
NOTES

- Once the Subrecipient validates that all projects are completed, FEMA will close out the Subrecipient.
- The Subrecipient should notify the Recipient immediately as it completes each Large Project and when it has completed its last Small Project. Subrecipients should not wait for the Quarterly Progress Report to inform the Recipient as it must meet the 90-day closeout deadlines defined throughout this section. If all of the Subrecipient's projects are closed and there are no outstanding audits, FEMA closes the Subrecipient and notifies the Recipient in writing.
- Once FEMA closes out the Subrecipient, the Recipient initiates the Public Assistance award closeout.
  - The Recipient submits a Federal Financial Report with a request to close the PA award.
  - When the closeout request is received, FEMA ensures all projects are complete and compliant, then closes the award.
- It is critical to follow proper procedures! In one example applicants in North Carolina have completed unapproved work and Environmental and Historic Preservation was no longer willing to fund the project!
- Each project gets closed out separately (with the exception of grouping Small Projects which can be closed out in a group).



REVISITING DOCUMENTATION

SECTION SLIDE



NOTES

- Maintaining your documentation throughout the recovery process is critical.
- Ensure that all of your records are backed up and kept until you are absolutely certain that they're no longer necessary.
- Even then, confer with your NCEM and FEMA contacts before getting rid of anything.

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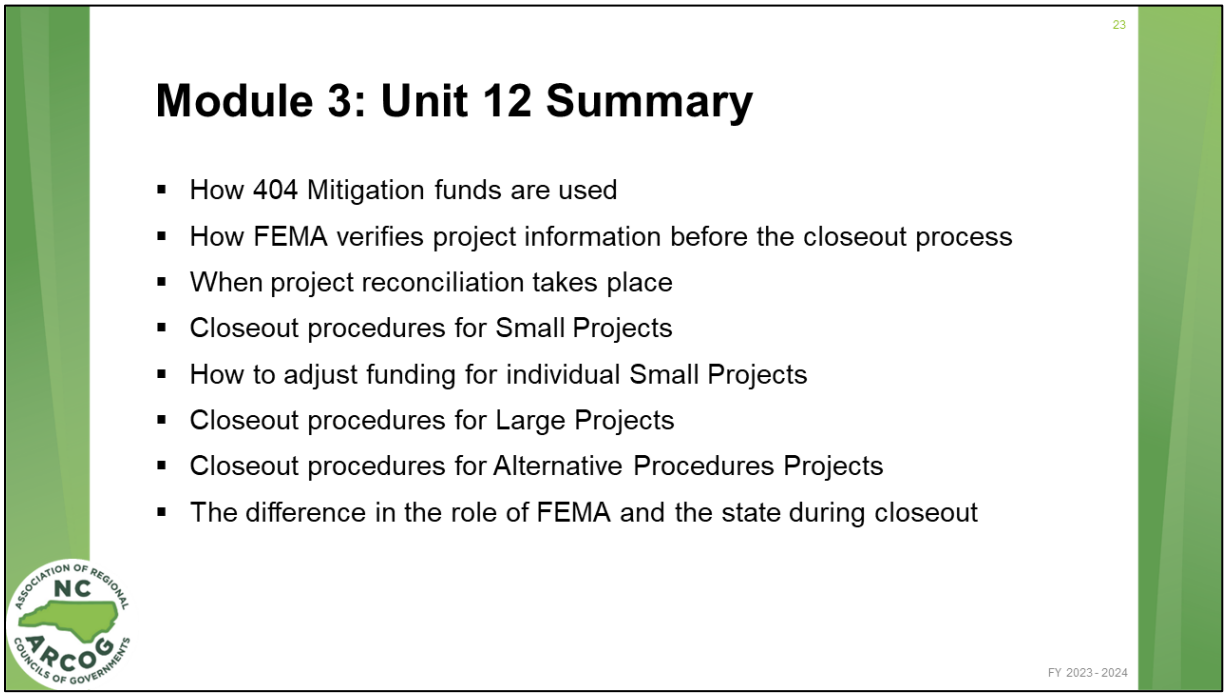
MODULE 3: UNIT 12 SUMMARY

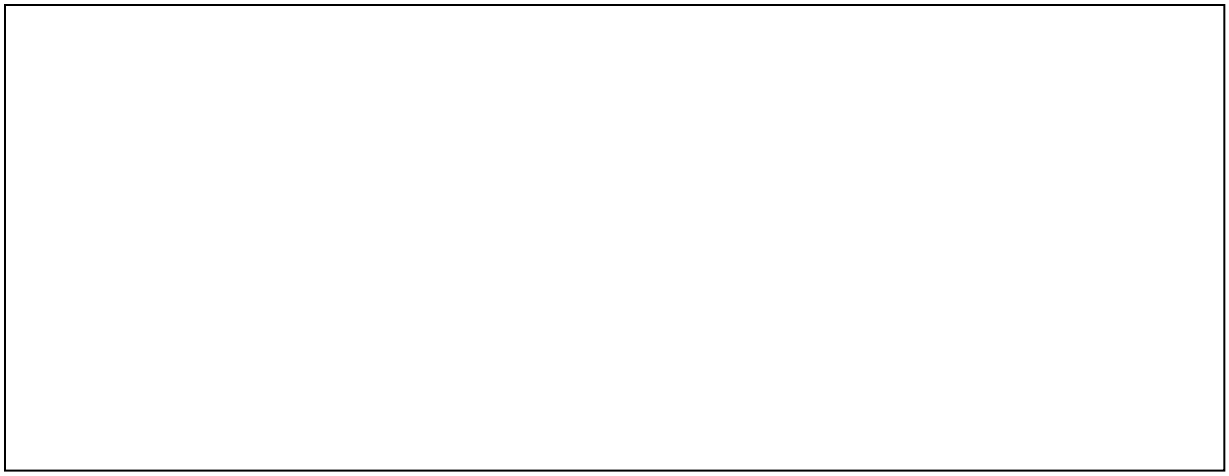
SECTION SLIDE



NOTES

- How 404 Mitigation funds are used
- How FEMA verifies project information before the closeout process
- When project reconciliation takes place
- Closeout procedures for Small Projects
- How to adjust funding for individual Small Projects
- Closeout procedures for Large Projects
- Closeout procedures for Alternative Procedures Projects
- The difference in the role of FEMA and the state during closeout

Funding for training provided by the state of North Carolina Office of State Budget and Management in conjunction with the Department of Public Safety and the Office of Emergency Management.

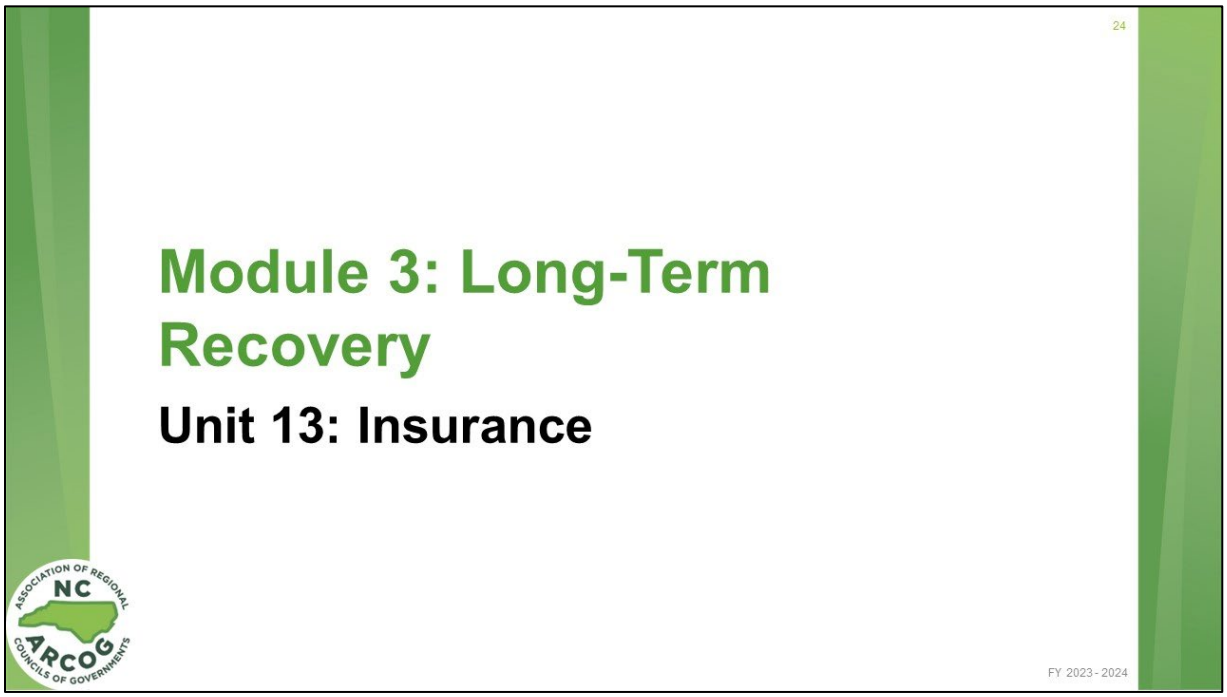


UNIT 13: INSURANCE

SECTION OVERVIEW

In This Unit, we will discuss the methods to address local governments' insurance coverage/needs appropriately.

SECTION SLIDE

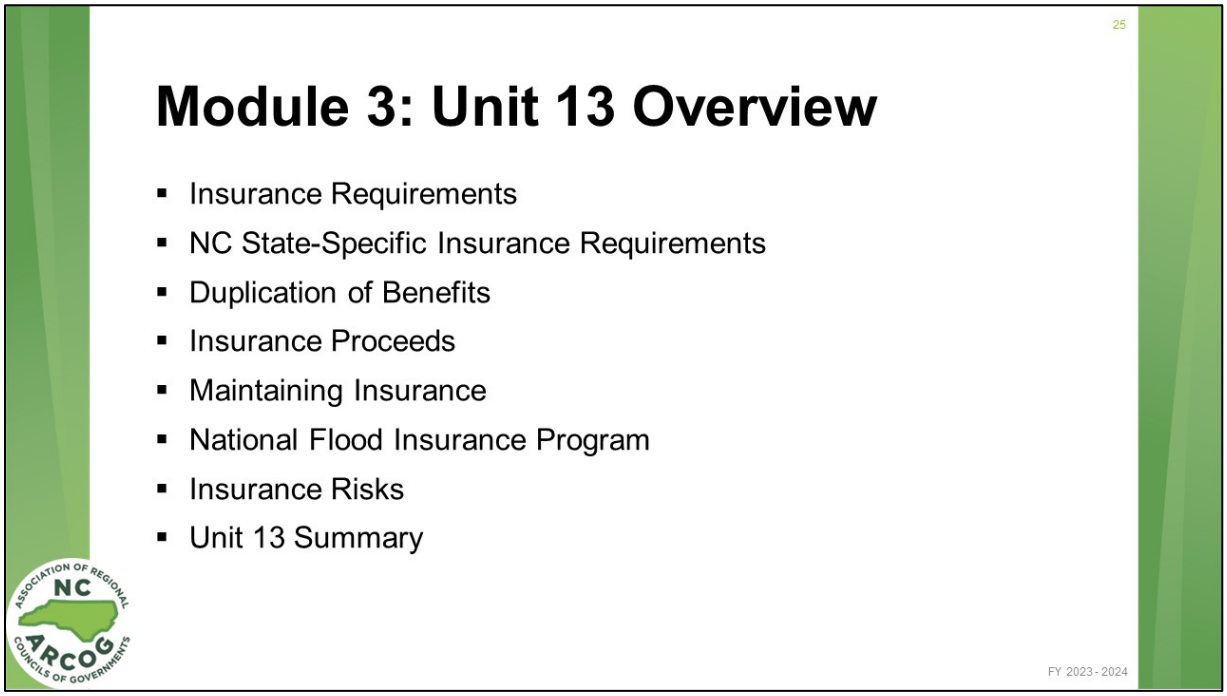


NOTES

In this Unit, we will discuss insurance requirements and how improper insurance practices can jeopardize Public Assistance funding.

Funding for training provided by the state of North Carolina Office of State Budget and Management in conjunction with the Department of Public Safety and the Office of Emergency Management.

OVERVIEW



NOTES

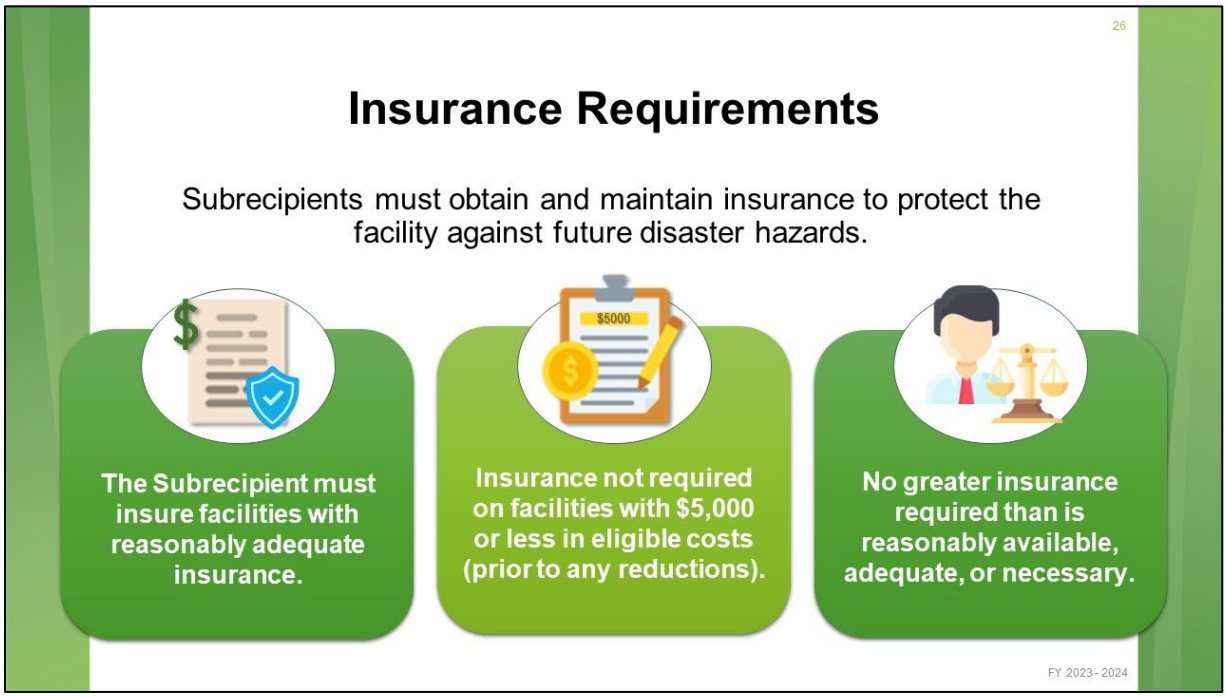
Funding for training provided by the state of North Carolina Office of State Budget and Management in conjunction with the Department of Public Safety and the Office of Emergency Management.

INSURANCE REQUIREMENTS

SECTION OVERVIEW

An overview of the insurance requirements determined by FEMA to receive Public Assistance funding.

SECTION SLIDE



NOTES

- Subrecipients that receive Public Assistance funding for permanent work to replace, repair, reconstruct, or construct a facility must obtain and maintain insurance to protect the facility against future disaster hazards. The appropriate amount of insurance must be obtained and maintained once FEMA has issued Public Assistance funds as part of a Public Assistance project.
- The Subrecipient must insure facilities with insurance reasonably adequate to protect against future loss to the property.
  - The type of insurance should support the hazard(s) that caused the damage in the disaster.
  - The amount of insurance required is calculated based on the eligible costs prior to any reductions.
  - Infrastructure and facilities such as roadways and sewer lines are generally not insurable, therefore this does not apply.
- The Subrecipient is not required to obtain and maintain insurance on facilities with $5,000 or less in eligible costs (prior to any reductions).
- FEMA does not require greater types and amounts of insurance than reasonably available, adequate, or deemed necessary by the appropriate State or Territorial Insurance Commissioner.

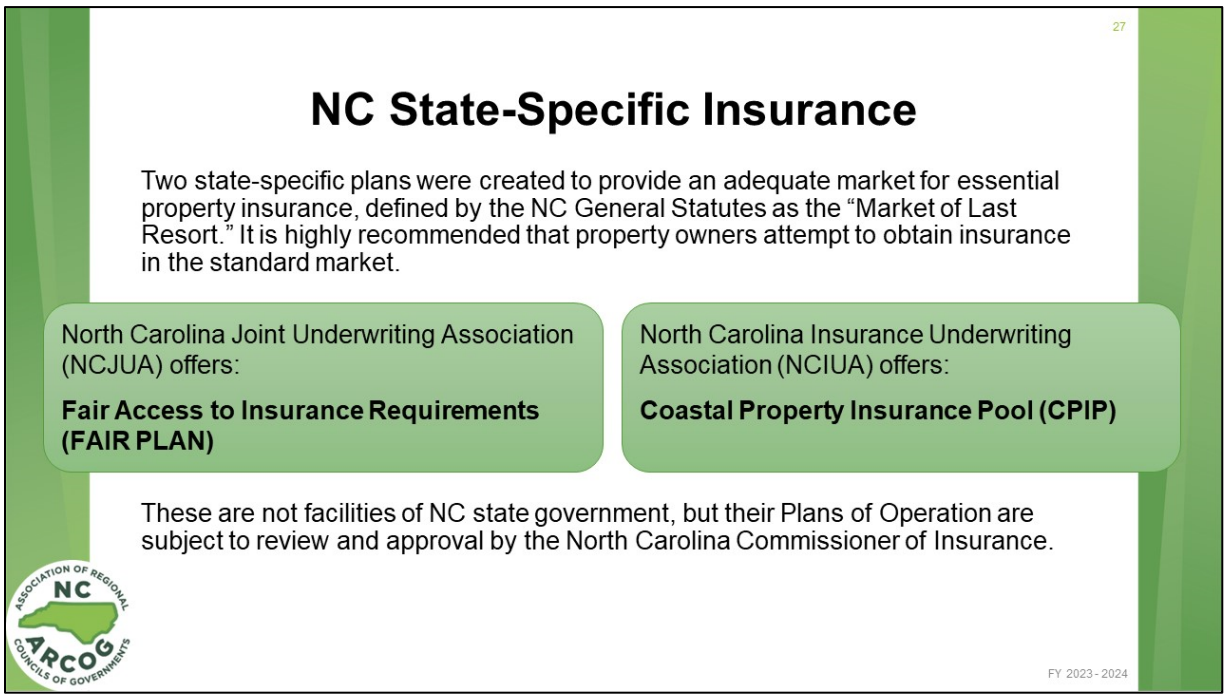
- The State or Territorial Insurance Commissioner cannot waive federal insurance requirements but may certify the types and extent of insurance reasonable to protect against future loss to an insurable facility.

NC STATE-SPECIFIC INSURANCE

SECTION OVERVIEW

A description of North Carolina state-specific insurance plans.

SECTION SLIDE

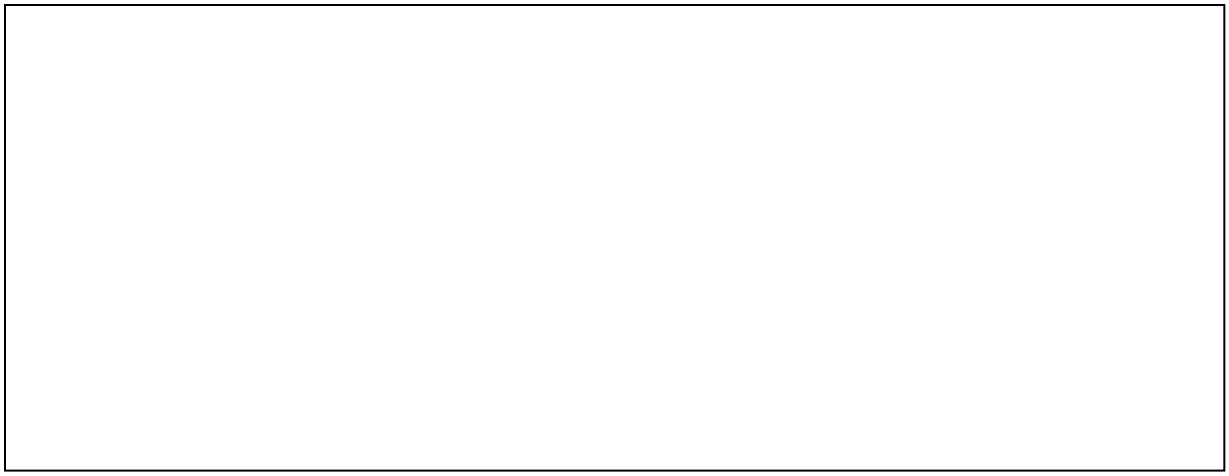


NOTES

Two state-specific plans were created to provide an adequate market for essential property insurance. These plans are defined by the NC General Statutes as the "Market of Last Resort." It is highly recommended that property owners attempt to obtain insurance in the standard market.

- North Carolina Joint Underwriting Association (NCJUA) offers the Fair Access to Insurance Requirements (FAIR PLAN)
- North Carolina Insurance Underwriting Association (NCIUA) offers the Coastal Property Insurance Pool (CPIP)

These are not facilities of NC state government, but their Plans of Operation are subject to review and approval by the North Carolina Commissioner of Insurance. Details are discussed on the next two slides.



NCJUA – FAIR ACCESS TO INSURANCE REQUIREMENTS (FAIR PLAN)

SECTION OVERVIEW

A brief overview of the FAIR Plan.

SECTION SLIDE

NOTES

Insurance products offered:

- Commercial Fire
- Dwelling Fire

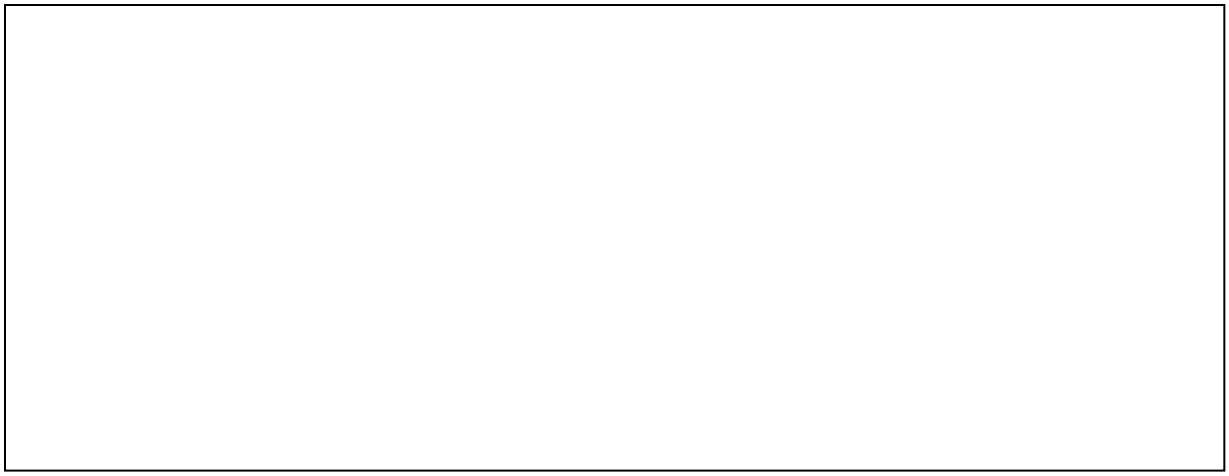
All Territories are covered except for the Beach Area which is defined as the areas south and east of the inland waterway including the Outer Banks.

Coverage includes windstorm, fire, lightning, vandalism, and malicious mischief.

The maximum commercial combined limit is $2.5 million; capped at a $6 million aggregate depending on fire wall divisions of the structure insured.

If the coverage required exceeds the maximum building limit of the FAIR Plan, then excess coverage must be purchased to the full value of the property prior to the FAIR Plan providing the primary coverage.

More information is available at: https://www.ncjua-nciua.org/html/svcs_cov.htm and 800-662-7048.

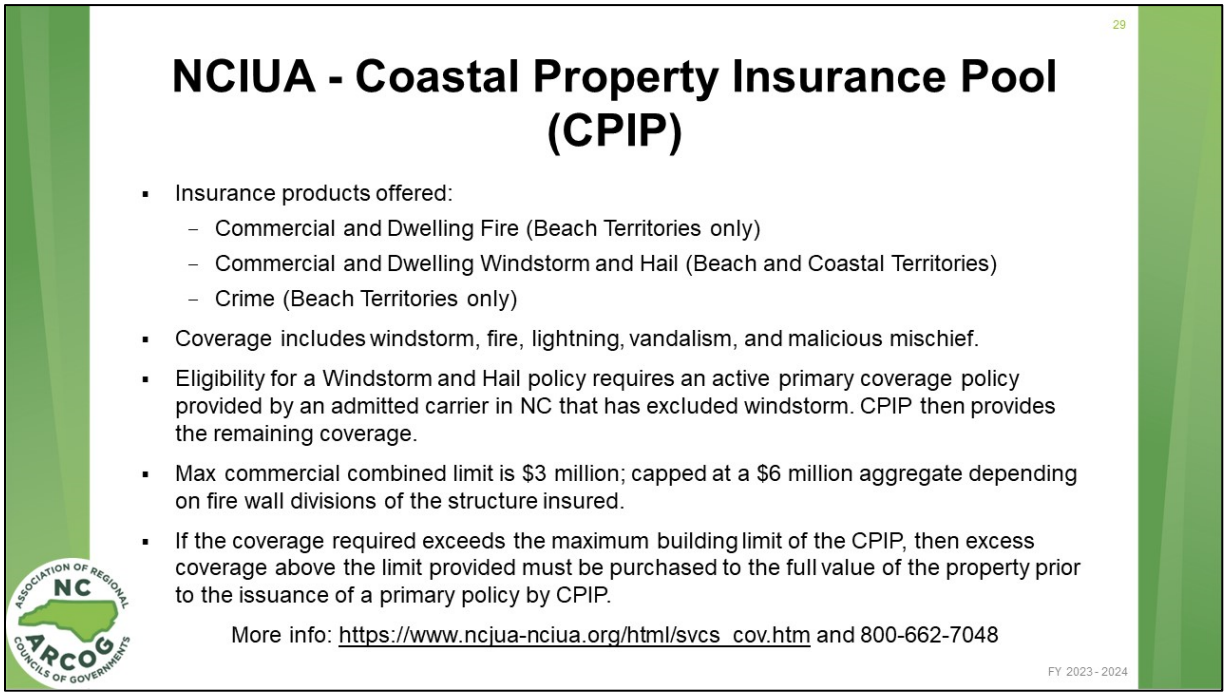


NCIUA – COASTAL PROPERTY INSURANCE POOL (CPIP)

SECTION OVERVIEW

A brief overview of the CPIP Plan.

SECTION SLIDE



NOTES

Insurance products offered:

- Commercial and Dwelling Fire (Beach Territories only)
- Commercial and Dwelling Windstorm and Hail (Beach and Coastal Territories)
- Crime (Beach Territories only)

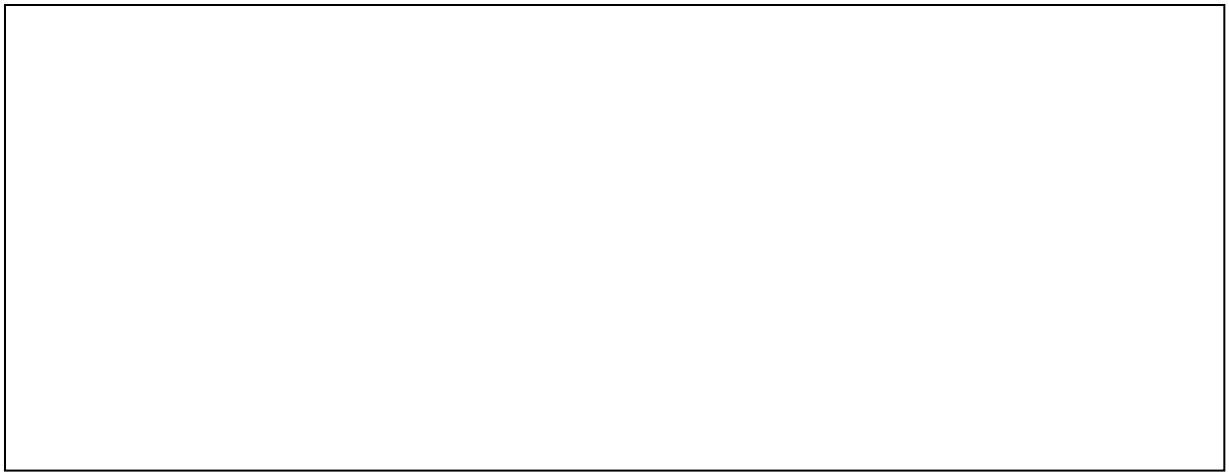
Coverage includes windstorm, fire, lightning, vandalism, and malicious mischief.

Eligibility for a Windstorm and Hail policy requires an active primary coverage policy provided by an admitted carrier in NC that has excluded windstorm. CPIP then provides the remaining coverage.

The maximum commercial combined limit is $3 million; capped at a $6 million aggregate depending on fire wall divisions of the structure insured.

If the coverage required exceeds the maximum building limit of the CPIP, then excess coverage above the limit provided must be purchased to the full value of the property prior to the issuance of a primary policy by CPIP.

More information is available at: https://www.ncjua-nciua.org/html/svcs_cov.htm and 800-662-7048.

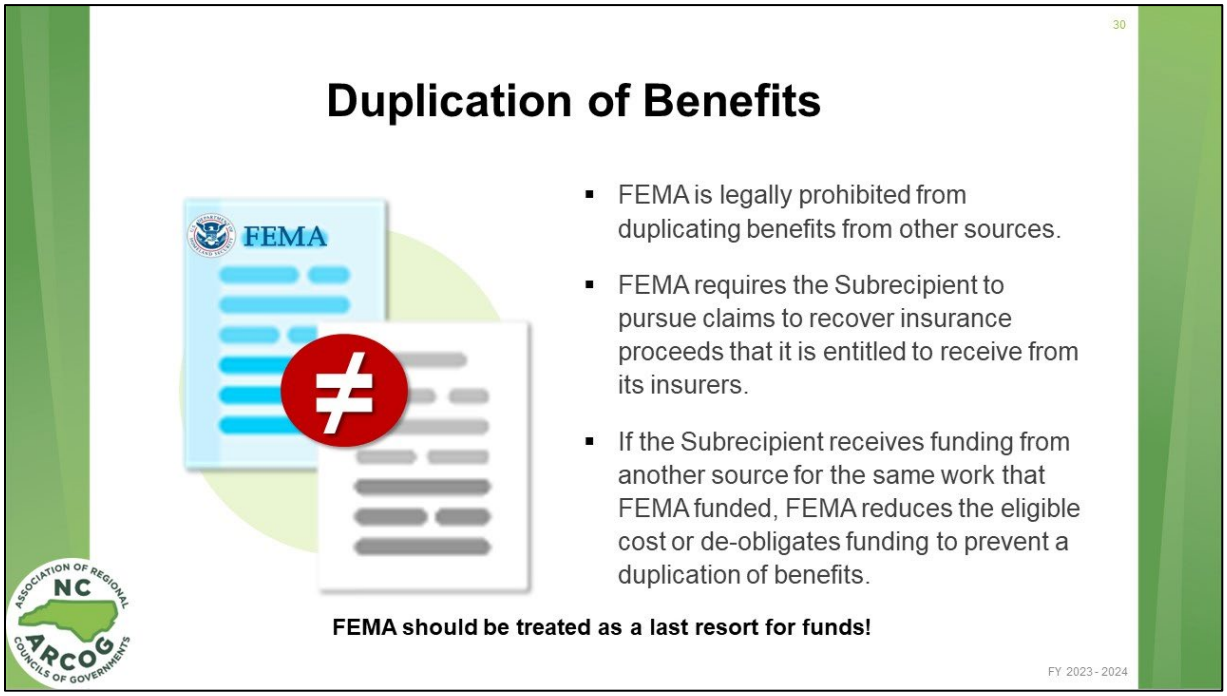


DUPLICATION OF BENEFITS

SECTION OVERVIEW

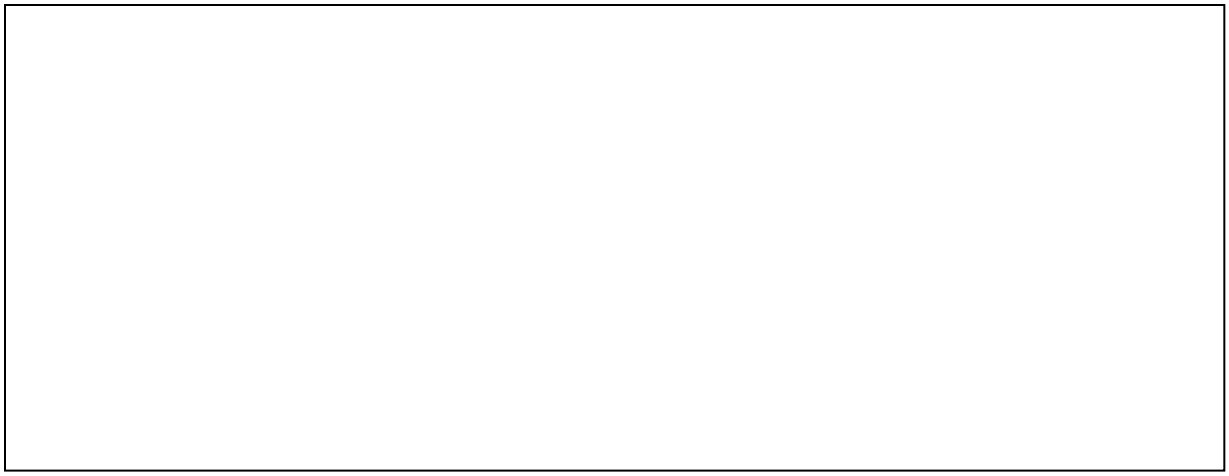
An explanation of the consequences of Duplication of Benefits.

SECTION SLIDE



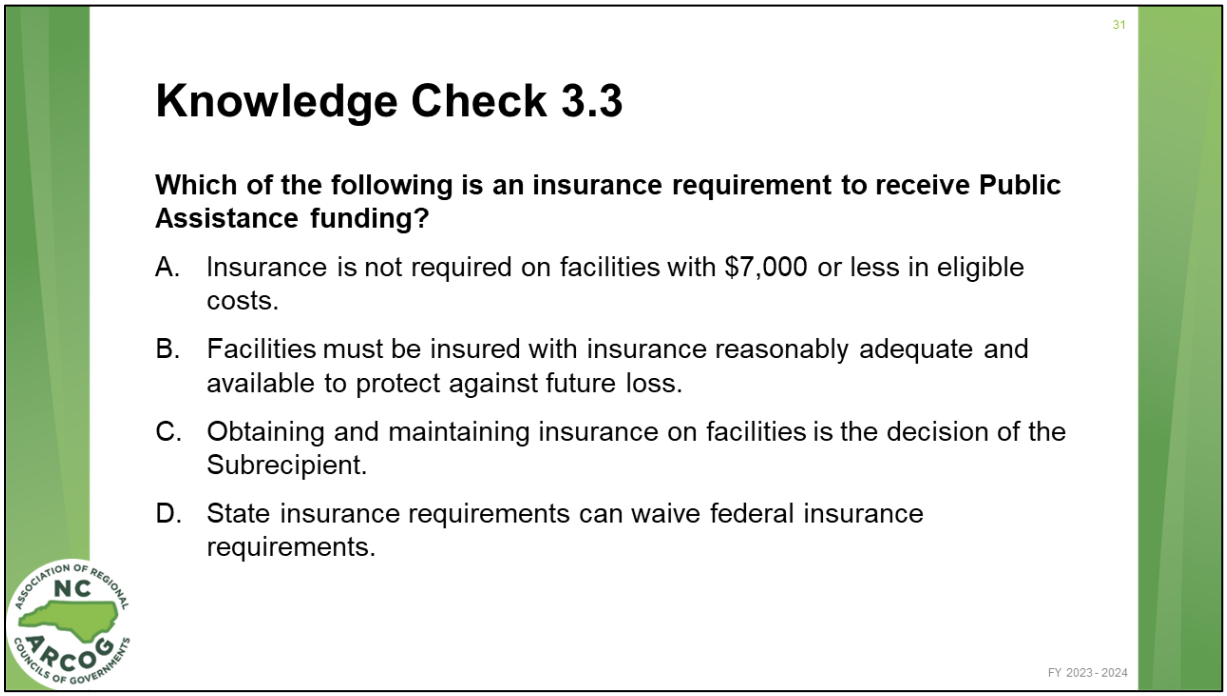
NOTES

- FEMA is legally prohibited from duplicating benefits from other sources.
- FEMA requires the Subrecipient to pursue claims to recover insurance proceeds that it is entitled to receive from its insurer(s).
- If the Subrecipient receives funding from another source for the same work that FEMA funded, FEMA reduces the eligible cost or de-obligates funding to prevent a duplication of benefits.



KNOWLEDGE CHECK 3.3

SECTION SLIDE



NOTES

Which of the following is an insurance requirement to receive Public Assistance funding?

A. Insurance is not required on facilities with $7,000 or less in eligible costs.

B. Facilities must be insured with insurance reasonably adequate and available to protect against future loss.

C. Obtaining and maintaining insurance on facilities is the decision of the Subrecipient.

D. State insurance requirements can waive federal insurance requirements.

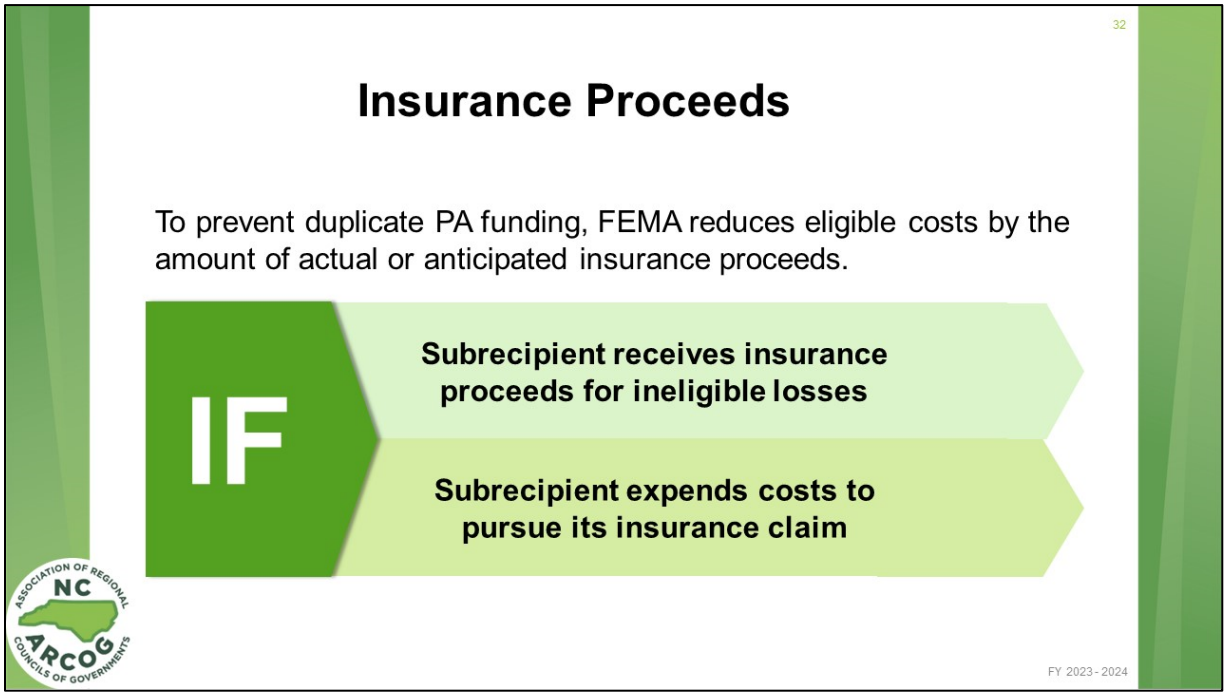
Funding for training provided by the state of North Carolina Office of State Budget and Management in conjunction with the Department of Public Safety and the Office of Emergency Management.

INSURANCE PROCEEDS

SECTION OVERVIEW

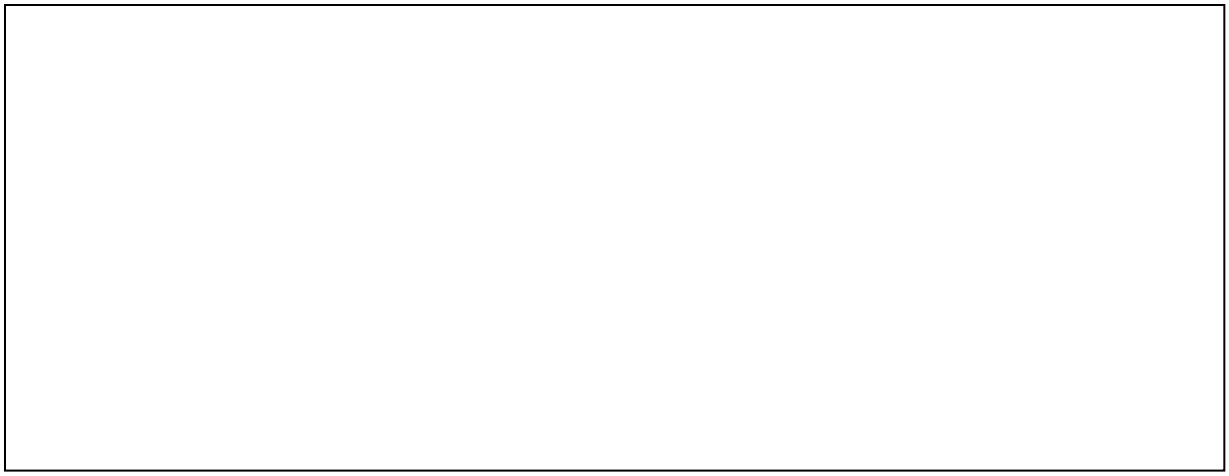
A description of processes that prevent insurance proceeds from duplicating PA benefits.

SECTION SLIDE



NOTES

- Insurance proceeds cannot be duplicated by PA funding. To prevent this from occurring, FEMA reduces eligible costs by the amount of:
  - Actual insurance proceeds, if known, or
  - Anticipated insurance proceeds based on the Subrecipient's insurance policy
- If the Subrecipient receives insurance proceeds for ineligible losses (e.g., business interruption), FEMA calculates a relative apportionment of insurance proceeds to determine the insurance reduction based on:
  - The proceeds received per type of loss as specified by the insurance policy or settlement documentation
  - Policy limits for categories of loss as specified in the insurance policy
  - The ratio of total eligible losses to total ineligible losses
- If the Subrecipient expends costs to pursue its insurance claim, FEMA offsets the insurance reduction with the costs to pursue the claim if:
  - The incurred cost resulted from pursuing insurance proceeds for FEMA-eligible work
  - The incurred cost was attributed to pursuing more insurance proceeds than the initial settlement amount

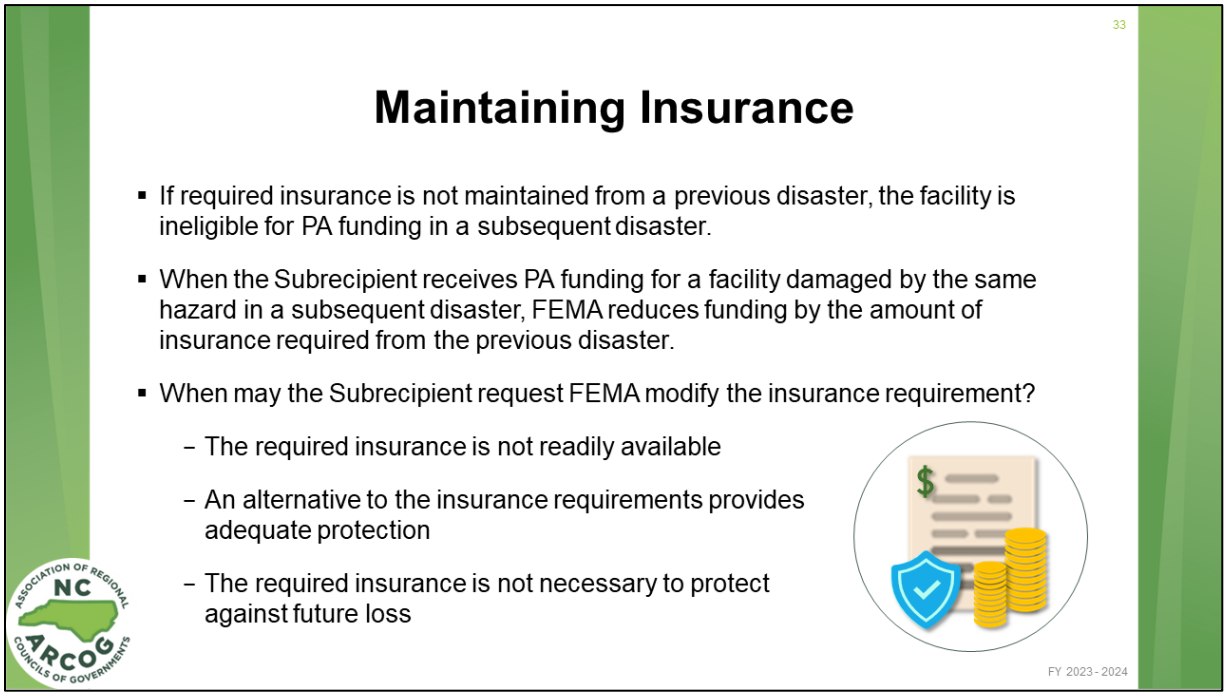


MAINTAINING INSURANCE

SECTION OVERVIEW

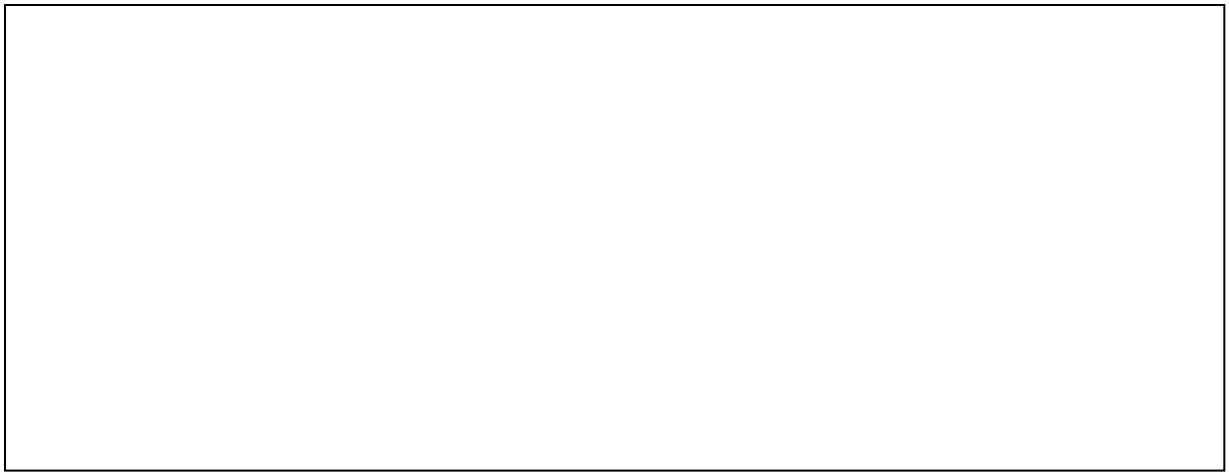
A description of the consequences of not maintaining insurance on facilities.

SECTION SLIDE



NOTES

- If the Subrecipient does not maintain the required insurance from a previous disaster, the facility is ineligible for PA funding in a subsequent disaster, regardless of the hazard(s) that caused the damage.
- When the Subrecipient receives PA funding for a facility damaged by the same hazard in a subsequent disaster, FEMA reduces funding in this subsequent disaster by the amount of insurance required from the previous disaster.
- The Subrecipient may request that FEMA modify the insurance requirement when:
  - The required insurance is not available
  - An alternative to the insurance requirement provides adequate protection against future loss to the property
  - The required insurance is not necessary to protect against future loss to the property

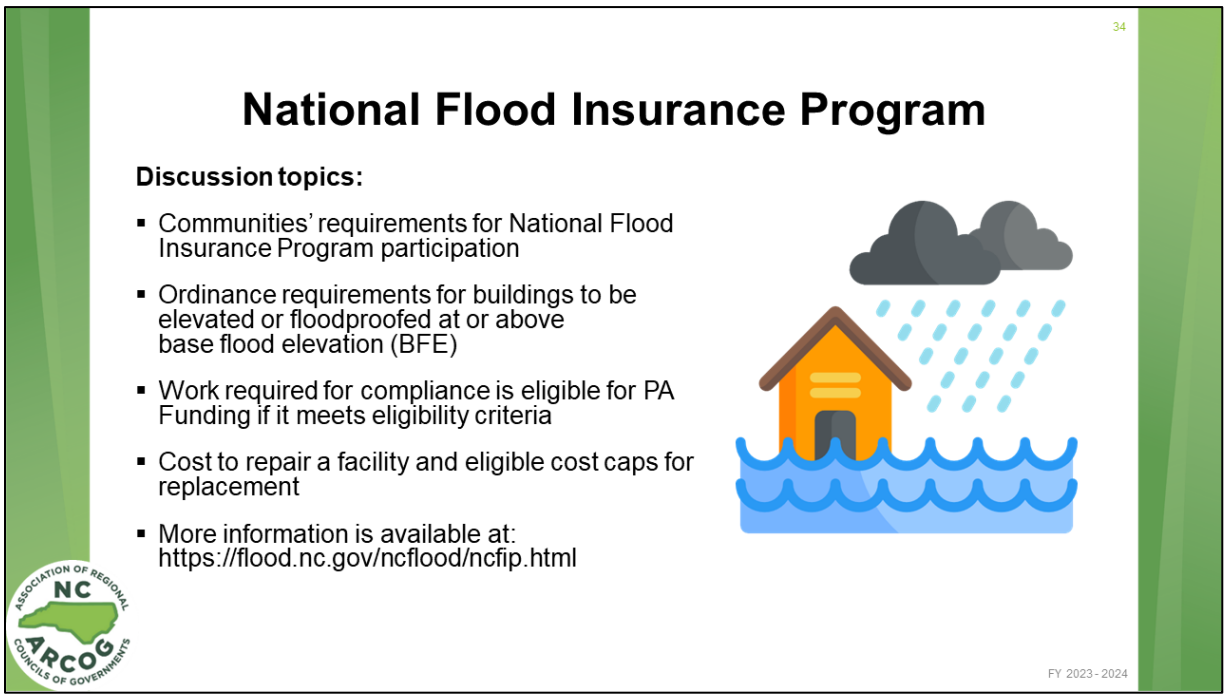


NATIONAL FLOOD INSURANCE PROGRAM)

SECTION OVERVIEW

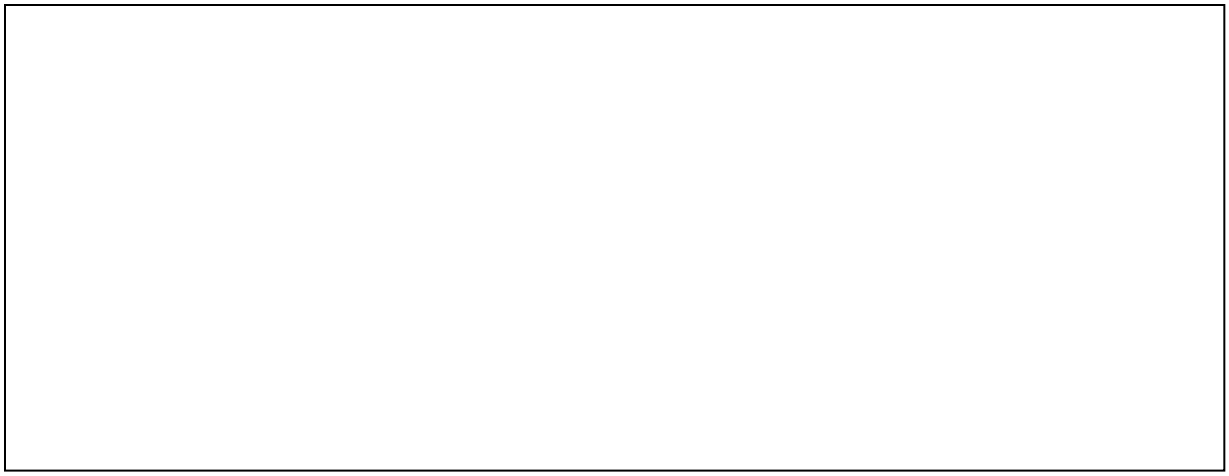
An overview of the requirements of the National Flood Insurance Program.

SECTION SLIDE



NOTES

- A community that participates in the National Flood Insurance Program (NFIP) must adopt and enforce a floodplain management ordinance that meets or exceeds the minimum NFIP requirements.
- The ordinance must require that new or Substantially Improved buildings be elevated so that the lowest floor is at or above the base flood elevation (BFE) or floodproofed to a level equal to or above the BFE (some communities have more restrictive ordinances that require elevation or floodproofing to greater levels).
- Work required for compliance with the floodplain ordinance is eligible for Public Assistance funding, provided it meets the eligibility criteria for codes and standards and are disaster-related repairs.
- Cause of loss is important to document, as the cause of damage (whether flood or wind) may have other insurance coverage that can affect a PA grant.
- If the cost to repair a facility in accordance with the floodplain ordinance is greater than the cost to replace the facility in accordance with the ordinance, the eligible cost is capped at the replacement cost.

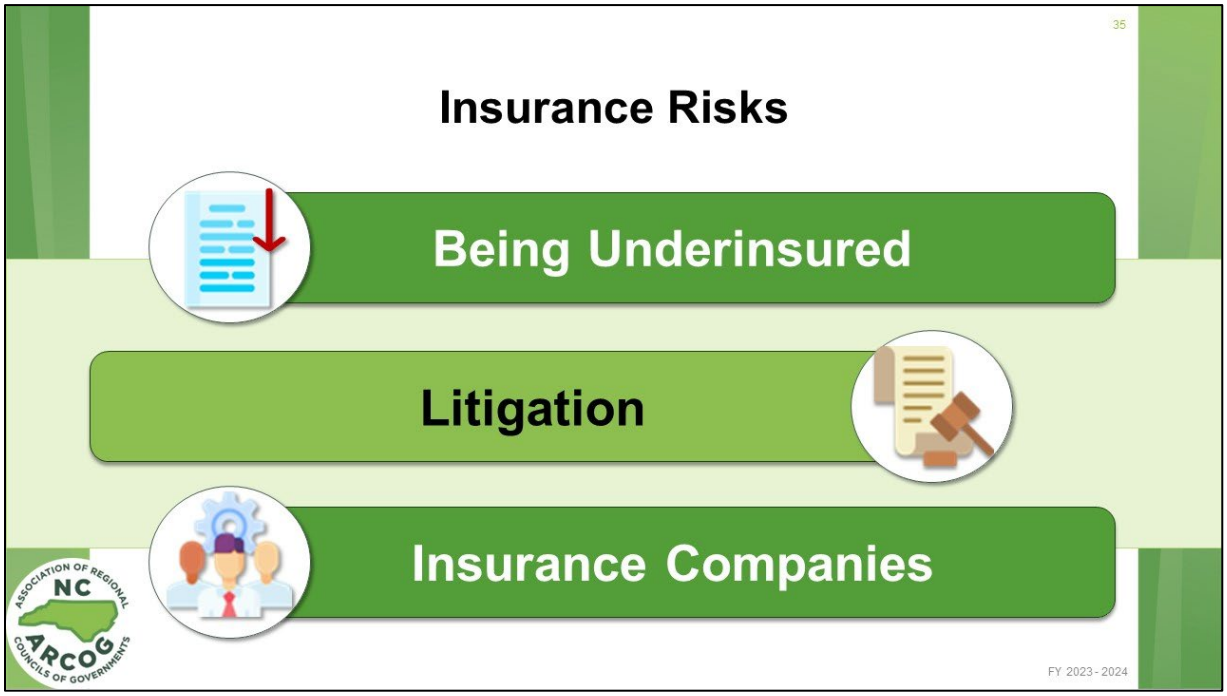


INSURANCE RISKS

SECTION OVERVIEW

Examples of risks to project funding that can come about because of insurance issues.

SECTION SLIDE

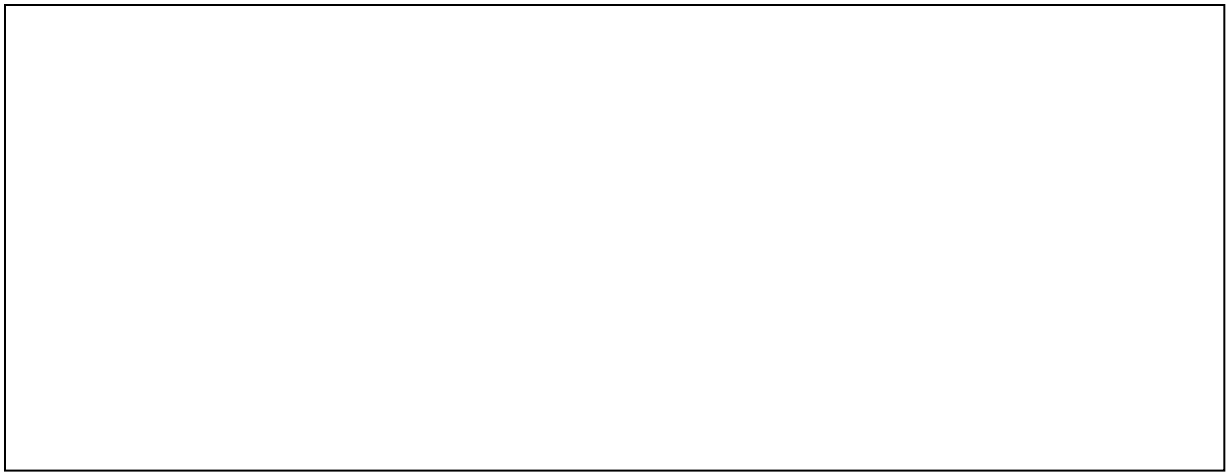


NOTES

- Being underinsured: FEMA will cover the difference in cost for eligible work. Will need to maintain insurance for damage amount in the most recent disaster.
- Litigation: insurance company inspectors doing incorrect reporting/inspections can jeopardize FEMA funding if there is not enough (or improper) documentation to support claims.
- Insurance companies may be unable to pay out all claims in the event of large disasters with excess damage.
- **LGUs can't control litigation and insurance companies. Focus on maintaining proper insurance and be ready to handle litigation and insurance issues when necessary.**

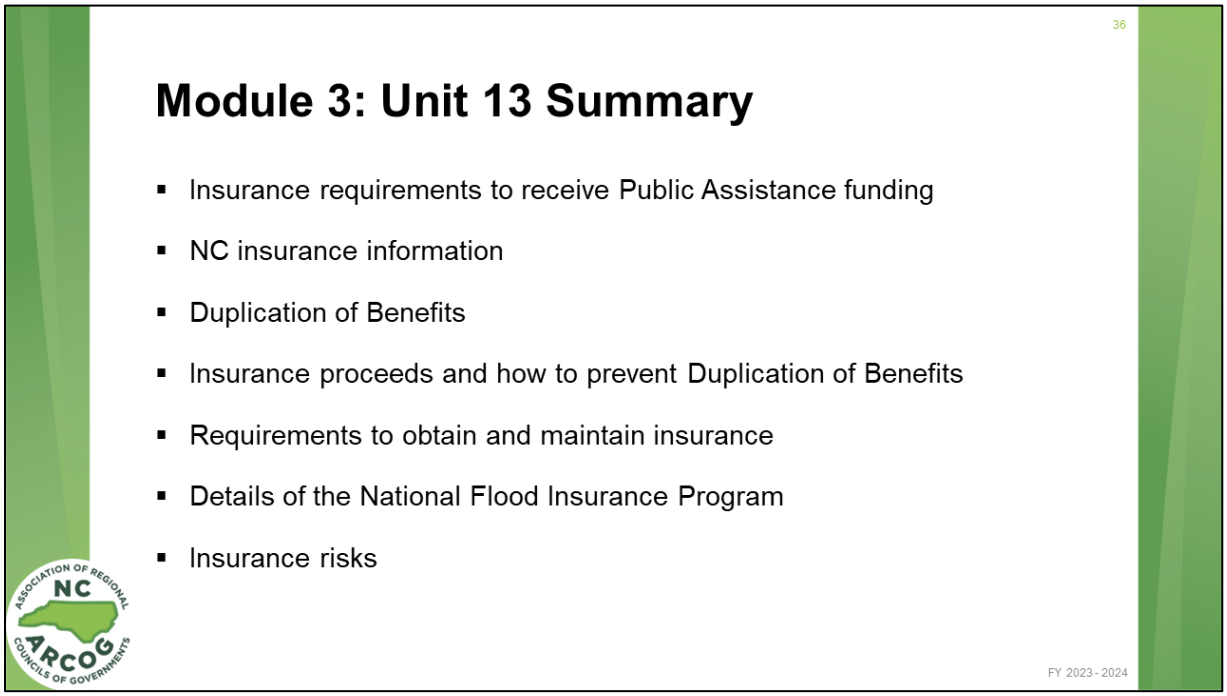
Any other insurance risks you may have seen/experienced?

Funding for training provided by the state of North Carolina Office of State Budget and Management in conjunction with the Department of Public Safety and the Office of Emergency Management.



MODULE 3: UNIT 13 SUMMARY

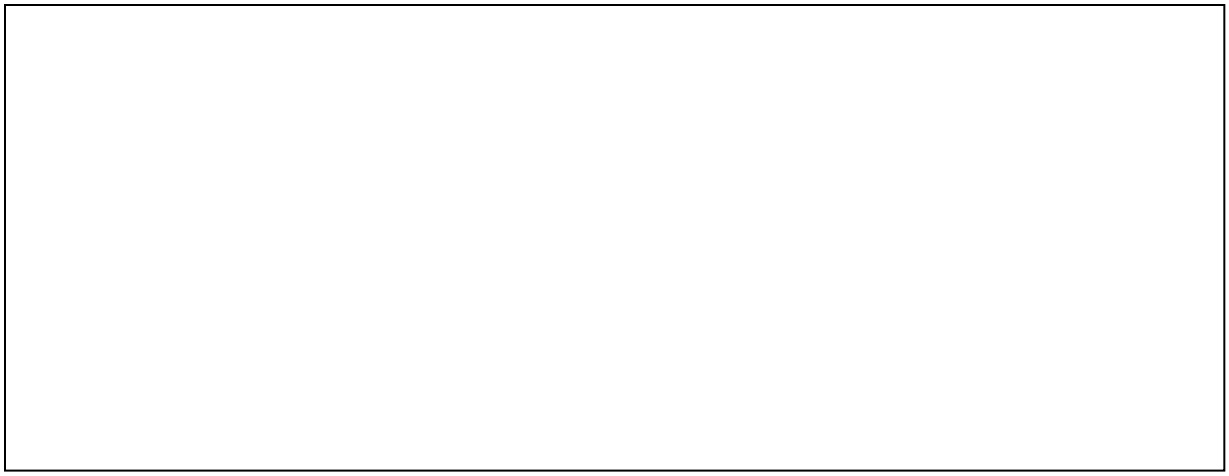
SECTION SLIDE



NOTES

- Insurance requirements to receive Public Assistance funding
- NC insurance information
- Duplication of Benefits
- Insurance proceeds and how to prevent Duplication of Benefits
- Requirements to obtain and maintain insurance
- Details of the National Flood Insurance Program
- Insurance risks

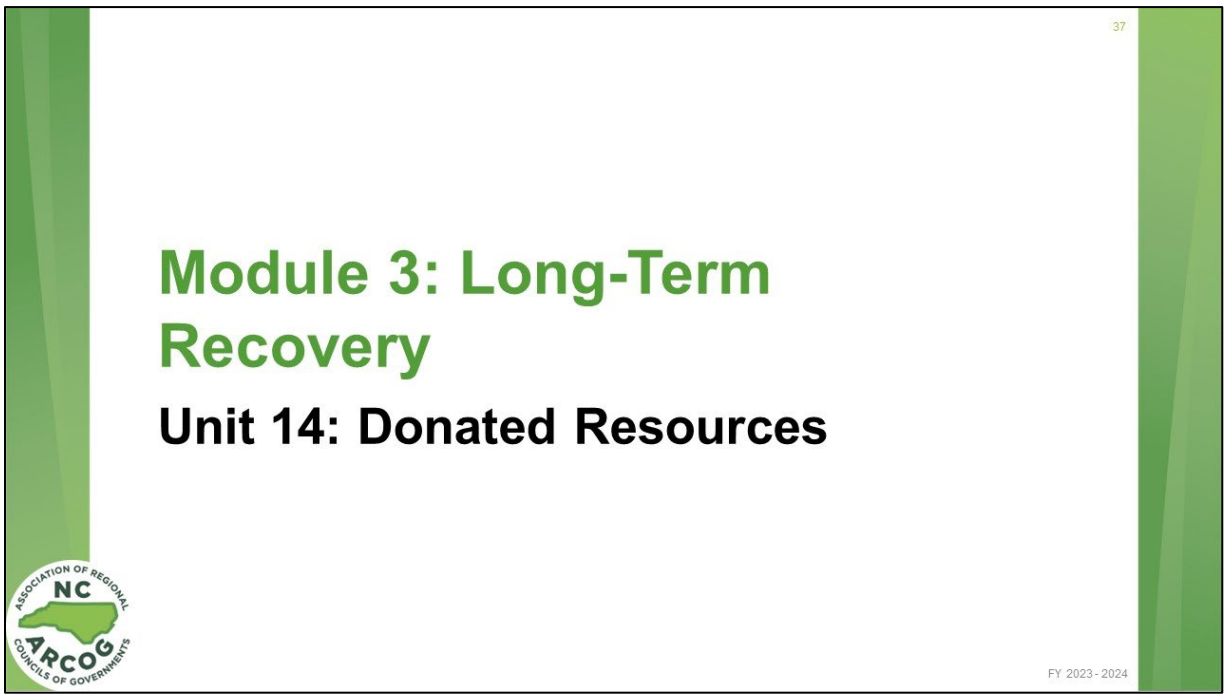
Funding for training provided by the state of North Carolina Office of State Budget and Management in conjunction with the Department of Public Safety and the Office of Emergency Management.



UNIT 14: DONATED RESOURCES

SECTION OVERVIEW

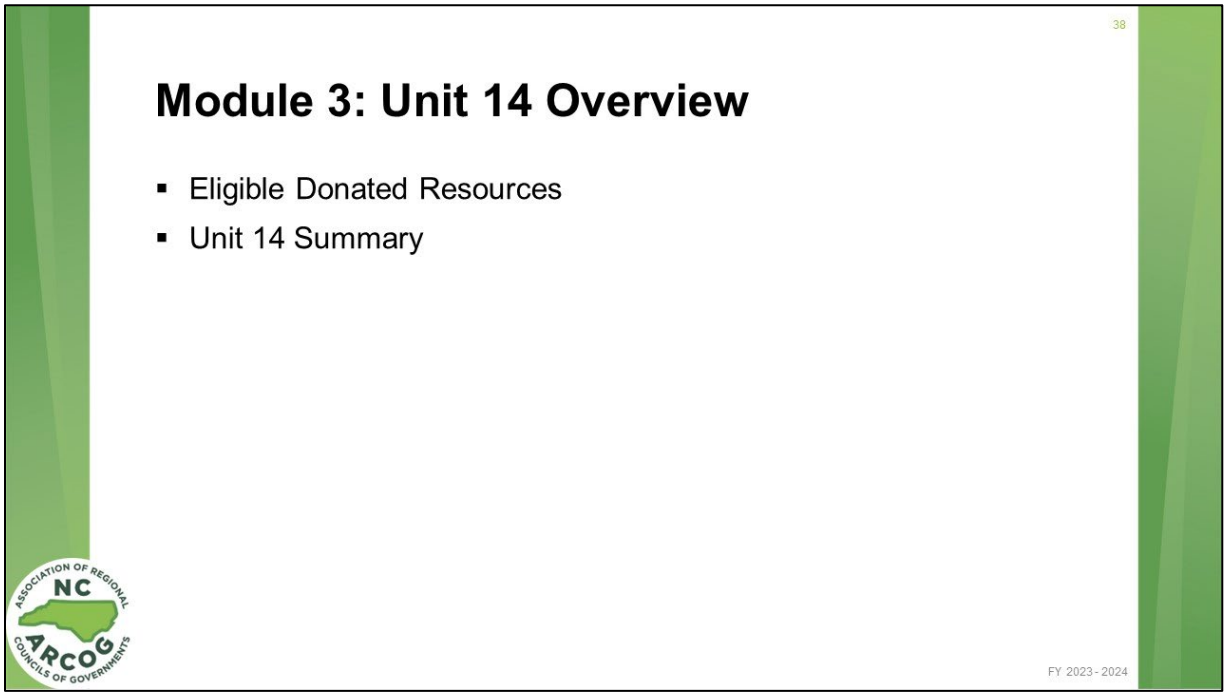
In this Unit, we will discuss how donated resources are used to assist with disaster response, and the monetary value represented by donated resources in disaster recovery.



NOTES

This Unit details information about donated resources, including eligible donated resources, how they are valued, and how to claim donated resources.

OVERVIEW



NOTES

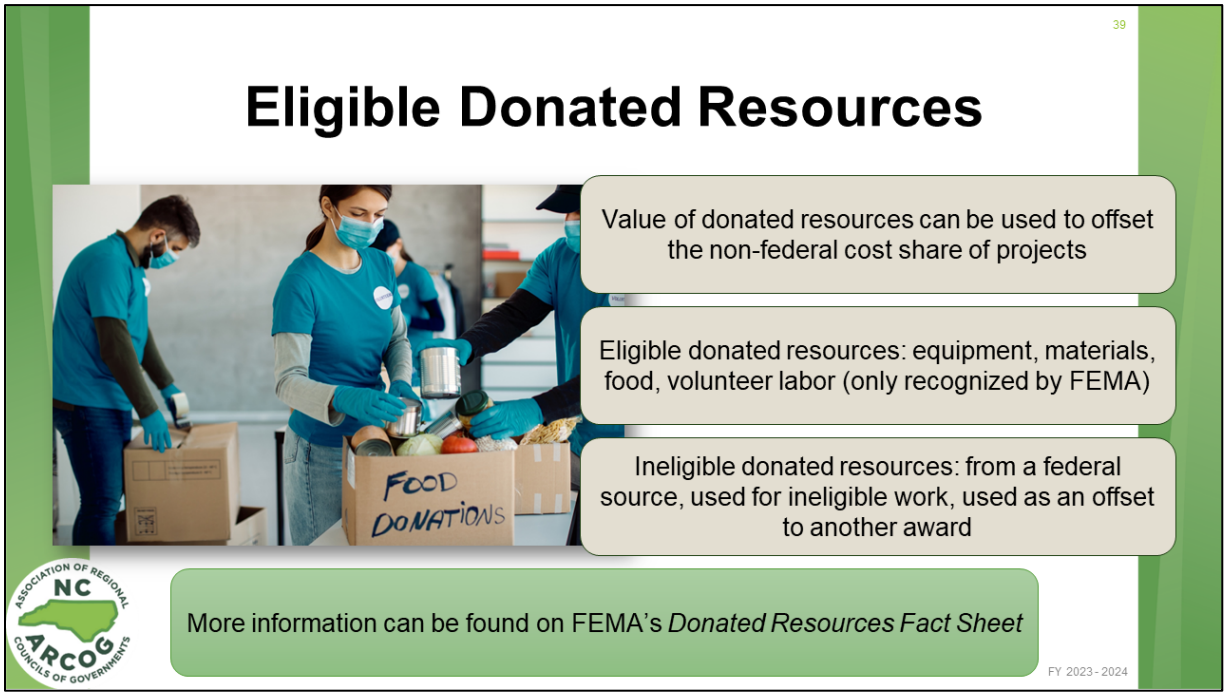
Funding for training provided by the state of North Carolina Office of State Budget and Management in conjunction with the Department of Public Safety and the Office of Emergency Management.

ELIGIBLE DONATED RESOURCES

SECTION OVERVIEW

A description of which resources are eligible or ineligible for an offset of the non-federal cost share.

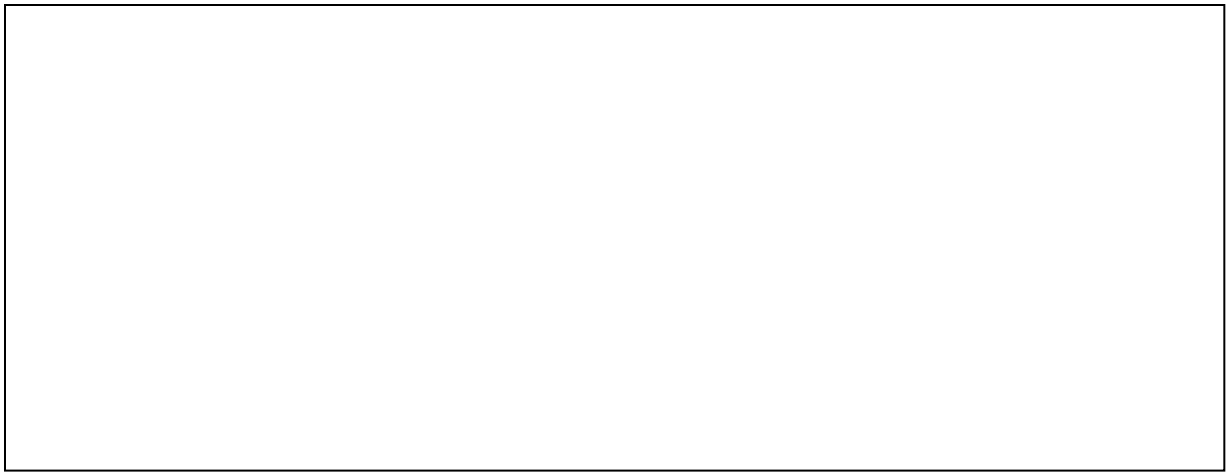
SECTION SLIDE



NOTES

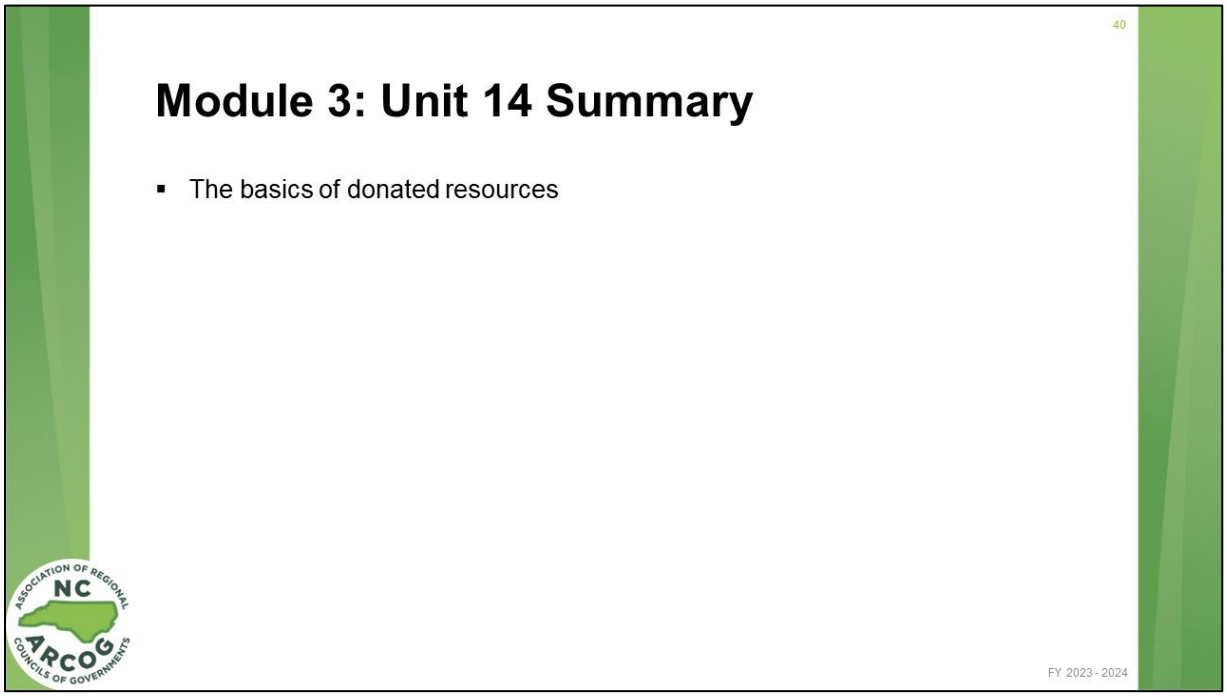
- Third-party sources can donate resources to help with disaster response, such as:
  - Volunteer labor
  - Equipment
  - Materials
- PA funding is not provided for donated resources, however:
  - For both eligible Emergency and Permanent work, the value of donated resources can be used to offset the non-federal cost share of any eligible projects.
  - FEMA credits volunteer labor towards the non-federal share. However, North Carolina always provides the subrecipient with the non-federal share. Therefore, there is no need to track volunteer labor for PA in NC.
- Donated resources are ineligible as an offset toward the non-federal cost share if the resource is:
  - Donated by a federal agency or another federally funded source
  - Funded through a federal award
  - Used as an offset to another federal award
  - Used for ineligible work

Funding for training provided by the state of North Carolina Office of State Budget and Management in conjunction with the Department of Public Safety and the Office of Emergency Management.



MODULE 3: UNIT 14 SUMMARY

SECTION SLIDE

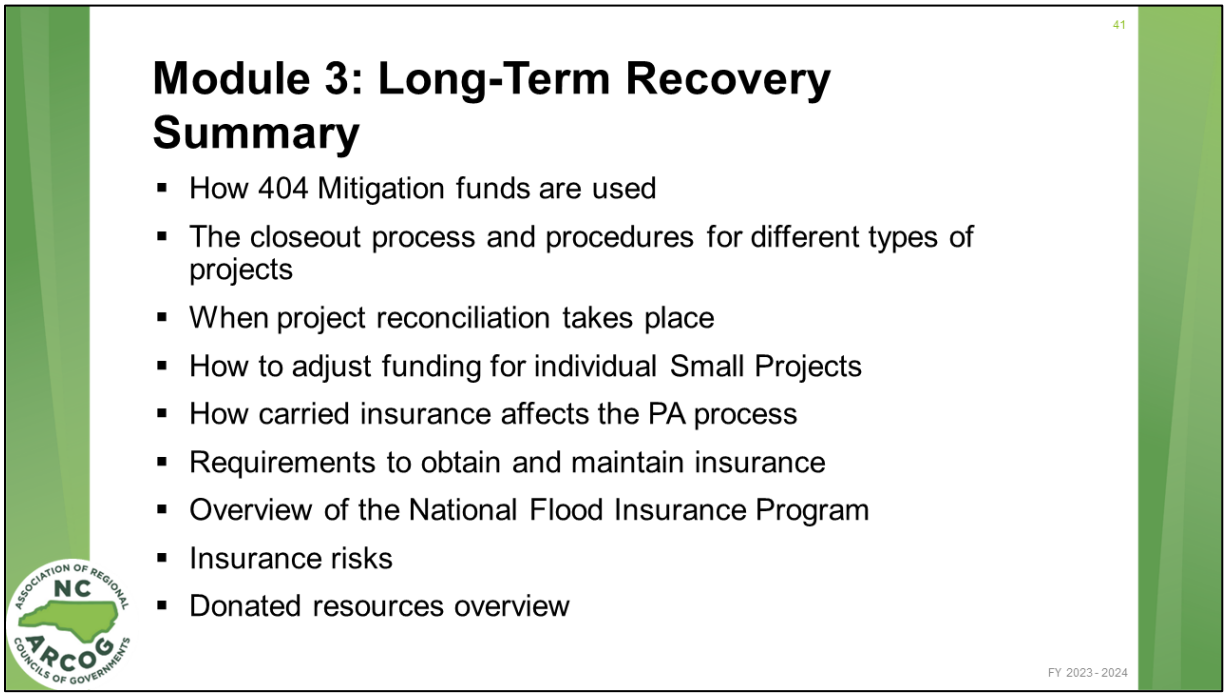


NOTES

- The basics of donated resources

MODULE 3: LONG-TERM RECOVERY SUMMARY

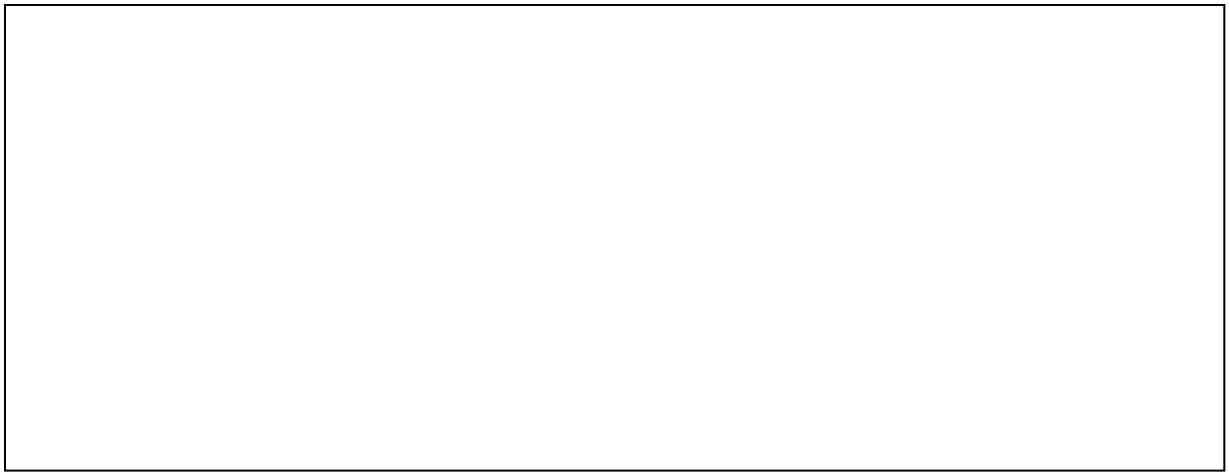
SECTION SLIDE



NOTES

- How 404 Mitigation funds are used
- The closeout process and procedures for different types of projects
- When project reconciliation takes place
- How to adjust funding for individual Small Projects
- How carried insurance affects the PA process
- Requirements to obtain and maintain insurance
- Overview of the National Flood Insurance Program
- Insurance risks
- Donated resources overview

Funding for training provided by the state of North Carolina Office of State Budget and Management in conjunction with the Department of Public Safety and the Office of Emergency Management.



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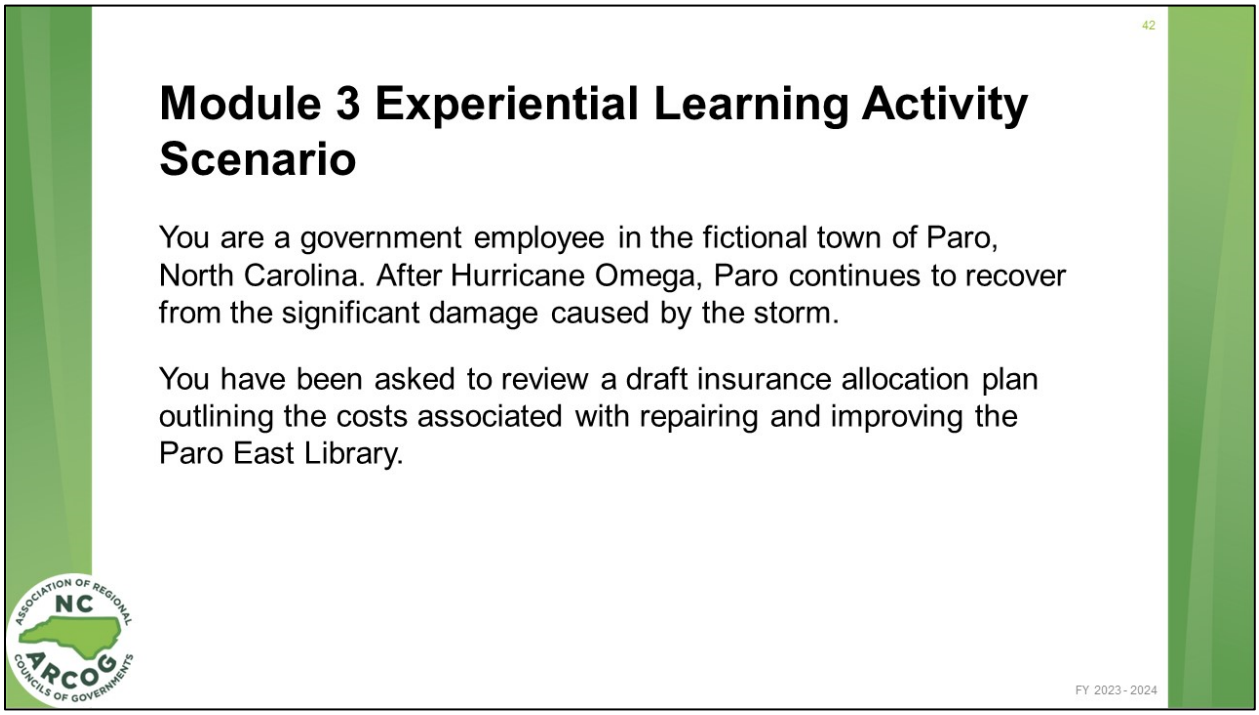

NOTES

Scenario

You are a government employee in the fictional town of Paro, North Carolina. After Hurricane Omega, Paro continues to recover from the significant damage caused by the storm.

You have been asked to review a draft insurance allocation plan outlining the costs associated with repairing and improving the Paro East Library.

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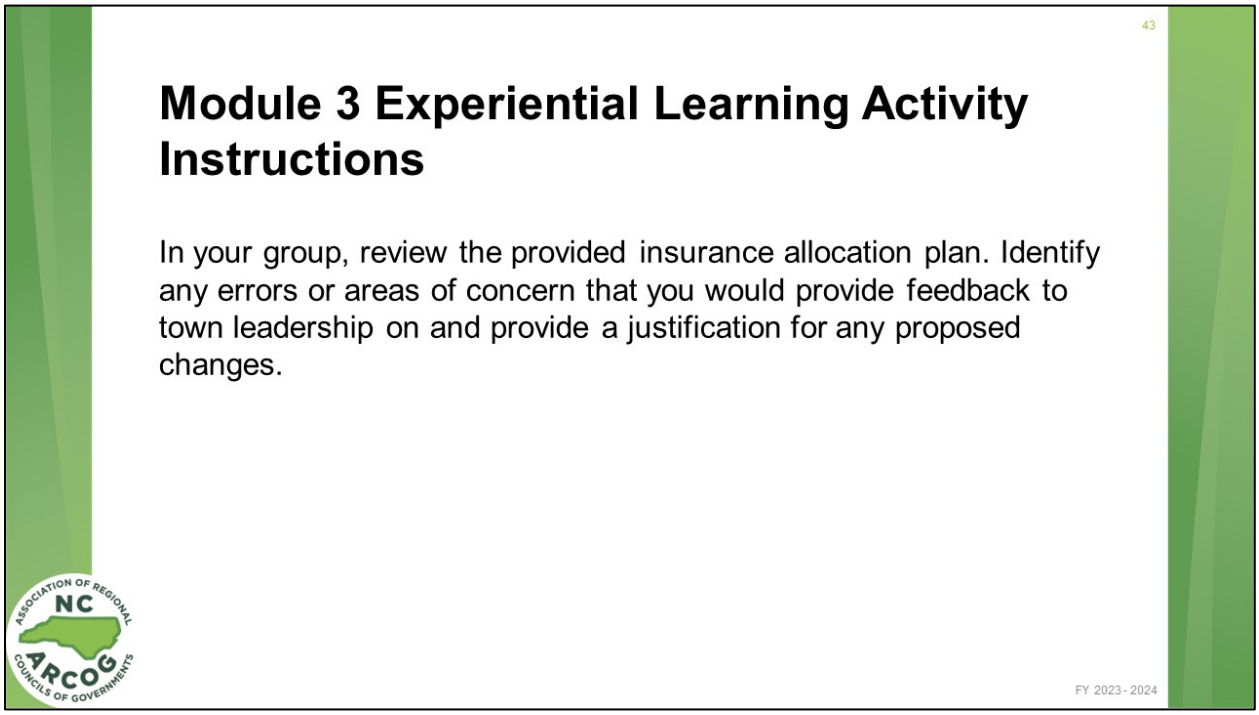
MODULE 3 EXPERIENTIAL LEARNING ACTIVITY INSTRUCTIONS (25 min)

SECTION SLIDE



NOTES

Participant Instructions: Review the scenario and provided insurance allocation plan. Work in your group to provide feedback on the plan, identifying any errors, and provide corrections if necessary. Justify any changes you feel are needed. Afterwards, be prepared to discuss your feedback and recommended changes with the class.

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Insurance Allocation Plan		
Town of Paro	**CAT E Project #:**	**175648**
Prepared as of December 12, 20xx	**Project Title:**	**Paro East Library**
Prepared with Advance #8	**Percentage of Work Completed:**	**80%**

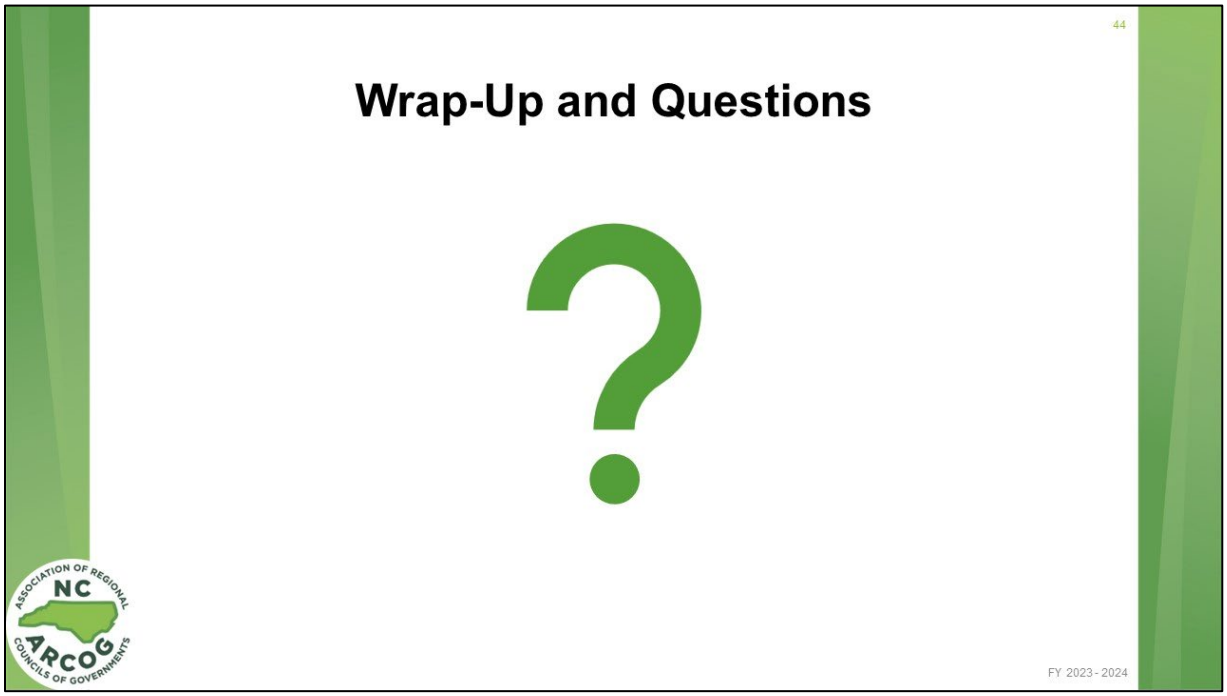
Project Costs		
Location	**Paro East Library (7)**	**Total**
Construction Bid Award - Opened 12-15-21 - K&J Development of SWLA - Low Bid - Awarded 1-6-22	$260,000.00	
Change Order 1	$4,599.00	
Total Contract Amount	**$264,599.00**	
Brossett Architect Estimate	$25,974.00	
Project Management Costs	$25,974.00	
Total Soft Costs:	**$51,948.00**	
Projected Project Costs		**$316,547.00**

Insurance		
Location	**Paro East Library (7)**	**Total**
Omega Wind Damage Actual Insurance Paid through 10/13/20xx	$141,039.49	
Omega Wind Damage Deductible	($23,567.02)	
Estimated Insurance Proceeds		**$117,472.47**

FEMA Funding		
Eligible Costs	$316,547.00	
Actual PW Obligated Amount		$316,547.00
Actual FEMA Funding (90% Cost Share)		$284,892.30
Total Funding Received		**$402,364.77**

WRAP-UP AND QUESTIONS

SECTION SLIDE



NOTES

The instructor will ask if there are any questions and address any final items.

Funding for training provided by the state of North Carolina Office of State Budget and Management in conjunction with the Department of Public Safety and the Office of Emergency Management.

CONCLUSION

SECTION SLIDE

NOTES

The instructor will administer the Module 3 post-test. It consists of 15 multiple choice questions.

COURSE KEY TERMS AND ACRONYMS

Appeal - When there is a FEMA determination the Applicant disagrees with, PA Applicants are provided a two-tiered administrative appeal process. The Regional Administrator (RA) of the applicable FEMA Region decides the first level appeal. If the Applicant chooses to second appeal that decision, then the Assistant Administrator for Recovery at FEMA Headquarters determines the Agency's final decision regarding the matter. If the Applicant does not second appeal the decision within 60 days of the first appeal decision, the first appeal decision becomes the final agency decision.

Applicant - A non-federal entity submitting an application for assistance under the Recipient's federal award, a Subrecipient is an Applicant that receives a subaward from a pass-through entity to carry out part of a federal program. 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.

Categories of Work - To facilitate the processing of Public Assistance Funding, FEMA separates eligible work into different categories under Emergency Work and Permanent Work. Emergency Work is separated into two categories and Permanent Work into five categories based on general types of facilities.

Consolidated Resource Center (CRC) - North Carolina is in Region IV (Region 4) The staff at the CRC process grant applications and create Applicants' Damage Description and Dimensions for Completed Work, Scope of Work, and cost estimates across multiple disasters. The Consolidated Resource Center Public Assistance staff coordinate with field staff located at the disaster in making eligibility determinations. The teams and staff at the CRCs include but are not limited to Validation Specialists, Costing Specialists, Hazard Mitigation Specialists, Environmental and Historic Preservation Specialists, Insurance Specialists, and Technical Specialists.

Damage Inventory (DI) - lays the foundation for all future actions including Project Formulation, Damage Description and Dimensions, scope of work, and cost estimates; all of which lead to the Applicant acquiring grant funding.

Deobligation (of funds) - The process by which FEMA may take back awarded (obligated) PA funds. This may occur for a number of reasons such as work being done that was not outlined in the approved SOW.

Determination Memorandum - When FEMA denies assistance, it will provide written notice, often in the form of a Determination Memorandum (DM), which explains the basis for the denial and sets forth an Applicant's appeal rights. Generally, FEMA will electronically transmit eligibility determinations through its web-based system, Grants Manager/Grants Portal.

Duplication of Benefits - Funding received from two sources for the same item of work.

Emergency Project - Any emergency work project that addresses an immediate threat including debris removal (Category A) Work and emergency protective measures (Category B Work).

Emergency Protective Measure (EPM) - An action taken by a community before, during, and after an incident to save lives, protect public health and safety, and prevent damage to improved public and private property.

Environmental and Historic Preservation (EHP) - The entity or sector within FEMA that reviews work and projects for environmental and historic regulation compliance.

Exploratory Calls - the initial call in which the FEMA Program Delivery Manager and Applicant discuss the disaster-related damage identified by the Applicant. During the discussion, the Program Delivery Manager describes the Damage Inventory to the Applicant.

Federal Coordinating Officer (FCO) - appointed by the Director of FEMA on behalf of the President to coordinate federal assistance following a declared disaster or emergency. The FCO establishes the joint field office (JFO) and works in partnership with the SLTT partners to determine state and local disaster assistance requirements. For all Stafford Act declared incidents, the FCO reports to the Regional Administrator for the region in which the incident occurs.

Federal share - The portion of the total project costs that are paid by federal funds.

Fieldcraft - The knowledge and skills one gains from experience or receives from a mentor outside of a defined curriculum. Fieldcraft represents how business is conducted despite doctrine.

Force Account Equipment - refers to Applicant-owned equipment. An Applicant's own equipment.

Force Account Labor - Refers to the Applicant's personnel. An Applicant's own labor forces.

Fringe benefits - A percentage of the actual wages that pays for employee benefits.

Grantee - Please see Recipient/Applicant.

Grants Manager - FEMA side of Grants Portal, PA Program Delivery software.

Grants Portal https://grantee.fema.gov/ - Applicant side of FEMA PA Program delivery software.

Large Project - A project for which the final obligated (federal and non-federal) amount is equal to or greater than the annually adjusted cost threshold for small project grants.

Local Government - A county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments(regardless of whether the council of governments is incorporated as a nonprofit corporation under state law), regional or interstate government entity, or agency or instrumentality of a local government; an Indian Tribe or authorized tribal organization, or Alaska Native village or organization that does not meet the definition of Indian Tribal Government; or a rural community, unincorporated town or village, or other public entity, for which an application for assistance is made by a state or political subdivision of a state.

Management Cost - Any indirect cost, any direct administrative cost, and any other administrative expense associated with a specific project under a major disaster or emergency.

National Disaster Recovery Framework (NDRF) - enables effective recovery support to disaster-impacted states, tribes, territorial and local jurisdictions. It provides a flexible structure that enables disaster recovery managers to operate in a unified and collaborative manner. The NDRF focuses on how best to restore, redevelop and revitalize the health, social, economic, natural and environmental

fabric of the community and build a more resilient nation.

NC EM Grants https://emgrants.nc.gov/ - This site is for the online application and management of Public Assistance (PA) and Hazard Mitigation (HM) grants for Applicants in North Carolina. These federal grant programs aid state and local governments in returning a disaster area to pre-disaster conditions and mitigating the future impact of natural hazards. Eligible Applicants include local and Tribal governments as well as certain Private Non-Profit organizations.

Non-Federal Entity - An institution of higher education, nonprofit organization, local government, Indian Tribe, or state that carries out a federal award as a Recipient or Subrecipient.

Obligated - Funds that FEMA has made available are available to the Recipient (state) to pass through to the appropriate Subrecipient. FEMA obligates funds to the state once a project meets Stafford Act eligibility requirements. The state is the official recipient of FEMA federal assistance. The state is then responsible for disbursing the money to Applicants.

Pass-through Entity - A non-federal entity that provides a subaward to a Subrecipient to carry out part of a federal program.

Permanent Work Project - Any work project that addresses the restoration of roads/bridges (Category C), water control facilities (Category D), buildings/equipment (Category E), utilities (Category F), parks, recreational, and other facilities (Category G).

Preliminary Damage Assessment (PDA) - a mechanism used to determine the impact and magnitude of damage and the resulting unmet needs of individuals, businesses, the public sector, and the community. Information is collected from the field, the public, teams within the Emergency Operations Center, etc. to determine the damages of the area.

Private Non-Profit Organization (PNP) - A facility that provides a critical service, which is defined as education, utility, emergency, or medical or a facility that provides a noncritical, but essential social service and provides those services to the public. Any nongovernmental agency or entity that currently has an effective ruling letter from the U.S. Internal Revenue Service, granting tax exemption under Sections 501(c), (d), or (e) of the Internal Revenue Code, or satisfactory evidence from the state that the nonrevenue producing organization or entity is a nonprofit one organized or doing business under state law.

Procurement Disaster Assistance Team (PDAT) - entity within FEMA that monitors, reviews, and can provide guidance on procurement.

Public Assistance (PA) - FEMA's Public Assistance Program provides supplemental grants to state, tribal, territorial, and local governments, and certain types of private non-profits so communities can quickly respond to and recover from major disasters or emergencies. The program acts as a reimbursement program for eligible disaster related costs.

Public Assistance Program and Policy Guide - The federal guide to the Public Assistance Program. This guide is updated regularly and applies to specific timeframes and disasters. The Guide references the Code of Federal Regulations and Stafford Act to assist with guidance and regulations on the Public Assistance Program.

FEMA Public Assistance Program Delivery Manager (PDMG) - the Applicant's primary point of contact, the FEMA Program Delivery Manager, is the first way that FEMA works with the Applicant to inform them of what project-specific documentation they need to provide.

Recipient - The State, Territorial, or Tribal government that receives and manages the federal award under the disaster declaration and disburses funding to eligible subrecipients. A non-federal entity that receives a federal award directly from a federal awarding agency to carry out an activity under a federal program.

Recovery Scoping Meeting (RSM) - The first substantive meeting between the Applicant and FEMA which starts the 60-day regulatory timeframe for the Applicant to identify and report damage. It is a detailed and in-depth meeting regarding the Applicant's disaster damages and the PA process.

Request for Public Assistance (RPA) - The form a public entity or PNP organization uses to apply for assistance under the Public Assistance Program.

Request for Reimbursement (RFR) - The phase of the Public Assistance Program in which subgrantees/subrecipients request their awarded funding from the Recipient/Grantee. This process is typically processed through a state grant management system and requires additional documentation to further validate costs initially obligated by FEMA. This is the official request to receive the funding obligated by FEMA and is monitored closely by the Recipient.

Small Project - A project for which the final obligated (federal and non-federal) amount is less than the annually adjusted cost threshold for small project grants.

Subject Matter Expert (SME) - An individual with qualifications and experience in a particular field or work process; an individual who by education, training, and/or experience is a recognized expert on a particular subject, topic, or system.

Special Population - In disaster response and recovery, a population whose members may have additional needs before, during, and after an incident in functional areas, including but not limited to: maintaining independence, communication, transportation, supervision, and medical care.

State, Local, Territorial, or Tribal (SLTT) - partners in the disaster recovery process and referred to in a group as partners to the federal government.

Subgrantee - Please see Subrecipient.

Subrecipient - Applicants who have received a subaward from the Recipient and are then bound by the conditions of the award and subaward. A non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program. It does not include an individual that is a beneficiary of such program. A Subrecipient may also be a Recipient of other federal awards directly from a federal awarding agency.

Unit of Local Government (ULG) - Organizations of local government including counties and municipalities.

ADDITIONAL RESOURCES

FEMA Resources

FEMA Independent Study Courses - https://training.fema.gov/is/crslist.aspx?lang=en

- Basic recommended courses:
  - IS-100 Introduction to the Incident Command System, ICS 100
  - IS-200 Basic Incident Command System for Initial Response, ICS-200
  - IS-700 An Introduction to the National Incident Management System
  - IS-800 National Response Framework, An Introduction
  - IS-1000 Public Assistance Program and Eligibility

FEMA Acronyms, Abbreviations, and Terms Job Aid

FEMA Arbitration Fact Sheet_Version 4_20220630

FEMA A Whole Community Approach to Emergency Management: Principles, Themes, and Pathways for Action

FEMA Disaster Financial Management Guide: Guidance for State, Local, Tribal & Territorial Partners – April 2020

FEMA Donated Resources Fact Sheet

Fact Sheet – Contracting Requirements Checklist – October 2018

FEMA Force Account Equipment Summary Record Form

FEMA Force Account Labor Summary Form

Grants Manager and Grants Portal Fact Sheet

FEMA Grants Portal

FEMA Hazard Mitigation Assistance Program and Policy Guide March 23, 2023

FEMA Hazard Mitigation Grants 404 and 406 Job Aide – May 2017

FEMA Job Aid: Public Assistance – Reasonable Cost Evaluation

FEMA Materials Summary Sheet Form

FEMA Public Assistance Program and Policy Guide (PAPPG) Version 4

FEMA Public Assistance CEF Instructional Guide

FEMA Public Assistance Project Templates and Forms

FEMA Public Assistance Management Costs Standard Operating Procedures – February 2019

FEMA Public Assistance Program Delivery Guide – September 2022

FEMA Project Worksheet FEMA Form FF-104-21-133

FEMA Policy FP-104-23-001 Public Assistance Simplified Procedures

FEMA Preliminary Damage Assessment Guide – May 2020

FEMA PA Contract Work Summary Record Form

FEMA Rented Equipment Summary Record Form

FEMA Request for Public Assistance Form

FEMA Schedule of Equipment Rates – 2023

FEMA State-Led Public Assistance Guide – February 2019

North Carolina Resources

2020 North Carolina Disaster Recovery Framework

North Carolina Disaster Recovery Assistance Guide

North Carolina Enhanced Hazard Mitigation Plan – Dec 2022

NC EM Grants Portal

NC Grants Management Documents

North Carolina NFIP

North Carolina NFIP Participating Communities

North Carolina Purchasing Procedures - Subchapter 05B – Procurement Purchase Procedures

University of North Carolina School of Government Procurement Presentation

University of North Carolina School of Government Municipal and County Administration Course

University of North Carolina School of Government Public Employment Law and Human Resource Management Microsite

University of North Carolina American Indian Center – Tribes and Urban Indian Organizations

Other Resources

Applicant Information – Damage Information and Inspections Checklist

Applicant Quick Guide – Exploratory Call and Recovery Scoping Meeting

Environmental and Historic Preservation Guide

Subrecipient Small Project Self Certification Form – Template