

HAZARD MITIGATION GRANTS PROGRAM: NOTIFICATION TO SUBGRANTEES GRANT ADMINISTRATION PROCEDURES

1. ADMINISTRATIVE DOCUMENTS

The administrative documents included with this package must be completed, signed by an authorized representative of the subgrantee and received by California Office of Emergency Services (Cal OES) before any payments can be processed. These forms include:

- (1) Subgrantee Assurances;
- (2) Designation of Applicant's Agent Resolution; and
- (3) Grant Award Face Sheet.

Completed forms must be mailed to:

California Governor's Office of Emergency Services (Cal OES)
Hazard Mitigation Grants Division
3650 Schriever Avenue
Mather, California 95655

2. WORK SCHEDULES

The subgrantee must provide Cal OES with a projected work schedule within thirty (30) days of receipt of this obligation package. This is a one-time-only report. It should outline the proposed work schedule for the approved activity, including milestones. The milestones listed in your work schedule will be used to measure the progress reported to Cal OES in the Quarterly Reports.

Please provide a separate report for each grant. The work schedule should include the following information.

- **Table/Chart or Graph** - Create a table, chart or graph depicting your proposed work schedule by major milestones (activities/measures) from the time of initiation to completion of proposed activity.
- **Time line** - How long you anticipate the activity will take to complete (in months).
- **Phases** - Explain in some detail, if you plan to perform your activity in several phases, and why.
- **Completion Dates** – Schedule cannot exceed 3 years from the approval date.

The Work Schedule should be sent to:

California Governor's Office of Emergency Services (Cal OES)
Hazard Mitigation Grants Division
3650 Schriever Avenue
Mather, California 95655

3. PROCUREMENT/COMPETITIVE BIDS PROCESS

All contract/procurement transactions must be carried out in a manner consistent with financial administrative requirements found in Title 44 of the Code of Federal Regulations (44CFR) Part 13 Section 13.36.

4. ALLOWABLE COSTS AND REIMBURSEMENTS

Once Federal Emergency Management Agency (FEMA) approves a total eligible activity cost and obligates funding, Cal OES can process reimbursement requests for eligible activities. Payments are made on a reimbursement basis and no funds will be disbursed for activities that are not consistent with the approved scope of work. Activity expenditures will be reimbursed at 75% of eligible costs. Additionally, Cal OES will withhold retention of 10% from each reimbursement request. The retention amount will be released to the subgrantee upon completion of the closeout process and notification of acceptance from FEMA.

Reimbursement requests must be submitted to Cal OES on a Hazard Mitigation Reimbursement Form. The form must be signed by the subgrantee's designated authorized agent.

Should the subgrantee be able to complete this work for less than the maximum allowable costs, the subgrantee will be reimbursed at 75% of the actual costs. Any remaining funds will be deobligated. If activity costs exceed the maximum allowable costs, the subgrantee will be reimbursed at 75% of the FEMA approved activity cost.

5. COST OVERRUNS (HMGP Only)

Cost over-runs can be considered for HMGP grants if available funding exists in the declared disaster.

Cost over-runs will be indicated by quarterly progress reports and may be verified by activity inspection. All cost over-runs must be requested before expenditure of costs in excess of the total approved activity costs. Costs in excess of total approved activity costs expended before approval of cost over-runs will not be considered eligible HMGP expenditures. All cost over-runs must be justified by the subgrantee and supported by a benefit-cost analysis prepared using the FEMA benefit-cost models. Unjustified over-runs will be denied by Cal OES. Subgrantees shall obtain written prior approval for any budget change that result in the need for additional federal funds. The request must be signed by the subgrantee's designated authorized agent. A Grant Award Amendment form signed by the subgrantee's designated authorized agent may be required prior to approval. A new proposed budget and match letter must also be included.

There is no guarantee that HMGP funds will be available to cover cost over-runs.

6. SCOPE OF WORK CHANGES

Any requests for changes to the approved scope of work must be consistent with program guidance and regulations, must be submitted to Cal OES and signed by the subgrantee's designated authorized agent. Pre-approval is required before the start of any activity not included in the approved scope of work. Costs associated with any activity that is not included in the approved scope of work are not eligible for reimbursement. Any change to the approved scope of work that results in new budget line items, require pre-approval of the proposed activities.

The following will be required to accompany the request:

- Description of the new work;
- New revised budget; and
- Environmental review if the proposed change in scope is outside the previously approved project.

7. QUARTERLY REPORT PROCEDURES

Subgrantees are required to submit progress reports to Cal OES on a quarterly basis until the end of the approved performance period or the activity is complete. Quarterly Reports will not be required of activities with duration of less than three months. A single report for such short-term activities will satisfy reporting requirements.

The first Quarterly Report is due to Cal OES within three months following the activity initiation. Quarterly Reports will thereafter be numbered consecutively by quarter and year (e.g. a 24 month project is required to submit 8 quarterly reports.) The following is the schedule for the Quarterly Reports:

First Reporting Period:	Jan. 01 - March 31	Report due by April 15
Second Reporting Period:	April 01- June 30	Report due by July 15
Third Reporting Period:	July 01- Sept. 30	Report due by Oct. 15
Fourth Reporting Period:	Oct. 01 – Dec. 31	Report due by Jan. 15

Quarterly Reports shall include, at a minimum:

- A. The status and completion date for the activity funded, including any problem or circumstances affecting the completion date, scope of work, or costs which are expected to result in noncompliance with the approved grant conditions; and
- B. A description of milestones completed in accordance with the work schedule provided by the subgrantee. The milestones declared in the subgrantee's work schedule will be applied as a standard of the activity's progress.

Cal OES will review subgrantee reports to identify activities requiring special attention or inspection. The Governor's Authorized Representative will review

the reports and forward a report to the FEMA Regional Director on the status of each grant.

Cal OES will suspend reimbursements to subgrantees that are not current in the submission of quarterly progress reports. Reimbursement requests received for suspended grants will be returned to the subgrantee.

Quarterly Reports must be sent to:

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Hazard Mitigation Grants Division
3650 Schriever Avenue
Mather, California 95655

8. INSPECTIONS

Cal OES reserves the right to inspect all activities for compliance. Cal OES may require the subgrantee to perform a final inspection and prepare a report. If inspections and review of the subgrantee support documentation reveal problems in performance of work and/or the documentation of such work, Cal OES shall require the subgrantee to correct the deficiencies before close-out.

9. PERFORMANCE PERIOD EXTENSIONS

All performance period extension requests must be in writing and include:

- The dates and provision of all previous extensions on this activity;
- A detailed explanation for the delay; and
- A revised activity work schedule.

All performance period extension requests must be submitted to Cal OES and signed by the subgrantee's designated authorized agent. Any costs incurred outside of an approved performance period will not be considered eligible activity costs.

Requests for time extensions must be submitted to Cal OES no later than ninety (90) days prior to the end of the current approved performance period. A Grant Award Amendment form signed by the subgrantee's designated authorized agent may be required prior to the extension being approved.

Cal OES will notify the subgrantee of the determination.

10. FINAL REPORTS

Final Claims must be filed using the Final Claim form. All activity costs are subject to audit; therefore, adequate documentation is required to verify the scope of work and the activity costs. All activity documentation must be retained by the subgrantee for three years from receipt of their audit waiver letter. The subgrantee shall submit a final report package to Cal OES when the activity has been completed. The documentation required is dependent on the type of activity. The Final Report package must include at least the following:

- A Final Claim form;
- A report of accomplishments and results;
- A Budget Summary; and
- Photographs/materials.

Payment of the 10% retention will be processed upon completion and approval notification from FEMA.

11. AUDITS

Cal OES may request an audit of any funds disbursed to a subgrantee at any time, regardless of the amount. Each subgrantee is required to provide reasonable and timely access to all records. Subgrantees that expend combined federal awards above \$500,000 must submit audit reports consistent with the requirements of Office of Management and Budget OMB Circular A-133. Such audits of subgrantees will be conducted in accordance with the requirements of the Single Audit Act amendments of 1996 (PL 104-156). Records must be retained by the subgrantee for three years from receipt of their audit waiver letter.

12. MONITORING

In order to provide reasonable assurance of compliance with applicable Federal and State laws and regulations, and to comply with Cal OES's administrative oversight responsibilities, subgrantee activities shall be monitored and associated finding (s) and program deficiencies resolved through viable corrective action plans. Financial and administrative compliance monitoring is comprised of desk reviews, as well as field reviews, of specific subgrantee information and supporting financial documentation and books of record.

13. APPEALS (HMGP Only)

A subgrantee may appeal any determination made by FEMA relative to grant assistance by submitting justification in writing to Cal OES within sixty (60) days of the action being appealed. Appeals must be submitted through the Governor's Authorized Representative (GAR). Subgrantees must provide sufficient information to allow the GAR to determine the facts and validity of the request.

Cal OES will review the appeal material submitted, make any additional investigations necessary and forward the appeal with a written recommendation to the FEMA Regional Director within sixty (60) days.

The FEMA Regional Director shall notify Cal OES as to the disposition of the subgrantee's appeal or need for additional information within ninety (90) days following receipt of all related information. If the decision is to grant the appeal, the Regional Director will take appropriate implementing action.

If the Regional Director denies the appeal, the subgrantee may submit a second appeal in writing to the GAR. The GAR reviews the second appeal and Hazard Mitigation Grants Branch Notification to Subgrantees (Revised 9/10/20)

may forward it to the FEMA Associate Director through the FEMA Regional Director. Such appeals shall be made in writing and shall be submitted not later than sixty (60) days after receipt of notice of the Regional Director's denial of the first appeal. The Associate Director shall render a determination on the GAR's appeal within ninety (90) days following receipt of all related information. The Associate Director's determination is final.

In rendering such determinations, the Associate Director may, in those cases involving appeals of a highly technical nature, refer the appeal to an independent scientific or technical body for review. The GAR must first agree to such a process, including a waiver of the ninety (90) day time limitation for appeal resolution, as well as sharing the cost of such reviews.

See Part 44 of the Code of Federal Regulations (44CFR) Section 206.440.