

Public
Assistance
Documentation
Guide

APPLICANTS DOCUMENTATION CHECK LIST

Applicant:	FIPS #:	Disaster #
Project:		PW#
PW Approved Cost:	Final Claimed Cost:	Force Account Contract Both (circle)

CHECK ONLY THE DOCUMENTS INCLUDED IN THIS PROJECT FILE

- Approved Project Worksheet including all versions
 - Proposed and completed hazard mitigation measures
 - All records and correspondence received from the State related to the project
 - Special Considerations Form
 - Map(s) clearly delineating the location of the project(s) *[With easy to follow instructions for finding the project location(s)]*
 - Photograph(s) with location descriptions, showing the damage in the context of surroundings before and after (if available).
 - Drawing(s) or plans showing the features of a site (if available). *[Hand drawn sketches should be neatly drawn, dimensioned, and noted as completely as possible.]*
 - Proof of insurance *(when appropriate – Statement of Loss, Settlement Statement(s), Declaration page(s) and possibly policy.*
 - Required construction, environmental, and other permits or waivers *[All required permits must be obtained and preserved as part of the project records]*
 - Copies of cost summary sheets, including copies of source documents as necessary
 - Force account labor sheets, fringe benefit sheet, payroll printouts and employee time sheets and supervisors logs
 - Labor policies in effect for employees
 - Logs & dispatch reports for police, fire, rescue, medical crews
 - Diaries & logs prepared by Road Supervisors
 - Force account equipment sheets, applicable rates and supporting logs
 - Material sheets and invoices to support material costs
 - Rental equipment sheets, location and invoices
 - Contract summary sheets
 - Contracted services bid announcement, record of bidders, copy of contracts, invoices, and work completed information
 - Bridge inspection reports and facility maintenance history
 - Flood maps
 - Details of volunteers and volunteer equipment *[Names and contact information if possible, but must have the hours worked, where worked, and a description of work performed for each individual and piece of equipment]*
 - W-9
 - Applicant Processing Checklist
 - County/Local Official Certification Document
 - Designation of Applicant's Agent Form
 - Any other supporting documents for this Project Worksheet
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Purpose and Importance

The purpose of this guidance is to provide Applicants with information regarding Federal and State accounting, recordkeeping, documentation, and procurement requirements. This guide includes a reference tool and easy to use checklists to assist in:

- ❑ Establishing accurate and complete accounting and recordkeeping systems;
- ❑ Developing, assembling and retaining required documentation to support each Project Worksheet; and
- ❑ Procuring goods and services during recovery from a disaster in accordance with State and Federal procurement regulations.

The importance of maintaining a complete and accurate set of records, and for following procurement guidelines, cannot be over-emphasized. The successful review, validation, approval, funding and audit of a project will depend on the availability, completeness and accuracy of Project Files established for each project. Applicants can use the following guidelines to account for the costs of repair/recovery as outlined in Project Worksheets and as a guide to the Federal and State regulations regarding contracting for goods and services (procurement).

A separate FEMA publication titled The Applicant Handbook, which is available on the Internet, (www.fema.gov) can be used in conjunction with these guidelines to better understand the Applicant's overall responsibilities for documenting and retaining information needed when receiving a grant under the Public Assistance Program.

Accounting, Recordkeeping, and Documenting Projects

The Applicants **Cost Accounting** and **Recording Keeping Systems** *must* be sufficient to accurately record all activities and expenditures related to disaster recovery work. These systems will help the Applicant document eligible work performed as a result of the declared disaster or emergency. These systems and records may be audited and must be retained for at least three years following closure of the Applicant's grant.

Accounting Guidelines

The cost accounting system used by the Applicant can be simple or complex, but must separate all disaster related costs from all other activities of the Applicant, and capture the information necessary to justify all costs for each project as identified on FEMA's Project Worksheets.

FEMA can provide the Applicant with different kinds of summary documents known as Summary Sheets to assist in the capture and reporting of these costs. Below, in black, italicized print, are the different summary sheets used. The accounting system should generate separate costs for each Project Worksheet according to the following categories:

Labor Costs

- ❑ Force account labor hours, by individual, rates of pay, duty assignment and work locations (*Force Account Summary Sheet*).
- ❑ Temporary hires, by individual, hours of work, rates of pay.
- ❑ Breakdown of fringe benefits for regular employees and for temporary hires, both regular and overtime rates (*Fringe Benefit Sheet*).

Equipment and Contract Costs

- ❑ On a daily basis, list all Applicant owned equipment used for eligible disaster recovery work, hours of use, applicable equipment rates charged (local rates or government cost code), location of work, and name of employee operator (*Force Account Equipment Summary Sheet*).
- ❑ Rented and leased equipment used, invoices and costs, work done and work locations (*Rental Summary Sheet*).
- ❑ Listing of materials used that were taken from inventories or purchased for eligible work, their cost with supporting invoices and location used (*Material Summary Sheet*).
- ❑ Services contracted for and/or purchased for use on eligible work, location of work, purchase orders, costs and invoices to support the costs (*Contract Summary Sheet*).
- ❑ Listing of equipment damaged and cost to repair or replace

Miscellaneous Costs

- ❑ Justification for use of statutory administrative allowance automatically added to each approved Project Worksheet including a list of all administrative costs, labor, equipment, materials and other costs expended to administer the program.
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Other Supporting Records

- ❑ Labor policies in effect at time of disaster
- ❑ Any insurance adjustments, settlements, and other documents and records related to project worksheets
- ❑ Volunteer labor and equipment records to include, for each volunteer, a record of hours worked, where they worked, a description of the work performed, and equivalent information for equipment and materials. We recommend that each volunteer's time-in and time-out be recorded as a means to capture the total hours worked per day.
- ❑ Photographs of work sites, before and after, labeled with location and date
- ❑ Any mutual aid agreements in effect
- ❑ Bridge inspection reports and maintenance history
- ❑ All required permits
- ❑ All other documents or costs associated with project/disaster

Accounting records must be supported by such source documentation as cancelled checks, copies of paid bills, payroll sheets, time and attendance records, justification of administrative allowance, contract and sub grant award documents, etc.

How this information is collected and recorded is at the discretion of the Applicant.

Recordkeeping Guidelines

We strongly encourage Applicants to designate one person responsible for collecting, managing, coordinating, and reporting all disaster-related documentation. We also strongly recommend that this person attend the Applicant's Kick Off meeting. In addition, all persons, departments or individuals responsible for the Applicant's recovery activities should have direct access to these guidelines. If that person vacates their position, a replacement needs to be designated and trained. *NOTE: The administrative allowance can be used to hire a temporary person to keep these accounting systems and records.*

All records and supporting documents pertaining to a Project Worksheet should be filed in a separate Project File for each Project Worksheet, and must be maintained by the Applicant as a permanent record for three (3) years following closure of the Applicant's grant. The documents should be readily available and in useable format. Federal and State program personnel and auditors will use the Applicant's documentation to validate and reconcile costs for projects. These records become the basis for verification of small projects and reconciliation of costs for large projects

Documentation Guidelines

Each Project File should include a copy of the Project Worksheet, the ***Documentation Checklist***, and all supporting documents necessary to support the claim for project costs incurred by the Applicant. The documentation checklist will help guide and remind Applicants about the specific documents needed to support their final claimed costs relative to each approved Project Worksheet.

Federal Emergency Management Agency

Sec. 13.30 Changes.

(a) General. Grantees and subgrantees are permitted to rebudget within the approved direct cost budget to meet unanticipated requirements and may make limited program changes to the approved project. However, unless waived by the awarding agency, certain types of post-award changes in budgets and projects shall require the prior written approval of the awarding agency.

(b) Relation to cost principles. The applicable cost principles (see Sec. 13.22) contain requirements for prior approval of certain types of costs. Except where waived, those requirements apply to all grants and subgrants even if paragraphs (c) through (f) of this section do not.

(c) Budget changes--(1) Non-construction projects. Except as stated in other regulations or an award document, grantees or sub-grantees shall obtain the prior approval of the awarding agency whenever any of the following changes is anticipated under a non-construction award:

(i) Any revision which would result in the need for additional funding.

(ii) Unless waived by the awarding agency, cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed ten percent of the current total approved budget, whenever the awarding agency's share exceeds \$100,000.

(iii) Transfer of funds allotted for training allowances (i.e., from direct payments to trainees to other expense categories).

(2) Construction projects. Grantees and sub-grantees shall obtain prior written approval for any budget revision which would result in the need for additional funds.

(3) Combined construction and non-construction projects. When a grant or sub-grant provides funding for both construction and non-construction activities, the grantee or sub-grantee must obtain prior written approval from the awarding agency before making any fund or budget transfer from non-construction to construction or vice versa.

(d) Programmatic changes. Grantees or sub-grantees must obtain the prior approval of the awarding agency whenever any of the following actions is anticipated:

(1) Any revision of the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval).

(2) Need to extend the period of availability of funds.

(3) Changes in key persons in cases where specified in an application or a grant award. In research projects, a change in the project director or principal investigator shall always require approval unless waived by the awarding agency.

(4) Under non-construction projects, contracting out, sub-granting (if authorized by law) or otherwise obtaining the services of a third party to perform activities which are central to the purposes of the award.

This approval requirement is in addition to the approval requirements of Sec. 13.36 but does not apply to the procurement of equipment, supplies, and general support services.

(e) Additional prior approval requirements. The awarding agency may not require prior approval for any budget revision which is not described in paragraph (c) of this section.

(f) Requesting prior approval. (1) A request for prior approval of any budget revision will be in the same budget form the grantee used in its application and shall be accompanied by a narrative justification for the proposed revision.

(2) A request for a prior approval under the applicable Federal cost principles (see Sec. 13.22) may be made by letter.

(3) A request by a sub-grantee for prior approval will be addressed in writing to the grantee. The grantee will promptly review such request and shall approve or disapprove the request in writing. A grantee will not approve any budget or project revision which is inconsistent with the purpose or terms and conditions of the Federal grant to the grantee.

If the revision, requested by the sub-grantee would result in a change to the grantee's approved project which requires Federal prior approval, the grantee will obtain the Federal agency's approval before approving the sub-grantee's request.

Public
Assistance
Procurement
Guide

PROCUREMENT

The Purchase of Goods and Services

The Importance of Following Procurement Procedures

Care must be taken when purchasing goods and materials and contracting for services for projects approved under the Public Assistance program. All projects are subject to audit. Contracts must be of reasonable cost, generally competitively bid, and otherwise comply with Federal, State and local procurement standards. By Federal regulation, Applicants are to follow their own procurement procedures as long as those procedures meet or exceed the procurement standards in the Federal Regulations [44 CFR 13.36].

The following tables summarize the typical types of contracts entered into between Applicants and service providers when performing work under the Public Assistance program and procurement methods. Each can be used as a checklist and a copy of each, appropriately marked, should be filed with each contract in a separate file for each Project Worksheet. Also included in this guidance document is a summary of the Federal procurement procedures.

These tables or checklists should be kept with the Project Worksheet file and used by the Applicant to determine the type of contract that is appropriate for a project. Refer to the Federal Procurement Regulations contained in 44 CFR13.36 if further clarification is needed. A copy of the regulations can be obtained by contacting the State's Public Assistance Officer.

DIFFERENT TYPES OF CONTRACTS

When and When Not to Use

TYPES OF CONTRACTS	Standards	TYPE USED
Lump sum	Contract for work within a prescribed boundary with a clearly defined scope and a total price	
Unit price	Contract for work done on an item-by-item basis with cost determined on a unit basis.	
Cost plus fixed fee	Either a lump sum or unit price contract with a fixed contractor fee added into price	
Time and materials	Should be avoided, but may be allowed for work necessary immediately after disaster and after a determination that no other contract is suitable; must include a cost ceiling or “not to exceed” provision [44CFR13.36(b)(10)]	
Cost plus percentage of cost	Not allowed by FEMA Regulations	
Contingency	Not allowed by FEMA Regulations	

PROCUREMENT METHODS

A Guide and Checklist to Help Determine an Appropriate Contract

To Purchase....	Procurement Methods	Standards	Award based on
Services and supplies under \$100,000	Small purchases [44CFR13.36(d)(1)]	<ul style="list-style-type: none"> • Do not exceed simplified acquisition threshold of \$100,000 • Obtain price or rate quotation from adequate number of qualified sources • Relatively simple and informal method 	Awarded based on lowest documented price quote
Construction, debris services, etc.	Sealed bids (formal advertising) [44CFR13.36(d)(2)]	<ul style="list-style-type: none"> • Bids publicly solicited and advertised and a firm-fixed-price contract (lump sum or unit price) awarded • Adequate and realistic description of project is available. • Two or more responsible bidders are able to compete effectively • Allow sufficient time for bidders to respond • Invitation for bids defines project adequately • Bids publicly opened at time and place prescribed in invitation • Approved and awarded in writing • All bids may be rejected for sound documented reason 	Awarded to the responsible bidder whose bid conforms with invitation for bid and whose bid is lowest in price
Architectural, engineering or professional services	Competitive proposals [44CFR13.36(d)(3)]	<ul style="list-style-type: none"> • Bids publicly advertised; identify all evaluation factors that will be used • Any response shall be honored to the maximum extent practical • Proposals solicited from an adequate number of qualified sources • Method for conducting technical evaluations of proposals in place 	Contracts are awarded to responsible firm based on contractor qualifications subject to fair and reasonable
When it can be documented that competition is inadequate or public urgency for work will not permit delay	Noncompetitive proposals 44CFR13.36(d)(4)]	<p>Preauthorization required in most instances and it must be documented that:</p> <ul style="list-style-type: none"> • Infeasible under small purchase procedures, sealed bids or competitive • Item is only available from one source • Public exigency or emergency will not permit delay • Awarding agency authorizes noncompetitive proposal • Competition is determined inadequate • Cost or price analysis is required • Noncompetitive award to professionals under retainer not allowed 	Proposal is received from only one source or after competition is documented inadequate

SUMMARY OF FEDERAL PROCUREMENT REGULATIONS [44 CFR13.36]

<p>Procurement Standards [44CFR13.36(b)]</p>	<ol style="list-style-type: none"> 1. Applicants are to follow their own procurement procedures as long as those procedures meet or exceed the procurement standards in the federal regulations. 2. Contracts must be monitored to assure compliance with terms, conditions and specifications of contracts or purchase orders 3. Applicant must maintain written code of standards governing award and administration of contracts (conflicts of interest, selection and award, etc.) 4. Applicant will review proposed procurements to avoid unnecessary or duplicate purchases 5. Intergovernmental agreements for procurement are encouraged 6. Use of excess and surplus property is suggested when feasible 7. Use of value engineering clauses in construction contracts of sufficient size is encouraged 8. Contracts will be awarded only to responsible contractors possessing ability to perform 9. Supporting documents must be maintained to be included - rationale for method of procurement, selection of contract type, contractor selection or rejection and basis for contract price 10. Use of time and material contracts is limited to situations where 1) no other contract is feasible, and 2) includes a ceiling price. 11. Applicants will have responsibility for settlement of all contractual and administrative issues arising out of procurements 12. Applicants to have protest procedures to handle and resolve disputes relating to procurements
<p>Competition [44CFR13.36(c)]</p>	<ol style="list-style-type: none"> 1. All procurement transactions will provide full and open competition. Examples of restrictive competition include: <ol style="list-style-type: none"> a. Unreasonable requirements on firms in order for them to qualify b. Requiring unnecessary experience or excessive bonding c. Noncompetitive awards to consultants on retainer d. Organizational conflicts of interest e. Specifying only brand name products f. Any arbitrary action in the procurement process 2. Geographical preferences in evaluation of bids is restricted 3. Written selection procedures must be in place for all procurements identifying all requirements offerors must fulfill and all other factors to be used in evaluating bids or proposals. 4. Ensure all pre-qualified lists of persons, firms or products are current and include enough qualified sources to ensure maximum open and free competition
<p>Methods of Procurement [44CFR13.36(d)]</p>	<ul style="list-style-type: none"> • See Checklists
<p>Affirmative Action [44CFR13.36(e)]</p>	<p>Grantee will take all necessary affirmative action steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible</p>

Contract Cost and Price [44CFR13.36(f)]	<ol style="list-style-type: none"> 1. Applicants must perform cost or price analysis in connection with every procurement action 2. Applicants must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. 3. Costs and prices based on estimated costs will be allowable only to the extent that they are consistent with Federal cost principles. 4. Cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.
Awarding Agency Review [44CFR13.36(g)]	<ol style="list-style-type: none"> 1. Applicants must make available to awarding agency technical specifications on proposed procurements and, on request, make pre award documents available i.e. requests for proposals or invitations for bids, independent cost estimates. 2. Review is required in all cases when Applicant's procurement procedure fails to comply with standards, procurement exceeds simple acquisition threshold and is awarded without competition or only one bid or offer is received, or is awarded to other than low bidder or brand name is specified. 3. Applicant may request that its procurement system be reviewed to determine whether its system meets these standards, or Applicant may self-certify its procurement system
Bonding Requirements [44CFR13.36(h)]	<p>For construction or facility improvement contracts exceeding simplified acquisition threshold, the awarding agency may accept the Applicant's bonding policy and requirements. If such a determination has not been made, the following are minimum bonding requirements</p> <ol style="list-style-type: none"> 1. A bid guarantee from each bidder equivalent to five (5) percent of bid price 2. A performance bond from contractor for 100% of contract price 3. Payment bond of the part of the contractor for 100% of the contract price.
Contract Provisions [44CFR13.36(i)]	<p>Contracts must contain these provisions</p> <ol style="list-style-type: none"> 1. Administrative, contractual or legal remedies in instances where contractors violate or breach contract terms 2. Termination clause for cause and for convenience 3. Compliance with Equal Employment Opportunity regulations 4. Compliance with Anti-Kickback regulations 5. Compliance with Davis-Bacon Act 6. Compliance with Contract Work Hours and Safety Standards Act 7. Notice of reporting requirements and regulations pertaining to reporting 8. Notice of requirements pertaining to patent rights 9. Notice of requirements pertaining to copyrights and rights in data 10. Access of any records by grantee, sub grantee, Federal grantor, Comptroller or any duly authorized representatives 11. Records must be retained for at least three years after final payments are made 12. Compliance with CAA, CWA, EPA 13. Mandatory standards relating to energy efficiency