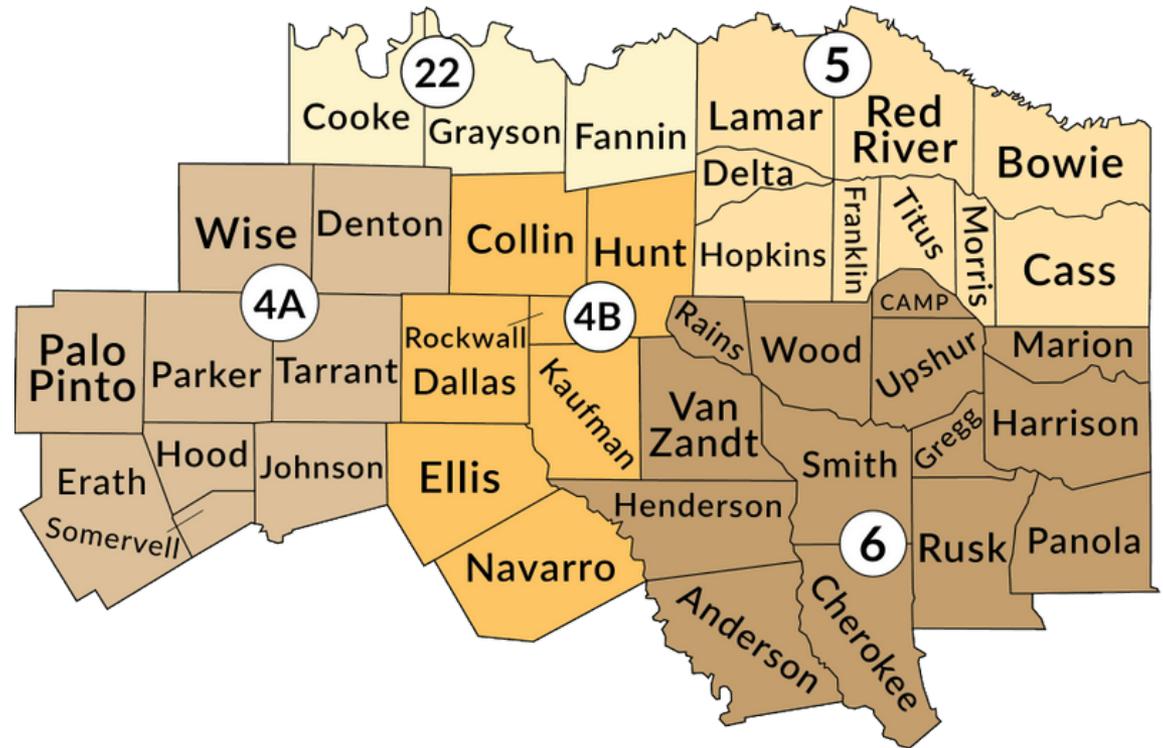


Region 1 Disaster Finance





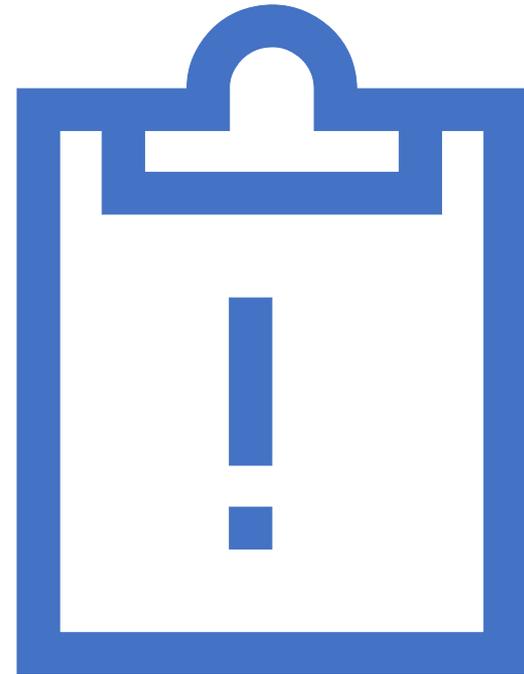
Introductions

What is your
name and
position?

What are your
expectations for
today's class?

Objective

Discuss best practices,
procurement, and
documentation.





Background

- What brought us here?
- Disaster Overview



Disaster
Declarations &
Thresholds

Texas Population Growth

FY2023 State Threshold \$51,587,544

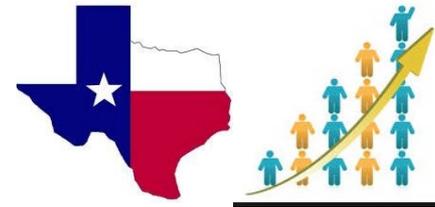
As the population and/or indicator increases so does the threshold

❖ FY2020 Texas population:

- $25,145,561 \times 1.53 = \$38,472,708$

❖ FY2023 Texas population:

- $29,145,505 \times 1.77 = \$51,587,544$

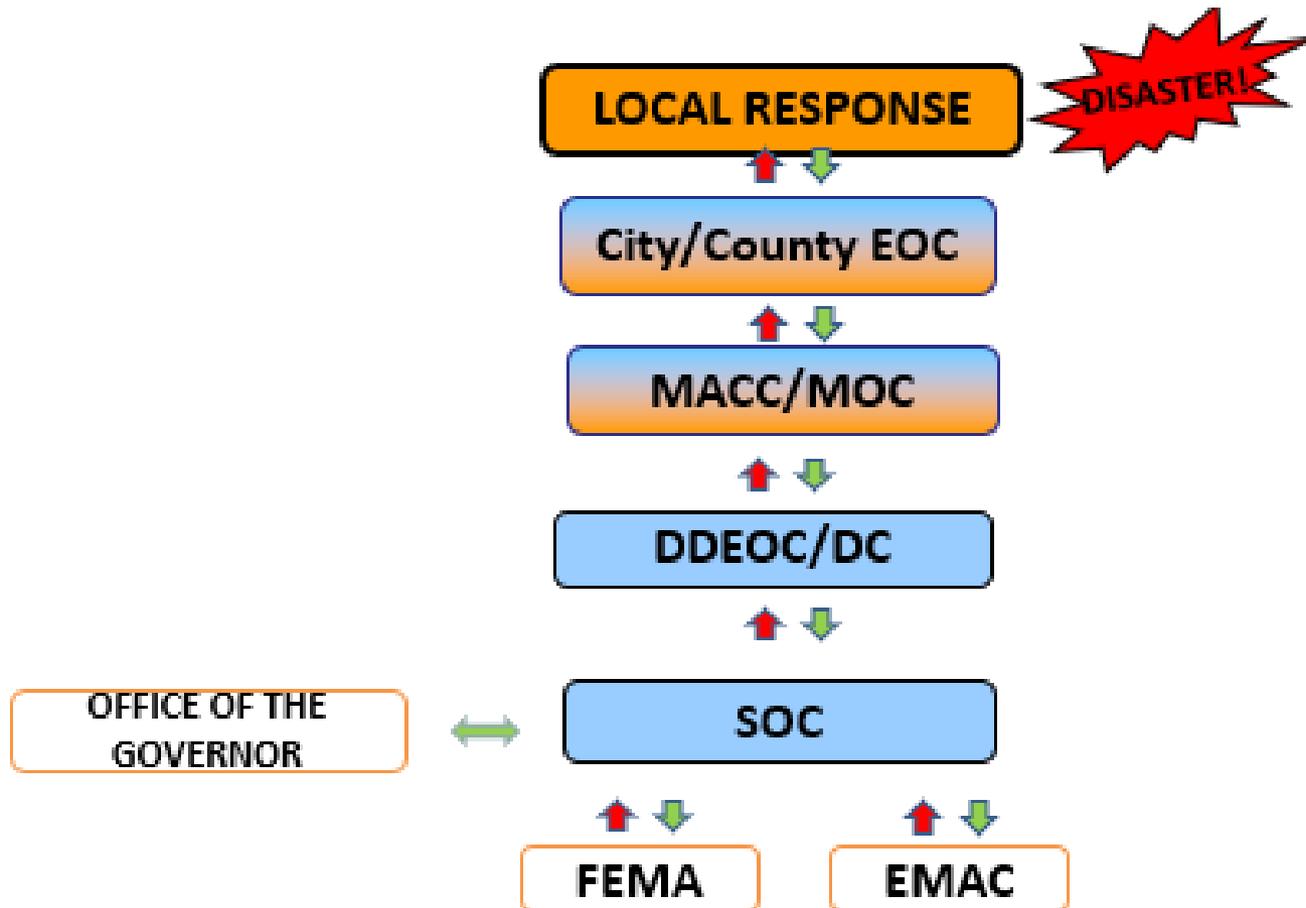


Texas Threshold Increase from 2020 to 2023 = **\$13,114,836**

❖ FY2023 Your County population:

- County Population \times \$4.44 (County Per Capita) = **County Threshold**

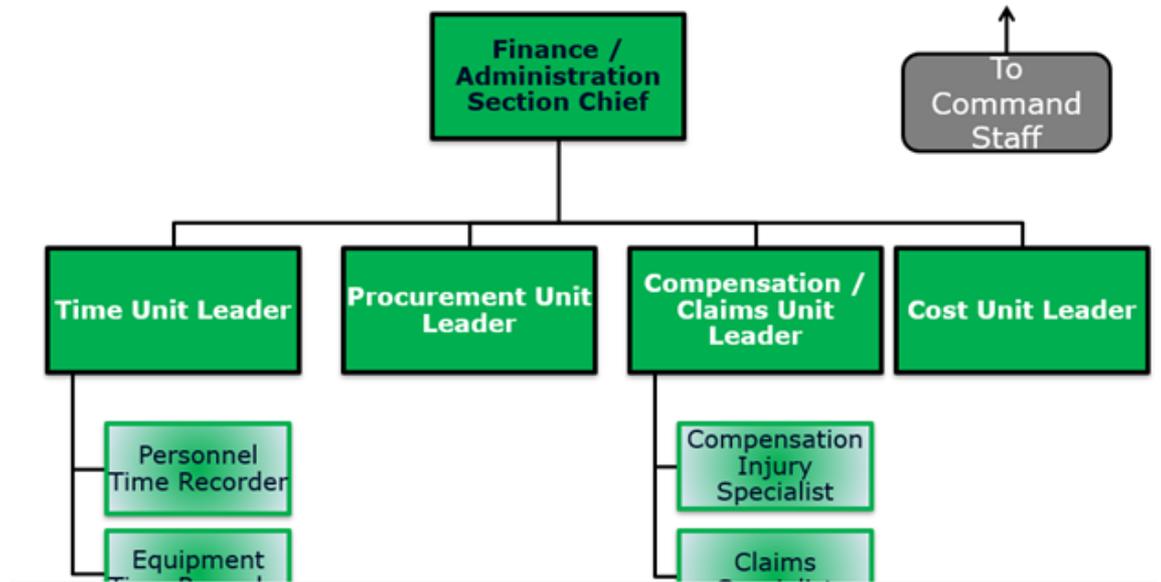
Emergency Management in Texas



Local Assistance Process

- ❖ During Blue Skies:
 - Can your agency create a “Disaster” code?
 - Can the accounting system track all departments (separately) working on the event? Track concurrent events (separately)?
 - Identify normal operating costs
 - Identify total incident costs (e.g., “Daily Burn Rate”)
 - Identify impact (e.g., resource and capability gaps)
 - Inform decision making process (e.g., resource allocation)
 - Monitor & control
 - Potential reimbursement
- ❖ During Emergencies/Disasters, in addition to “Blue Skies”:
 - Disasters start and end at the local level
 - Obtain assistance from Local Volunteers, Groups and Businesses
 - Mutual Aid and Contracts
 - Additional assistance, remember the process(es)

Finance/Admin Section



BREAK

(10 MINUTES)



Documentation Prior to a Disaster/Incident

- ❖ Policies – Insurance, Pay, and Procurement Policies
- ❖ Contracts
- ❖ Mutual Aid
- ❖ Procedures

For each Department , identify **who** is responsible for tracking:



Personnel Costs – Payroll Data, Commodities/Supplies, Food, Travel Cost



Equipment Costs – Leases, Mileage, Number of Hours Used, Repairs



Contracts – Procurement Documents, Contract Documents, Purchase Orders, Proof of Payment



And – All other relevant cost documentation (e.g., Mutual Aid Agreements, Insurance Documents, Written Policies and Procedures)

Policies & Regulations

- ❖ Policies – Insurance, Pay, and Procurement Policies (e.g., normal vs. emergency situations)
- ❖ Regulations are time sensitive
- ❖ Under FEMA Public Assistance, in order to avoid duplication of benefits, disaster assistance is not provided for damages or losses covered by insurance
- ❖ Pre-Disaster Written Labor Policy:
 - ❖ Does not include contingency clause that payment is subject to Federal funding;
 - ❖ Is applied uniformly regardless of a Presidential declaration; and
 - ❖ Has set of non-discretionary criteria for when various pay types are activated
 - ❖ Costs must be reasonable and equitable for the type of work being performed
- ❖ Must comply with:
 - ❖ Requirements approved in their policies and procedures
 - ❖ The laws and regulations associated with the specific grant program

Labor Policy Considerations

- Exempt vs. Non-Exempt
 - Regular Time
 - Overtime
 - Compensatory Time
 - Fringe Benefits
 - Reclassification (i.e. A change of responsibilities for salaried personnel during a disaster may allow for those employees to be reclassified to hourly.)
- Administrative Directives
 - Personnel Manual
 - Leave Policy
 - Shift Differential
 - Travel Policy
 - Overtime Compensation
 - Volunteer Policy



Policy Reference Resources

- FEMA Public Assistance Program and Policy Guide (PAPPG)
https://www.fema.gov/sites/default/files/documents/fema_papppg-v4-updated-links_policy_6-1-2020.pdf
- U.S. Department of Labor (DOL) <https://www.dol.gov/>
- Society of Human Resource Management (SHRM)
<https://shrm.org/>
- Texas Workforce Commission (TWC)
<https://www.twc.texas.gov/>
- Fire Management Assistance Grant (FMAG) Program and Policy Guide
https://www.fema.gov/sites/default/files/documents/fema_fmaggpg_063121.pdf

Federal Procurement Standards

Applicable Federal Law and Regulations

.318	General Procurement Standards
.319	Competition
.320	Procurement Methods
.321	Socioeconomic Contracting
.322	Domestic Preferences for Procurement
.323	Recovered Materials
.324	Contract Cost and Price
.325	Review of Procurements
.326	Bonding Requirements
.327	Contract Provisions

Applicable Rules

Must follow own written
procurement policies
and procedures



Must follow State or
Tribal Law



Must follow Federal
Standards
(2C.F.R.200.318-327)

Texas governmental agencies are subject to Texas Local Government Code Chapter 271 – Purchasing and Contracting Authority of Municipalities, Counties, and Certain Other Local Governments

Procurement - Planning

Document:

- Reason for procurement method
- Why you chose the type of contract
- Why chose or reject a contractor
- The basis for the contract price

Procurement – Thresholds

Entity Type	Micro-purchase 2CFR200.320(a)(1)	Small Purchase 2CFR200.320.(a)(2)	Procurement in Excess of Simplified Acquisition Threshold (SAT)
Local Entity	Less than \$10,000.00	\$10,000.00 - \$49,999.99	\$50,000.00+
Private Nonprofit	Less than \$10,000.00	\$10,000.00 - \$249,999.99	\$250,000.00+
State Agency	State Policy (Texas Government Code Ch.2155)	State Policy (Texas Government Code Ch.2155)	State Policy (Texas Government Code Ch.2155)



BREAK

(10 MINUTES)

Cost or Price Analysis

2CFR200.324(a)

- Must perform an analysis of the cost or price of all procurement actions which exceed the simplified acquisition threshold (SAT)
- First step is to make an independent estimate of the cost you expect to pay before you advertise for bids or obtain quotes

Note: Independent means independent of any contractor.



Micro-purchases

Referred to in Texas Administrative Code as “Spot Purchases”

Entity Type	Micro-purchase 2CFR200.320(a)(1)
Local Entity	Less than \$10,000.00
Private Nonprofit	Less than \$10,000.00
State Agency	State Policy (Texas Government Code Ch.2155)

Aggregate dollar amount does not exceed micro-purchase threshold (up to \$10,000.00)

May make without obtaining quotes or bids

Prices must still be reasonable

Distribute purchases equitably when possible

Small Purchases

Entity Type	Small Purchase 2CFR200.320.(a)(2)
Local Entity	\$10,000.00 - \$49,999.99
Private Nonprofit	\$10,000.00 - \$249,999.99
State Agency	State Policy (Texas Government Code Ch.2155)

- Purchases \$10,000 – simplified acquisition threshold (SAT)
- Minimum of 3 quotes required
- May not split purchase merely to remain under SAT
- Threshold may vary depending on local/state policies

Competition – 2CFR200.319(a)

- What is “Full and Open Competition”?
- With very few exceptions, “Full and open competition” is required.
- Developers of specifications and/or plans are specifically excluded from bidding on them.
- Regulation also lists situations which are restrictive of competition. For example, specifying brand name product instead of allowing equal product.

Sealed Bids

2CFR200.320(b)(1)

Bids must be publicly solicited.

Contract awarded to lowest responsible bidder.

Must be advertised 14+ days.

Need 2 or more responsible bidders.

Justification needed if lowest bidder not selected.

For local and tribal governments, bids must be opened publicly.

Entity Type	Procurement in Excess of Simplified Acquisition Threshold (SAT)
Local Entity	\$50,000.00+
Private Nonprofit	\$250,000.00+
State Agency	State Policy (Texas Government Code Ch.2155)

Competitive Proposals

2CFR200.320(b)(2)

- Proposals evaluated and awarded to most qualified firm.
- Either a fixed price or cost-reimbursement type contract is awarded.
- Evaluation process and criteria must be clear in RFP.
- Must be advertised 30+ days.
- Price must be an evaluation factor.

Entity Type	Procurement in Excess of Simplified Acquisition Threshold (SAT)
Local Entity	\$50,000.00+
Private Nonprofit	\$250,000.00+
State Agency	State Policy (Texas Government Code Ch.2155)

Request for
Qualifications
Exception
2CFR200.320(b)
(2)(iv)

Request for Qualifications (RFQ) announces and describes a project (federal funding, only architectural/engineering services)

Asks vendors for their qualifications including:

Experience

Capabilities

Customer
Referrals

Past
Performance

Does Not ask about price

Noncompetitive Procurements 2CFR200.320(c)

Can only be awarded if one or more of the following apply:

- Aggregate dollar amount does not exceed the micro-purchase threshold;
- Item is only available from a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;
- Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity; or
- After solicitation of a number of sources, competition is determined inadequate.

Noncompetitive Procurements

2CFR200.320(c)

Sole-source purchases:

- The item is available only from a single source
- You may make these purchases without obtaining bids or quotes
- Document why you need this specific item or service and why it is only available from one source



Emergency or Exigency 2CFR200.320(c)

- Costs must still be reasonable.
- All efforts must be fully documented.
- Once the documented exigency or emergency period ends (as defined by the awarding agency), must transition to a procurement that includes full and open competition.
- Local disaster declaration cannot waive state or federal procurement rules.
- FEMA Fact Sheet: Purchasing Under a FEMA Award: Exigency or Emergency Circumstances (2022)
https://www.fema.gov/sites/default/files/documents/fema_procurement_during_ee_circumstances_factsheet-2022.pdf

Emergency or Exigency Circumstances Review

- Costs must still be reasonable
- Contracts must include the required contract clauses
- Must complete a cost or price analysis if contract exceeds the Federal simplified acquisition threshold (SAT)
- Contracts must be awarded to a responsible contractor
- Use of cost-plus-percentage-of-cost contracting is prohibited
- Time & material contracts are only allowed if no other contract is suitable and if the contract includes a ceiling price

Socioeconomic Contracting 2CFR200.321

Required Affirmative Steps 2CFR200.321(b)(1)-(6)

1. Placement of Minority & Women Owned Business Enterprises (also known in Texas as Historically Underutilized Businesses or HUBs) on solicitation lists
2. Assurance that Minority and Women Owned Business Enterprises/HUBs are solicited
3. Dividing requirements when feasible to allow participation by Minority and Women Owned Business Enterprises/HUBs
4. Establishing delivery schedules conducive to participation by Minority and Women Owned Business Enterprises/HUBs
5. Using the resources of the Small Business Administration and the Minority Business Development Agency to find qualifying Minority and Women Owned Business Enterprise/HUB firms
6. Requiring prime contractor to take same steps when subcontracting

BREAK

(10 MINUTES)



Contracts

Current and Pre-positioned Contracts

- Limit acquisitions to expected needs to carry out the scope of work
- Awarded in accordance with Federal regulations
- Responsible Contractors (2CFR200.318(h))
 - Contractors must not be suspended or debarred: SAM.gov
 - Able to perform successfully under the procurement's terms & conditions
 - Compliant with public policy
 - Good record of past performance
 - Evidence of integrity

Contract Types

- Fixed Price
- Cost Reimbursement
- Time & Materials (2CFR200.318(j))

Contracts Continued

44CFR and 2CFR200

Documentation:	Contract procurement policy
	Bid process
	Cost/Price Analysis
	Debarment Verification
	Contracts
	2CFR200.318-327 contract requirements
	Profit negotiation
	Invoices/purchase orders
	Proof of payment
	Change orders

Intergovernmental Agreements

2CFR200.318(e)



INTERGOVERNMENTAL AGREEMENTS ENCOURAGED



PROVIDES GREATER EFFICIENCY, ECONOMY OF SCALE



INCLUDES GSA SCHEDULES, STATE CONTRACTS, MUTUAL AID AGREEMENTS

Other Considerations:

- Operational Period defined
- Timeline for reimbursement process
- Documentation required for reimbursement
- Rates for reimbursement

Purchasing – Cooperatives / Buy Boards

Do not relieve jurisdictions of procurement requirements

Allowed with caution.

Difficult to support cooperative/buy board followed formal procurement standards.

Acceptable in complying with micro and small purchase procurements.

Documentation During a Disaster

- Cost Tracking
- Receipts
- Procurements
- Donated Resources

Documentation

- Who?

- Who has which vehicle or piece of equipment?
- Who purchased it?
- Who approved the work/time/purchase?
- Who used the equipment/vehicle?

- What?

- What kind of work was done?
- What was purchased?
- What equipment/vehicle was used? To do what?

- Where?

- Where was the equipment/vehicle used?
- Where are the timesheets/logs/sign-in sheets?
- Where did the employee travel to?

Documentation

When?

- When was the work done?
- When was the item delivered?
- When was the equipment/vehicle in use?
- When did the event start and end?

Why?

- Why was the work needed?
- Why was the purchase needed?

How?

- How was the purchase done?
- How was time/travel documented?
- How was equipment/vehicle use logged?

Labor Continued

Costs

- Regular Time
- Overtime
- Comp Time
- Fringe Benefits

Supporting Documentation:

- Activity/Unit Logs (ICS214)
- Timesheets (Name, Employee ID, Job Title/Function, Tasks Performed, Days & Hours Worked, Employee Signature, Supervisor Approval)
- Dispatch Logs (names, dates, times, location, actions taken)

Best Practice to include:

- Proof of Payment (Method of Payment, Payor Information, Payee Name, Date of Payment)
- Fringe-Benefit Rate Worksheet
- Acceptable Proof of Payment (bank statements, front & back of cancelled checks, electronic money transfer records)
- Local Pay Policy (current at time of disaster)
- Shift Calendar

Equipment Continued

Supporting Documentation:

- Name & Employee ID for operator(s)
- Dates & Times of use
- Detailed description of equipment used
- Location used
- Tasks performed

Best Practice to include:

- Applicable FEMA equipment code based on equipment description
- Applicable FEMA equipment hourly rate based on equipment code
- Mileage log and Google map or MapQuest printout
- Proof of Ownership (titles, vehicle insurance listing)



Materials

Costs

- Materials and supplies taken from existing stock
- Materials and supplies purchased



Supporting Documentation:

- Itemized **Invoices**/receipt (Invoice Number, PO Number, Date of Purchase, Details of Products/Services, Total Amount Due, Contact Information, Billing & Shipping Information)
- **Purchase Orders** (PO Number, Details of Products/Services, Payment Due Date, Contact Information)
- Procurement policy
- Debarment verification
- Bid Process Documentation (including justifications)
- Contracts
- Proof of Payment

Receipts & Delivery Tickets



Receipts:

- Itemized list of product/services with prices
- Date & Time of Purchase
- Vendor Information
- Total Amount Paid

Delivery Tickets:

- Vendor Information
- Date & Time of Delivery
- Signature of receiving employee
- Description of item(s) delivered
- Summary of charges

Travel

Costs

- Meals
- Lodging
- Vehicle Rental (including fuel costs)
- Airfare (including baggage)
- Mileage (for personal vehicle)



Supporting Documents

- Itemized Receipts (indicating “zero” balance due)
- Proof of Payment (canceled checks – front & back showing bank stamps) or bank statement
- Mileage Log and Google map or MapQuest printout
- Local travel policy in effect at time of incident

Travel – Group Meals

- Supporting Documentation:
- Itemized receipts (indicating “zero” balance due)
- Proof of payment
- Local travel policy in effect at time of incident

Texas Division of Emergency Management GROUP MEALS SUMMARY RECORD						
Applicant		Disaster / Event		Period Covering		
Applicant Name		Event Name		01/01/01	TO	01/02/01
	Restaurant			Number of Meals	Average Meal Cost	Total Cost
Date	10/2/2016					
Breakfast						\$ -
Lunch						\$ -
Dinner						\$ -
Daily Average					\$ -	\$ -
Date	10/3/2016					
Breakfast					\$ -	\$ -
Lunch					\$ -	\$ -
Dinner					\$ -	\$ -
Daily Average					\$ -	\$ -
Date	10/4/2016					
Breakfast					\$ -	\$ -
Lunch					\$ -	\$ -
Dinner					\$ -	\$ -
Daily Average					\$ -	\$ -
Date	10/5/2016					
Breakfast					\$ -	\$ -
Lunch					\$ -	\$ -
Dinner					\$ -	\$ -
Daily Average					\$ -	\$ -
Total Group Meals						\$ -



Rentals/Leases

- **Supporting Documentation**
 - Itemized Invoice/receipt
 - Rental/Lease Agreement
 - Purchase Orders
 - Proof of Payment
 - Equipment use log

Donated Resources

Is there a written policy and procedure to record and track “Donated” Resources?

Donated Resources include:

- Volunteer labor
- Donated equipment
- Donated materials

Documentation:

- Sign-in/Sign-out Sheet
- Name
- Title and function
- Days and hours worked
- Location
- Work performed
- Source of donation (equipment/materials)
- Invoices/receipts (equipment)
- Quantity used (materials)





Daily Burn Rate

Examples to Consider:

- Repairs
- Personnel
- Commodities
- Food
- Travel
- Leases
- Equipment
- Contracts
- Fuel
- Other

TDEM Forms

Texas Division of Emergency Management has included multiple forms on their Grants Management System (GMS) website:

<https://grants.tdem.texas.gov/site/Forms.cfm>

Forms found on this site include:

- Account Activation & Application
- Reimbursement, Advance and Expense
- Public Assistance (PA)
- FMAG
- Hazard Mitigation (HM)

Disaster Summary Outline

Disaster Summary Outline Web App

Enter Assign PIN Number

DSO PIN:

DSO Update? Enter Confirmation Number:

Initial DSO? OR Updated DSO?

Internal Use Only:
Confirmation number: #
Confirmation date:

Incident

Date/Time of request:

*What is the incident name?:

General ⓘ

*What is the county?:

*Jurisdiction type reporting for:
 A County (unincorporated areas within a single county) OR A City (or part of, if the city falls in more than one county) OR Multiple cities (within a single county, see next page)

- You will need an event specific PIN in order to submit a DSO.
- Please contact your TDEM District Coordinator or email the State Operations Center for help.
- If you prefer to receive and use an offline fillable or printable DSO form, please contact TDEM CIS at support@soc.texas.gov and be sure to copy your District Coordinator.

Paper Version DSO

Disaster Summary Outline

Instructions for form
Reset Entire Form

The online version of this form will be available soon, for now, please use this PDF.

Internal Use Only:

Confirmation number: #

Confirmation date:

*Is this DSO the... Initial DSO? OR Updated DSO?

Incident

Date/Time of request:

*What is the incident name?:

General i

*What is the county?:

*Jurisdiction type reporting for:

A County (unincorporated areas within a single county) OR A City (or part of, if the city falls in more than one county) OR Multiple cities (within a single county, see next page)

*What is the city, if any?: Are you filing for a tribal jurisdiction?:

GENERAL

Jurisdiction (County/City): _____ Population: _____

Type of Disaster (Flood, Hurricane, Tornado, etc.): _____

If this is a flood event, does the City/County participate in the National Flood Insurance Program (NFIP)? Yes/No _____

Inclusive dates of the disaster: _____

Was a local disaster declaration issued? Yes/ No (Not applicable for Agriculture assistance) _____

Contact Person: _____ Title: _____

Address: _____ City: _____ Zip Code: _____

Phone () _____ Fax () _____

Pager () _____ 24-Hour Duty Officer/Sheriff's Office () _____

INDIVIDUAL ASSISTANCE

Casualties: (Contact local area hospitals)

A. Number of Fatalities _____

B. Number of Injuries _____

C. Number Hospitalized _____

Number of homes isolated due to road closure (high water, etc.): _____

Agricultural Losses: (Contact the Farm Service Agency in your county)

Is agricultural assistance needed? Yes/ No If yes, please attach USDA damage assessment report.

Residential Losses - Primary Residence Only: (Local Damage Assessment) See guidelines on page 4.

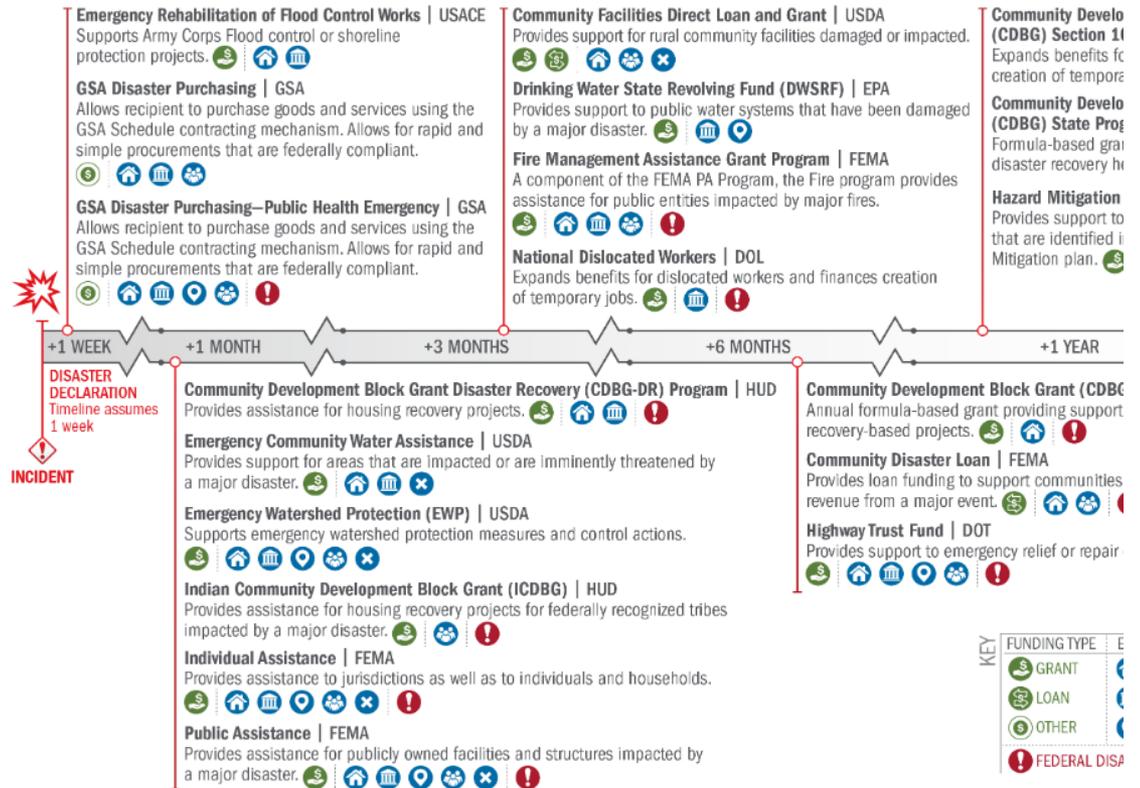
Type of Homes	Affected	Minor Damage	Major Damage	Destroyed	% Covered by Insurance
Single Family Homes					
Mobile Homes					
Multi-Family Units					
Totals					

Reference Resources

- Top 10 Procurement Under Grants Mistakes
https://www.fema.gov/sites/default/files/2020-08/fema_top-10-mistakes_flyer.pdf
- Procurement Disaster Assistance Team (PDAT) Field Manual Oct2021
https://www.fema.gov/sites/default/files/documents/fema_PDAT-field-manual_102021.pdf
- PDAT Contract Provision Guide June2021
https://www.fema.gov/sites/default/files/documents/fema_contract-provisions-guide_6-14-2021.pdf
- Public Assistance Program and Policy Guide Version 4
https://www.fema.gov/sites/default/files/documents/fema_pappg-v4-updated-links_policy_6-1-2020.pdf
- Federal Procurement Requirements Checklist for Non-State Entities
<https://www.fema.gov/assistance/public/nonstate-nonprofit/procurement-checklist>
- Texas Procurement and Contract Management Guide Version 2.1
<https://comptroller.texas.gov/purchasing/docs/96-1809.pdf>

Disaster Financial Management Guide

FIGURE 3: EXAMPLE TIMELINE OF KEY FEDERAL FUNDING PROGRAMS FOR RECOVERY



Questions?

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