



RIEMA

RHODE ISLAND EMERGENCY MANAGEMENT AGENCY

Sub-Recipient Grant Management Handbook

Revised July 2015



Rhode Island Emergency Management Agency
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Overview

The *Sub-Recipient Grant Management Handbook* serves as a primary reference manual to safeguard federal grant funds and ensure they are used for the purposes for which they were awarded. This handbook will serve as a day-to-day management tool for sub-recipients in administering grant programs. For additional information on grants management, please visit the RIEMA website. <http://www.riema.ri.gov/>

As per Presidential Policy Directive 8: <http://www.fema.gov/learn-about-presidential-policy-directive-8> and Rhode Island General Law 30-15, the Rhode Island Emergency Management Agency (RIEMA) will utilize grant funding to support the National Preparedness goal in establishing a secure and resilient Nation, with capabilities required across the whole community, to **prevent**, **protect** against, **mitigate**, **respond** to, and **recover** from the threats and hazards that pose the greatest risk.

PPD-8 identifies core capabilities as the distinct critical elements necessary for our success. They are highly interdependent and will require RIEMA to use existing planning and prevention networks and activities, improve training and exercise programs, promote innovation, and ensure that the administrative, finance, and logistics systems are in place to support and enhance these capabilities.

RIEMA is pleased to respond to any questions not covered by this handbook and welcomes suggestions to improve the utility and content of the handbook. Please contact the Grants Division at 401-946-9996 with any questions or suggestions.

Application Process

RIEMA will post application instructions, the **Notice of Funding Opportunity (NOFO)**, and kick-off meeting schedules for potential sub-recipients on our website. These opportunities are dependent on grant cycles issued by the Federal Government.

Applications will be reviewed in the following areas:

1. Relevance to RIEMA's policy priorities (i.e. Grant Justification, Program Work Plans, Threat and Hazard Identification and Risk Assessment, State Preparedness Report, State Homeland Security Strategy)
2. Ability to meet any award "special conditions" as specified in grant guidance
3. Ability to achieve project timelines and milestones
4. Ability to expend grant funds in a timely manner
5. Timeliness and justification for award extensions and reallocations on previous grant awards
6. Ability to comply with procurement and contracting requirements
7. Ability to comply with equipment management and reporting requirements
8. Ability to participate in mandatory grant management training and procurement training
9. Required forms: **Grant Detailed Budget Worksheet Form**
10. **Other forms may be required as the individual NOFO's warrant**

All applications will be reviewed for completeness, compliance to grant guidelines and project alignment to core capabilities. Grants may also be reviewed with further criteria, as deemed necessary, per the NOFO. Applicants that submit applications that, after review, are deemed incomplete or ineligible, will be notified via email or letter.

Grant applications that are reviewed and recommended for funding will receive a grant award notification letter from RIEMA.

Application Denial Process

Applications that are denied will be issued a denial letter outlining the criteria of denial. Applicants have the right to appeal the denial within thirty **(30)** days of receipt of the denial letter, articulating additional detail for further consideration. Applications will remain on file, if you submit an appeal; a second decision on your application will be provided to you within thirty **(30)** days of your submission.

Applicant Eligibility

All sub-recipients must have an active Dun and Bradstreet Data Universal Numbering System (DUNS) number in order to apply for federal funding. In addition, all sub-recipients must register with the System for Award Management (SAM) database <https://www.sam.gov>. SAM is the primary registrant database for the U.S. Federal Government and sub-recipients are required to update or renew their registration at least once per calendar year to maintain an active status. Failure to maintain an active status will potentially result in de-obligation of all federal funds.

Sub-recipients deemed eligible to receive federal grants, contracts, and other activities are required to adopt the National Incident Management System (NIMS) <http://www.fema.gov/national-incident-management-system>, in accordance with Homeland Security Presidential Directive 5 (HSPD-5) <http://www.dhs.gov/publication/homeland-security-presidential-directive-5>, Management of Domestic Incidents. NIMS provides a consistent nationwide approach and vocabulary to enable all levels of government, tribal nations, nongovernmental organizations, and private sector partners to work together to prevent, protect against, respond to, recover from, and mitigate the effects of incidents, regardless of cause, size, location, or complexity.

All sub-recipients of The Homeland Security Grant Program (HSGP) and Emergency Management Performance Grant (EMPG) Program are required to complete the NIMS Data Collection Tool, for Locals, and submit it electronically to RIEMA no later than **November 30th** of each calendar year in order to remain eligible for continued grant funding. All funded personnel through EMPG are required to have completed or be working towards the NIMS National Standard Curriculum Development Guide, which includes completion of: IS 100, IS 200, IS 700, IS 800; and the Professional Development trainings of: IS 139, IS 230.a, IS 235.a, IS 240.a, IS 241.a; IS 242.a, and IS 244a.

Sub-recipients unable to adhere to NIMS standards, as outlined in this handbook, are required to submit a Corrective Action Plan to complete the requirement to RIEMA prior to the **November 30th** deadline. Please visit the RIEMA website for further information concerning NIMS implementation and compliance. This deadline may change as federal guidance requirements dictate.

Grant Award

All grant awards or denial letters issued by RIEMA will include terms and conditions that include compliance requirements, federal regulations, and audit requirements pertinent to the grant award. Each sub-recipient's authorizing agent shall sign compliance documents prior to the spending of any award. Descriptions and templates of these forms can be found in the Required Grant Forms section of this handbook.

1) Grant Assurances Form

- a) Grant Assurance
- b) Single Audit Act of 1996
- c) Certification of Lobbying
- d) Environmental and Historic Preservation Screening Form (*if applicable*)

2) Grant Progress Report Form

3) Grant Reimbursement Request Form

4) Grant Inventory Form

5) Grant Detailed Budget Worksheet Form

Sub-recipients receiving awards must sign and return the grant assurances within thirty (**30**) days from the date of the award letter. In the event the sub-recipient needs an extension to accept the award, please submit a "Notice of Intent to Accept Grant Award" to RIEMA's Grants Division to request an extension.

Changes to Award

All change requests to an award, whether it is programmatic or financial, must be submitted to RIEMA by submitting a written narrative and if necessary, a revised budget, signed by the authorizing agent. Changes must be consistent with grant guidelines in order to be approved. Requests for changes will only be considered if the sub-recipients' reporting requirements are current, and if all terms and conditions have been met at the time of the change request. Transferring of funds between allocations will only be authorized by RIEMA and will require the submittal of **Grant Detailed Budget Worksheet Form** for grant files.

Examples of Change Requests:

- Change of address
- Changes in award period of performance (extension requests) should be received no later than thirty **(30)** calendar days, depending upon grant specific guidance, prior to the end date of the award
- Changes in project scope
- Changes in project detail
- Changes in budget
- Changes in work plan
- Changes in grant justification
- Changes that increase or decrease the total cost of the project
- Change in, or temporary absence of, the project manager, chief financial officer, or signatory official
- Release of special conditions, if required

Basic Federal Grant Conditions

All sub-recipients must follow the basic federal grant conditions outlined below:

Audit Requirement of Federal Fund (OMB Omni Circular A-133) requirements apply to non-profit organization, institution of higher education, and local governments, as a whole, when they, or one of their departments, receives federal funds. Any non-profit organization, institution of higher education, or local government receiving more than \$750,000 in federal funds *from all sources* within a 12-month period must have an OMB Omni Circular A-133 audit performed on the use of the funds. Each sub-recipient shall sign assurances to abide by this requirement. (Further information on OMB Omni Circular A-133 can be found on the **Grant Assurances Form**)

Transparency Act Reporting of Federal Funds The Federal Funding Accountability and Transparency Act (FFATA) requires RIEMA to report specific sub-recipient award information for each award greater than \$25,000 with federal funds received after **October 1, 2010**. Prior to receiving funds, each sub-recipient will be solicited for information, when necessary, to supply RIEMA with the proper information necessary to meet this requirement.

Cost Principles for Federal Grants to State and Local Governments (OMB Omni Circular A-87) requirements apply only to state and local government sub-recipients. These regulations list and define general categories of costs that are both allowable and unallowable. (Further information on OMB Omni Circular A-87 can be found on the **Grant Assurances Form**)

Nondiscrimination Requirements Any recipient of federal funds must comply with 28 CFR Part 42 along with their subcontractors, all statutorily-imposed nondiscrimination requirements such as civil rights requirements, reporting of adverse finding of discrimination, equal opportunity program requirements, which may also include, but not limited to:

- Omnibus Crime Control and Safe Streets Act of 1968;
- Victims of Crime Act;
- Juvenile Justice and Delinquency Prevention Act of 2002;
- Civil Rights Act of 1964;
- Rehabilitation Act of 1973;
- Americans with Disabilities Act of 1990;
- Education Amendments of 1972;
- Age Discrimination Act of 1975 ;
- Ex. Order 13279 (equal protection of the laws for faith-based and community organizations); and
- 28 C.F.R. pt. 38 (U.S. Department of Justice Equal Treatment for Faith-Based Organizations)

Administrative Guidelines

The following are basic administrative conditions that apply to all federal grants:

Grants and Cooperative Agreements with State and Local Governments (OMB Omni Circular A-102)

This Circular establishes consistency and uniformity among Federal agencies in the management of grants and cooperative agreements with state, local, and federally recognized Indian tribal governments.

Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations (OMB Omni Circular A-110)

This Circular establishes administrative requirements for Federal grants and agreements awarded to institutions of higher education, hospitals, and other non-profit organizations. Federal Agencies may apply provisions to commercial organizations.

Additional Cost Guidelines

The following are basic federal cost guidelines.

Cost Principles for Educational Institutions (OMB Omni Circular A-21) establishes principles for determining costs applicable to grants, contracts, and other agreements with educational institutions identified in the **Grant Assurances Form**.

Cost Principles for Non-Profit Organizations (OMB Omni Circular A-122) establishes principles for determining costs of grants, contracts, and other agreements with non-profit organizations identified in the **Grant Assurances Form**.

Special Conditions

Sub-recipients with special conditions on their awards are prohibited from expending any funds until those identified conditions are approved by RIEMA. Typical special conditions may be, but are not limited to, NIMS compliance, Environmental and Historic Preservation (EHP) review and attendance at grant award kick-off, rollout meetings and trainings. Failure to comply with any and/or all special conditions may result in de-obligation of grant funding.

Grant Compliance

All allocated funding must be associated with a RIEMA programmatic investment justification (IJ) or work plan to facilitate goals and objectives, unless otherwise stated by the Executive Director. The conditions outlined in this handbook are to enable sub-recipients to abide by state, local and federal grant administrative requirements.

Penalties for Non-Compliance

Non-compliance may inhibit RIEMA's mission and may result in potential penalties for funding. Typical examples of non-compliance are:

- Unwillingness or inability to attain project goals
- Unwillingness or inability to adhere to special conditions of the grant award
- Failure or inability to adhere to grant guidelines and federal compliance requirements
- Improper purchasing procedures for contracts and procurements
- Inability to submit reliable and/or timely reports

While not limited to the reasons listed above, awards may be wholly or partly suspended, or reimbursements and award modifications may be withheld. RIEMA may also withhold authority to proceed to the next phase of a project, require additional or more detailed financial reports, institute additional project monitoring, and/or establish additional prior approvals. RIEMA will notify the sub-recipient in writing of the decision(s) stating the reason(s) for penalty of non-compliance. The sub-recipient must respond with a corrective action plan or a written statement justifying compliance within thirty **(30)** days of receipt of notification.

Termination for Cause or Convenience

If there is a failure to respond in correcting non-compliance issues under the terms of the grant award, the award may be reduced or terminated without compensation. RIEMA may reimburse the sub-recipient only for acceptable work or deliverables, and allowable costs incurred through the date of reduction or termination. Any equipment purchased under a terminated grant may revert to the awarding federal agency. A project which is prematurely terminated will be subject to the same requirements regarding audit, recordkeeping, and submission of reports as a project which runs for the duration of the project period.

Grant Extensions

Sub-recipients seeking a grant extension on a period of performance **must submit** an extension request a minimum of thirty **(30)** days prior to the grant end date (depending upon grant specific guidance), a written narrative, and a revised budget (if necessary) signed by the authorizing agent. Sub-recipients must adhere to **Attachment D** of FEMA's **Information Bulletin 379** (Guidance to State Administrative Agencies to Expenditure of Certain DHS/FEMA Grant Funding). Information Bulletin 379 can be found on the RIEMA. In response to a written extension request, the Director (or Grants Manager) will provide a letter advising the sub-recipient of the approved extension or denial. In the result of a **denial**, sub-recipients can submit a **written appeal** justifying further review within thirty **(30)** days of the denial letter date to the Grants Manager.

Recordkeeping Requirements

Grant financial and administrative records shall be maintained by sub-recipients for a period of no less than three **(3)** years following the date of the closure/audit of the grant award. Personnel and payroll records for all individuals reimbursed under the award must be maintained. Equipment records shall be maintained for a period of three **(3)** years following the final disposition, replacement, or transfer of the equipment.

Sub-recipients shall keep separate records of different federal fiscal periods separately, identified, and maintained so that backup documentation may be readily located. Sub-recipients are also obligated to protect records adequately against fire or other damage. When records are stored away from the sub-recipient's principal office, a written index of the location of records stored should be on hand and available.

Grant Reporting

Sub-recipients will submit a **Grant Progress Report Form** to RIEMA each quarter. Forms can be found in the Required Grant Forms section of this handbook, as well as on the RIEMA website <http://www.riema.ri.gov/>. Reports must be signed by an authorized agent or delegated representative of the sub-recipient to be considered complete.

Quarterly reports are due, cyclically, no later than:

April 15th	Reporting period January 1 – March 31
July 15th	Reporting period April 1 – June 30
October 15th	Reporting period July 1 – September 30
January 15th	Reporting period October 1 – December 31

The **Grant Progress Report Form** details the status of the project, compares actual accomplishments to the objectives established for the reporting period in the project timeline, reports reasons for deviation, and provides justification for timeline adjustment requests. In filling out the form, sub-recipients should include any significant events or activities that occurred during the reporting quarter. This form will also outline the status of the funds, show encumbrances, and receipts of program income, cash or in-kind contributions to the project, whether or not a local match is required.

Final reports for the **Grant Progress Report Form** are due the quarter post completion, as they are part of the closeout protocols outlined in this handbook in the Closeout section.

The **Grant Inventory Form** is due with the final reports upon closeout. Further information on this form can be found in **Equipment Control (Appendix A)**.

All exercise purchases must include an **After Action Report/Improvement Plan (AAR)** and follow Homeland Security Exercise and Evaluation Program (HSEEP) guidelines. All AAR's must be submitted to the Grants Division and Exercise Division within thirty **(30)** days after the conclusion of an exercise.

Reimbursements

Reimbursement of expenditures may be requested at any time within the performance period, if allowed, according to grant guidance. RIEMA will not conduct advanced drawdowns of grants, unless otherwise approved, and funds must always be dispersed properly in a timely manner. Sub-recipients will be given thirty **(30)** days after end of award period to submit reimbursements, as long as expenses were incurred within the period of performance.

Reimbursements should be submitted using the **Grant Reimbursement Form** and be substantiated by the **Grant Progress Report Form**, upon their submission each quarter. Reimbursement will be based upon authorized and allowable expenditures, as outlined in this handbook, and be consistent with grant justifications, work plans, project narratives, project budget details, and grant guidance. Payments may be withheld pending correction of deficiencies, or for the lack of supporting documentation. Sub-recipients will be sent a written notice outlining any unallowable cost or denial of reimbursement that has been submitted, if the sub-recipient fails to provide requested, additional documentation within sixty **(60)** days of the original request for reimbursement. Expenditures must be accompanied with supporting documentation (e.g. copies of invoices, receipts, signed timesheets with name/wage/hours, cost allocations, training certificates, etc.). Sub-recipients are required to follow at a minimum, the Rhode Island State Purchasing Laws as outlined in Rhode Island General Law Title 37 Chapter 2 for all procurements and contracts.

Additional information about required documentation that shall accompany a reimbursement request is listed below. Further procurement information can be found on the RIEMA website <http://www.riema.ri.gov/>.

- **Personnel Costs:** Payroll reports must be signed and certified by the Chief Financial Officer or authorized representative. Payroll reports must include the employee name, position, coded allocation to the project and amount paid. Staff may not self-certify their own time and wages. The sub-recipient must retain and file all supporting payroll records, including time and attendance records, signed by the employee and supervisor and copies of warrants as per federal recordkeeping requirements.
- **Contracts:** All sole-source procurements, single vendor response to a competitive bid, and contracts over \$100,000 require RIEMA pre-approval prior to implementation. Failure to obtain pre-approval will result in denial of reimbursement request. Final, signed copies of all contracts are required with all requested reimbursements.

- **Program Income and Local Match:** Program income may be used to supplement project costs, reduce project costs, or may be refunded to the federal government, and must be used for allowable program costs and be expended prior to requests for reimbursement. Local matching funds must clearly support the source, the amount, and be documented and filed. Further detail on policy and procedures can be found in **Match and Cost Sharing (Appendix C)**.
- **Equipment:** Allowable equipment categories are listed on the web-based **Authorized Equipment List (AEL)**, in the **Responder Knowledge Base**, <https://www.llis.dhs.gov/knowledgebase>, and can be found on the RIEMA website. Supporting documentation is required with reimbursement requests and should be filed as backup for the **Grant Inventory Form**. Further details on this policy can be found in **Equipment Control (Appendix A)**. Sub-recipients must follow state and local procurement procedures, which are listed below.
- **Travel:** All sub-recipient travel must be in the sub-recipients' grant application or in an approved change request. Reimbursement for travel shall be calculated, in accordance with the sub-recipient's local travel policy, and may not exceed the state per diem rate. Further details on this policy can be found in the Travel Policy section of this handbook.
- **Training:** All sub-recipient training must be in the sub-recipients' grant application or in an approved change request prior to registering or participating in training opportunities. Training reimbursements must be accompanied by the **Grant Reimbursement Request Form** signed by the authorizing agent or financial agent, which details all overtime and backfill expenditures. Supporting documentation for this reimbursement must also include training certificates, signed timesheets with name/wage /hours and agendas for the trainees.
- **Overtime and Backfill:** All overtime and backfill must be documented in the sub-recipients' grant applications or in an approved change request prior to incurring expenses. All personnel costs are subject to the funding restrictions identified by the PRICE Act (Public Law 110-412).
- **Exercise:** All exercises which are grant funded require submission of an After-Action Report (AAR) within thirty **(30)** days after conclusion of the exercise.
- **Food and Beverages:** Per cost principle allowances, food and/or beverage expenses provided by sub-recipients may be allowable costs if related to a grant-funded exercise or training and is allowable in grant guidance. At a minimum, sub-recipients must conform to the State's meal allowance policy. **(OMB Omni Circular A-87)**

Travel Policy

All travel must be in sub-recipient's grant application or in an approved change request prior to expenditures. For requests including conferences and travel, sub-recipients must conform, at a minimum, to the state travel policy. This policy can be found on the State of Rhode Island Department of Administration, Office of Accounts and Control website, and on RIEMA's website (policy A-46 refers to in state travel and policy A-22 refers to out-of-state travel). The travel must be directly related to the approved grant award or it will be disallowed. Reimbursement for travel will be awarded based on the supporting documentation provided; however reimbursement will not exceed the state *per diem* rate. If lodging costs exceed the maximum lodging rate, per the state policy, approval from RIEMA must be obtained prior to the commencement of travel for reimbursement to be considered.

Procurement

Procurements will comply with sub-recipient procurement policies and procedures, and at a minimum, conform to Rhode Island State Purchasing Laws pursuant to Title 37 Chapter 2. Sub-recipients are also required to abide by Federal law and the standards identified in the Procurement Standards sections of 44 CFR Part 13; Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments. Below is extracted information from the State Purchasing Law.

- For general procurements from **\$500 to \$2,500 per transaction**, a state agency official may obtain three (3) telephone quotes. Each potential vendor must be provided a written copy of quote either by regular mail, e-mail, or fax
- For general procurements above **\$2,500 to \$5,000 per transaction (\$10,000 for construction)** at least three (3) written quotes should be obtained through normal mail, personal delivery, e-mail, fax or web quote. Must include at least one from a Minority Business Enterprise (MBE) to the extent practical.
- For general procurements above **\$5,000 per transaction** an invitation is required to **Bid Process** or covered under **Master Price Agreement (MPA)**.
- **\$100K or Greater** - All of the above is required along with pre-approval by RIEMA. Submit all documentation from each step in the bid process to RIEMA for pre-approval.

Each sub-recipient is required to attend a date for milestone scheduling and a state procurement training session before the acceptance of any award, unless otherwise approved.

The milestones include all project activities and interim steps needed to implement the project. The schedule should include milestones for the planning, development, construction, evaluation and reporting of the project's implementation. The milestone dates are only projected dates based on an anticipated grant award. Those dates may change depending on the timing of the grant award.

Contracts

Any contract a sub-recipient enters into will comply with local, state, and federal government contracting regulations. When sub-recipients use contractors, they are encouraged to use small, minority, women-owned or disadvantaged business concerns and contractors to the extent practical. All contracts must be noted in the **Grant Detailed Budget Worksheet Form**. Contract deliverables must meet the intent of the grant application and grant requirements. Justification is required for compensation applicable to individual consultant services, which must be reasonable and consistent with the amount paid for similar services in the marketplace. Sub-recipients must file detailed invoices, time sheets, and progress reports for all consultant expenditures.

Publications

Publications created with funding specific to the Department of Homeland Security, must prominently contain the following statement: “This document was prepared under a grant from the Federal Emergency Management Agency (FEMA)'s Grant Programs Directorate, U.S. Department of Homeland Security and the Rhode Island Emergency Management Agency. Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of FEMA's Grant Programs Directorate, the U.S. Department of Homeland Security or the State of Rhode Island.”

Environmental and Historical Preservation Policy

Federal environmental and historic preservation laws and Executive Orders provide the basis and direction for the implementation of federal environmental and historic preservation review requirements for FEMA funded projects. These laws and executive orders are aimed at protecting our nation's water, air, coastal, wildlife, land, agricultural, historical and cultural resources, as well as minimizing potential adverse effects to children, low-income, and minority populations.

Activities that may trigger environmental and historic review include, but are not limited to, debris removal; emergency protective measures; repair to pre-disaster conditions; equipment installation; modification, expansion, and mitigation; new construction and ground disturbance. Failure to comply with these laws could result in project delays and denial of funding. Sub-recipients must fill out the sub section of the **Grant Assurances Form, FEMA’s Environmental and Historic Preservation Screening Form**, before beginning any construction or altering any building. This form can be found in this document or on the RIEMA website <http://www.riema.ri.gov/>. The form must then be sent to RIEMA, who requests approval from FEMA.

Equipment Control

The *Sub-Recipient Grant Management Handbook* outlines protocols through the **Equipment Control (Appendix A)** to gather information as outlined in the State’s Fixed Asset Control Tracking System (FACTS) manual. The *Sub-Recipient Grant Management Handbook* also includes a **Grant Inventory Form**, which includes the source of funding for tracking purposes.

The sub-recipient shall maintain an effective equipment management system. This system should include safeguards to prevent loss, damage or theft; maintenance procedures to keep equipment in good condition; and disposition procedures.

The sub-recipient shall display the following on all equipment ***purchased with funds provided by the U.S. Department of Homeland Security*** with a value of \$5,000 or more. Equipment purchased with said grant funds may not be assigned or transferred to other entities or organizations without the expressed approval in writing from RIEMA, prior to the jurisdiction’s encumbrance or expenditure for that equipment. Management of equipment shall be in accordance with State laws and procedures as outlined in 44 CFR Part 13, which is located on the Electronic Code of Federal Regulations website.

The Grants Division will forward a copy of all sub-recipients' **Grant Inventory Forms** to the RIEMA Logistics Manager for tracking and review. If the recipient demobilizes equipment, or has a surplus item, the Grants Division will forward this information to RIEMA Logistics to update the RIEMA inventory database. If sub-recipients fail to submit an inventory list, this may result in de-obligation of grant funding.

Programmatic Monitoring Policy

RIEMA is required to monitor all grants (disaster, EMPG, SHSP, etc.) for compliance and accuracy. Periodic monitoring is in place to ensure that program goals, objectives, timelines, budgets and other related program criteria are being met. This may include desk or field audits. RIEMA will complete a monitoring visit for each sub-recipient annually (at a minimum) to review and conduct analysis of sub-recipient's financial, programmatic and administrative policies and procedures such as, accounting for receipts and expenditures, cash management, maintaining adequate financial records, means of allocating and tracking costs, contracting and procurement policies and records, payroll records and means of allocating staff costs, equipment management system(s), progress of project activities, etc. The **Programmatic Monitoring (Appendix B)** goes into further detail and is also available for reference on RIEMA's website. <http://www.riema.ri.gov/>

Match and Cost Sharing Policy

RIEMA's matching and cost sharing policy has been developed in accordance with the federal regulations governing matching and cost sharing for emergency management programs (44 CFR 13.24). These policies and procedures are for the administration of Federal award programs administered by RIEMA, in conjunction with the provisions of the Office of Management and Budget (OMB Omni Circular) applicable to grants. The **Match and Cost Sharing (Appendix C)** is also available for reference on our website. RIEMA templates have been provided in the appendix for sub-recipient reference.

Match Requirements

Match or cost sharing is required for certain federal grant programs. Matching funds are non-federal funds or services, provided by the sub-recipient, to cover costs budgeted in the grant. Required match will be outlined in the federal grant guidance.

Types of Match

Cash Match (hard) Cash match includes non-federal cash spent for project related costs, according to the program guidance. Allowable cash match must only include those costs which are in compliance with 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Omni Circular A-87) and 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

In-kind Match (soft) In-kind match includes, but is not limited to, the valuation of in-kind services. In-kind is the value of something received or provided that does not have a cost associated with it.

For example, if in-kind match (other than cash payments) is permitted, then the value of donated services could be used to comply with the match requirement. Also, third party in-kind contributions may count toward satisfying match requirements provided the grantee receiving the contributions expends them as allowable costs in compliance with 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87) and 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

Close Out

Grant Close Out must be completed and submitted no later than **(90)** days after the approved period of performance has ended. The following documentation must be submitted by the sub-recipient:

- a. **Grant Progress Report:** This form will be marked close out and will entail a final progress summary and financial expenses.
- b. **Grant Reimbursement Request Form:** Sub-recipients will be given a thirty **(30)** day liquidation period after end of award period to submit all remaining reimbursements. Expenditures must have been incurred with the approved Period of Performance.
- c. **Grant Inventory Form:** This report is required for any equipment purchased with a single per unit cost in excess of \$5,000. Inventory reports are required with a close out request.

Upon completion of the closeout process, the RIEMA Executive Director will send a Closeout/de-obligation letter (if needed) to sub-grantees, advising the grant is closed and/or de-obligating any unexpended funds.



RIEMA

RHODE ISLAND EMERGENCY MANAGEMENT AGENCY

Sub-Recipient Grant Handbook

Equipment Control Appendix A

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Overview

The **Equipment Control (Appendix A)** is a guide for sub-recipients receiving awards from the Rhode Island Emergency Management Agency (RIEMA), describing responsibilities and authority in the management of federally funded equipment. This Appendix includes detailed information about property management procedures, sets forth minimum requirements established by RIEMA, and utilizes principles from the State of Rhode Island Fixed Asset Control & Tracking System (FACTS). Jurisdictions have authority to establish additional internal controls in addition to this handbook and state policy.

RIEMA exercises equipment control responsibility in a variety of ways, including:

Equipment Control Management - RIEMA maintains equipment records and conducts annual inventories, controls jurisdiction equipment transfers, and directs the disposition of any excess federally funded equipment.

Equipment Acquisition Inventory Reduction - Equipment management and inventory control procedures begin when a new item is purchased. For used equipment, jurisdictions will notify FEMA of their request. If a trade-in is requested, FEMA will determine if it is in the best interest of the State before approving.

Equipment Transfers - FEMA must pre-approve equipment transfers between jurisdictions once they have agreed on the associated costs and method of transfer. The equipment may not be moved until the transfer has been approved by FEMA.

Surplus Equipment Disposition - Equipment must be in useful or serviceable condition. An item reported as surplus can no longer be used, repurposed, or moved without written approval from FEMA.

Effective equipment control is the best way for jurisdictions to fulfill their obligation to accurately account for federally funded equipment. The *Sub-Recipient Grant Management Handbook* also includes a **Grant Inventory Form**. This form indicates the purchase of equipment with a value of \$5,000 or more by sub-recipient and is to be submitted for approval.

This handbook, along with the Code of Regulation 44 CFR Part 13, Office, Management, & Budget OMB Omni Circulars, and state regulations are the tools used by RIEMA to implement its management responsibility.

Equipment Control Management

Overview

All equipment purchased with Department of Homeland Security funds must be authorized and allowable in accordance with the Authorized Equipment List, published by the Department of Homeland Security. All other funding sources are determined by their specific federal guidance for allowable equipment purchases.

RIEMA Responsibilities

RIEMA implements the federally funded equipment control management program for certain grant programs and are charged by federal and state regulations with having full knowledge of all equipment transactions within their jurisdictions. Specific responsibilities include:

- Developing policies and procedures
- Controlling and monitoring equipment accounting files
- Providing data and technical assistance to their designated jurisdictions
- Auditing receiving reports, equipment transfers, equipment disposition and physical inventories
- Conducting field inventory audits.

Sub-recipient Responsibilities

Sub-recipients help RIEMA to fulfill their equipment control management responsibilities on a day to-day basis. The duties of a sub-recipient vary depending upon the local government, but generally include:

- Initiating transactions when equipment is purchased, loaned, borrowed, or transferred
- Originating excess (disposition) equipment transactions
- Completing an annual inventory of all equipment, at the end of the grant award during the close-out process

Property Identification

A property decal should be placed where it can be easily seen and property decal placement should be uniform (for ease in locating and reading), regardless of the property's location or placement. (If a property decal is hidden, it is recommended that tape or other suitable material be used to show the property tag or decal in a visible location. At minimum, when practicable, any equipment purchased with federal grant funding shall be prominently marked as follows: *"Purchased with funds provided by the U.S. Department of Homeland Security"* or applicable federal agency based on award.

Equipment Acquisition

New Equipment

Equipment management and inventory control procedures shall begin when a new item is purchased. The **Grant Inventory Form** is used by RIEMA to assure that all necessary information is available for reporting. This report is submitted to RIEMA with the close out process for each grant award. RIEMA will determine if the equipment listed is a resource typed asset and will include it in their agency database as such, as well as communicate the necessary labeling.

Used Equipment

Sub-recipients will notify RIEMA of their request for surplus items. Requests will be fulfilled in the order in which they are received. RIEMA will utilize as a collection tool for surplus items.

Trade-Ins

Trade-ins are required to be pre-approved in writing, in advance by RIEMA (FEMA). A trade-in request will be approved only when RIEMA (FEMA) has determined that it is in the best interests of the State.

A proposed trade-in is initiated by memorandum from the jurisdiction, through RIEMA, and approved by both RIEMA and FEMA.

The memo must include:

1. Equipment description including serial number(s)
2. Equipment condition and current estimated value
3. Statement of need and significant program impacts (if any) should the trade-in be denied
4. Description of new equipment desired, including proposed method of purchase, estimated purchase price, and estimated trade-in allowance

Inventory Reduction

Lost-Stolen-Damaged

An item which is lost, stolen, damaged or destroyed must be reported by the sub-recipient writing within thirty **(30)** days to RIEMA. RIEMA retains the authority to establish the degree of responsibility and liability, as well as appropriate punitive measures for negligence or misuse of federally funded equipment by an employee or individual.

Employees and individuals should be advised of any liability they might incur due to their custody of federally funded equipment and the procedures to follow when an item is being reported as lost, stolen, damaged or destroyed. Suspected theft of equipment or supplies should be reported immediately to the appropriate law enforcement agency. Any law enforcement report should be included with the memorandum to RIEMA.

Loaned Equipment

Equipment may be loaned to another jurisdiction for a specified period of time with notice to RIEMA. An "Equipment Memorandum of Agreement (MOA)" must be executed and a copy given to RIEMA. This allows the jurisdiction of the "loaning" entity to maintain a record of such items and is the only record acceptable to an auditor in documenting the location of items not physically present at the time of an audit. Jurisdictions may also find the Equipment Memorandum of Agreement useful in keeping track of items loaned as well as items "issued" for field use. If an item will be on loan for **six months or more**, a permanent transfer must be considered.

Equipment Transfers

Equipment may be transferred to another jurisdiction only after pre-approval by RIEMA. The "releasing" jurisdiction and the "receiving" jurisdiction must agree on method of transfer and associated costs then forward the agreement in writing to RIEMA for approval. The equipment may not be moved until the transfer has been approved by RIEMA (again, only FEMA can approve this!).

Surplus Equipment Disposition

Equipment Re-Utilization

Equipment in useful or serviceable condition, but is deemed surplus to actual need, must be reported in writing to RIEMA. Once an item is reported as surplus, it cannot be further used, repurposed or moved from its reported location without prior written approval from RIEMA.

All data must be removed/deleted from systems

- Computers, hard-drives, and personal digital assistants (PDAs): All programs without accompanying licenses must be deleted prior to surplus; all official/personnel files data files must be removed; if in doubt, remove it.
- Fax machines and copiers: All headers and history files must be deleted; remove and retain paper if it is letterhead.
- Phones and answering machines (cell, satellite, and system): Cancel cell/satellite service; remove numbers from speed dial, caller I.D., etc.; delete greetings and messages from answering machines.
- Bottom line-reconfigure or erase all functions, including electronic functions, of the equipment as necessary to prevent the equipment from producing indicators that the equipment, or a product generated by the equipment, is property of the jurisdiction, federal government or state.

RIEMA reviews equipment reported as surplus on inventory reports to the requests from the jurisdictions through applications or other means and determines whether it is in the State's best interest to transfer the excess equipment or dispose of it. The reuse of surplus equipment by other jurisdictions is RIEMA's highest priority. RIEMA may recommend the requesting jurisdiction transfer of surplus equipment directly to another jurisdiction rather than dispose of the equipment.



RIEMA

RHODE ISLAND EMERGENCY MANAGEMENT AGENCY

Sub-Recipient Grant Handbook

Programmatic Monitoring Appendix B

Revised July 2015



Rhode Island Emergency Management Agency
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Attachments

- Attachment A: Pre-Site Visit Letter
- Attachment B: Monitoring Report
- Attachment C: Monitoring Picture Log
- Attachment D: Post Site Visit Letter
- Attachment E: Post Visit Questionnaire
- Attachment F: Desk Audit Checklist

Introduction and Purpose

The Rhode Island Emergency Management Agency, (RIEMA) as the federal grantee, is responsible for monitoring sub-recipients and ascertaining that all compliance and programmatic responsibilities are fulfilled in accordance with Homeland Security Grant Program Guidelines. State and Local Sub-Grants are monitored to track the progress of agencies. The State Strategy and State Preparedness Report (SPR), track the support RIEMA is providing to local and state agencies for implementation of the Strategy and SPR, and determine whether planning, operational, equipment, training and exercise grant funds are being obligated and expended in accordance with RIEMA, Grants and Programs Directorate (GPD) Guidelines. Monitoring provides a comprehensive picture of preparedness and response capabilities statewide. It will allow RIEMA to ensure it is providing its resources and support to local and state agencies in an efficient and effective manner. Overall, RIEMA will assess how resources awarded to sub-recipients enhance prevention, protection, response and recovery capabilities, and support the goals and objectives in the State Homeland Security Strategy and SPR. RIEMA places a high value on consistent, fair, open and reasonable reporting and accountability by sub-recipients.

Grant programs subject to GPD-specific programmatic monitoring efforts include, but are not limited to:

- 1) FY2014 State Homeland Security Grant Program (SHSP)
- 2) FY2014 Emergency Management Preparedness Grant (EMPG)
- 3) FY 2014 Hazard Mitigation Assistance Grant (HMA)
 - a. Pre-Disaster Mitigation (PDM)
 - b. Flood Mitigation Assistance (FMA)

Overview

Programmatic monitoring of grants encompasses three main areas:

- 1) Compliance monitoring of planning, exercise and training funds, the procurement process and compliance with regulations; and
- 2) Programmatic monitoring of sub-recipient progress and operations, including equipment deployment, for project implementation and execution.
- 3) Project milestones and progress and adhering to the approved Scope of Work (PA and HMGP).

Sub-recipient monitoring is carried out through two means: office-based (desk) monitoring and on-site monitoring. Monitoring assists RIEMA in identifying areas of need for Sub-recipient support and provides feedback on ways to improve its services. Both forms of monitoring require written documentation.

For reference, RIEMA conducts Sub-recipient programmatic monitoring based upon, but not limited to, the following:

- OMB Circular A-87 (Cost Principles)
- OMB Circular A-102 (Administrative Requirements)
- OMB Circular A-133 (Audit Requirements)
- Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
- Certifications and Assurances
- Grant Program Guidance
- Applicable Code of Federal Regulations
- Sub Recipient Grant Award Agreement
- State of RI Single Audit Policy for Sub-grants, and all subsequent Briefs
- State of RI General Law Title 37 Chapter 2, Purchasing Rules and Regulations
- NIMS Compliance Metrics
- US Department of Homeland Security Financial Management Guide
- State of RI PA Administrative Plan
- State of RI HMGP Administrative Plan

COMMUNICATIONS

Communication between RIEMA's grant and finance staff with all sub-recipients is a necessary step to take in order to ensure each individual is fulfilling their delegated tasks. Quarterly, the Chief Financial Officer in conjunction with the Grants Manager will meet with sub-recipients to discuss program balances, progress, budgets, change requests, journal entries, deadlines, and other items to ensure communication and continuity. Quarterly, a meeting letter will be sent to sub-recipients welcoming regular communication. RIEMA staff will maintain a folder for each sub-recipient allowing easily monitored progression of each grant award. These procedures will ensure that the agency's goals and missions are being achieved.

TYPES OF MONITORING

Office-Based (Desk) Monitoring

For active grant programs, RIEMA authorized personnel will conduct office-based monitoring reviews for all sub-recipients once per fiscal year. Open, multi-year sub-grants under the same program will be reviewed and monitored at the same time.

RIEMA personnel will perform a comprehensive review of the sub-recipient grant file to ensure that all documentation is complete and current and noting any file irregularities. The review serves to evaluate progress implementation and timelines, determines the sub-recipients achievements and potential problems faced in implementing the project, and assesses the status of the **Grant Progress Report Form**, **Grant Inventory Form**, and the rate of expenditure of funds.

Sub-recipients identified by RIEMA personnel as potentially problematic or noncompliant will be monitored on a quarterly basis by requiring detailed progress report review, desk audit or site monitoring visit. Sub-recipient will be considered problematic if the sub-recipient appears to have financial difficulties and/or grant management deficiencies. Problematic sub-recipient quarterly status shall be reviewed with the Grants Manager who will immediately advise the RIEMA Executive Director of critical issues found, corrective actions, and best practices.

RIEMA personnel may contact the sub-recipient and schedule a time to conduct a phone interview with the sub-recipient project manager, grant fiscal manager/coordinator and other appropriate individuals in relation to all active sub-grants awarded by RIEMA. RIEMA personnel will ask if the sub-recipient has conducted formal procurement (if so a narrative summary of the process will be required), if they are experiencing any financial or programmatic grant management problems internally or with RIEMA, or if they have identified a need for technical assistance and support from RIEMA. RIEMA personnel will complete a **Desk Audit Review Form (Attachment F)** and file appropriate documentation of the monitoring and schedules follow-up meetings as necessary.

On-Site Monitoring

Sub-recipients will be randomly selected for on-site monitoring each year. The process for determining how a sub recipient is chosen for an on-site monitoring visit is random selection, however, a minimum of 10% of each grant category shall be chosen for an onsite monitoring visit per fiscal year. For on-site monitoring, all active Federal Grant Programs in which the sub-recipient has received an award will be reviewed and monitored. The number of site visits will vary from funding program to program and is dependent on the amount of resources available to conduct on-site monitoring. On-site monitoring may be conducted for a variety of reasons, including:

- Non Activity
- Periodic routine review of sub-recipient projects
- Grants of \$100,000 or more
- At Risk Communities
- Communities conducting technical projects
- Review of specific items of interest
- Response to perceived problems or issues
- Response to financial audit or programmatic monitoring exceptions
- Response to requests for assistance

A pre-monitoring analysis of the sub-recipient will be conducted by RIEMA personnel to determine which items should be reviewed during the site visit. Progress reports, financial reports, amendment requests, financial audit findings, rate of expenditures, NIMS status, reimbursement requests, and any additional compliance requirements should all be reviewed during the pre-monitoring analysis. RIEMA personnel will also review the **Grant Inventory Form** based on grant awards and reimbursement requests. At this time RIEMA personnel will note any file irregularities or problems that are discovered. Copies of necessary documentation are made, as file folders should not be removed from the office.

A pre-visit phone call to schedule a date and time for the monitoring visit will be made **two to three weeks** prior to the site visit. The initial contact should outline the items that will be reviewed during the site visit and any preparation the Sub-recipient should make prior to the visit. The phone call will be followed up by a confirmation letter or email (Attachment A), detailing the

agreed date and time and items to be reviewed. The confirmation should include an agenda for the visit and a copy of the **Monitoring Report Form (Attachment B)**. RIEMA Authorized Personnel will maintain a log of the visits.

The site visit itself includes discussions about project implementation such as milestones, timeline, rate of funds expended, project operations, performance measures and evaluation. The visit includes interviews with key agency members, review of documentation and equipment and an exit interview to discuss findings and address any questions or concerns. The exit interview will clarify any corrective action items for the sub-recipient to address post-visit and highlights what will be included in the **Post- Visit letter (Attachment D)** to the sub-recipient. If any outstanding issues are identified, the sub-recipient is required to submit a Corrective Action Plan within the allotted time identified in the Post- Visit letter, usually forty-five **(45)** days, identifying what steps the sub-recipient is taking to resolve the issues.

The agenda for the site visit is as follows:

- RIEMA Authorized Personnel arrives on time, presents identification
- Introductions with key agency members
- Conduct interview
- Establish proper contact person, working space, Sub-Recipient working hours, parking, security
- Detail the monitoring process
- Review the **Monitoring Report Form** with Sub Recipient **(Attachment B)**
- RIEMA Authorized Personnel takes notes throughout the visit on the **Monitoring Report Form**

RIEMA Authorized Personnel review equipment, taking pictures of valuable, serialized equipment. See **Attachment C** for Picture Log.

- Conduct exit interview
- Address Findings
- Detail follow-up requirements with deadline for compliance – Corrective Actions
- Q&A Session with Sub Recipient (Outreach) Items to cover include:
- Proper filing of Reimbursement Requests
- Progress reporting
- NIMS Compliance
- New policies and procedures
- Vehicle policy
- Other funding sources
- Training
- FAQ's
- MOU templates
- Amendment requests
- Grant application forms

Upon completion of the visit, RIEMA personnel will review the file and follow-up with a **Post-Visit letter (Attachment D)**. Any Findings and Corrective Actions requirements would be included in this letter. All notes and forms should be typed.

The visit should be reviewed with the supervisor who will immediately advise the RIEMA Executive

Director of critical issues found, corrective actions, and best practices. Any corrective action requirements will be followed up by the RIEMA personnel, at which time the report should be finalized and the file closed. The **Post-Visit Questionnaire (Attachment E)** will be mailed to the sub-recipient along with a self-address envelope for the sub-recipient to complete and return to the Grants Manager. Any photographs taken are to be recorded on **Monitoring Picture Log (Attachment C)** and stored on the RIEMA server and in the case file.

Sub-recipients submitting a Corrective Action Plan will be monitored closely for the next two quarterly reporting cycles (**six months**). Any further findings during this monitoring period will result in a follow-up site visit. Sub-recipients failing to take corrective measures towards compliance after the second visit will be subject to a single audit at their cost, de-obligation of funds, and ineligible for future funding.

FINANCIAL PLANNING AND REPORTING

Budget Estimation

Sub-Recipients will submit the **Grant Detailed Budget Worksheet Form**, for each grant project award. **Form 105** requires sub-recipients to provide cost estimates for Planning, Organization, Equipment, Training and Exercise (POETE). Additional information also required as part of the cost analysis, are outlined in each section of the POETE. Additional budget estimates include planning for personnel, transportation, travel, contracts, facilities, food and other cost expenditures. Monthly Review Meetings will be held the 1st of each month for thirty (**30**) minutes to discuss work plan(s), budgets, change request, spend rate, and any obstacles or issues sub-recipients need to address. Finance will manage actual expenses, Grants will manage grant administration and the Program Manager will manage programmatic.

Reporting

Quarterly, sub-recipients will submit grant financial and progress reports. The **Grant Progress Report Form** indicates the progress of the project, includes trainings, equipment purchased, exercises conducted and other relevant information. Sub-recipients will provide details of the grant showing previous expenditures, current expenditures and current grant balance indicating the financial status of the project.

Controls

Sub-recipients will include into their grant award procedures, the five components of internal controls as defined below:

- **Control Environment:** Sub-recipients will emphasize within their agency, the importance of maintaining internal controls and the execution of grant spending ensuring they are maintaining a controlled environment.
- **Risk Assessment:** The identification and analysis by sub-recipients of relevant risks to achieving the agency's operational, financial, and strategic objectives.
- **Control Activities:** The policies, procedures, and practices that ensure the sub-recipient's objectives are achieved and risk mitigation strategies are carried out.
- **Information and Communication:** Communicating control responsibilities for the grant award project(s) and providing information in a time frame that allows people to carry out their duties.

- **Monitoring:** The external oversight of internal controls by the sub-recipient or other parties outside the process; or the application of independent methodologies, like customized procedures or standard checklists, by individuals assigned within a process.

Cash Management

RIEMA will review and conduct analysis of sub-recipient's financial, programmatic and administrative policies and procedures such as: accounting for receipts and expenditures, cash management, maintain adequate financial records, means of allocating and tracking costs, contracting and procurement policies and records, payroll records and means of allocating staff costs, equipment management system, progress of project of activities, etc. RIEMA will monitor program performance for internal grant awards and awards to sub-recipients in accordance with 44 CFR §13.40, *Monitoring and reporting program performance*.

Policies

Filing Convention Policy

Sub-recipients will observe a Filing Convention Policy to organize, maintain, and aggregate all grant and fiscal files so that there is integrity/continuity, efficiency, effective communication, and improved records retention and disposition among the filing system.

Hard copies of paid invoices, purchase orders (PO's), critical expense requests and supporting documentation will be filed by grant name (primary) and then corresponding state fiscal year (secondary) - (i.e. SHSP 11, SHSP 12, SHSP, 13, etc.).

Record Keeping and Retention

Grant financial and administrative records shall be maintained by sub-recipients for a period of no less than three **(3)** years following the date of the closure of the grant award. Personnel and payroll records for all individuals reimbursed under the award must be maintained. Equipment records shall be maintained for a period of three **(3)** years following the final disposition, replacement or transfer of the equipment.

Sub-recipients shall keep separate records of different federal fiscal periods separately identified and maintained so that backup documentation may be readily located. Sub-recipients are also obligated to protect records adequately against fire or other damage. When records are stored away from the sub-recipient's principal office, a written index of the location of records stored should be on hand and available.

Inventory Policy

The sub-recipient shall maintain an effective equipment management system. This system should include safeguards to prevent loss, damage or theft; maintenance procedures to keep equipment in good condition; and disposition procedures. Sub-recipients need to fill out the **Grant Inventory Form**, which includes the source of funding for tracking purposes.

RIEMA's Logistics and Purchasing (L/P) will create, track, and maintain all forms and will work with all

divisions in the agency to ensure inventory accuracy and locations of equipment.

shall be submitted to RIEMA annually each **January 15th** with the Quarterly Financial Reports and Quarterly Progress Reports during the performance period, and continued submission is required annually until final disposition of the equipment is acquired.

The Grants Department will forward a copy of all sub-recipients **Grant Inventory Forms** to the RIEMA Logistics Department for review and tracking. If the sub-recipient demobilizes equipment, or has a surplus item, the Grants Department will forward this information to RIEMA Logistics to update the RIEMA inventory database. If sub-recipients fail to submit an inventory list, this may result in de-obligation of grant funding.

Proper Conduct for RIEMA Authorized Personnel

RIEMA personnel should be professional at all times. RIEMA personnel should not enter into a Monitoring visit with pre-conceived ideas or outcomes and should maintain an objective point of view at all times. If improper conduct by a sub-recipient is noted by RIEMA personnel, they should document the issue and address with their supervisor immediately. Interviews can be conducted in an informal manner. RIEMA personnel should be courteous, good listeners, flexible, reasonable and knowledgeable.



RIEMA

RHODE ISLAND
EMERGENCY MANAGEMENT AGENCY

Gina M. Raimondo **Governor**
Peter T. Gaynor **Director**

(Attachment A)

Date:

Sub-recipient Name

Sub-Recipient Address

RE: On-Site Monitoring and Assistance Visit for Homeland Security Grants (Grant Years)

Dear (Name):

Per our telephone conversation, I would like to confirm the On-Site Monitoring and Assistance visit on (date and time).

I would like to reiterate some of the general issues we will be covering during this site visit. The monitoring visit will include a review of your agency's Homeland Security funded grant expenditures. This will include Asset Management and Inventory Control (usage of equipment, housing, security, storage, labeling), review of your identified goals and objectives as stated in your applications, purchasing procedures and guidelines, and licenses, certifications and training specific to Homeland Security grant purchased equipment.

For your non-equipment Homeland Security grants (exercise, training, planning), this review will also include a review of schedules, syllabi, agendas and documentation.

Please have equipment available and readily accessible as photographs of your equipment will may be taken. If you purchased items deployed to personnel, such as portable radios, please have an example available. **Please supply a copy of your RIEMA Grant Inventory Form prior to this scheduled visit, if you have not done so already.** I have included a template for your use and an electronic version is available on our website.

This is not a financial audit; however copies of your grant files must be available for review. The objective is to determine whether Homeland Security funds are being used as intended and are protected from fraud, abuse and violations. We will review the intent, provisions and compliance of your agency with Homeland Security Grant Program requirements. I have also included a copy of the Monitoring Report Form we will be discussing during our visit. Please take some time to review this form and contact me with any questions it presents.

Please feel free to contact me at (telephone number) or via email (email address).

Sincerely,

(Name)

Grants Compliance Officer



**(Attachment B)
Monitoring Report Form**

Sub Recipient:	Date:
Agency Address:	Contact Phone:
Agency Contact:	Contact Cell:
Contact Email:	Agency Fax:
Grant Monitor:	Federal Grant No.
State Grant Agreement No.:	Original Award Amount:

<u>A.</u>	<u>Overall/General:</u>	<u>Yes</u>	<u>No</u>	<u>N/A</u>	<u>Comments</u>
A1	Are goals and objectives identified in the application?				
A2	Are there major accomplishments that have been met regarding the grants?				
A3	Is the project experiencing delays in the receipt or expenditure of grant funds?				
A4	Are funds being used according to the Grant Agreement?				
A5	Does project meet goals and objectives of RI State Homeland Security Strategy?				
A6	What are the funds received being used for?	<input type="checkbox"/> Planning <input type="checkbox"/> Organization <input type="checkbox"/> Equipment <input type="checkbox"/> Training <input type="checkbox"/> Exercises			
A7	Does the grantee have any specific technical assistance needs? If so, what are they?				
A8	Is the grantee coordinating their efforts with other area departments? If so, which ones?				
A9	Has the grantee undertaken any unique Homeland Security initiatives that would be helpful or useful to other grantees?				



Section A – Additional Comments:

<u>B.</u>	<u>Recordkeeping:</u>	<u>Yes</u>	<u>No</u>	<u>N/A</u>	<u>Comments</u>
Does the grantee keep program files/copies of the following materials:					
B1	Application?				
B2	Signed grant agreement with conditions?				
B3	Program/budget modifications and approvals (Amendments)?				
B4	Correspondence?				
B5	MOU's, if applicable?				
B6	Who is responsible for maintaining grantee files?				
B7	Have quarterly financial and narrative progress reports been submitted on time?				
B8	Are you current with the Certification of Audit Requirements and Schedule of Federal Expenditures?				
B9	Do you maintain updated Equipment worksheets and/or inventory lists? How often are they updated?				
B10	Do you maintain updated Training and/or Exercise worksheets?				



B11	Is the sub-grantee aware that changes to budget categories and/or AEL must be approved by RIEMA before expense occurs?				
B12	What (if any) programmatic records are being maintained; other than those already mentioned above?				
Section B – Additional Comments:					

<u>C.</u>	Program Expenditures - Equipment:	<u>Yes</u>	<u>No</u>	<u>N/A</u>	Comments
C1	Have there been any difficulties with the equipment procurement process? What were they? What worked well?				
C2	Has the equipment been opened, inspected and readied for deployment?				
C3	Has the purchased equipment been deployed? If not, why?				
C4	Is there specialized training required for the equipment? If so, has that training been conducted and who performed the training?				
C5	How has the equipment enhanced preparedness and response capabilities?				
C6	Do you maintain a RIEMA Homeland Security specific inventory list?				
C7	Has equipment been labeled /tagged as being funded with Homeland Security funds? If so, what is your threshold/limit for labeling?				



C8	Is the grantee finished spending the awarded funds? If not, expected completion date?				
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Section C – Additional Comments:

Equipment, Training, Licenses & Certifications:		Yes	No	N/A	Comments
C9	Do your SOPs include the Homeland Security purchased items?				
C10	What is your maintenance schedule for each Homeland Security grant purchased item?				
C11	Do you have a Sustainability Plan for each Homeland Security grant purchased item?				
C12	How many personnel are trained to use each Homeland Security grant purchased item?				
C13	How many additional personnel require training to use your grant purchased items?				
C14	When was the last training/exercise held to simulate the use of each Homeland Security grant purchased item?				
C15	How is that documented?				
C16	Do you have the licenses/certifications specific to each Homeland Security grant purchase for the appropriate personnel?				
C17	Do you have insurance coverage? Obtain copy of current insurance certificate.				



Section C – Additional Comments:

Computers and/or PDA's:		<u>Yes</u>	<u>No</u>	<u>N/A</u>	Comments
C18	What is the Homeland Security related function of this computer or PDA? Does it have Internet access? If so, which type?				
C19	Does this computer contain Crisis Management and information gathering software?				
C20	Is this computer used in a CAD or Mobile Data Terminal/MDT System, Mobile Command Post, CBRNE Logistical Support, or EOC?				
C21	Does this computer assist and/or allow for real time dissemination of information and intelligence?				
C22	Is this computer used for tracking and inventory of grant purchased items?				

Section C – Additional Comments:

For Vehicle purchases only:					
C23	Are maintenance and mileage logs properly maintained?				
C24	When have you used the CBRNE response vehicles?				
C25	How do you determine when to use the vehicle?				

Section C – Additional Comments:



Procurement:		<u>Yes</u>	<u>No</u>	<u>N/A</u>	Comments
C26	Was the local procurement process followed for purchases?				
C27	Is there documentation on file of how the vendor was selected and equipment was procured?				
C28	Price quotes documented for items or services greater than \$500.				
C29	RFP's for purchases greater than \$5,000.				
C30	Documentation of selection of Vendor, if lowest bidder not selected				
C31	Sole source justification and approval letters				
Section C – Additional Comments:					

<u>D.</u>	Program Expenditures - Training:	<u>Yes</u>	<u>No</u>	<u>N/A</u>	Comments
D1	Is training on schedule?				
D2	Are training goals being met?				
D3	How many people have been trained and in what discipline and course?				
D4	Training License/Certifications?				
D5	Has training enhanced response capabilities as anticipated? How?				



D6	Is additional training required?				
D7	Are you aware of the G&T training?				
D8	Are you aware of RI's website for Training and Exercises?				http://www.riema.ri.gov/preparedness/training/

Section D – Additional Comments:

<u>E.</u>	Program Expenditures - Exercises:	<u>Yes</u>	<u>No</u>	<u>N/A</u>	Comments
E1	Have you participated in any Exercises? If so, which ones, types, dates?				
E2	Did the Exercises enhance preparedness? If so, how? If not, why?				
E3	Are Exercise accomplishments in line with the Strategy?				
E4	Have the AAR's been received and reviewed?				
E5	Have the IP's been implemented? If not, what are the obstacles to implementing them?				
E6	Are you aware of the HSEEP requirements?				
89E 7	Are you aware of the RIEMA Exercise Program?				http://www.riema.ri.gov/preparedness/training/

Section E – Additional Comments:

<u>F.</u>	Program Expenditures - Planning:	<u>Yes</u>	<u>No</u>	<u>N/A</u>	Comments
F1	Were Planning funds used to support the assessment and strategy development process?				
F2	Were Planning funds used on other allowable costs? What?				



F3	Did the Town/Agency receive Planning Deliverables from their LEPC? Customize for Agency/Area & LEPC.				
F4	Do you participate in your LEPC? If not, why not?				
Section F – Additional Comments:					

G.	NIMS Requirements	Yes	No	N/A	Comments
G1	Are you working to comply with NIMS requirements?				
G2	<ul style="list-style-type: none"> Mutual Aid Agreements? 				If yes, get copies of MAA
G3	<ul style="list-style-type: none"> Completed NIMS survey? 				If not, complete on site
G4	<ul style="list-style-type: none"> Are EOP's NIMS Compliant? 				If not, direct to FEMA web site http://www.fema.gov/pdf/about/divisions/npd/cpg_101_layout.pdf
G5	Have you reviewed the training implementation plan found within DHS NIMS Implementation Plan dated August 12, 2009?				If not, provide copy of memo Available on http://www.ct.gov/demhs/cwp/view.asp?A=1928&Q=306442
G6	Have you requested NIMS training from the academies? If not, Why? Are there any impediments to receiving this training?				
G7	Reminder that all Federal Preparedness grants require you to be NIMS/ICS compliant – Fire Act, HS, HRSA, Hazmat, EMPG, FEMA Mitigation, etc.				See NIMS memo attachment for list of grants
Section G – Additional Comments:					



RIEMA RHODE ISLAND EMERGENCY MANAGEMENT AGENCY

Lincoln D. Chafee **Governor**
Jamia R. McDonald **Executive Director**

(Attachment D)

Date

Sub-recipient Name
Sub-recipient Address

RE: On-Site Monitoring and Assistance Visit for Homeland Security Grant

Dear (Name):

I would like to thank you for taking the time to meet with me on (date), to discuss the status of the above-referenced closed DHS SHSP grant. As a result of our visit, I hope that additional, useful information was provided to you to apply in the management and operation of these grants projects and future DHS Grant.

As we discussed, please address the following concerns by providing RIEMA with a copy of the following by (date):

1. RIEMA **Grant Inventory Form** listing equipment purchased with FY2011 Funding with a value of \$5000 or more.

I have included a copy of the **Grant Monitoring Report Forms** for your files as well as a Post Evaluation Questionnaire. Please return the completed questionnaire to RIEMA Grants Manager (name), to assist us with future programmatic monitoring.

Your commitment to addressing the homeland security needs in your community and throughout Rhode Island is appreciated. Please feel free to contact me at (phone number) or via email ([email address](#)). Thank you for your attention concerning this matter.

Sincerely,

(Name)
Grant Compliance Officer



(Attachment E)
Post Visit Monitoring Questionnaire

Sub-grantee:	Date:
Agency Address:	Contact Phone:
Agency Contact:	RIEMA Name:

#	Question
1.	Was the site visit helpful and informational? <input type="checkbox"/> Strongly Agree <input type="checkbox"/> Agree <input type="checkbox"/> Neutral <input type="checkbox"/> Disagree <input type="checkbox"/> Strongly Disagree
2.	Was the visit conducted in a professional manner? <input type="checkbox"/> Strongly Agree <input type="checkbox"/> Agree <input type="checkbox"/> Neutral <input type="checkbox"/> Disagree <input type="checkbox"/> Strongly Disagree
3.	Were you satisfied with the outcome of the visit? <input type="checkbox"/> Strongly Agree <input type="checkbox"/> Agree <input type="checkbox"/> Neutral <input type="checkbox"/> Disagree <input type="checkbox"/> Strongly Disagree
4.	What worked for the visit? What would you keep the same?
5.	What would you recommend for improvements of the visit?
6.	What can RIEMA do to further assist your agency?
7.	Additional comments.

Revised 11/2013



(Attachment F)
Desk Audit Review Form

Agency Name:			Date:	
Contact Information:			Application #:	
Category	Yes	No	If no, action taken	Date Rectified
Grant Application/Project Narrative				
Signed Grant Assurances				
Signed Lobbyist Form				
Completed Single Audit Form				
Most Recent Fiscal Quarterly Report				
Most Recent Progress Quarterly				
Reimbursement Form Completed				
Purchase Order Provided				
Invoices Provided				
AEL Approved Provided				
Proof of Payment/Cancelled Check				
Procurement Process Described				
Updated Inventory List				
Change Request Form/Approved				
Grant Extension Request Letter				
Grant Extension Approval Letter				
Closeout / De-obligation Letter				
NIMS Compliant				
EHP Screen Submitted - Approved				
Resource Typing Form Submitted				
Comments:				
Desk Audit Conducted by:				Revised 11/2013



RIEMA

RHODE ISLAND EMERGENCY MANAGEMENT AGENCY

Sub-Recipient Grant Handbook

Match and Cost Sharing Appendix C

Revised July 2015



Rhode Island Emergency Management Agency
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Overview

The purpose of this appendix is to inform RIEMA sub-recipients of the regulations, grant guidance, and policies governing match and cost sharing, and of the procedures for recording and evidencing match earned and expended. This policy mirrors RIEMA's internal match and cost sharing procedures, and agency templates have been attached for sub-recipients to utilize as frameworks to adopt. RIEMA personnel will provide annual training.

Regulation and Guidelines

Guidelines

The matching and cost sharing policy is in accordance with the federal regulations governing matching and cost sharing for emergency management programs, "Matching or Cost Sharing," 44 CFR 13.24. This policy and procedures manual is for the administration of Federal award programs administered by the RIEMA in conjunction with the provisions of the Office of Management and Budget (OMB) circulars and government-wide common rules applicable to grants and cooperative agreements, program guidelines, application kits, special conditions, terms and conditions, information bulletins, and DHS policy, regulations and statutes.

Administrative Guidelines

OMB Circular A-102 -Grants and Cooperative Agreements with State and Local Governments. This Circular establishes consistency and uniformity among Federal agencies in the management of grants and cooperative agreements with State, local, and Federally recognized Indian tribal governments.

OMB Circular A-110 Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations. This Circular establishes administrative requirements for Federal grants and agreements awarded to commercial organizations, institutions of higher education, hospitals, and other non-profit organizations.

Cost Guidelines

OMB Circular A-21 Cost Principles for Educational Institutions.

This Circular establishes principles for determining costs applicable to grants, contracts, and other agreements with *educational institutions*.

OMB Circular A-87 Cost Principles for State, Local and Indian Tribal Governments.

This Circular establishes principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with *state, local and federally recognized Indian tribal governments*.

OMB Circular A-122 Cost Principles for Non-Profit Organizations.

This Circular establishes principles for determining costs of grants, contracts and other agreements with *non-profit organizations*. It does not apply to colleges and universities, which are covered by Office of Management and Budget (OMB) Circular A-21, "Cost Principles for Educational Institutions"; State, local, and Federally recognized Indian tribal governments, which are covered by OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments"; or hospitals.

Match Requirements

Match or cost sharing is required for certain federal grant programs. Matching funds are non-federal funds or services, provided by the sub-recipient, to cover costs budgeted in the grant. Homeland Security grants that have required match include, but not limited to, the Emergency Operations Center grants, the Nonprofit Security Grant Program, and the Emergency Management Performance Grant. For match information, please refer to the specific grant guidance.

Types of Match

1. ***Cash Match.*** Cash (hard) match includes non-federal cash spent for project related costs, according to the program guidance. Allowable cash match must only include those costs which are in compliance with 2 CFR Part 225, *Cost Principles for State, Local, and Indian Tribal Governments* (OMB Circular A-87) and 44 CFR Part 13, *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*.
2. ***In-kind Match.*** In-kind (soft) match includes, but is not limited to, the valuation of in-kind services. "In-kind" is the value of something received or provided that does not have a cost associated with it. For example, if in-kind match (other than cash payments) is permitted, then the value of donated services could be used to comply with the match requirement. Also, third party in-kind contributions may count toward satisfying match requirements provided the grantee receiving the contributions expends them as allowable costs in compliance with 2 CFR Part 225, *Cost Principles for State, Local, and Indian Tribal Governments* (OMB Circular A-87) and 44 CFR Part 13, *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*.

Definitions

- ***Matching or Cost Sharing.*** This means the value of the third party in-kind contributions and the portion of the costs of a federally-assisted project or program not borne by the Federal Government. All cost-sharing or matching funds claimed against a FEMA grant by state, local, or tribal governments must meet the requirements of the program guidance and/or program regulations 44 CFR § 13 and 2 CFR § 225.

- **Cash Match (hard).** This includes cash spent for project-related costs under a grant agreement. Allowable cash match must include only those costs which are allowable, with federal funds, in compliance with the program guidance and/or program regulations 44 CFR § 13 and 2 CFR § 225.
- **In-kind Match (soft).** This means contributions of the reasonable value of property or services in lieu of cash which benefit a federally-assisted project or program. This type of match may only be used if not restricted or prohibited by program statute, regulation, or guidance and must be supported with source documentation. Only property or services that are in compliance with program guidance and/or program regulations 44 CFR § 13 and 2 CFR § 225 are allowable.
- **Fair Market Value.** Fair market value (FMV) is the price that property would sell for on the open market. It is the price that would be agreed on between a willing buyer and a willing seller, with neither being required to act and both having reasonable knowledge of the relevant facts.

Basic Guidelines

- For costs to be eligible to meet matching requirements, the costs must first be allowable under the grant program.
- The costs must also be in compliance with all federal requirements and regulations (e.g., 44 CFR Part 13 and 2 CFR Part 225); the costs must be reasonable, allowable, allocable, and necessary. Refer to **Appendix A** for details on 44 CFR Part 13 and **Appendix B** for details on 2 CFR Part 225.
- Records for all expenditures relating to cost sharing or matching must be kept in the same manner as those for the grant funds.
- The following documentation is required for third-party cash and in-kind contributions: record of donor; dates of donation; rates for staffing, equipment or usage, supplies, etc.; amounts of donation; and deposit slips for cash contributions. According to 44 CFR § 13.24, this documentation is to be held at the Applicant and/or sub-applicant level.
- In-kind contributions must be valued at the fair market value of the item.
- Except as provided by federal statute, a cost sharing or matching requirement may not be met by costs borne by another federal grant.
- The source of the match funds must be identified in the grant application.
- Every item must be verifiable, i.e., tracked and documented.
- Any claimed cost share expense can only be counted once.

Governing Provisions

- 44 CFR Part 13, *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*
- Reference 44 CFR § 13.24, *Matching or Cost Sharing*
- 2 CFR Part 225, *Cost Principles for State, Local, and Indian Tribal Governments* (OMB Circular A-87)
- Program Guidance and/or Program Regulations

Recordkeeping Requirements

1. Sub-recipients should record all match earned by its agency on the **“Record of Match”** spreadsheet as demonstrated in the RIEMA template in **Appendix C**.
2. Each record in the “Record of Match” spreadsheet will be supported by documentation of the match (**Record of Service Hours and Personal Certification Statement (Appendix F)**, **Donated Property Valuation Form (Appendix E)**, invoices, receipts, etc.). All match supporting documentation should be converted to an electronic file and saved in the “Record of Match” folder on the shared drive. A link to each electronic file should be included in the “Supporting Documentation” column of the “Record of Match” spreadsheet.
3. All volunteer hours are to be recorded on the **“Record of Service Hours and Personnel Certification Statement for Match (Appendix F).”** Each form must be signed by a sub-recipient supervisor. Unpaid services provided to the sub-recipient by individuals will be valued at rates consistent with those ordinarily paid for similar work the sub-recipient’s agency. If sub-recipients do not have employees performing similar work, the rates will be consistent with those ordinarily paid by other employers for similar work in the same labor market. In either case, a reasonable amount for fringe benefits may be included in the valuation. Refer to the Bureau of Labor Statistics National Wage Survey for Rhode Island to obtain a wage rate, if the sub-recipient does not have an established rate for the classification of work performed: <http://www.bls.gov/ncs/ocs/compub.htm#RI>. Please refer to **Appendix F** for a template of the RIEMA document.
4. All donated supplies and equipment are to be recorded on the **“Donated Property Valuation Form (Appendix E).”** Donated supplies and equipment are to be valued at fair market value, consistent with the requirements of 44 CFR 13.24. Please refer to Appendices A and E for RIEMA documents.
5. The sub-recipient is to update the “Record of Match” spreadsheet as match is obligated and expended.
6. Sub-recipient employees are to complete a **“Total Project Funding & Supporting Match Form (Appendix G)”** for all projects requiring a match, indicating the match obligated towards the project. The completed form is to be sent to the designated sub-recipient personnel prior to any project invoices being paid. Please refer to RIEMA’s document in **Appendix G**.
7. The sub-recipient is to update the “Expended Match” spreadsheet with project information as match is obligated to projects. Please refer to RIEMA’s document in **Appendix D**.



RIEMA

RHODE ISLAND EMERGENCY MANAGEMENT AGENCY

Sub-Recipient Grant Handbook

Extensions to the Period of Performance Appendix D

Revised July 2015



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Appendix G: Final Total Project Funding & Support Match Form

Glossary

Grant Program Directorate Information Bulletin No. 379
Attachment D
Extensions to the Period of Performance

Subject to certain exceptions, grantees are required to take steps to expend, draw down and close out DHS/FEMA grant funding by the dates outlined below. If those funds have not been spent by the dates outlined below, DHS/ FEMA will reclaim them to the extent permitted by law.

The periods of performance support the effort to expedite the outlay of grant funding and provide economic stimulus. Agencies should request waivers sparingly, and they will be granted only due to compelling legal, policy, or operational challenges. State Administrative Agencies (SAA's)¹ may request waivers from the deadlines outlined above for discretionary grant funds where:

- adjusting the timeline for spending will constitute a verifiable legal breach of contract by the grantee with vendors or sub-recipients;
- where a specific statute or regulation mandates an environmental review that cannot be completed within this timeframe; or
- where other exceptional circumstances warrant a discrete waiver.

Submission Requirements

Extensions to the initial period of performance identified in the award will be considered, only through formal written requests, to the grantee's respective GPD or Regional Program Analyst and must contain specific and compelling justifications as to why an extension is required. States are advised to coordinate with the GPD or Regional Program Analyst as needed, when preparing an extension. All extension requests must address the following:

- Grant Program, Fiscal Year, and award number;
- Reason for delay – this must include details of the legal, policy, or operational challenges being experienced that prevent the final outlay of awarded funds by the applicable deadline;
- Current status of the activity/activities;
- Approved period of performance termination date and new project completion date;
- Amount of funds drawn down to date;
- Remaining available funds, both Federal and non-Federal;
- Budget outlining how remaining Federal and non-Federal funds will be expended;
- Plan for completion including milestones and timeframes for achieving each milestone and the position/person responsible for implementing the plan for completion; and
- Certification that the activity/activities will be completed within the extended period of performance without any modification to the original Statement of Work approved by FEMA.

Any submissions received after the deadline will be considered at the discretion of the Grant Programs Directorate's Assistant Administrator.

¹ Also refers to those agencies identified on an award as grantee, if not a State Administrative Agency

Review and Approval Process

Upon receipt of the grantee's request, the FEMA PA (1) verifies compliance with financial reporting requirements by confirming that the grantee has submitted all necessary Federal Financial and Programmatic Reports (SF-425s and CAPRs/SAPRs); (2) confirms that the grantee has provided sufficient justification for the request; and (3) reviews all previous extensions to confirm that the grantee has demonstrated sufficient progress and provided a reasonable explanation for the continued delays. If the grantee has not provided adequate detail to justify the requested extension, the PA will coordinate with the grantee. Once all required extension request materials are complete, the FEMA PA will prepare an extension package for the GPD Assistant Administrator's approval.

Extension requests will be granted only due to compelling legal, policy, or operational challenges. Extension requests will only be considered for the following reasons:

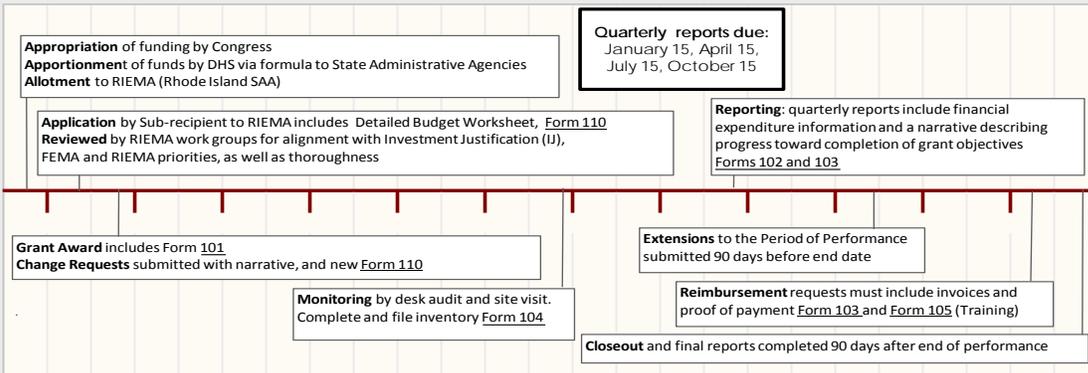
- Contractual commitments by the grantee with vendors or sub-recipients prevent completion of the project within 24 months;
- The project must undergo a complex environmental review that cannot be completed within this timeframe;
- Projects are long-term by design and therefore acceleration would compromise core programmatic goals; and
- Where other special circumstances exist.

In accordance with PGD policy, extensions are typically granted for no more than a six month time period. In extreme cases, extensions may be granted up to 12 months. However, the grantee must provide additional justification in order to demonstrate the extenuating circumstances that necessitate a longer extension. Extension requests typically take 4-6 weeks to process, however DHS/FEMA will prioritize extension requests that are submitted in response to this Information Bulletin in order to support the grantee's need to expedite the administrative activities associated with modifying any existing contract and/or sub-award under the program.

Pursuant to 31 U.S.C. 1552, FEMA does not have the statutory authority to extend availability of funds past September 30th of the fifth fiscal year of the grant period. At that time, the award will be closed out and any remaining balance, whether obligated or unobligated, will be returned to the Treasury, subject to 31 USC Section 1552(a) pertaining to recording, adjusting and liquidating obligations properly chargeable to the account. In order to allow for the 90-day liquidation and closeout period outlined in the program guidance, the period of performance cannot be extended past June 30th of the fifth fiscal year of the grant period.² On or after July 1st of the fifth fiscal year, FEMA will initiate closeout procedures. At that point, the period of performance will expire and the grantee will have 90 days to expend all remaining funds and submit closeout documentation.

² Subject only to currently active awards which may already have been granted an extension beyond June 30th of the fifth fiscal year after the award.

General Grant Performance Timeline



Appendix A

44 CFR § 13.24 Matching or cost sharing.

(a) *Basic rule: Costs and contributions acceptable.* With the qualifications and exceptions listed in paragraph (b) of this section, a matching or cost sharing requirement may be satisfied by either or both of the following:

(1) Allowable costs incurred by the grantee, sub-recipient or a cost-type contractor under the assistance agreement. This includes allowable costs borne by non-Federal grants or by others cash donations from non-Federal third parties.

(2) The value of third party in-kind contributions applicable to the period to which the cost sharing or matching requirements applies.

(b) *Qualifications and exceptions — (1) Costs borne by other Federal grant agreements.* Except as provided by Federal statute, a cost sharing or matching requirement may not be met by costs borne by another Federal grant. This prohibition does not apply to income earned by a grantee or sub-recipient from a contract awarded under another Federal grant.

(2) *General revenue sharing.* For the purpose of this section, general revenue sharing funds distributed under 31 U.S.C. 6702 are not considered Federal grant funds.

(3) *Cost or contributions counted towards other Federal costs-sharing requirements.* Neither costs nor the values of third party in-kind contributions may count towards satisfying a cost sharing or matching requirement of a grant agreement if they have been or will be counted towards satisfying a cost sharing or matching requirement of another Federal grant agreement, a Federal procurement contract, or any other award of Federal funds.

(4) *Costs financed by program income.* Costs financed by program income, as defined in § 13.25, shall not count towards satisfying a cost sharing or matching requirement unless they are expressly permitted in the terms of the assistance agreement. (This use of general program income is described in § 3.25(g).)

(5) *Services or property financed by income earned by contractors.* Contractors under a grant may earn income from the activities carried out under the contract in addition to the amounts earned from the party awarding the contract. No costs of services or property supported by this income may count toward satisfying a cost sharing or matching requirement unless other provisions of the grant agreement expressly permit this kind of income to be used to meet the requirement.

(6) *Records.* Costs and third party in-kind contributions counting towards satisfying a cost sharing or matching requirement must be verifiable from the records of grantees and sub-recipient or cost-type contractors. These records must show how the value placed on third party in-kind contributions was derived. To the extent feasible, volunteer services will be supported by the same methods that the organization uses to support the allocation of regular personnel costs.

(7) *Special standards for third party in-kind contributions.* (i) Third party in-kind contributions count towards satisfying a cost sharing or matching requirement only where, if the party receiving the contributions were to pay for them, the payments would be allowable costs.

(ii) Some third party in-kind contributions are goods and services that, if the grantee, sub-recipient, or contractor receiving the contribution had to pay for them, the payments would have been indirect costs. Costs sharing or matching credit for such contributions shall be given only if the grantee, sub-recipient, or contractor has established, along with its regular indirect cost rate, a special rate for allocating to individual projects or programs the value of the contributions.

(iii) A third party in-kind contribution to a fixed-price contract may count towards satisfying a cost sharing or matching requirement only if it results in:

(A) An increase in the services or property provided under the contract (without additional cost to the grantee or sub-recipient) or

(B) Cost savings to the grantee or sub-recipient.

(iv) The values placed on third party in-kind contributions for cost sharing or matching purposes will conform to the rules in the succeeding sections of this part. If a third party in-kind contribution is a type not treated in those sections, the value placed upon it shall be fair and reasonable.

(c) *Valuation of donated services* -(1) *Volunteer services.* Unpaid services provided to a grantee or sub-recipient by individuals will be valued at rates consistent with those ordinarily paid for similar work in the grantee's or sub-recipient's organization. If the grantee or sub-recipient does not have employees performing similar work, the rates will be consistent with those ordinarily paid by other employers for similar work in the same labor market. In either case, a reasonable amount for fringe benefits may be included in the valuation.

(2) *Employees of other organizations.* When an employer other than a grantee, sub-recipient, or cost-type contractor furnishes free of charge the services of an employee in the employee's normal line of work, the services will be valued at the employee's regular rate of pay exclusive of the employee's fringe benefits and overhead costs. If the services are in a different line of work, paragraph (c) (1) of this section applies.

(d) *Valuation of third party donated supplies and loaned equipment or space.* (1) If a third party donates supplies, the contribution will be valued at the market value of the supplies at the time of donation.

(2) If a third party donates the use of equipment or space in a building but retains title, the contribution will be valued at the fair rental rate of the equipment or space.

(e) *Valuation of third party donated equipment, buildings, and land.* If a third party donates equipment, buildings, or land, and title passes to a grantee or sub-recipient, the treatment of the donated property will depend upon the purpose of the grant or sub-grant, as follows:

(1) *Awards for capital expenditures.* If the purpose of the grant or sub-grant is to assist the grantee or sub-recipient in the acquisition of property, the market value of that property at the time of donation may be counted as cost sharing or matching,

(2) *Other awards.* If assisting in the acquisition of property is not the purpose of the grant or sub-grant, paragraphs (e)(2) (i) and (ii) of this section apply:

(i) If approval is obtained from the awarding agency, the market value at the time of donation of the donated equipment or buildings and the fair rental rate of the donated land may be counted as cost sharing or matching. In the case of a sub-grant, the terms of the grant agreement may require that the approval be obtained from the Federal agency as well as the grantee. In all cases, the approval may be given only if a purchase of the equipment or rental of the land would be approved as an allowable direct cost. If any part of the donated property was acquired with Federal funds, only the non-Federal share of the property may be counted as cost-sharing or matching.

(ii) If approval is not obtained under paragraph (e)(2)(i) of this section, no amount may be counted for donated land, and only depreciation or use allowances may be counted for donated equipment and buildings. The depreciation or use allowances for this property are not treated as third party in-kind contributions. Instead, they are treated as costs incurred by the grantee or sub-recipient. They are computed and allocated (usually as indirect costs) in accordance with the cost principles specified in § 13.22, in the same way as depreciation or use allowances for purchased equipment and buildings. The amount of depreciation or use allowances for donated equipment and buildings is based on the property's market value at the time it was donated.

(f) *Valuation of grantee or sub-recipient donated real property for construction/acquisition.* If a grantee or sub-recipient donates real property for a construction or facilities acquisition project, the current market value of that property may be counted as cost sharing or matching. If any part of the donated property was acquired with Federal funds, only the non-Federal share of the property may be counted as cost sharing or matching.

(g) *Appraisal of real property.* In some cases under paragraphs (d), (e) and (f) of this section, it will be necessary to establish the market value of land or a building or the fair rental rate of land or of space in a building. In these cases, the Federal agency may require the market value or fair rental value be set by an independent appraiser, and that the value or rate be certified by the grantee. This requirement will also be imposed by the grantee on sub-recipient.

Appendix B

2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)

Basic Guidelines

1. **Factors affecting allow-ability of costs.** To be allowable under federal awards, costs must meet the following general criteria:
 - a. Be necessary and reasonable for proper and efficient performance and administration of federal awards.
 - b. Be allocable to federal awards under the provisions of 2 CFR Part 225.
 - c. Be authorized or not prohibited under state or local laws or regulations.
 - d. Conform to any limitations or exclusions set forth in these principles, federal laws, terms and conditions of the federal award, or other governing regulations as to types or amounts of cost items.
 - e. Be consistent with policies, regulations, and procedures that apply uniformly to both federal awards and other activities of the governmental unit.
 - f. Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the federal award as an indirect cost.
 - g. Except as otherwise provided for in 2 CFR Part 225, be determined in accordance with generally accepted accounting principles.
 - h. Not be included as a cost or used to meet cost sharing or matching requirements of any other federal award in either the current or a prior period, except as specifically provided by federal law or regulation.
 - i. Be the net of all applicable credits.
 - j. Be adequately documented.
2. **Reasonable costs.** A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when governmental units or components are predominately federally-funded. In determining reasonableness of a given cost, consideration shall be given to:
 - a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the governmental unit or the performance of the federal award.
 - b. The restraints or requirements imposed by such factors as: Sound business practices; arm's-length bargaining; federal, state and other laws and regulations; and, terms and conditions of the federal award.
 - c. Market prices for comparable goods or services.
 - d. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the governmental unit, its employees, the public at large, and the Federal Government.
 - e. Significant deviations from the established practices of the governmental unit which may unjustifiably increase the federal award's cost.

3. Allocable costs.

- a. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.
- b. All activities which benefit from the governmental unit's indirect cost, including unallowable activities and services donated to the governmental unit by third parties, will receive an appropriate allocation of indirect costs.
- c. Any cost allocable to a particular federal award or cost objective under the principles provided for in 2 CFR Part 225 may not be charged to other federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the federal awards, or for other reasons.
- d. Where an accumulation of indirect costs will ultimately result in charges to a federal award, a cost allocation plan will be required as described in Appendices C, D, and E to this part.

4. Applicable credits.

- a. Applicable credits refer to those receipts or reduction of expenditure-type transactions that offset or reduce expense items allocable to federal awards as direct or indirect costs. Examples of such transactions are: Purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the governmental unit relate to allowable costs, they shall be credited to the federal award either as a cost reduction or cash refund, as appropriate.
- b. In some instances, the amounts received from the Federal Government to finance activities or service operations of the governmental unit should be treated as applicable credits. Specifically, the concept of netting such credit items (including any amounts used to meet cost sharing or matching requirements) should be recognized in determining the rates or amounts to be charged to federal awards.

Appendix E

Donated Property Valuation Form

Purpose: Checklist to ensure proper documentation for incoming donations of equipment and supplies.

Section I – Donor/Item Information	
Grant Manager:	Description of Donated Item:
Date Item Received:	Capital equipment? Yes ___ No ___ (See Note 1) Non Capital Equipment? Yes ___ No ___ (See Note 2)
Grant Award Items are Donated to:	
Documents Attached: <i>(Check all that apply)</i> <input type="checkbox"/> Itemized List of All items Being Donated <input type="checkbox"/> Packing List/Shipping Documents <input type="checkbox"/> IRS 8283 Form <i>(if applicable)</i> <input type="checkbox"/> Proof of Value <i>(ie: Appraisal, Invoice, Receipt)</i> <input type="checkbox"/> Other, <i>(Please specify)</i> <div style="text-align: center;"><i>(See Notes 2,3,4,5)</i></div>	Donor Name and Address: Donor Tax ID# _____ <div style="text-align: center;"><i>(Provided by Donor)</i></div>
Section II	
Actions to be completed by the Grants Manager.	
<ol style="list-style-type: none"> 1. Review packet. 2. Establish acquisition cost/Fair market value (FMV) for each donated item. 3. Update Record of Match Log 	
Section III – Notes and References	
Notes: <ol style="list-style-type: none"> 1. Capital Equipment: Defined as value greater than or equal to \$5000; Useful life greater than 1 year. 2. Itemized list of supplies and equipment should include both capital and non-capital equipment being donated. 3. Only the Grant Manager may sign IRS or Donor acknowledgement forms. 4. Grant Manager should avoid any statements to donor regarding value of donated equipment. 	

Appendix F



Rhode Island Emergency Management Agency
Record of Service Hours and Personnel Certification Statement for Match

Name: _____
 Description of Services Performed: _____
 Record of Hours for the Week Ending: _____

Grant	Sat.	Sun.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total
EMPG								0.00
SHSP								0.00
UAST								0.00
MMBS								0.00
CCP								0.00
CAP								0.00
BOC								0.00
HMPG								0.00
BZPP								0.00
IEC								0.00
PDMC								0.00
CTP								0.00
LETP								0.00
BEOC								0.00
Hurricane Sandy								0.00
Tropical Storm Irene								0.00
Federal Flood								0.00
PSGP								0.00
Total Service Hours								0.00

I hereby certify this report is an after the fact determination of the total activity and actual effort expended for the period indicated, and I have full knowledge of 100% of these activities.

Service Provider Signature: _____

RIEMA Supervisor Signature: _____

Volunteer services. Unpaid services provided to a grantee or subgrantee by individuals will be valued at rates consistent with those ordinarily paid for similar work in the grantee's or subgrantee's organization. If the grantee or subgrantee does not have employees performing similar work, the rates will be consistent with those ordinarily paid by other employers for similar work in the same labor market. In either case, a reasonable amount for fringe benefits may be included in the valuation. Refer to the Bureau of Labor Statistics National Wage Survey for Rhode Island to obtain a wage rate, if RIEMA does not have an established rate for the classification of work performed: <http://www.bls.gov/nics/ocs/compub.htm#RI>
 Matching or Cost Sharing. 44CFR13.24

Glossary of Frequently Used Acronyms

A

AAR	After Action Report
ACP	Assistant Chief of Planning
AEL	Authorized Equipment List

C

CDBG	Community Development Block Grant
CFR	Code of Federal Regulations
CMIA	Cash Management Improvement Act
COOP	Continuity of Operations Plan

D

DHS	U.S. Department of Homeland Security
DMA	Disaster Mitigation Act of 2000
DOA	Department of Administration
DUNS	Dun and Bradstreet Data Universal Numbering System

E

EHP	Environmental Historical Preservation
EMGP	Emergency Management Grant Program
EOP	Emergency Operations Plan
ESF	Emergency Support Function

F

FASTS	Fixed Asset Control Tracking System
FEMA	Federal Emergency Management Agency
FFATA	Federal Funding Accountability and Transparency Act
FMA	Flood Mitigation Assistance
FMV	Fair Market Value
NOFO	Notice of Funding Opportunity

G

G&T	Grants and Training
GPD	Grant and Programs Directorate

H

HMA	Hazard Mitigation Assistance
HMGP	Hazard Mitigation Grant Program
HMP	Hazard Mitigation Plan
HSEEP	Homeland Security Exercise and Evaluation Program
HSGF	Homeland Security Grant Funding
HSGP	Homeland Security Grant Program
HSPD	Homeland Security Presidential Directive

I

ICS	Incident Command System
IJ	Investment Justification
IP	Implementation Plan

J

JAIBG	Juvenile Accountability Incentive Block Grants
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L

LEPC	Local Emergency Planning Committee
LLEBG	Local Law Enforcement Block Grants
L/P	Logistics and Planning

M

MBE	Minority Business Enterprise
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPA	Master Price Agreement

N

NIMS	National Incident Management System
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O

OMB	Office of Management and Budget
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P

PA	Public Assistance
PDM	Pre-Disaster Mitigation
PNP	Private Non-Profit
POETE	Planning, Organization, Equipment, Training and Exercise
POP	Period of Performance
PPD	Presidential Policy Directive

R

RIEMA	Rhode Island Emergency Management Agency
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S

SAM	System for Award Management
SHSS	State Homeland Security Strategy
SOP	Standard Operating Procedure
SPR	State Preparedness Report