



Washington Military Department

Emergency Management Division

State Administrative Plan: Hazard Mitigation Grant Program

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I. INTRODUCTION

A. Purpose of Document

The *State Administrative Plan: Hazard Mitigation Grant Programs, November 2019* (herein referred to as the Administrative Plan) establishes the guidance, rules, and procedures used by the Emergency Management Division of the Washington State Military Department, (hereafter referred to as the Department) to administer the following mitigation grant programs funded by the Department of Homeland Security, Federal Emergency Management Agency (hereafter referred to as FEMA):

- Hazard Mitigation Grant Program (HMGP), authorized under Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, as amended (42 USC 5170c), and 44 CFR Part 206 Subpart N.
- Hazard Mitigation Grant Program- Post Fire (HMGP-PF), initially authorized under the Bipartisan Budget Act of 2018 and then the Disaster Recovery Reform Act of 2018, which amended Section 420 of the Stafford Act to include this program.

Unless otherwise noted, references to HMGP in this Administrative Plan shall be construed to include HMGP Post Fire as well as “Presidential Declaration” HMGP rounds.

This Administrative Plan meets the requirements of 44 CFR Part 206.437. This version has been updated and revised to reflect and incorporate recent policy changes and/or changes in the administration of the HMGP. It is included by reference in the *Washington State Enhanced pg8*, approved by FEMA on October 1, 2018. Additionally, the state’s Enhanced Hazard Mitigation Plan is incorporated by reference in the state’s Comprehensive Emergency Management Plan (CEMP) in accordance with RCW 38.52.

Until revised, resubmitted for review and reapproved by FEMA, this Administrative Plan covers the administration of the following mitigation grant programs:

- All active and forthcoming HMGP Post Fire (HMGP-PF) rounds made available via FEMA Notice of Funding letters and announcements as a result of federal Fire Management Assistance declarations in Washington State.
- All active and forthcoming HMGP rounds made available via Presidential Declarations of emergencies and/or disasters.

Programmatic requirements for the mitigation grant programs listed above are covered in FEMA’s *Hazard Mitigation Assistance Unified Guidance*, effective February 27, 2015. Programmatic requirements for all future HMA grant programs will be covered by the guidance in place at the date of the disaster declaration (for HMGP) or funding availability (for HMGP-PF).

B. Intent of the Programs

The intent of Hazard Mitigation Assistance (HMA) grant programs is to reduce the risk of future damage, hardship, loss, or suffering as a result of major disasters by providing financial support to implement mitigation planning initiatives and cost-effective hazard mitigation measures to eligible Sub-Applicants around the state. Mitigation measures should be identified as part of the mitigation planning process of state and local governments and/or tied to goals and objectives of the state's Enhanced Hazard Mitigation Plan and the appropriate local hazard mitigation plan, required as a condition of receiving federal disaster assistance.

C. Eligible Sub-Applicants

Eligible Sub-Applicants include agencies of state government, local governments (city, town or county), special purpose districts, Indian tribes, and certain registered private nonprofit organizations providing like-government services and essential facilities.

Entities that apply for assistance under the grant programs are called Sub-Applicants throughout this document. Once a Sub-Applicant receives grant funding, it is considered a Sub-Recipient. The terms Sub-Applicant and Sub-Recipient may, when appropriate and applicable, be used interchangeably in this document.

To be eligible to apply to the state of Washington for an HMGP or HMGP-PF project grant, Sub-Applicants must:

- Be participating and in good standing in the National Flood Insurance Program (NFIP), as required by the grant program or location of the proposed project. This requirement pertains to jurisdictions with authority over land use and includes cities, towns, and counties, and to federally recognized Indian Tribes.
- Be compliant with all appropriate requirements of the state's Growth Management Act (RCW 36.70A) OR be actively working toward resolving issues identified as non-compliant OR being in a GMA-compliant community (Indian Tribes are exempt from this requirement). However, if the proposed project (e.g., elevating homes in the floodplain) relates to the identified non-compliance issue (e.g., floodplain regulations), then the project would not be eligible for mitigation grant funding.
- Have a FEMA-approved hazard mitigation plan developed under 44 CFR Part 201:
 - Prior to receipt of grant funding
 - In accordance with state and federal criteria for an Extraordinary Circumstances exception as described in FEMA's 2015 *Hazard Mitigation Assistance Unified Guidance* and related state guidance for Sub-Applicants.

II. RESPONSIBILITIES

PG6A. State Government

The Department represents the State of Washington as Recipient and administers the mitigation grant programs identified in this plan. The State Hazard Mitigation Officer is the individual within the Department with primary responsibility for administering these

programs. At the time of writing this plan, Tim Cook is the State Hazard Mitigation Officer, (SHMO) as defined in 44 CFR Part 206.433(c), and acts as the Alternate Governor's Authorized Representative for Mitigation in FEMA – State Agreements.

In administering the mitigation grant programs, the SHMO, assisted by other Department mitigation staff will:

1. Make recommendations to the Emergency Management Division Director and the Governor's Authorized Representative on the scope of HMGP programs for the Governor's request for federal assistance - Presidential disaster declaration. This may include:
 - a. Statewide or county-specific application of the HMGP.
 - b. A list of communities, jurisdictions, and agencies with an approved local hazard mitigation plan.
 - c. A list of communities, jurisdictions, and agencies with a local hazard mitigation plan under development, under review, and pending approval.
 - d. A review of the entities in the disaster-impacted areas that have approved plans and those that may not have approved plans at the time of the event (or Funding Notification for HMGP-PF).
2. Develop and/or distribute program and application guidance, funding criteria, application timelines, and application forms.
 - a. For each HMGP and HMGP-PF, the Department may limit the number of applications allowed per eligible Sub-Applicant, and the maximum project budget / grant award, based on the projected funding available.. In addition, the Department may bring unfunded sub-applications from other mitigation programs into a HMGP round.
 - b. For other mitigation programs, FEMA will publish the number of applications and maximum federal grant award in annual program guidance.
3. Solicit qualified mitigation planning or project proposals from eligible Sub-Applicants.
4. Provide technical assistance to eligible Sub-Applicants as staff and financial resources permit. This may include Sub-Applicant briefings on program-specific issues; application development, benefit-cost and other grant-related workshops; site visits to validate potential mitigation measures; attending community meetings and local mitigation planning workshops; and reviewing draft applications prior to submission.
5. Prioritize projects for funding.
 - a. Convene, as recommended by the SHMO and/or State Coordinating Officer, a Mitigation Grant Review Committee to review, evaluate, prioritize, and recommend projects for funding using established evaluation criteria published with the grant applications. Such a committee may be convened when requests for funding exceed available funds.
6. Forward funding recommendations to FEMA for review and approval.
7. Withdraw projects from consideration, if necessary.

8. Develop grant agreements with and administer distribution of funds to Sub-Recipients.
9. Submit quarterly and final reports to FEMA.
10. Monitor Sub-Recipient performance, including in-progress reviews of projects and draft mitigation plans, and arrange for a final engineering inspection of projects.

These efforts are supported and augmented by a broader, interagency team of mitigation partners that meets regularly in the form of a Mitigation Workgroup to discuss and address common issues, resources, and opportunities. This group provides the Department and SHMO with interdisciplinary insight regarding statewide risks and potential solutions.

B. Sub-Applicant

To be eligible to apply for and receive grant funds for mitigation projects, Sub-Applicants must have developed and adopted a FEMA-approved hazard mitigation plan that meets the criteria of 44 CFR Part 201.6 (local governments, special districts, etc.) or Part 201.7 (Indian Tribes) OR received FEMA approval of an Extraordinary Circumstances Exception as described in FEMA's 2015 *Hazard Mitigation Assistance Unified Guidance*. State agencies are required to be part of the state's Enhanced Hazard Mitigation Plan that meets the criteria of 44 CFR Part 201.4 and Part 201.5.

Representatives of the Sub-Applicant are responsible for (at a minimum):

1. Identifying potential mitigation projects and planning initiatives.
2. Establishing local priorities, submitting Pre-Applications and Full Applications to the state for funding consideration by announced deadlines.
3. Providing information, documentation, and data necessary to comply with the National Environmental Policy Act (NEPA) and to support FEMA in its environmental and historic preservation analysis.
4. Providing information, documentation and data that will enable the state to:
 - a. Review the submitted benefit - cost analysis (note: Sub-Applicant is responsible for preparing its own benefit-cost analysis using FEMA-approved methodology and software modules. The state may, upon request and on a case-by-case basis, provide technical assistance).
 - b. Conduct preliminary environmental and floodplain management reviews.
 - c. Determine potential historic or archaeological impacts.
5. Submitting invoice vouchers with appropriate documentation for reimbursement (as Sub-Recipients).
6. Submitting quarterly and final reports to the Department by published timelines in grant agreements (as Sub-Recipients).
7. Assisting with performance reviews and project inspection by Department mitigation staff.

Additionally, the Chief Executive Officer of the Sub-Applicant, or its appropriate legislative body (e.g., City Council, County Board of Commissioners), must designate an “Applicant Agent” and an Alternate “Applicant Agent” specific to the individual mitigation grant program. The Applicant Agent and his or her alternate represents the Sub-Applicant/Sub-Recipient to arrange for work, monitor and evaluate work completed, and provide all required documentation to the Department. The Applicant Agent must have authority to sign on behalf of the Sub-Applicant, such as legally binding the Sub-Applicant in the grant agreement.

C. Federal Government

The Administrator of FEMA Region X will review the Department’s recommendations for funding mitigation planning initiatives and mitigation projects. FEMA is the final approval authority for grant awards for all plan and project grant applications. FEMA is responsible for preparing environmental and historic preservation review documents on the submitted projects to comply with the requirements of the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA).

III. FUNDING OF ELIGIBLE PROJECTS

A. Federal

Funding is established for HMGP in two different ways:

- For “regular” HMGP rounds, by Presidentially Declared Major Disaster.
- For HMGP Post Fire rounds, by FEMA Funding Notification after Fire Management Assistance declarations.

FEMA approved Washington’s Enhanced State Hazard Mitigation Plan on October 1, 2018. As of this date, and for at least the next five years, the maximum amount of HMGP funding for each disaster will be up to 20 percent of the given disaster value, under all categories of the Public Assistance and the Individual Assistance programs, less administrative costs.

Only upon formal notification by FEMA that a Sub-Recipient’s application and funding documents have been approved, will the Department develop a grant agreement and obligate federal funds for a specific planning initiative or mitigation project for the Sub-Recipient.

B. Sub-Recipient

The Sub-Recipient’s share of eligible project costs is 25 percent, unless action by the Washington Legislature results in the state covering half (or 12.5 percent) of the non-federal share. The Sub-Recipient’s share may be composed of Sub-Recipient-generated revenue (taxes, fees, and bonds), other state funds, and public or private loans, etc. In addition to cash match, the Sub-Recipient’s share can include staff time paid from the above revenue sources and eligible in-kind third-party donations.

In general, the non-federal cost share may not include funds from other federal agencies or programs, except for those with authorizing statutes that explicitly allow the funds to be used as a cost share for other federal grants (e.g., Community Development Block Grant program can be used for the local share). Funds and Sub-Recipient staff time contributing to the non-federal cost share for mitigation grant programs cannot also be used as a cost share for other federal grant programs.

Sub-Recipient contributions can also be in the form of documented third-party in-kind cash equivalent of donated services and material. Volunteer labor and materials, cash donations from other organizations and property owners, etc., are examples of the types of in-kind services that may be considered as part of the Sub-Recipient's share, per 2 CFR Part 200.306. In-kind contributions must be specifically identified in the grant application and in the project budget to be eligible for consideration.

The Sub-Recipient's share of eligible project costs is tracked through documentation provided by the Sub-Recipient to the Department.

C. State

Sub-Recipients are expected to provide 25 percent of the eligible costs for an HMGP-funded mitigation project, unless the state elects to provide one half of the non-federal share, or 12.5 percent. State participation in the non-federal share of HMGP is determined on a disaster-by-disaster basis (or funding-round by funding-round basis for HMGP-PF). It is based on recommendation of the Governor, action by the Legislature, and established in the FEMA-State Agreement signed by the Governor. Historically, the state's participation has been one-half of the non-federal share (or 12.5 percent) of the approved project costs for Sub-Recipients, including other state agencies (who cover 12.5 percent with their own funding source). As of November 2019, this state participation in non-federal shares remains in effect.

The Department provides grant funding to Sub-Recipients on a **reimbursement-only** basis.

Prior to disbursement of any awarded funds, the Department and the Sub-Recipient will execute a grant agreement that establishes the period of performance for each project, an agreed-upon scope of work that includes any programmatic, environmental and/or historic preservation conditions required by FEMA, project costs, and estimated completion schedules. The Department develops grant agreements following project approval and receipt of grant award documents from FEMA. The Department's goal is to develop and send a grant agreement for the approved project to the Sub-Recipient for signature within 90 days of the date of grant award.

For all grants, the Department maintains a working project folder that contains a copy of the Sub-Recipient's grant funding application, and copies of the following: the grant agreement and applicable contracting documents, grant award documents, any amendments or grant agreement changes, quarterly and final reports, A-19s (invoice vouchers seeking reimbursement) with supporting documentation for all eligible costs and a spreadsheet to track reimbursements by cost share (federal, state, and Sub-Recipient), any correspondence related to the project, and site visit inspections and technical assistance visits, and closeout

documentation and reports. The official grant agreement files are maintained in the Military Department's Contracts Office.

The Department will monitor Sub-Recipient conformance to the terms and conditions of the grant agreement and Sub-Recipient performance during the grant performance period using the Sub-Recipient's quarterly reports, reimbursement requests, desk monitoring calls, correspondence, and on-site monitoring visits. In addition, Department staff will make site visits to provide technical assistance as necessary or requested.

IV. GRANT & SUBGRANT MANAGEMENT COSTS

FEMA's HMGP Management Costs Interim Policy (#104-11-1) implements provisions of the Disaster Recovery Reform Act of 2018. This Policy allows the Department to request a management grant equal to 15 percent of the federal share of the estimated eligible program costs for administration of Hazard Mitigation Grant Programs made available on or after August 1, 2017 (up to 10 percent for the Recipient, up to 5 percent for Sub-Recipients). That includes DR-4418 and all later HMGP rounds, with the exception of the 2018 HMGP Post Fire round. For that round, the previous regulations and policies on management costs (as described in 44 CFR 207) still apply.

For these purposes, management costs are defined as "any indirect cost, any direct administrative cost, and any other administrative expense associated with a specific project under a major disaster, emergency or disaster preparedness or mitigation activity or measure" (FEMA Policy #104-11-1).

FEMA makes available to the Department a Management Costs grant after the 30-day Estimate (up to 25%), 6-month Estimate (up to 50%), and 12-month Lock-in (up to 100%), then distributes available /remaining funds in annualized increments based on actual HMGP awards. The Department's request for management cost grant funding includes adequate documentation to support the costs and activities for which the funding will be used.

In accordance with FEMA Policy #104-11-1, the Department will provide HMGP Subrecipients the opportunity to seek and receive reimbursement for eligible management costs related to their subaward, up to 5 percent of the subaward's federal value. The Department will provide guidance and technical assistance to sub-applicants during application development, and sub-application packages will include documentation of their decision to seek management costs (or not). Subrecipient budgets will properly account for management costs as a distinct and separate line item from the other project-related costs, and the Department will track them accordingly in its own subgrant tracking documents.

Subrecipient management costs will be provided on a reimbursement basis only, payable upon the Department's receipt, review and approval of proper backup documentation for the costs, up to a maximum of 5 percent of the subgrant's federal value (or federal cost share). Like other subaward reimbursements, reimbursement of management costs must occur during the subaward's approved Period of Performance or Liquidation Period and cannot involve any advancement of funds—that is, the costs must have already been incurred prior to reimbursement. If a Subrecipient fails to provide proper backup documentation for its management costs, and/or fails to request reimbursement of management costs, the Department will not reimburse them. Any underruns in

the Management Costs budget category, whether by Subrecipient or Recipient, will be documented in the Department's financial reports and reported to FEMA in annual reports and/or final closeout packages.

Management Costs grant funds for the Recipient will partially reimburse the Department for its costs to support activities to administer and manage the HMGP, up to 10 percent of eligible expenditures. These costs include the regular time and overtime as well as the associated fringe benefits for the Department's permanent, project, and non-permanent staff and disaster reservists that support the HMGP. The costs for goods and services, travel, per diem, lodging, conference and training registrations, equipment, and indirect costs are also components of the Department's administration and management costs.

A. FEMA Determination of State Management Cost Funding

1. Between 30 and 35 days after the declaration date, FEMA will provide the Department with the preliminary estimate amount for management costs based on projections at that time of the total disaster value (which includes federal and non-federal shares). FEMA may obligate up to 25 percent of the estimated total amount at this time.
2. At six months after the date of declaration, FEMA will revise the preliminary estimate amount for management costs based on the projections at that time of the total disaster value (which includes federal and non-federal shares). FEMA may obligate up to 50 percent of the estimated total amount at this time.
3. At 12 months after the date of declaration, FEMA will determine the final lock-in amount for management costs based on the projections at that time of the total disaster value (which includes federal and non-federal shares). FEMA may obligate up to 100 percent of the estimated total amount at this time.
4. After 12 months, FEMA will review the actual HMGP obligations and de-obligations and make adjustments to the available management cost funding as needed. These reviews will be conducted annually and at closeout, in accordance with FEMA Interim Policy #104-11-1).

B. State Procedures for Requesting Management Cost Funding

1. Following notification by FEMA of the preliminary estimate amount (or Funding Notification for HMGP-PF), the Department will submit a HMGP project narrative that describes the activities, projected personnel requirements, Sub-Recipient allowance, and other costs related to the management of the program for that disaster. Documentation to support the management activities, Sub-Recipient allowance, and associated costs will include:
 - a) The Department's plan for expending and monitoring the funds and ensuring sufficient funds are budgeted for grant closeout; and

b) An estimate of the management funds that the Department will make available to Sub-Recipients for their administrative allowance.

2. FEMA will approve or reject the HMGP project narrative on management costs within 30 days of its receipt.

3. If FEMA rejects the initial narrative, it will provide to the Department definitive reasons for the denial as well as clearly identify the additional documentation required for approval. The Department will have 30 days to submit a revised narrative for consideration and approval.

4. At six months after the declaration date (not applicable to HMGP-PF), the Department may request an additional obligation of up to 50 percent of the management cost funds, based on the revised 6-month preliminary estimate amount. This request for additional funds will include documentation to support the request.

5. At 12 months after the declaration date (not applicable to HMGP-PF), FEMA will notify the Department of the final lock-in amount. The Department will submit a final funding request, based upon the final lock-in amount, to the FEMA Regional Administrator. The final funding request will include any necessary revisions to the required supporting documentation. FEMA will obligate the remaining funds upon approval of the final request.

6. After 12 months, the Department will use the FEMA subaward amendment process to request changes to the management costs funding. Increase requests will be accompanied by supporting documentation.

C. Quarterly Reports

1. The Department will provide quarterly reports to FEMA's Grant Programs Division on actual expenses of HMGP management costs following approval and funding of the initial HMGP project narrative.

D. Period of Availability

1. The HMGP management grant (not applicable to HMGP-PF) will be made available until 8 years from the date of disaster declaration or funding notification, or 180 days following the latest performance period end date of a Sub-Recipient project, whichever is sooner. Funds must be expended, drawn down and final payments made by the 8-year declaration anniversary date, or 180 days following the latest performance period end date of a Sub-Recipient project, whichever is sooner.

V. PROJECT ELIGIBILITY REQUIREMENTS

A. Federal Criteria

According to the requirements of 44 CFR Part 206.434, a project must:

1. Be in conformance with the State Enhanced Hazard Mitigation Plan and the applicable local mitigation plan approved under 44 CFR Part 201.
2. Be located in a community participating in good standing in the National Flood Insurance Program, for projects involving flood-insured properties or projects located within the Special Flood Hazard Area.
3. Meet all applicable federal, state, and local permit requirements, and not contribute to or encourage development in the floodplain, wetlands, or other hazardous areas, and support environmental justice (Federal Executive Orders 11988, 11990 and 12898).
4. Be cost effective and substantially reduce the risk of future damage, hardship or loss or suffering, in that it:
 - a. Addresses a problem that has been repetitive or that poses a significant risk if left unsolved.
 - b. Will not cost more than the anticipated value of the reduction in both damages and subsequent negative impacts to the area, if future disasters were to occur.
 - c. Has been determined to be the most practical, effective, and environmentally sound alternative after consideration of a range of options.
 - d. Contributes, to the extent practicable, to a permanent or long-term solution of the problem it is intended to address.
 - e. Considers long-term changes to the areas and entities it protects and has manageable future maintenance and modification requirements.

B. State Criteria

A project also must be identified in the applicable local hazard mitigation plan or support its goals and objectives. It also should meet one or more of the following state criteria:

- I. Protect lives and reduce public risk.
- II. Reduce the level of disaster vulnerability in existing structures.
- III. Reduce the number of vulnerable structures through acquisition, relocation, flood proofing, seismic retrofitting, or other measures.
- IV. Avoid inappropriate future construction in areas known to be vulnerable to future disasters.
- V. Restore or protect natural resources, recreation, open spaces, and other environmental values.

- VI. Develop and implement comprehensive programs, standards, and regulations that reduce disaster damage.
- VII. Increase public awareness of natural hazards, preventive measures, and emergency responses to disasters.
- VIII. Upon completion, have affordable operation and maintenance costs.

VI. SOLICITATION OF APPLICATIONS

Following a Presidential Declaration of a Major Disaster or a Funding Notification for HMGP-PF, the State Hazard Mitigation Officer and Department mitigation staff will publicize the round and inform potential Sub-Applicants of the availability of mitigation grant funding in a variety of ways.

Department mitigation staff will provide information about HMGP during selected Public Assistance program applicant briefings, and send information via email to local Emergency Management offices statewide, participants in the Public Assistance program, Washington State Association of Counties, Association of Washington Cities, State Agency Liaisons, Indian Tribes, and other interested parties and eligible sub-applicants. Department mitigation staff will also distribute information at mitigation trainings and briefings, and will post information on the Emergency Management Division's web page. At their discretion, the Department and FEMA may issue a joint press release describing the program.

To ensure that potential Sub-Applicants are provided clear, accurate information about the application process and program requirements (deadlines, criteria, priorities, availability of management costs, etc.), the Department may make use of online information-sharing platforms such as its website and SharePoint pages. The information will be reviewed and updated each grant round to ensure accuracy, and Mitigation Staff contact information will be provided for follow up questions and consultations. The Department's Announcement package will include job aids and guidance documents for potential sub-applicants to review and consider.

Information disseminated about HMGP will include basic program information and requirements, a Pre-Application Form for mitigation planning initiatives and projects, a general program timeline including submission deadlines, and a point of contact for further information. After the Department reviews the Pre-Application Forms it receives, it will send Invitations to Apply, with full Application documents and guidance, to eligible Sub-Applicants with potentially eligible mitigation proposals.

Only jurisdictions that submit a Pre-Application Form and receive Invitations to Apply from the Department will be eligible to submit a Full Application for grant funding consideration.

Depending upon the projected amount of available funds, the Department may limit the number of sub-applications each eligible Sub-Applicant can submit, and limit the total project costs of each planning initiative and project. It may also prioritize proposals by project type (such as specified wildfire mitigation projects for an HMGP-PF round) and by locality (such as prioritizing submissions from eligible entities within Declared counties). The Department will share this information with potential Sub-Applicants as early as its announcement of HMGP availability, but no later than the date at which it provides full applications to invited Sub-Applicants.

Full Sub-Applications for HMGP grant funding are only provided to invited Sub-Applicants by the Department.

VII. PROJECT IDENTIFICATION

In addition to the project application process outlined above, the State Hazard Mitigation Officer and other Department mitigation staff may identify, encourage, and provide direct and/or technical assistance to communities to develop and submit applications for appropriate mitigation projects through the following processes:

1. Briefing Preliminary Damage Assessment survey teams on the Hazard Mitigation Grant Program and enlist their help in identifying potential mitigation projects, especially regarding “404-406 Coordination” proposals
2. Briefing the Public Assistance Project Worksheet Teams that will complete inspections of damaged facilities so that they may identify potential projects.
3. Reviewing complete, eligible, unfunded grant applications from prior declared disasters or other mitigation grant programs.
4. Reviewing local hazard mitigation plans from declared jurisdictions.
5. Reviewing the disaster event and strategies in the State Enhanced Hazard Mitigation Plan to identify potential projects or project types that would benefit from expedited consideration and funding (e.g., acquisition of substantially damaged or imminently threatened homes in the floodplain).

VIII. PROJECT CRITERIA

Project sub-applications must meet FEMA and State eligibility criteria as outlined in this plan and in the pertinent version of FEMA’s Unified Hazard Mitigation Assistance Guidance document. Each Sub-Applicant must consider multiple alternatives, describe each alternative in its project application, and should involve the public in its decision-making process. The Sub-Applicant must find that its Proposed Action (that is, the proposed action) is the most practical, effective and environmentally sound alternative after considering a range of options, and it must be found cost-effective using an approved and acceptable FEMA benefit-cost methodology. The Sub-Applicant must describe the methodology or process it used to select its Proposed Action.

For any proposed project in or affecting floodplains or wetlands, the Sub-Applicant must do the following for its application to be considered complete and to warrant further consideration:

1. Follow Public Notice Requirements of 44 CFR Part 9.8, which require providing the public with adequate information and opportunity to comment at the earliest possible time during the project / sub-application development process. Department mitigation staff will provide a public notice template and publication instructions to Sub-Applicants upon request.

2. Provide an analysis of practicable alternatives, as required by 44 CFR Part 9.9(b). This part requires the identification and evaluation of alternatives to carrying out the Proposed Action in a floodplain or wetland, to include a) alternative sites outside the floodplain or wetland; b) alternative actions which essentially serve the same purpose but which have less potential to affect or be affected by the floodplain or wetland; and c) no action.

IX. APPLICATION PROCESS

A. Submission of Sub-Applications to the State

Two Steps: Pre-Applications and Full Applications

The Department uses a two-step submission process that involves sub-applicants submitting a Pre-Application form first, then (upon receiving an Initiation to Apply) submitting a Full Application.

During the initial stages of a grant round, the Department will solicit Pre-Applications from potential Sub-Applicants as described above. Pre-Application Forms are used as a screening tool to determine a Sub-Applicant's basic eligibility as well as potential eligibility of the proposed project or planning initiative, and to track potential demand for available program resources. The Department will send written Invitations to Apply to potential Sub-Applicants based on its review of submitted Pre-Application Forms. The Invitation to Apply will include a blank, full application document, along with a copy of this Administrative Plan and other pertinent guidance documents. The Department will also provide status notifications to those not invited to apply.

The Department will establish a submission deadline for full applications, typically around 90 days from the date they are provided to potential Sub-Applicants. This deadline is intended to allow enough time for Sub-Applicants to ensure compliance of environmental requirements and coordination with regulatory agencies, development of alternatives, and the public involvement process. Late applications will not be accepted. For HMGP rounds triggered by Presidential Declaration, the Department will submit the state's complete application packet to FEMA within 12 months of the date of the disaster declaration, per federal regulation. For HMGP Post Fire rounds, the Department will submit the state's complete application packet to FEMA within six months from the end of the eligible FMAG time period established by FEMA (typically September 30th). as established by FEMA's funding notification letter. See the example HMGP application timeline below. A typical HMGP Post Fire timeline is about half the duration of this example timeline.

B. Example Hazard Mitigation Grant Program Application Timeline

The following is an example of the Department's HMGP application timeline. Actual timelines may vary. HMGP-PF timeline is about half as long as this example.

Hazard Mitigation Grant Program (HMGP) available <u>statewide</u> for both planning and project grants.	
<i>Dates of Incident Period:</i>	<i>Description of Activity:</i>
Day 1	President declares disaster in initial counties.
Day 1-45 post declaration	Sub-Applicant briefings for Hazard Mitigation Grant Program conducted in declared counties.

Day 5-30	Pre-Applications, program information and timeline – Emailed to ALL County and City Emergency Management Offices, Tribal Emergency Managers, State Agencies, Association of Washington Cities, and Washington Association of Counties. Pre-Applications, Fact Sheet, and program timeline posted on the State’s website – mil.wa.gov/HMAgrants
Day 60	Pre-Applications for projects and new or revised hazard mitigation plans must be submitted to and received by State HMA via email, SharePoint upload, or other method established and approved by the Department. Late Pre-Applications will not be considered, except in rare circumstances noted in the State Administrative Plan.
Day 65	Application packets made available on the HMA web site to eligible Sub-Applicants for mitigation construction projects and/or hazard mitigation planning initiatives.
Day 65-175	Technical and application development assistance to include review of draft application scheduled at the request of the Sub-Applicant, as time allows. For projects in or affecting a floodplain or wetland, a minimum of one public notice required. Contact State HMA Staff, below, for public notice template and proof of publication requirement. Consultation must be completed with State Department of Archaeology and Historic Preservation for buildings 49 years old or older.
Day 180	Applications must be submitted to and received by State HMA (one hard copy, one electronic copy on CD). Late applications will not be considered, except in rare circumstances described in the State Administrative Plan.
Day 181 – 360	Applications reviewed for completeness and cost-effectiveness by HMA staff. Eligible applications sent to review committee for prioritization and funding recommendation.
Day 365 post declaration	Deadline for State to forward prioritized list of HMGP applications to FEMA for environmental and historic preservation reviews, and funding consideration.
Prior to Funding Approval	<p>Unless a sub-applicant receives FEMA approval for an Extraordinary Circumstances exception, all jurisdictions must have an adopted, FEMA-approved hazard mitigation plan (or be formally Annexed to one) to receive HMGP project funding. Lack of approved plan means project grant award may be held by FEMA until the mitigation plan receives FEMA approval. Obtain necessary permits, complete State Environmental Policy Act checklist. FEMA review for eligibility occurs within the first few months following application receipt. Applications that are recommended to FEMA for final review and funding approval might have from 4 to 18 months to prepare permits and SEPA checklist, as needed.</p> <p>Recommended Sub-Applicants (that is, those the Department sends to FEMA for immediate funding consideration) must be ready to begin the project within 30 days of a signed grant agreement (state-local contract). Time constraints on projects due to environmental issues should be identified in the grant application.</p>

C. Late Applications

The timelines for Sub-Applicants to submit Pre-Application Forms and full applications to the Department are specifically established for each mitigation grant program by the Department and/or FEMA, and are based on specific programmatic and legal requirements.

As described previously, the Hazard Mitigation Grant Program's application process has two steps: a Pre-Application step followed by a Full Application step. Only eligible jurisdictions that submit Pre-Applications for eligible proposals on or before the established Pre-Application deadline can receive Invitations to Apply and Full Application documents for a given HMGP round. However, Pre-Applications from prioritized jurisdictions or project types submitted after a given grant round's announced deadline may be considered on a case-by-case basis. Furthermore, the Department reserves the right to solicit, accept and consider Pre-Applications from any eligible entities after that deadline in the following circumstances:

- Invited Sub-Applicants withdraw or otherwise decline the Department's Invitation to Apply, leaving sufficient grant funds available for other proposals;
- The estimated available grant funding for a given round supports and justifies the submission and consideration of additional proposals.

Since the Department may accept and reviews Pre-Application Forms at any time, regardless of whether there is an open application period, submissions deemed late for one grant round may be considered eligible for the next grant round. The Department will maintain a list of submitted Pre-Application Forms and make use of it whenever a new grant application round opens.

For competitive grant rounds, it is the Department's policy not to accept full applications from Sub-Applicants beyond the announced deadline. However, the Department reserves the right to solicit, accept and consider full applications from eligible entities after that deadline in the same circumstances described for Pre-Applications above.

If the Department determines that unique and unforeseen circumstances exist (e.g., a second disaster is declared within a few weeks of the disaster declaration that originally made HMGP available), it will consider extending deadlines Pre-Applications and/or Full Applications to the extent feasible, given programmatic and legal requirements. If deadlines are extended, the Department will provide as much time as possible to 1) allow potential Sub-Applicants to respond to the new disaster and to prepare Pre-Applications and/or Full Applications for the initial HMGP, and to 2) provide the Department with adequate time to review applications and make funding recommendations to FEMA within legally prescribed timelines. Such a deadline extension will be provided equally to all potential Sub-Applicants statewide.

D. Review, Ranking, and Selection of Projects

In accordance with 44 CFR Part 206.435, the Department's process for reviewing and ranking full applications submitted by the announced deadline starts with an initial completeness and eligibility review stage, then moves to an RFI stage for selected applications, and then concludes with a final review and ranking stage. Only applications that advance through the initial review and satisfactorily complete the RFI stage (as needed) will be included in the Department's final review and ranking stage.

The initial eligibility and completeness review will use state and FEMA guidance, such as FEMA Region X's Application Review Tool, to assess how well each submission satisfies the required application elements and criteria. All application submissions, whether from prioritized or non-prioritized Sub-Applicants, will be placed into one of four completeness categories:

1 - Substantially Complete: missing no required elements, needs few or no revisions.

- Qualifies for RFI process (if needed) and final review/ranking

2 - Mostly Complete: missing few required elements, needs some revisions.

- Qualifies for RFI process and final review/ranking

3 - Mostly Incomplete: missing several required elements, needs several revisions.

- Does not qualify for RFI process or final review/ranking (exceptions apply)

4 - Substantially Incomplete: missing most required elements, needs major revisions.

- Does not qualify for RFI process or final review/ranking (exceptions apply)

In competitive grant rounds, full applications that meet the criterion for one and two above (*Substantially Complete* and *Mostly Complete*) will be further considered for grant funding. These Sub-Applicants may receive Requests for Information (RFIs) from the Department, allowing opportunities to clarify elements of the proposal and provide additional details prior to the final rank-and-review round. These Sub-Applicants will typically have about two weeks to provide the requested information or revised documents to Department staff. Those not meeting the established RFI deadlines may, at the discretion of Department staff, be disqualified from funding consideration.

Applications deemed *Mostly Incomplete* or *Substantially Incomplete* may not receive further consideration for grant funding. Instead of RFIs, these Sub-Applicants will receive review feedback and guidance for improving future HMGP submissions.

The Department may, on a case-by-case basis, prepare RFIs and further consider applications deemed *Mostly* or *Substantially Incomplete* if and when the Sub-Applicant:

- is from, or represents, a Prioritized jurisdiction, or
- meets FEMA's *Small Impoverished Communities* criteria (see FEMA's Unified HMA Guidance, Part VIII B.2), or
- faced severe hardship during the application period that demonstrably hindered its ability to properly complete the full application.

Part of the Department's initial completeness and eligibility review involves assessing the Benefit-Cost Analysis (BCA) submitted with project applications. As necessary, Department mitigation staff will obtain and use additional information, such as flood insurance studies or insurance claims payments, in its review of the cost effectiveness of the project. Department mitigation staff may substitute its own benefit-cost analysis in a project application if it determines that its analysis is more accurate and/or supported by documented data from credible sources.

In general, a benefit-cost ratio of at least 1.0, calculated using FEMA methodology, is required to demonstrate project cost effectiveness. Proposals involving the mitigation of imminently threatened properties (threatened by severe channel migration, landslide, erosion, etc.) may use a FEMA-

approved alternate benefit-cost spreadsheet rather than the BCA Tool. Proposals for home elevations or property acquisitions that meet the criteria described in FEMA's Pre-Calculated Benefits Memo are not required to conduct a BCA. When used, the Memo should be referenced and attached to a Sub-Applicant's Full Application package.

Sub-Applicants will be notified of their application's status following the Department's initial completeness and eligibility review. There is no appeal of the Department's decision of an application's ineligibility due to incompleteness, lack of required documentation, and/or lack of a credible benefit-cost ratio under 1.0.

Once an application is deemed eligible and sufficiently complete, then it will be included in the Department's final review and ranking process. Ranking will consider all announced Sub-Applicant prioritizations and project-type priorities for the given round. If the amount of funding requested exceeds the amount available, the Department may convene a Mitigation Grant Review Committee to help Department staff review, evaluate, and prioritize the applications within that category.

When convened, the Mitigation Grant Review Committee will typically consist of five members, including the following (as available):

- Two individuals from the Department's mitigation staff.
- One designee from a state agency familiar with issues related to the particular type or nature of prioritized project types (example: Department of Ecology representative for floods, Department of Natural Resources representative for geological events, etc.).
- Two or more individuals representing local government from outside of the declared disaster area or from a community not applying for HMGP funds in the given round.

The Department will seek local committee members that have experience in public works, engineering, land use planning, disaster grant administration, or other related experience. The committee also may consult experts from state, local, and federal agencies. The Department may seek the assistance of the Washington State Emergency Management Association, Washington State Association of Counties, and the Association of Washington Cities to provide names of potential local committee members.

Committee members will serve without compensation but will be reimbursed for authorized expenses incurred in the performance of their duties, in accordance with RCW 43.03.050 and 43.03.060, as now existing or hereafter amended.

The Committee will help evaluate and prioritize grant applications that pass initial eligibility screening and make funding recommendations for HMGP to the Governor's Authorized Representative (GAR) based on criteria published with HMGP applications.

E. Ranking Process and Criteria

Ranking eligible HMGP projects and developing a recommendation for funding will include consideration of the following:

- Combined ordinal application score(s) as determined by the Mitigation Grant Review Committee (if convened)
- Available funding
- State priorities for the HMGP round based on goals and objectives in the State Enhanced Hazard Mitigation Plan, October 1, 2018
- Geographic mix of submitted applications
- A proposal's anticipated impacts (beneficial, detrimental, or neutral) on vulnerable populations, especially regarding equitable risk-reduction outcomes and whole-community approaches to disaster resilience
- Previous mitigation program participation and results
- Current mitigation program participation. At its discretion, the Department may limit Sub-Applicants to five mitigation grant-funded projects they may hold at any one time, depending upon the following:
 - Demonstrated capability of the Sub-Applicant to administer previous and existing projects.
 - Demand for currently available funds.
 - State-announced priorities for the given HMGP round.
- Any of the above-noted considerations may be used as a tiebreaker when projects are prioritized and funding recommendations are developed.

If the situation warrants, the Department may set aside a percentage of HMGP funds to implement specific projects or project types based on the disaster, or specific initiatives or strategies identified in the State Enhanced Hazard Mitigation Plan. Such initiatives will be described in HMGP program announcements provided to all eligible Sub-Applicants on program availability. Applications received for announced special projects and mitigation initiatives may be exempt from the Committee ranking process.

When established, the Committee will develop and provide to the Governor's Authorized Representative (or State Hazard Mitigation Officer for HMGP Post Fire rounds) a prioritized list of projects to recommend to FEMA for approval and funding. The State Hazard Mitigation Officer, in consultation with the GAR and the Committee, and in accordance with this document, will make final determinations regarding sub-application inclusion and rank in the Department's full HMGP application package, and is responsible for submitting them to FEMA for funding consideration.

Sub-Applicants will be notified of their application's status following this final review and ranking process, including a rationale and explanation for the Department's determinations. In general, there will be three sub-application status types at this point:

1. Selected for *Primary* funding consideration and submitted to FEMA
2. Selected as an *Alternate* for funding consideration and submitted to FEMA
3. Not selected for funding consideration and not submitted to FEMA

Alternates are submitted to FEMA but will not be considered for funding until additional funds become available and/or a Primary sub-application is withdrawn from consideration. Sub-Applicants not selected for funding may appeal this decision under specific criteria.

F. Criteria for Non-Selection of Applications

The following are the criteria under which Department mitigation staff (including the SHMO) and/or the Mitigation Grant Review Committee may not select or recommend sub-applications for funding:

- Sub-Application and/or required supporting materials were not received by the announced / published deadline.
- Sub-Application is incomplete and/or does not provide sufficient information.
- Project is not cost effective.
- Sub-Applicant does not meet the National Flood Insurance Program (NFIP) requirements for project or applicable grant programs.
- Sub-Applicant is not in compliance with state Growth Management Act (GMA) or is not making progress to resolve non-compliance issues, as certified by the Washington State Department of Commerce.
- Grant request exceeds established funding limits, including those set forth for the HMGP 5 Percent Initiative, Planning Initiative, and Advance Assistance categories.
- Sub-Applicant has submitted more than the allowed number of applications (if such a limitation has been established for the given HMGP round).
- Project does not meet eligibility criteria in 44 CFR 206.434, or fails to meet any established application scoring minimums.
- Proposed use of HMGP funds replace, or are a substitute for, funding available under other federal authorities, or may otherwise violate federal Duplication of Programs/Benefits regulations, except when limited circumstances exist such as extraordinary threats to lives, public health or safety, or improved property.

Additionally, the Department reserves the right to not review, rank, or submit sub-applications from an eligible Sub-Applicant with serious unresolved audit findings related to performance or financial management, or with serious governance and/or solvency issues that may hinder their inability to legally execute a state-local contract (grant agreement) in a timely manner.

G. Sub-Applicant Appeals

Criteria for Appeal

A Sub-Applicant may appeal a decision of the Department mitigation staff or the Mitigation Grant Review Committee on its application based on the following:

- Failure by the Department mitigation staff or Review Committee to follow the established review and adjudication process outlined in this plan.
- Arbitrary or capricious decisions by the Department mitigation staff or Review Committee.

Appeal Process and Timeline

All Sub-Applicants will receive written notification as to whether their applications have been selected (or recommended) for FEMA funding consideration. This notification will include an explanation for the non-recommendation. Should a Sub-Applicant wish to appeal the non-recommendation of their project it must, within 15 days of receipt of written notice of non-

recommendation, respond in writing to specific items causing non-recommendation. This notice must include a full justification or clarification to the Department mitigation staff / Mitigation Grant Review Committee. Additional information and/or documentation not included in the original application will not be considered.

The Department mitigation staff / Review Committee will review the appeal, make such additional investigation as necessary, and forward the appeal with a written recommendation to the Governor's Authorized Representative (or State Hazard Mitigation Officer for HMGP-Post Fire rounds).

All Sub-Applicants will be notified when an appeal of the Department mitigation staff's / Review Committee's recommendations has been filed. The notification will state that the appeal will delay all final selection decisions until the appeal process is complete, and that a successful appeal may result in a re-ranking of the sub-applications and could affect funding availability for the reviewed submissions.

The Governor's Authorized Representative (or State Hazard Mitigation Officer for HMGP Post Fire rounds) will review the material submitted and make any additional investigations as deemed appropriate. The Sub-Applicant will be notified of the Governor's Authorized Representative's (or State Hazard Mitigation Officer's) decision within 10 days of the Department's receipt of the formal "Appeal of Determination" packet. If the Governor's Authorized Representative (or State Hazard Mitigation Officer for HMGP Post Fire rounds) denies the appeal:

- The original list of recommendations of the Department mitigation staff / Committee will be forwarded to The Adjutant General (TAG), State Military Department, with a copy of the appeal results.
- All Sub-Applicants will be notified of the appeal recommendation results and that the appeal process has been completed.

If the Governor's Authorized Representative (or State Hazard Mitigation Officer for HMGP Post Fire rounds) finds in favor of the appeal:

- The Department mitigation staff / Review Committee will reconsider and re-rank the entire listing of recommended projects, if necessary.
- Notify affected Sub-Applicants; they will not be allowed to appeal this decision.
- A revised recommendation packet will be forwarded to The Adjutant General (TAG), State Military Department, for a decision. The information packet will include all appropriate documentation and explanation of appeal results. All decisions of The Adjutant General, State Military Department, are final.

H. Submission of Recommended Projects to FEMA

The State Hazard Mitigation Officer will prepare an application package for transmittal to FEMA containing:

- A summary description of the submitted proposals (both Primary and Alternate selections) and a rationale for the Department's decision to select them for funding consideration.
- Copies of the selected applications (both Primary and Alternate) and additional pertinent information.
- A certification by the Department that the projects meet all federal and state eligibility requirements.
- A completed SF 424 Application for Federal Assistance, which requests funding for all projects recommended.

The Department may withhold its final determination on the Primary or Alternate status of any submitted sub-application until FEMA's 12-Month Lock-In amount (or final Funding Notification letter for HMGP Post Fire) has been established and made available to the State Hazard Mitigation Officer.

As information is available, the Department mitigation staff will update Sub-Applicants regarding the status of FEMA's review of their applications.

Upon notification from FEMA, the State Hazard Mitigation Officer and its staff will coordinate with Sub-Applicants to resolve any FEMA Requests for Information during its review process, and will inform them of FEMA award decisions regarding their proposals.

Funded Applications: Department mitigation staff will prepare grant funding agreements (state-local contracts) with Sub-Applicants, now considered Sub-Recipients, and provide them guidelines for administering their approved mitigation grant award. This will include information on:

- Accounting for expenses and requesting reimbursement;
- Quarterly and Final reporting, and subrecipient monitoring requirements;
- Approved scope of work, budget, and timeline details;
- Grant agreement details between the State and the Sub-Applicant.

Non-approved or unfunded Projects: Department mitigation staff will notify Sub-Applicants of a FEMA non-approval determination in writing, informing them of their right to appeal FEMA's decision in accordance with 44 CFR Part 206.440.

I. Withdrawal of Selected (or Recommended) Proposals

The Department may opt to withdraw a selected sub-application (whether Primary or Alternate) from FEMA's consideration. Reason(s) may include, but are not limited to, the following:

- Material errors, misrepresentation(s), or lack of substantiated information or data by the Sub-Applicant in the application.
- Non-allowed cost increases or expenditures prior to FEMA approval of eligible pre-award costs or award of a grant.
- Loss or reduction of committed funding or in-kind contributions for the non-federal share of the proposal.

- Project implementation (i.e., construction for a project, plan development, or review process) begins prior to grant award without previous approval of the Department and FEMA.
- Project fails to maintain or demonstrate the proposed cost effectiveness during FEMA's review process.
- Proposal or Sub-Applicant fails to maintain eligibility as outlined in 44 CFR Part 206.424, to include project cost effectiveness, participation and good standing in the National Flood Insurance Program (NFIP), as well as compliance with the state Growth Management Act (GMA).
- Sub-Applicant fails to maintain program eligibility through a FEMA-approved hazard mitigation plan required by 44 CFR Part 201.

The Department reserves the right to postpone drafting a grant agreement (state-local contract) or to deny funding if there is a significant problem with previous Sub-Recipient performance, such as failure to complete projects in agreed-upon times or according to required programmatic, environmental or historic preservation conditions; major cost overruns; failure to provide required documentation in a timely manner, etc. In such situations, the Sub-Recipient is responsible for developing and initiating corrective action satisfactory to the Department.

X. PROGRAM ADMINISTRATION

A. Organization

The Governor's Authorized Representative oversees policy and mitigation expenditures. The Mitigation and Recovery Section Supervisor oversees policy issues related to mitigation activities. The State Hazard Mitigation Officer is responsible for the daily operations and technical aspects of the program, hazard mitigation planning, administering the hazard mitigation grant programs, and the State Enhanced Hazard Mitigation Plan. The Hazard Mitigation Strategist and Hazard Mitigation Programs Manager assist with daily operations and technical aspects of the program.

The Department will review and update the State's Enhanced Hazard Mitigation Plan in conjunction with participating state agencies as necessary, at least every five years as required by 44 CFR Part 201.

B. Staffing

The following staffing pattern is used during normal, non-disaster period operations. Percentages below estimate the split of responsibilities for administering all mitigation grant programs:

Mitigation & Recovery Section Supervisor	10%
State Hazard Mitigation Officer (including his support staff)	90%

Following disaster declarations, the State Hazard Mitigation Officer (as defined in 44 CFR 206.433(c)) is identified on the Department's organizational chart and confirmed by name in the Federal-State Agreement (included here by reference for HMGP).

As of writing this plan, Tim Cook is the State Hazard Mitigation Officer.

During active disaster recovery operations, the following notional baseline-staffing pattern is established. The number of personnel required, the percentage of time designated individuals will be tasked, and the length of tasking will be dependent on the size and number of disasters for which recovery operations are ongoing.

SHMO (Tim Cook)	EMPS-4*	100%	12 - 48 months
HM Program Manager	EMPS-3*	25%	12 - 48 months
HM Program Coordinators	EMPS-2*	100%	9 - 48 months
HM Program Assistants	EMPS-1*	50%	9 - 48 months
Reservist 1 (Engineer)	RVST-1	50%	6 - 24 months
Admin Support	Secretary Senior	50%	6 - 24 months
<i>*EMPS: Emergency Management Program Specialist</i>			

C. Administration

The State Hazard Mitigation Officer and his mitigation staff are responsible for project management and record keeping, including project files, which contain all correspondence, applications, reimbursement vouchers, receipts, reports, and related documentation. The State Hazard Mitigation Officer will oversee preparation of the grant agreement (state-local contract) for each project outlining the work to be completed and its costs.

The State Hazard Mitigation Officer will submit quarterly performance reports on FEMA-provided spreadsheets for open HMGP grants and subgrants. These will be based on the written progress reports provided by Sub-Recipients for each open project. A Sub-Recipient quarterly progress report format is shown in Appendix 1, Guidelines for Approved Grants. Each Sub-Recipient will be required to submit a final report and the State Hazard Mitigation Officer will submit closeout documents to FEMA.

In accordance with 2 CFR 200.303(e), the Department takes all necessary and reasonable measures to safeguard Personally Identifiable Information (PII) and other sensitive information it collects or handles. In addition to the Federal Privacy Act of 1974, personal privacy interests are protected in the Revised Code of Washington, most notably under RCW Chapter 42.56. The Department's internal controls and policies regarding PII comply with these and all other applicable laws and regulations.

In accordance with 2 CFR 200.300, the Department will ensure compliance with FFATA requirements. The Mitigation Section will coordinate with WMD's internal controls officer to ensure that FFATA reporting is properly conducted and that HMGP sub-recipients are complying with FFATA requirements.

D. Financial Management

The Department will serve as the Recipient for the State of Washington for FEMA's mitigation grant programs. The Department is responsible for ensuring the State and Sub-Recipients administer grant funds and implement projects in compliance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; 44 CFR Part 206 Subpart

N, Hazard Mitigation Grant Program; 44 CFR Part 207 Management Costs; and other federal administrative requirements. Sub-Recipients are accountable to the Recipient for awarded funds.

Sub-Recipients are the legal entities to which the state awards money for projects and mitigation planning initiatives. Sub-Recipients can be a state agency, local government, special purpose district, private non-profit organization, or Indian Tribe. Sub-Recipients are responsible to the Recipient for expenditures, work performed, and reporting requirements.

The Department will ensure that costs associated with Recipient administration of the mitigation grant programs and with Sub-Recipients implementation of mitigation program subgrants are allowable and in accordance with the requirements of 2 CFR Part 200 and 44 CFR Part 206.439. Washington Military Department Finance Division staff will submit quarterly Federal Financial Reports on Form SF 425, unless superseded by a newer form, to FEMA for each of the open grants as required by 2 CFR Part 200.

The Department coordinates with its Finance office on a quarterly basis to compare and reconcile HMGP program budget amounts with actual expenditures, in accordance with 2 CFR 200.302(b)(5). These reconciliations cover both Management Costs funds and “pass-through” funds. The tools used in these reconciliations include federal Payment Management System reports, NEMIS reports, the state’s Enterprise reporting system, and our Mitigation Section’s own internal financial tracking documents.

Since Sub-Recipient funds are dispersed by the state on a reimbursement basis and drawn directly from the federal Payment Management System account (formerly known as SmartLink), no excess cash is held by the state.

Grant funds are not held or used in a manner that would accrue interest. If such a circumstance were to arise, interest amounting to more than \$500 would be remitted to FEMA by depositing the funds into the federal Payment Management System account.

1. Procurement

The Department will ensure the State and all Sub-Recipients comply with the procurement requirements of 2 CFR Part 200.317 and 318. The State will follow the policies and procedures it uses for procurement using non-federal funds. Sub-Recipients can use their own procurement procedures which reflect applicable local and state laws and regulations provided those procedures also conform to the procurement standards described in 2 CFR Part 200.317 through 326.

The Department will ensure that Sub-Recipients conduct all procurement transactions in a manner that provides full and open competition consistent with the standards of 2 CFR Part 200.319.

The Department will require Sub-Recipients to sign a certification that their organization and principals are not debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in federal contracts, and ensure that any sub-contractors also sign a similar certification.

The Department reserves the right to review Sub-Recipient procurement plans and documents, and can require a Sub-Recipient to make changes to bring its plans and documents into compliance with the requirements of 2 CFR Part 200. Further, the Department will ensure that a Sub-Recipient's procurement process requires contractors and subcontractors to provide adequate documentation with sufficient detail to support the costs of the project and to allow both the Sub-Recipient and Department to make a determination on eligibility of project costs.

2. Sub-Recipient Reimbursement

Eligible grant costs are reimbursed on an actual cost basis up to the grant agreement amount and in accordance with approved cost shares. The Department does not provide for advancement of funds for any of the mitigation grant programs unless authorized by the Washington Legislature, as state law prohibits gifting of funds. Should this policy change, procedures to implement this action will be developed and implemented.

Sub-Recipients are required to track project costs, and to submit reimbursement requests by approved budget cost category, as described in the grant agreement between the Sub-Recipient and Department. Sub-Recipients must provide copies of original documentation to clearly support the reimbursement request. Such documentation includes but is not limited to the following: timesheets or time and attendance records for staff that worked on the project, coded so that hours worked on the project are readily discernible; dated invoices or receipts for all goods and services purchased; copies of dated invoices on vendor / contractor letterhead for all professional services (e.g., consultants, engineering, etc.) provided or work performed by contractors and subcontractors, dated receipts for required permits, and other project-related expenses, etc. Any project costs not supported by sufficient documentation will be disallowed and will not be reimbursed.

The required 25% non-federal cost share is documented and tracked for each subgrant throughout its period of performance. Each sub-recipient reimbursement request will include documentation of both federal and non-federal cost shares, allowing the Department to review and track all their incurred expenses. Therefore, costs apportioned to a subgrant's non-federal share are subject to the same eligibility review and financial tracking procedures as those apportioned to the federal share. They are tracked and monitored during the Department's A-19 reimbursement procedures described herein.

As part of each project file maintained by the Department's Mitigation Section, a spreadsheet will track approved project amounts, individual warrants and processing dates, total expenditures by federal, state, and local funding sources, total expenditures by approved budget cost category, and remaining funds. Payments shall be based on Sub-Recipient submittal of an A-19 Invoice Voucher, signed by a staff member authorized on the grant agreement's Signature Authorization Form. Copies of in-kind and direct charge documentation must accompany the A-19. The Sub-Recipient must keep all originals, including the A-19, in their project files and available upon request. (See Sample A-19 Invoice Voucher Form).

Requests for payments will be processed in a timely manner. The goal of the Department is to process payment requests to the Finance Division within 10 days of receipt. The goal of the Military Department's Finance Division is to process payments and issue a warrant within 10 days of receipt of the completed A-19 from the Department's mitigation staff.

Delays can occur if the Sub-Recipient's request-for-payment package is incomplete or contains inaccuracies. Department mitigation staff notifies a Sub-Recipient as soon as discrepancies are discovered in order to resolve the issue(s). The reason for the delay and expected response from the Sub-Recipient will be noted in the project file. Upon receipt of the necessary documents, Department mitigation staff will complete its portion of the payment process.

3. Cost Overruns

If additional funds are available, upon receipt of a written request from the Sub-Recipient, the Department may request the funds from FEMA Region X to cover additional eligible costs. A project must remain cost effective in order to receive additional grant funding. Upon approval from FEMA Region X, the Department will develop a grant agreement amendment for the Sub-Recipient to execute for any additional funds prior to disbursement.

See this document's Cost Increases / Overruns section for more information.

4. Final Payment Requests

The Sub-Recipient must submit a final A-19 Voucher Distribution form and final report to the Department after the project work has been completed.

The Department will perform a final inspection of the completed project. A joint State/FEMA inspection may be conducted if necessary and appropriate and upon request from FEMA. FEMA will notify and coordinate any additional inspections by FEMA staff prior to the inspection. Final payments will be made upon completion of the Department's final inspection as specified in the grant agreement. for HMGP projects, the Department reserves the right to retain all or part of the state's 12.5 percent cost share pending project completion and closeout; additionally, the Department reserves the right to retain federal funds in an amount equal to 10 percent of the project budget pending project completion and closeout for projects funded by other mitigation grant programs.

5. Recoupment of Federal Funds

Every effort is made to avoid instances where Sub-Recipients receive more funds than can be supported by documentation. If that occurs, the following actions will be taken.

If the subgrant is still open:

- If work on the Subrecipient's project is in progress and an overpayment is determined, an adjustment will be made on the next reimbursement request submitted on an A-19 Invoice Voucher. The adjustment will be documented and placed in the project file as well as filed with reimbursement documentation provided to the Finance Division.
- If work on the Subrecipient's project has been completed, the Department will send a letter to the Subrecipient requesting repayment of the funds for the unsupported costs. When a Sub-Recipient is required to return overpayments to the State, the warrant must be made payable to the Washington Military Department, Emergency

Management Division. Upon receipt, the warrant will be forwarded to the Department's Finance Division for deposit and return to FEMA through the Payment Management System (formerly known as Smartlink).

If the subgrant is closed:

- If an overpayment is discovered after the subgrant is closed but during the overall HMGP round's Performance Period, a letter will be sent to the Sub-Recipient requesting repayment of the funds. The repayment process will be the same as noted above.
- If unsupported costs are found following closure of the HMGP round, a letter will be sent to the Sub-Recipient requesting repayment of the funds. Repayment requests will address both federal and state funds. Upon receipt, the Finance Division will issue and forward a warrant for the federal funds portion to FEMA. The warrant will include a cover letter defining the applicable event and reason for the return of federal funds.

In either situation, the Sub-Recipient will be required to refund any federal and state funds within 30 days of receiving notification of the reimbursement requirement. An extension for returning the requested funds will be granted on an exception basis when an unusual circumstance prevents prompt reimbursement. The request must be made in writing. Unusual circumstances may include timing of board meetings to authorize payment and unexpected staff absences (e.g., medical, death in family, etc.). Extensions typically are granted up to 30 days. If an appeal option is available, the applicant may still submit the requested repayment and/or file an appeal within sixty (60) days assuming the Sub-Recipient received the maximum 30-day extension.

6. Accounting Codes

Expenditures recorded in the state's Agency Financial Reporting System (AFRS) for federal grants by the Military Department are coded to project codes. A unique project code is established for each disaster. Within each project, subprojects are identified (e.g., MI for mitigation), and each project is identified by what is called a project phase (e.g., GR for Sub-Recipient reimbursements and MG for grant management). Also, within each project code, discrete project indices are established for tracking federal and state grant funds reimbursed to Sub-Recipients, and for tracking costs charged to the state management grant. Such a coding structure in AFRS gives the Department the ability to track expenditures in the required program structure, by funding source (federal, state) and grant cost, if the grant crosses state fiscal biennia. The State Legislature appropriates expenditure authority for a two-year (biennium) budget period from July 1st through June 30th.

The project code also is included in the coding for the revenue transactions from the draw of federal funds. The coding indicates the federal funding source and the Catalog of Federal Domestic Assistance (CFDA) number.

7. Accounts Payable

Salary and Benefits – Timesheets support all direct program staff salaries and benefits. Timesheets are prepared by the program staff member, approved by the supervisor, and sent to the Payroll section of the Department's Accounting Office. Payroll staff review the timesheets and communicate with program staff about any issues. The timesheets are input into the Time Management System (TMS). When finished inputting and reviewing, TMS is released by the Payroll staff to post the information to AFRS. The program staff's actual payroll warrants are issued via the Human Resource Information System. Program staff HRIS documents are coded to a clearing account in AFRS. TMS transfers the cost from the clearing account in AFRS to the appropriate coding.

Goods and Services – Program staff request the order of goods and services with a purchase request to the Procurement section. The Procurement section prepares a purchase order per state purchasing regulations. Copies are provided for the vendor, program staff, and Accounts Payable section. Once the goods and services are picked up or delivered, the program staff sends a signed receiving report to Accounts Payable. The signed receiving report is dated for the day the goods or services are received. Accounts Payable puts together a copy of the purchase order, invoice, and receiving report. The payment package is reviewed for the amount, coding, signatures, and dates. Then the payment package is approved and batched for payment. The batch is reviewed and approved by a higher-level accountant. The batch is input into AFRS and released. The payment is either paid by a warrant or electronic fund transfer.

Sub-Recipient reimbursement request – Program staff send a signed and approved A-19 Voucher Distribution document to Accounts Payable. The payment document is reviewed for the amount, coding, signatures, and dates. The payment package is approved and batched for payment. The batch is reviewed and approved by a higher-level accountant. The batched reimbursement is input into AFRS and released. The payment is paid either by a warrant or electronic fund transfer.

Re-Issuance of a Warrant – Warrants are valid for 180 days. After 180 days, the warrant must be listed as Statute of Limitation before being reissued. If a warrant is lost or destroyed, a state affidavit must be filled out before the warrant can be reissued. Note: Payments to other state agencies are made using the Inter Agency Payment process or journal vouchers. Both processes are internal processes in AFRS.

8. Accounts Receivable

The Department uses the U.S. Department of Health and Human Services Division of Payment Management (HHS/DPM) Payment Management System (PMS) system to draw funds approved by FEMA. Draws are made only after the expenditures have been made (i.e., costs are reimbursed), or occasionally simultaneous to the processing of an expenditure or transfer. Draws for reimbursements are made within five days after the close of the fiscal month per the SFY 2009 Cash Management Improvement Act (CMIA) Agreement. Per the agreement a draw will be made at the end of the calendar month if the amount is material.

The amount of the draw is determined by the difference between the expenditures and the revenue recorded to date in AFRS. All expenditure and revenue reviews and draws are done at the project level.

The AFRS expenditures are reconciled to the grant spreadsheet maintained by Finance staff. The PMS draws are deposited electronically in a State of Washington bank account maintained by the Office of the State Treasurer. The accountant for a specific grant draws the funds. The cash receipts accountant prepares the document for posting to AFRS and the deposit with the State Treasurer. Draws for Military Department program cost are accumulated and drawn on a program-approved A-19 prepared by the Accounts Receivable section.

Any interest payments are made directly between the United States Treasury and the State Treasurer. This only applies for grants that meet the criteria to be included in the CMIA agreement.

9. Reporting

Federal Financial Report (SF 425)

Federal Financial Reports (FFRs) are prepared and submitted within 30 days after the close of a quarter. When the grant is closed, final FFRs are prepared and submitted within 90 days. The AFRS reports are reconciled to program expenditure records maintained by Mitigation staff, and then used in the preparation of the FFRs and to make PMS draws. The Washington Military Department accountant responsible for a grant prepares the FFR and the report is approved by the Governor's Authorized Representative or alternate GAR. Federal and any state portion of any required match are both pulled from an AFRS report. The local match is provided by program worksheets. An extension for completing the quarterly FFRs is attained via e-mail from the appropriate budget staffer at FEMA Region 10, if required.

In addition, every six months, HMGP Sub-Recipient and management expenditures are reconciled between mitigation program records and AFRS reports. This is done by Mitigation and State Finance staff to both track all expenditures and to continually refine the amount of state general funds needed in the state's Disaster Response Account for the state portion of the non-federal share of the HMGP.

Performance Progress Reporting

Quarterly performance progress reports are prepared on a FEMA-provided spreadsheet by Department mitigation staff following receipt of the quarterly reports that Sub-Recipients are required to file by the 15th of the month following the close of the quarter. Department mitigation staff electronically submits the quarterly reporting spreadsheet(s) for each open mitigation grant program to FEMA no later than the 30th of the month following the close of the quarter.

Federal Cash Transactions Reports Program Support Center (PSC) 272

The PSC 272 report is prepared electronically by the Accounts Receivable section of the Washington Military Department and submitted to FEMA within 30 days after the close of each quarter. The PSC 272 is reconciled to the FFR and AFRS.

E. Management of Equipment, Assets and Real Property

The Department will ensure Grantee and Sub-Recipient compliance with the requirements of 2 CFR 200.311, Real Property; 2 CFR 200.313, Equipment; and 44 CFR Part 80.19, Land Use and Oversight.

1. Equipment and Assets

- a. Department: Any equipment and/or asset purchased with grant funds with a cost of \$5,000 or more will be tagged and posted to the Central Asset Management System (CAMS) by the Supply Officer 1. Additionally, any equipment that is small and attractive is tagged and posted to CAMS. Any equipment that is purchased with federal funds is indicated as such in CAMS. The Supply Officer 1 will make a physical inventory of fixed assets every two years. The physical inventory is reconciled to CAMS. Any missing assets are investigated and adjustments are made to CAMS. Any asset with a federal indication in CAMS will be disposed of according to the specific grant requirements. Upon grant closeout, the Department will submit a completed copy of the Tangible Personal Property Report, SF-428, and Attachment B – Final Report, SF-428B, with closeout documentation for all equipment purchased with grant funds.
- b. Sub-Recipient: Article IX, Paragraph 3 of each grant agreement with Sub-Recipients specifically identifies the requirements regarding the acquisition, tracking, and disposition of equipment and other assets purchased with grant funds. Such equipment and assets include emergency power generators and associated connecting equipment. Sub-Recipients will comply with the Federal Office of Management and Budget (OMB) Circular A-102 (or its replacement) in managing its equipment and other assets. Upon subgrant closeout, a Sub-Recipient will submit a completed copy of the Tangible Personal Property Report, SF-428, and Attachment B Final Report, SF-428B, with its closeout documentation for all equipment purchased with grant funds.

2. Real Property (General)

Sub-Recipients are expected to use real property they have acquired or modified using mitigation grant funds for its originally authorized purpose if needed for that purpose, per the requirements of 2 CFR Part 200.311.

Sub-Recipients are required to submit a completed copy of the Real Property Status Report, SF-429, and Attachment A, SF-429A, with closeout documentation for all real property purchased with grant funds. The Department will request disposition instructions from FEMA

to assist Sub-Recipients that wish to convert the use of the property to another purpose or transfer ownership to another organization.

Sub-Recipients that wish to dispose of or transfer possession of real property must make a request in writing to the Department, to include a completed copy of the Real Property Status Report, SF-429, and Attachment C – Disposition Request, SF-429C. Disposition of property or conversion of its use may result in the Sub-Recipient repaying grant funds used for acquisition of the property.

3. Real Property Acquired for Open Space

The acquisition and management of real property in the floodplain acquired for the purposes of converting it to open space in perpetuity is governed by requirements in 44 CFR Part 80.19. Sub-Recipients are required to submit a completed copy of the Real Property Status Report, SF-429, and Attachment A, SF-429A, with closeout documentation for all real property purchased with grant funds.

Real property acquired for open space must remain in the possession of the acquiring public agency. It can be transferred to another public agency or a qualified conservation organization, but only upon prior written approval of the FEMA Regional Administrator. Sub-Recipients that wish to transfer possession of acquired real property must make a request in writing to the Department, to include a completed copy of the Real Property Status Report, SF-429, and Attachment C – Disposition Request, SF-429C. The Department then will request disposition instructions from FEMA to provide to the Sub-Recipient.

XI. AUDIT REQUIREMENTS

Uniform audit requirements as set forth in 2 CFR Part 200.501 and 44 CFR Part 207.7(b) apply to all grant assistance provided under this program. FEMA may elect to conduct a federal audit on a mitigation grant program, any of the subgrants, or the state management grant. For individual communities with mitigation projects, Sub-Recipient monitoring will occur on a regular basis and follow Department guidelines for Sub-Recipient monitoring, which may include reviewing audit findings/reports provided by the State Auditor's Office.

Requirements of the Single Audit Act are included in section A.27 of the General Terms and Conditions of the mitigation programs grant agreement between the Department and the Sub-Recipients and are included here by reference.

Any issue that could affect the performance of a Sub-Recipient will be analyzed to determine if it could impact the current grant, and, if so, determine follow-up actions to preclude findings from reoccurring within the scope of the current grant agreement. For programmatic audit findings, Department mitigation staff will work closely with Department financial staff to compile the necessary responses and actions within the proscribed timeframes

XII. CLOSEOUT PROCEDURES

A. Project / Subgrant Closeout

1. Sub-Recipients, within 60 days of the end of the project or period of performance, whichever is sooner, will submit closeout information in the form of a final report certifying that the project has been completed in accordance with the terms of the grant agreement, and provide to the Department all required documentation on work completed and project expenditures.
2. The Department, within 90 days of the end of the project or period of performance, whichever is sooner, will complete the following tasks: schedule a final inspection of the project with the Sub-Recipient, and notify FEMA of the inspection date, as appropriate; prepare a final inspection report with photographs and assemble required closeout documentation; review project expenditures and make final payment to Sub-Recipient; submit closeout report, final payment and required project documentation to FEMA; and place copies of closeout documentation into project files. As necessary, the Department will request an extension for the liquidation period from FEMA mitigation and grant management staffs.

B. Disaster / Grant Closeout

Upon completion of all grant-funded work within a given grant funding round, the Department will take the following steps to close out its records with FEMA:

- Notify FEMA that all subgrants have been completed in accordance with award documents and conditions
- Review all subgrant files and final reports for that funding round.
- Reconcile grant funds between the Department and FEMA to verify data and records.
- Draw-down Management Cost funds for remaining eligible expenses within the allowable performance period.
- Reconcile Management Costs funds as approved by FEMA.

Upon final review and reconciliation of all completed documents, the grant funding round shall be closed.

C. Recapture of Funds

The Department will begin recapture actions in accordance with the terms and conditions of section A.17 of the grant agreement (state-local contract) if at any time during the grant performance period, after the project closeout, or after the program closeout, the Department determines that the Sub-Recipient received federal and state funds to which it was not entitled. The Sub-Recipient will be notified in writing describing the finding and provided an opportunity to provide any documents or additional information. A copy of the letter will be provided to the Department's Finance Division. Department mitigation staff will work with the Department's Finance Division and Sub-Recipient to obtain the funds, to include any

interest (if it totals more than \$500) and return them to the applicable funding sources. See the Recoupment of Funds section of this document for more detail.

XIII. ADMINISTRATIVE DOCUMENT REVIEW

This document will be reviewed annually, or after a Presidential Disaster Declaration to ensure compliance with the law, implementing regulations, and state policies. It will be updated as needed to reflect regulatory, policy, or organizational changes to improve program administration.

XIV. RECORDS RETENTION

All records and files will be retained in accordance with federal and state laws and regulations, whichever is longer. RCW 40.14.060, Destruction, disposition of official public records or office files and memoranda, requires retention of records for six years following completion of a project (e.g., final payment and closure of subgrant / grant).

XV. AUTHORITIES AND REFERENCES

Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended (including the amendments set forth in the Disaster Recovery Reform Act of 2018).

Federal Emergency Management Agency (FEMA) Regulations, 44 CFR Part 206, Subparts M and N, and Part 79.

FEMA Regulations, 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Single Audit Act of 1984.

Revised Code of Washington, Chapter 38.52, Emergency Management.

XVI. DEFINITIONS

Selected definitions are shown below. A complete list of applicable definitions is found in 44 CFR Subpart N.

Extraordinary Circumstances Exception waives the HMGP requirement that Sub-Recipients must have a FEMA-approved Hazard Mitigation Plan in place at the time of grant award. It is only available to Sub-Applicants meeting specific Department criteria and only for reasons meeting those described in FEMA's 2015 Unified Hazard Mitigation Assistance Guidance, Part III, E.5.3. An Extraordinary Circumstance Exception is requested by a Sub-Applicant, reviewed by the Department, and reviewed and approved by FEMA.

Governor's Authorized Representative (GAR) is the individual designated by the Governor to represent the state in activities related to the implementation of Public Law 93-288 as amended, and to serve as the Grant Administrator of funds.

Grant means an award of financial assistance.

Grantee shall mean the State of Washington. Also known as the Recipient.

Management Costs means any indirect cost, any direct administrative cost, and any other administrative expense associated with a specific project under a major disaster, emergency or disaster preparedness or mitigation activity or measure (see FEMA Interim Policy #104-11-1).

Mitigation Grant Review Committee means the multi-member grant application review body at the state level.

Project means any eligible mitigation measure or action to reduce risk of future damage, hardship, loss or suffering from disasters. The terms "project" and "measure" are used interchangeably in federal regulations.

State Enhanced Hazard Mitigation Plan is the state document that complies with the requirements of 44 CFR Part 201 that identifies hazards that impact the state, state facilities vulnerable to those hazards, statewide hazard damage reduction goals and strategies, the means to accomplish them, and a time frame for implementation.

State Hazard Mitigation Officer (SHMO) means the individual designated as the responsible individual for all matters related, overall, to the Hazard Mitigation Grant Program, and Section 404 of PL 93-288 (The Stafford Act), as amended. For the State of Washington, this position is responsible for the daily operations and technical aspects of the program, hazard mitigation planning, and administering the Hazard Mitigation Grant Program and other FEMA-funded mitigation programs as noted in this document and the State Enhanced Hazard Mitigation Plan. This position also has defined role in a Joint Field Office, acting as Deputy State Coordinating Officer- Mitigation, and is included in federal-state agreements as an Alternate Governor's Authorized Representative (Alt-GAR)..

Sub-Applicant means a state agency, local government, special district, eligible private non-profit organization, or Indian Tribe seeking grant funding (not yet awarded).

Subgrant means an award of financial assistance under a grant to an eligible Sub-Applicant.

Sub-Recipient means the Sub-Applicant, government or other legal entity to which a sub-grant is awarded and which is accountable to the Recipient (or grantee) for the proper use of funds provided. Once a Sub-Applicant receives a subaward, they become a Sub-Recipient.



Guidelines for Approved Hazard Mitigation Grant Program Awards

**Washington Military Department
Emergency Management Division**

**Updated
November 2019**

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I. PURPOSE

The purpose of this appendix is two-fold: to outline the procedures that the Washington State Military Department, Emergency Management Division, hereafter referred to as the Department, will use to administer approved, FEMA-funded Hazard Mitigation Grant Program sub-grants, and to assist Sub-Recipients in the implementation of their grant-funded projects. This appendix applies to sub-grants awarded under “regular” HMGP rounds as well as HMGP Post-Fire rounds.

Throughout this document the term “project” shall mean the action that is being funded through the identified mitigation program and FEMA grant award. The project can be either a construction-related project, or a mitigation planning initiative.

II. INTENT OF THE PROGRAMS

The intent of the mitigation grant programs is to reduce the risk of future damage, hardship, loss, or suffering as a result of major disasters by providing financial support to implement cost-effective hazard mitigation measures to eligible Sub-Applicants around the state. In addition, the purpose of the flood-related mitigation programs is to reduce or eliminate claims under the National Flood Insurance Program. Mitigation measures should be identified as part of the mitigation planning process of state and local governments, required as a condition of receiving federal disaster assistance.

III. FINANCIAL MANAGEMENT

The Department will serve as the Grantee for the State of Washington for FEMA’s mitigation grant programs, and is responsible for ensuring the State and Sub-Recipients administer grant funds and implement projects in compliance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the administrative requirements of 44 CFR Part 206 Subpart N, Hazard Mitigation Grant Program. The Sub-Recipient is the legal entity to which the Department provides grant funds for the proposed project. The Department will ensure that costs associated with Grantee administration of the mitigation grant programs and with Sub-Recipient implementation of mitigation program subgrants are allowable and in accordance with the requirements of 2 CFR Part 200.403, Part 206.439, and Part 207.6. The Sub-Recipient is responsible to the Department for providing and maintaining documentation supporting all expenditures, completing mitigation projects according to the approved scope of work and terms and conditions of the grant award, quarterly reports, final reports, etc.

IV. GRANT APPROVAL AND GRANT AGREEMENT TIMELINES

The Department will notify the Sub-Applicant upon FEMA’s approval of the grant award. Grant agreements are executed once funds are obligated by the Federal Emergency Management Agency (FEMA) via a grant award. The Sub-Applicant / Sub-Recipient may not proceed with any work on the mitigation project or plan prior to grant award and execution of the project’s grant agreement by the Sub-Recipient and the Department unless the Department and FEMA have approved certain work and costs as being eligible pre-award work and costs. Proceeding on any work not authorized in writing by the Department and FEMA will cause any and all costs for this work being deemed ineligible for reimbursement and possibly result in the grant award being terminated.

A grant agreement between the Department and the Sub-Recipient, prepared by Department mitigation staff, will include a description of the project scope of work, timelines and budget contained in the approved grant application and the FEMA award document, as well as legal, programmatic, environmental, and historic preservation requirements related to the grant award.

Sub-Recipients must carefully review the terms and conditions of the grant agreement prior to signing it and accepting the grant award.

In addition, the Sub-Recipient's "Applicant Agent" should provide the project manager with a copy of the grant agreement so that the project manager is fully aware of the terms and conditions of the grant agreement, including project and reporting deadlines.

The Sub-Recipient is responsible for obtaining required review and signatures in a timely manner. Delays of more than 30 days in returning the completed grant agreement (unless extra time is specifically requested in writing and approved in writing by the Department) may be grounds for the withdrawal and termination of the subgrant award.

One of the primary goals of the mitigation program is to fund jurisdictions that are ready to proceed once funding authority is received from FEMA. Lengthy delays have been indicative of other problems with the grants that have rendered them ineligible due to non-compliance with the federal criteria in 44 CFR.

V. GRANT AGREEMENT ADMINISTRATION MEETING

Department mitigation staff will meet with Sub-Recipient staff in charge of both project implementation and administration to discuss implementation of the project and details of the grant agreement. The purpose of this "kickoff" meeting is to establish communication and an understanding of the grant agreement requirements, Sub-Recipient accounting system, Department accounting requirements, eligible costs, billing procedures, and reporting. This meeting can be either in person or via conference call.

VI. PROJECT IMPLEMENTATION

Sub-Recipients must implement their projects as described in the scope of work, schedule, and budget of the FEMA-approved grant application, FEMA grant award documents, and the signed grant agreement. Environmental and historic preservation requirements specific to project implementation identified in the FEMA grant award documents are included in the grant agreement by the Department.

In addition, Sub-Recipients must follow programmatic requirements found in FEMA's *Hazard Mitigation Assistance Unified Guidance*, in implementing their projects. Guidance published effective February 27, 2015 applies to all Hazard Mitigation Grant Programs initiated on or after February 27, 2015, including HMGP Post Fire rounds. HMA guidance published in the future will specifically address the mitigation grant programs to which it will apply. A copy of the program guidance can be found on the FEMA library website.

VII. PROCUREMENT

Sub-Recipients must comply with the procurement requirements described in 2 CFR Part 200.317 through 326, when purchasing services, supplies, and property funded by mitigation grant funding.

Sub-Recipients can use their own procurement procedures which reflect applicable State and local laws and regulations, provided the procurements conform to applicable federal law and regulations and conducted in a manner that provides full and open competition.

Under the requirements of 2 CFR Part 200.319, Sub-Recipients must conduct all procurement transactions in a manner providing full and open competition; maintain records sufficient to detail the significant history of the procurement; make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement; and ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Procurement requirements are provided to Sub-Recipients in Article IX Additional Special Conditions, Paragraph 2, Procurement, of the grant agreement.

The Department reserves the right to review Sub-Recipient procurement plans and documents, and require a Sub-Recipient to make changes to bring its plans and documents into compliance with the requirements of 2 CFR Part 200. Further, the Department will ensure that a Sub-Recipient's procurement process requires contractors and subcontractors to provide adequate documentation with sufficient detail to support the costs of the project and to allow both the Sub-Recipient and Department to make a determination on eligibility of project costs.

The Department will ensure that Sub-Recipients conduct all procurement transactions in a manner that provides full and open competition consistent with the standards of federal procurement regulations.

In addition, to meet the requirements of 2 CFR Part 200.213, Sub-Recipients will be required to sign a certification that their organization and principals are not debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in federal grant-funded contracts. In addition, they will ensure that any subcontractors also sign a similar certification. Checks for debarment are made at the federal System for Award Management (SAM) web site at www.sam.gov. Copies of the result of the search should be placed in the project file.

VIII. CONSTRUCTION PLAN REVIEW

The Department will review construction plans for conformance with the project scope of work as described in the FEMA-approved grant application. Reviews will take place at 50 percent, 90 percent, and 100 percent design. Such reviews will be of plans, specifications and engineering, and will include review of bid tabs prior to solicitation of bids. Department mitigation staff will communicate findings of these reviews to Sub-Recipients, requesting changes as necessary to bring the plans into conformance with the approved scope of work. Sub-Recipients may not proceed to bid a project without concurrence from the Department that the plans conform to the approved scope of work. In addition, Department mitigation staff will meet with the Sub-Recipient before construction has begun to ensure all requirements of the grant award and grant agreement are communicated to the Sub-Recipient.

IX. TRACKING PROJECT COSTS, REQUESTING REIMBURSEMENT

The mitigation grant programs are operated on a reimbursement basis only. Reimbursement can be requested by a Sub-Recipient once work has been performed and invoiced to the Sub-Recipient. State law prohibits the gifting of state funds, therefore **no advance payment will be made** for any grant

program. Advance payment is defined as funds provided to a Sub-Recipient in advance of the Sub-Recipient incurring the debt for work performed.

Sub-Recipients will use an A-19, State of Washington Invoice Voucher, to request reimbursement. A Sub-Recipient's "Applicant Agent" or appropriate designee identified on the signature authorization page of the grant agreement must sign the Invoice Voucher. A-19s with stamped signatures will not be processed. Sub-Recipients must keep all original supporting documentation including A-19 invoices in their project files. All signatures will be validated by the Department against the signature authorization page in the grant agreement. Any invoice without a proper signature will be returned to the Sub-Recipient for correction.

For each A-19 Invoice Voucher, a Sub-Recipient must identify all costs on which the reimbursement request is based, including those costs the Sub-Recipient wants considered as non-federal match. A submitted A-19 must include copies of supporting documentation for all costs for which reimbursement is sought. Required documentation includes, but is not limited to, the following:

- Timesheets, time and attendance records, or similar documentation for staff that worked on the project, coded so that hours worked on the project are readily discernible and discreetly tracked.
- Dated invoices for all goods, services, and equipment purchased.
- Dated invoices on vendor / contractor letterhead for all professional services rendered (e.g., consultants, engineering, etc.) or work performed by construction contractors and subcontractors.
- Dated invoices or receipts for required permits, miscellaneous expenses, etc.

Any in-kind contribution, e.g., personnel, materials, equipment, cash, etc., a Sub-Recipient wants considered for matching purposes must be identified specifically in the budget of the project application and documented as noted above in a reimbursement request.

Valuation of donated third-party contributions is covered in 2 CFR Part 200.306. The value of donated time of Sub-Recipient staff is determined by their hourly wage plus benefits (excluding indirect costs), while the value of donated time of staff from other organizations is determined by their hourly wage only. The value of time from non-working volunteers can be determined by using the median hourly wage rate of the occupation of the volunteer represents as determined by Bureau of Labor Statistics wage data (www.bls.gov/oes/current/oes_wa.htm). Tracking of all donated time of staff from other organizations or volunteers must be accomplished through the use of sign-in / sign-out sheets, timesheets, or similar method to document time spent working on the project as noted above.

In addition, Sub-Recipients must assert in writing that each individual whose time is being claimed as a third-party contribution toward the project is not being paid through another federal source and is not being used as match in another grant-funded project.

Sub-Recipients must track and report project expenses for which reimbursement is sought by approved budget cost categories. Documentation of expenditures by approved budget cost categories should be made on a separate spreadsheet or table and included with each A-19. The spreadsheet / table must show expenditures by approved budget cost categories for the costs requested, for the project to date, and percentage of budget expended to date (see example

approved budget and reporting format, next page). Copies of vendor documentation, in-kind documentation, etc. must be included in the reimbursement packet.

Approved budget cost categories can be found in HMGP project, planning, and five-percent applications, signed grant agreements, and FEMA SF424 / NEMIS records so that local, state and federal tracking spreadsheets are appropriately cross referenced.

Approved Budget Categories with example amounts

Approved Budget Categories	Approved Budget	Total Invoice	This Total To Date	Percent Of Budget
1 Administrative and legal expenses, etc.	\$15,605.00			
2 Land, structures, rights-of-way, appraisals, etc.	\$110,430.00			
3 Relocation expenses and payments	\$44,800.00			
4 Architectural, engineering, geotechnical, etc.	\$607,350.00			
6 Project inspection fees	\$1,815.00			
7 Site work	\$2,000			
8 Demolition and removal	\$18,000			
9 Construction	\$200,000			
10 Equipment	\$0			
11 Miscellaneous Construction or Hazard Mitigation Plan Activity - Personnel, Fringe Benefits, Travel, Equipment, Supplies, Contractual, Other, Indirect, etc.	\$0			
Total	\$1,000,000.00			
Pre-Award Amount	\$35,000			
Post-Award Amount	\$965,000			

It is the Department's goal to process all reimbursement requests in a timely manner. The Department's Mitigation Section strives to process a request within 10 working days of receipt. The request will be reviewed for eligibility (i.e., reasonable, allowable, allocable, etc.) against the following:

- Approved budget and scope of work in the grant application and the signed grant agreement.
- 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and audit requirements for Federal Awards.

Once the reimbursement request and supporting documentation has been reviewed for eligibility, completeness, and accuracy, it will be forwarded to the Military Department's Finance Division. The goal of the Finance Division is to process the reimbursement request and issue a warrant within 10 days of receipt from the Mitigation Section.

Delays can, and will, occur if the request for reimbursement is incomplete, inaccurate, or not signed by the individual(s) authorized on the signature authorization page of the grant agreement. Department mitigation staff will contact a Sub-Recipient for the necessary supporting documents or changes, and will process the request promptly upon receipt of required materials and documentation. If required supporting documentation is not provided within 14 calendar days of the Department's request, the Department reserves the right to return the reimbursement request to the Sub-Recipient.

X. BUDGET REVISIONS

Sub-Recipients, in coordination with the Department, have some flexibility to move funds between / among approved budget cost categories, as it is understood that costs for specific items or in specific cost categories occasionally come in under or over the projected budgeted amount. Therefore, transfer of funds between budget cost categories can be made as follows:

- Sub-Recipients shall obtain prior written approval and authorization from FEMA through the Department for any budget revision that would require additional funds.
- Sub-Recipients, in coordination with the Department, can administratively transfer up to a total of 10 percent of the approved budget between budget categories. Once the total transfer of funds between approved budget cost categories approaches 10 percent of the total approved budget for the project, the Sub-Recipient must request approval from FEMA, through the Department, to revise the approved project budget. Any requests for reimbursement for the project in which this 10 percent threshold has been reached will not be processed until the Sub-Recipient receives written authorization to revise the project budget / budget cost categories from the Department and FEMA.

XI. COST INCREASES / OVERRUNS

For the Hazard Mitigation Grant Program, a Sub-Recipient can request additional funds to cover a cost overrun. Additional funds are not automatically available. Additional funds should be considered the exception and not the rule.

In order for the Department to consider a request for additional funds for a HMGP funded project, all of the following conditions must be met by the Sub-Recipient:

- The increase must be used only for costs incurred on elements of the project specified in the approved scope of work and included in the project grant agreement;
- All alternatives to fulfilling the intent of the project as approved have been fully explored and documented;
- The cost increase is not a result of design or scope of work changes occurring after the grant agreement is signed, unless prior approval from the Department and FEMA has been obtained;
- The Sub-Recipient has done everything to initiate implementation of the project in a timely manner and has had little or no control over the conditions which caused the cost overruns; and

- The project must remain cost effective. A new benefit-cost analysis may be required and if so, it must accompany the Sub-Recipient's request.

The Department will evaluate each cost overrun request. If justified by the Sub-Recipient, and if additional funds are available, the Department may approve additional funding for the project, only to the extent that funds are available and the project remains cost effective. The Department must approve the cost overrun prior to implementation. The state may need to consult with FEMA to make this determination. When additional funds are approved, required cost shares must be maintained.

A Sub-Recipient must support cost overruns by providing justification (contractor invoices, receipts for goods and services, activity reports, progress reports, etc.) when seeking reimbursement from the Department.

XII. TIME EXTENSIONS

Sub-Recipients may request an extension to the time allowed to complete their project, called the period of performance. A time extension request must be submitted by the Sub-Recipient to the Department no later than 60 days before the end of the Period of Performance. A time extension request must be in writing and identify the project, the reason(s) the project cannot be completed within the approved Period of Performance, a current status of the work, a timeline for completing the remaining elements, and an anticipated date of completion of the remaining work. Failure to timely submit a complete and timely extension request may result in denial of the time extension and loss of funding for the project.

XIII. REPORTING REQUIREMENTS

Sub-Recipients must submit written quarterly progress reports on their projects no later the 15th day of the month following the end of each quarter (e.g., January 15 for quarter ending December 31). The reports are required by the grant award and the terms and conditions of the signed grant agreement. The reporting dates are included in the grant agreement. The Department will provide blank forms on which Sub-Recipients can file their reports.

Quarterly reports are not optional and must be submitted even if no work has been accomplished by the Sub-Recipient during the reporting period, until a final report has been submitted, and regardless of other activity in which the Sub-Recipient may be engaged. The Department will endeavor to send a courtesy reminder to Sub-Recipients at the end of each quarter.

Sub-Recipients that are consistently late or that fail to submit required quarterly reports can have funding temporarily suspended or the grant agreement terminated by the Department for non-performance.

A signed, final report is required from the Sub-Recipient when project is completed. The final report must be submitted to the Department within 60 days of the end of the project or the period of performance, whichever is sooner. A final report for a project typically consists of a signed final report form that briefly describes the project, its start and end dates, and costs, as well as separate, written certification of compliance with all environmental and historic preservation conditions placed on the

project by FEMA. Department mitigation staff will assist Sub-Recipients with this reporting requirement.

For many mitigation projects, a Sub-Recipient must submit additional documentation prior to closing of the project; see Project Closeout, below.

XIV. GRANT AGREEMENT AMENDMENTS

A grant agreement is revised by execution of an amendment. An amendment can be initiated by either the Sub-Recipient or the Department. Grant agreements can be amended for a number of purposes including, but not limited to, revising the project implementation schedule, project budget or the approved scope of work. All amendment requests from the Sub-Recipient must be made in writing to the Department, and must include detailed justification as to why an amendment is necessary. Requests to extend a project schedule or period of performance must be submitted to the Department at least 60 working days prior to the end of the project schedule, or the performance period end date, whichever is soonest, to allow sufficient time to process the request and amend the grant agreement. The amendment shall not take effect until approved in writing by both the Sub-Recipient and the Department via an executed grant agreement contract amendment.

XV. TECHNICAL ASSISTANCE AND SUB-RECIPIENT MONITORING

The Department will provide technical assistance to Sub-Recipients, monitor their use of project funding, monitor their performance during the approved period of performance, and monitor for the life of any equipment or property purchased under the grant agreement, for compliance with federal and state audit requirements, federal grant guidance, and applicable federal and state financial regulations, as well as OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organization.

Technical assistance activities may include but are not limited to the following:

- Providing copies of grant program guidance and pertinent federal regulations and information circulars.
- Conducting a pre-project implementation meeting on the terms and conditions of the grant award and performance requirements outlined in the grant agreement.
- Providing interpretation of grant program guidance and federal regulations, and soliciting assistance from FEMA as necessary.
- Conducting training.
- Providing assistance with and processing requests for additional funds, revisions to the scope of work and period of performance, etc.
- Reviewing construction plans and bid tabs for conformance with the approved scope of work prior to solicitation of bids / start of construction.
- Reviewing draft hazard mitigation plans and providing comments on conformance with planning regulations at 44 CFR Part 201 and planning guidance.
- Working with Sub-Recipients to review progress, troubleshoot problems, and resolve issues.
- Providing updated guidance and regulations related to project implementation, as necessary or required.
- Providing guidance and assistance with closeout requirements.

Monitoring activities may include but are not limited to the following:

- Reviewing quarterly project performance reports.
- Reviewing reimbursement requests to ensure allowability and consistency with grant agreement budget.
- Conducting an on-site Sub-Recipient Monitoring (SRM) visit and completing the associated SRM Form at least once during the subgrant's performance period.
- Reviewing all documentation related to Sub-Recipient completion of the FEMA-approved scope of work and compliance with the terms and conditions of the grant agreement.
- Conducting on-site visits with the Sub-Recipient to review work in progress, equipment records and inventories, verify source documentation for contracting, reimbursement requests and performance reports, verify other supporting documentation, and verify completion of the project. Work-in-progress visits for construction projects may be made at approximately 33 percent and/or 66 percent completion levels, depending on staff availability and scheduling constraints. A final inspection visit will be made after construction is substantially complete as part of project closeout.

XVI. ISSUANCE OF RULES AND INSTRUCTIONS

The Department may issue additional or modified rules, instructions, interpretations, and guides from time to time as necessary for the effective administration of the mitigation grant programs. Such changes will apply to all projects for which grant agreements are signed after the effective date of the change(s). Whenever possible, sufficient lead time will be given between the announcement and the effective date to avoid application to projects already in process at the time of the announcement. As necessary, grant agreements will be amended to include new requirements as described in any programmatic announcements.

XVII. TERMINATION (2 CFR Part 200.339)

Except as provided in 2 CFR Part 200.338, awards may be terminated in whole or in part only as follows:

1. By FEMA with the consent of the Grantee or Sub-Recipient in which case the two parties shall agree upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated or,
2. By the Grantee or Sub-Recipient upon written notification to FEMA, setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, in the case of a partial termination, if FEMA determines that the remaining portion of the award will not accomplish the purposes for which the award was made, FEMA may terminate the award in its entirety under either 2 CFR Part 200.339 or paragraph (a) of this section.

XVIII. PROJECT CLOSEOUT

Either the Department or the Sub-Recipient can initiate project close-out.

The Sub-Recipient is required to certify in writing the date the project was completed and the total amount expended on the project on the Final Report form (see page 59) submitted to the Department, as well as provide a variety of project-specific documentation *within 60 days of project completion or 60 days after the end of the period of performance, whichever is sooner*. Then, the Department will conduct a site inspection and review supporting documentation for compliance with the requirements of the Grant Agreement, prepare its own Final Inspection report with photographs for the project, and conduct a final review of project finances before making final payment to the Sub-Recipient and requesting project closeout from FEMA. The Department will complete project closeout procedures within 90 days of the end of the project or 90 days after the end of the period of performance, whichever is sooner.

As necessary, the Department will request an extension for the liquidation period for a grant program from FEMA mitigation and grant management staffs.

Until the Sub-Recipient completes its closeout requirements, the Department reserves the right to retain all or part of the state's 12.5 percent cost share pending project completion and closeout for HMGP projects; additionally, the Department reserves the right to retain federal funds in an amount equal to 10 percent of the project budget for such purposes for projects funded by other mitigation grant programs.

For mitigation planning projects, the Sub-Recipient will be required to provide the Department with a copy of the adopted, FEMA-approved hazard mitigation plan prior to project closeout.

For construction projects, the Sub-Recipient shall provide the Department acceptable documentation supporting compliance with the terms and conditions of the Grant Agreement. General documentation supporting compliance with the Grant Agreement typically includes, but is not limited to, the following:

- Photographs of the structures or properties involved in the project **prior** to project implementation and **after** project implementation
- Digital geo-spacial coordinates (latitude and longitude) for each structure with an accuracy of ± 20 meters (64 feet).
- Copies of all required permits, and a certificate of occupancy or equivalent documentation from the appropriate regulatory authority for each structure to certify it is code-compliant.
- Written certification that the Sub-Recipient has met each of the environmental and historic preservation conditions of the grant award as described in the Grant Agreement.
- Copies of all compliance and consultation documentation required by the grant award as described in the Grant Agreement (e.g., coastal zone management consistency determination from Department of Ecology).
- Copies of all documentation related to inspection for and removal and disposal of asbestos and other hazardous materials from each property.

In addition, for structures that remain in the Special Flood Hazard Area after completion of mitigation, the Sub-Recipient must provide copies of proof of flood insurance and of the recorded deed restriction related to maintenance of flood insurance for each property within the SFHA.

Specific additional documentation requirements for projects to acquire properties for open space include, but are not limited to, the following:

- Copy of Real Property Status Report, SF-429, for the project, and for each acquired property a completed copy of Attachment A, SF-429A, along with photographs of the structure prior to acquisition as well as the cleared land after demolition and site restoration.
- Signed Statement of Voluntary Participation from owner of each acquired property.
- Documentation of dates of acquisition and structure demolition or removal from property.
- Copy of recorded open space deed restrictions for each acquired property.
- Copy of dated AW-501 form filed with National Flood Insurance Program for each acquired repetitive loss property.
- Documentation of consultation with Army Corps of Engineers and State Department of Transportation regarding future use of each property.

Specific additional documentation requirements for projects to elevate structures above the base flood elevation include, but are not limited to, the following:

- Photographs of the structures prior to elevation, and front, rear and side photos post-elevation.
- Copies of the pre-project elevation certificate for each structure, or documentation of methodology used to calculate the first-floor elevations.
- Copies of the post-project elevation certificate for each structure.
- Copies of all required permits and a certificate of occupancy or equivalent documentation for each elevated structure to certify that it is code-compliant.
- Certification by an engineer, floodplain manager or other senior official of the Sub-Recipient that each completed structural elevation is in compliance with local ordinances and National Flood Insurance Program regulations and technical bulletins.
- Copy of dated AW-501 form filed with National Flood Insurance Program for each elevated repetitive loss property.
- Copies of proof of flood insurance for each elevated structure.
- Copies of the recorded deed restriction related to maintenance of flood insurance for each property within the Special Flood Hazard Area.

For other project types, the Department will consult with the Sub-Recipient regarding documentation requirements for closeout during the Period of Performance.

XIX. POST-PROJECT MANAGEMENT OF EQUIPMENT, ASSETS, REAL PROPERTY

The Department will ensure Grantee and Sub-Recipient compliance with the requirements of 2 CFR Part 200.311, Real Property; 2 CFR Part 200.313, Equipment; and 44 CFR Part 80.19, Land Use and Oversight.

A. Equipment

2 CFR Part 200.313 and Article IX, paragraph 3 of each grant agreement specifically identifies the requirements regarding the acquisition, use, tracking and disposition of equipment and other assets purchased with grant funds. Such equipment and assets include emergency power generators and connecting equipment. Grantees and Sub-Recipients are required to comply with these Regulations in managing its equipment and other assets. Sub-Recipients are required to submit a completed copy

of the Tangible Personal Property Report, SF-428 and Attachment B – Final Report, SF-428B, with closeout documentation for all equipment purchased with grant funds.

B. Real Property (General)

Sub-Recipients are expected to use real property they have acquired or modified using mitigation grant funds for its originally authorized purpose as long as needed for that purpose, per the requirements of 2 CFR Part 200.311. Sub-Recipients are required to submit a completed copy of the Real Property Status Report, SF-429, and Attachment A, SF-429A, with closeout documentation for all real property purchased with grant funds. The Department will request disposition instructions from FEMA to assist Sub-Recipients that wish to convert the use of the property to another purpose or transfer ownership to another organization. Sub-Recipients that wish to transfer possession of real property must make a request in writing to the Department, to include a completed copy of the Real Property Status Report, SF-429, and Attachment C – Disposition Request, SF-429C. Disposition of property or conversion of its use may result in the Sub-Recipient repaying grant funds used for acquisition of the property.

C. Real Property Acquired for Open Space

The management of real property acquired for the purposes of converting it to open space in perpetuity is governed by requirements in 44 CFR Part 80.19. Sub-Recipients are required to submit a completed copy of the Real Property Status Report, SF-429, and Attachment A, SF-429A, with closeout documentation for all real property purchased with grant funds.

Real property acquired for open space must remain in the possession of the acquiring public agency. It can be transferred to another public agency or a qualified conservation organization, but only upon prior written approval of the FEMA Regional Administrator. Sub-Recipients that wish to transfer possession of acquired real property must make a request in writing to the Department, to include a completed copy of the Real Property Status Report, SF-429, and Attachment C – Disposition Request, SF-429C. The Department then will request disposition instructions from FEMA to provide to the Sub-Recipient.

D. Monitoring and Reporting

- i. The Department will ensure that Sub-Recipients that have acquired real property for open space will inspect each property every three years and make a report to the Department that the property continues to be maintained in a manner consistent with the requirements of 44 CFR Part 80.19, recorded deed restrictions and the original grant award. Sub-Recipients will make the report using Real Property Status Report, SF-429, and Attachment A, SF-429A, The Department will require Sub-Recipient open-space property reports no later than September 30th of the appropriate reporting year, and every three years thereafter.
- ii. The Department will review Sub-Recipient reports, and conduct on-site spot checks in coordination with the Sub-Recipient, to ensure that properties acquired for open space are maintained according to the above-mentioned requirements. If the Department determines that any property is not being maintained in accordance with open-space requirements, it

will notify the Sub-Recipient and/or any current holder of the property interest in writing by certified mail that it has 60 days to correct the violation. If the Sub-Recipient and/or current holder of the property interest fails to demonstrate a good faith effort to bring the property back into compliance with open-space requirements, the Department will take appropriate measures provided to the State as Grantee in 44 CFR Part 80.19 to enforce open-space requirements.

- iii. The Department will provide a status report to FEMA by December 31st of the appropriate reporting year, and every three years thereafter, regarding the status of properties acquired for open space, and what actions, if any, the Department is taking to enforce open-space requirements on properties found in violation of those requirements.

XX. POST-GRANT REQUIREMENTS

Closeout of a subgrant does not affect the Department's or FEMA's right to disallow costs and recover funds based on a later audit or other review; records retention requirements of 2 CFR Part 200.333 and the grant agreement; property management requirements of 2 CFR Part 200.310 through 316; and audit requirements in 2 CFR Part 200.501.

XXI. AUDIT REQUIREMENTS

Non-federal Sub-Recipients receiving financial assistance of \$500,000 or more in federal funds from all sources, direct and indirect, are required to have a single or a program-specific audit conducted in accordance with 2 CFR Part 200 Appendix XI (previously Circular A-133). Non-federal entities that spend less than \$500,000 a year in federal awards are exempt from federal audit requirements for that year, except as noted in 2 CFR Part 200 Appendix XI.

Sub-Recipients required to have an audit must ensure the audit is performed in accordance with Generally Accepted Auditing Standards, Government Auditing Standards (the Revised Yellow Book) developed by the Comptroller General, and the OMB Compliance Supplement. The Sub-Recipient is responsible for notifying the State Auditor's Office and requesting an audit. The Sub-Recipient must maintain records and accounts so as to facilitate the audit requirement and ensure that any subcontractors also maintain auditable records.

A Sub-Recipient is responsible for any audit exceptions incurred by its own organization or that of its subcontractors. Responses to any unresolved management findings and disallowed or questioned costs shall be included with the audit report. The Sub-Recipient must respond to Department requests for information or corrective action concerning audit issues within 30 days of the date of request. The Department reserves the right to recover from the Sub-Recipient all disallowed costs resulting from the audit.

Once the single audit has been completed, the Sub-Recipient must send a full copy of the audit to the Department and a letter stating there were no findings or if there were findings, the letter should provide a list of the findings. The Sub-Recipient must send the audit and the letter no later than nine (9) months after the end of its fiscal year(s) to:

Accounting Manager, Washington Military Department

XXII. AUTHORITIES AND REFERENCES

- The Robert T. Stafford Disaster Relief and Emergency Assistance Act P.L. 93-288, as amended, Sections 404 and 322.
- Federal Emergency Management Agency (FEMA) regulations, 44 CFR Part 201 (planning), Subpart N (Hazard Mitigation Grant Program).
- *Hazard Mitigation Assistance Unified Guidance*, February 27, 2015.
- FEMA Regulations, 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards.
- OMB Circular A-133, Single Audit Act of 1997.
- Chapter 38.52 - Revised Code of Washington, Emergency Management.
- *Washington State Enhanced Hazard Mitigation Plan*, October 1, 2013.
- State of Washington Mitigation Programs Administrative Plan, April 2014.

XXIII. GRANT AGREEMENT REPORTING FORMS

- Instructions for completing the Invoice Voucher
- Invoice Voucher – Payment Request
- Project Quarterly Report
- Planning Quarterly Report
- Final Report

Instructions for Completing the A-19 Invoice Voucher

1. **AGENCY NAME:**

Washington State Military Department
Emergency Management Division
ATTN: State Hazard Mitigation Programs Manager
BLDG #20
Camp Murray, WA 98430-5122

2. **VENDOR OR CLAIMANT:**

Sub-Applicant's name and mailing address. This is the name that will be printed on the warrant, and the address is where the warrant will be mailed.

3. **VENDOR'S CERTIFICATE:**

Applicant Agent/Authorized Signatory **MUST** sign here

Your request will not be processed without an original pen-and-ink signature from an individual authorized to sign the certificate.

4. **FEDERAL TAX ID NUMBER**

5. **GRANT AGREEMENT / CONTRACT NUMBER**

6. **DESCRIPTION:**

Brief description of expenditures

7. **AMOUNT:**

This is the amount for which you are seeking reimbursement (total expenditures for this request, to include all cost shares – federal, state (if applicable), and Sub-Recipient). **Do not** break out costs by federal, state, and local shares, and **do not** include only the federal / state (if applicable) shares.

8. **PREPARED BY:**

Please provide the name and phone number for the person responsible for financial questions (if different than Applicant Agent).

ATTACH THE FOLLOWING:

- Documentation that supports **all** expenditures and in-kind contributions included on the invoice voucher. Such documentation includes receipts for all goods and services, documentation of staff personnel costs, and in-kind contributions.
- Spreadsheet / table for expenditures by approved budget cost category that includes the total budget by approved budget cost category, expenditures by approved budget cost category for which the reimbursement is sought, and total expenditures to date by approved budget cost category.

State of Washington Invoice Voucher / Reimbursement Request

FORM A19-1A (Rev. 6/93)	STATE OF WASHINGTON INVOICE VOUCHER
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AGENCY USE ONLY		
AGENCY NO.	LOCATION CODE	P.R. OR AUTH. NO.
2450	00074	

AGENCY NAME
Washington State Military Department Emergency Management Division MS: TA-20, Building 20 Camp Murray, Washington 98430-5122
VENDOR OR CLAIMANT (Warrant is to be payable to)

INSTRUCTIONS TO VENDOR OR CLAIMANT: Submit this form to claim payment for materials, merchandise or services. Show complete detail for each item.

Vendor's Certificate. I hereby certify under penalty of that the items and totals listed herein are proper charges for materials, merchandise or services furnished to the State of Washington, and that all goods furnished and/or services rendered have been provided without discrimination on the grounds of race, creed, color, national origin, sex, or age.

BY

(SIGN IN INK)

(TITLE)

(DATE)

CONTRACT #:

FEDERAL I.D. NO. OR SOCIAL SECURITY NO.					RECEIVED BY			DATE RECEIVED								
DATE	DESCRIPTION				QUANTITY	UNIT	UNIT PRICE	AMOUNT	FOR AGENCY USE							
PREPARED BY			TELEPHONE NUMBER		DATE		AGENCY APPROVAL		DATE							
DOC DATE		PMT. DUE DATE		CURRENT DOC. NO.		REF. DOC. NO.		VENDOR NO.		VENDOR MESSAGE		USE TAX		UBI NUMBER		
REF DOC SUF	TRANS CODE	M O D	FUND	MASTER INDEX		SUB OBJ	SUB OBJ	ORG INDEX	WORK CLASS	COUNTY	CITY/TOWN	PROJECT	SUB PROJ	PROJ PHAS	AMOUNT	INVOICE NO.
				APPN INDEX	PROGRAM INDEX				ALLOC	BUDGET UNIT	MOS					
ACCOUNTING APPROVAL FOR PAYMENT										DATE		WARRANT TOTAL			WARRANT NUMBER	



Quarterly Progress Report
Washington State
Hazard Mitigation Grants Program
Project Grant

Reporting Period: ☐ Jan-Mar ☐ Apr-Jun ☐ Jul-Sep ☐ Oct-Dec **Year:** Enter text

Jurisdiction: Enter text

Project Title: Enter text

Progress Report Prepared by: Enter text

Phone: Enter text

E-mail Address: Enter text

Contract Number: Enter text **FEMA Award Number:** Enter text **Grant Program:** Select

1. **Estimated Completion Date:** MM/DD/YYYY 2. **Project Status** Select

3. **Funds Expended to Date:** \$ Enter text

4. **Do you anticipate a project cost overrun or underrun?** Select

If yes, please explain in your summary below.

5. **Project is** Enter text **% completed at this time.**

6. **Do you need a time extension?** Select

7. **If this is an acquisition project, how many properties have you closed on this quarter?**

Enter text

8. **Please provide a summary of progress on your project for the quarter.**

Include information on activities conducted, milestones reached, and any problems or issues encountered; a report of “on schedule” or “progressing satisfactorily” is insufficient.

Enter text



Quarterly Progress Report

Washington State

Hazard Mitigation Assistance Programs

Planning Grant

Reporting Period: ☐Jan-Mar ☐Apr-Jun ☐Jul-Sep ☐Oct-Dec **Year:** Enter text

Jurisdiction: Enter text

Plan Title: Enter text

Progress Report Prepared by: Enter text

Phone: Enter text

E-mail Address: Enter text

Contract Number: Enter text **FEMA Award Number:** Enter text **Grant Program:** Select

2. **Estimated Completion Date:** MM/DD/YYYY 2. **Funds Expended to Date:** \$ Enter text

3. **Do you anticipate a plan cost overrun or underrun?** Select

If yes, please explain in your summary below.

4. **Please provide a summary of progress on your planning initiative for the quarter.**

Include information on activities conducted, milestones reached, and any problems or issues encountered; a report of “on schedule” or “progressing satisfactorily” is insufficient.

Enter text

5. **Please indicate on the following chart the percent complete and the estimated completion dates for these activities at the time of this report.**

Actions	Percent Completed	Estimated Completion Date
Conduct Hazard Inventory & Vulnerability Assessment		
Conduct Public Engagement		
Develop Mitigation Strategies		
Draft the Mitigation Plan Document		

6. **Plan Submitted for State and FEMA review?** Select **Date:** MM/DD/YYYY

7. **Plan Approved by Governing Body?** Select **Date:** MM/DD/YYYY



FINAL REPORT
Washington State
Hazard Mitigation Grants Program
Project or Planning Grant

Date: MM/DD/YYYY

Jurisdiction: Enter text

Project Title: Enter text

Address: Enter text

Phone: Enter text

E-mail Address: Enter text

Contract Number: Enter text **FEMA Award Number:** Enter text

Grant Program: Select **Funding Source:** Enter text

3. **Project/Plan Start Date:** MM/DD/YYYY 2. **Completion Date:** Select

8. **Approved Project/Plan Costs:** \$ Enter text

9. **Funds Expended to Date:** \$ Enter text

10. **Cost overrun or underrun?** Select **Amount:** \$ Enter text

11. **Request for Final Reimbursement:** \$ Enter text

7. Problems or issues encountered and/or general comments:

Enter text

CERTIFICATION:

I hereby certify that to the best of my knowledge and belief the mitigation project for the Mitigation grant described above has been completed. All documents have been submitted, all work has been completed (following all applicable local, State, and Federal laws and regulations), and all costs claimed are eligible in accordance with the conditions of this grant. I certify that the attached A-19, State of Washington Invoice Voucher reflects the final costs for this project and funds requested.

Date

Signature of Sub-Applicant's Authorized Representative