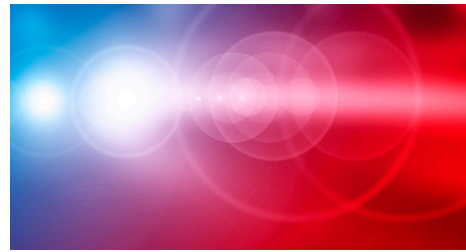
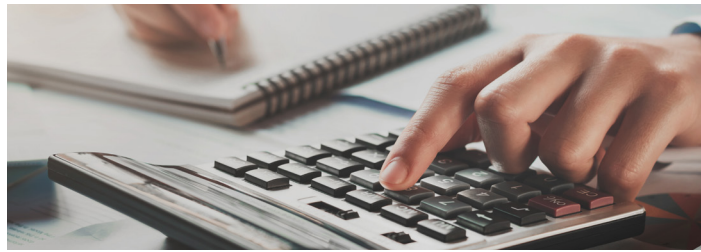




Emergency Management Assistance Compact

Guide to Eligible Expenses and Source Documentation



A quick reference guide to understand what expenses are eligible for reimbursement and how they must be documented.

The Basis of EMAC Reimbursement

All 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands, rely on three items as the basis for EMAC Reimbursement:

- 1. EMAC Law:** EMAC Article IX addresses reimbursement proclaiming that any state, “rendering aid to another state pursuant to this Compact shall be reimbursed for any costs incurred related to providing such aid.” The law also states that workers’ compensation benefits are not eligible for reimbursement.
- 2. The EMAC Operations Manual:** All EMAC Members agreed to follow the consistent guidelines in the EMAC Operations Manual as adopted by the membership of the National Emergency Management Association (NEMA).
- 3. The EMAC Resource Support Agreement (RSA):** A legally binding agreement which establishes the terms and conditions of every EMAC mission. The RSA is based upon estimated costs. Reimbursement should mirror, but not exactly match the RSA.



Cost Eligibility & Required Source Documentation

To be eligible for reimbursement, costs must be:

- Aligned with the executed RSA
- Directly related to the performance of the mission
- Supported by cost tracking and source documentation
- Both reasonable and allowable under state and jurisdictional policies
- Legal under government laws and regulations
- Reduced by all applicable credits [i.e., insurance proceeds]
- Consistent with Resource Provider’s internal policies, procedures, regulations, bargaining agreements, and procedures that apply uniformly to all activities of the Resource Provider

The following sections identify each cost category on the RSA and examples of eligible and ineligible costs, as well as supporting documentation.

Resource Providers must satisfy all mission-related financial liabilities in full prior to submitting their reimbursement package to demonstrate the actual expense in the reimbursement package.

The documentation requirements represent what is necessary to validate a cost category.

Supporting documentation is ultimately determined by the Resource Provider’s internal policies, procedures, and systems. For example, if a Resource Provider’s travel policy states that an individual will be reimbursed a meal per diem for each day in travel status; then meal receipts will not be included in the reimbursement package. Proof that the Resource Provider paid the individual meal per diem will be required along with a copy of the internal policy identifying the amount of the per diem.



Personnel

▶ Eligible Costs:

- Personnel regular time [i.e., standard work week]
- Overtime
- Holiday
- Compensatory time earned at the individual's actual rate of pay and in accordance with their internal policies, regulations, and procedures
- Actual cost of employee fringe benefits paid for by the Resource Provider. The Resource Provider's contribution towards an employee's fringe benefits is calculated by applying predetermined percentages against an employee's earnings. Certain benefits [e.g., health insurance] are not dependent on an employee's earnings and therefore would not increase because of overtime hours. The following are some examples of common fringe benefits:
 - Leave accruals [e.g. Vacation, Sick, Holiday, Personal]
 - FICA [e.g., Medicare and Social Security]
 - Workers' compensation
 - Medical benefits
 - Retirement
 - Life insurance

Eligibility of overtime, holiday, and compensatory time is based on the Resource Provider's pre-event written labor policy. States may consider modifications to policies to make clear labor policy that apply to EMAC deployments.

▶ Documentation:

- Proof of payment: the payroll register / report from the financial system
- Copy of the timesheet for hours worked for the period being claimed
- Labor Policy / Applicable section from the Collective Bargaining Agreement

Note: Reports from financial systems generally show the recorded expenses for both salaries/wages and fringe benefit contributions. If a Resource Provider does not have a financial reporting system, they may submit pay stubs.

▶ Ineligible Costs:

- Personnel costs that do not align with a Resource Provider's established labor policies
- Pre- and post-deployment costs not specified in the RSA
- Overtime salary that is not eligible based upon the jurisdiction's labor policy

▶ Negotiated Costs:

Negotiated costs are costs that are only eligible if included in the RSA, agreed upon by both the Requesting and Assisting States, and allowable by state law and policies. If the Assisting State has a policy that disallows negotiated costs, that policy must be followed.

This includes the following:

- Backfill costs
- Administrative costs
- Logistical support costs
- Pre- and post-deployment costs which must be clearly identifiable within the RSA
- Costs associated with training and exercises

*Note: Pre-deployment, post-deployment, training, and exercise costs are **not** eligible for reimbursement under the FEMA Public Assistance [PA] Program.*



Travel: Meals by Per Diem

▶ Eligible Costs:

Meal per diem rates for each mission day (breakfast, lunch, dinner, and incidentals) at the rate established by the Resource Provider's travel policy. If no policy exists, the Resource Provider should follow the Assisting State's policy or use the federal per diem rates (CONUS: www.gsa.gov or OCONUS: defensetravel.dod.mil).

▶ Documentation:

- Travel policy which identifies the per diem rates
- Proof of reimbursement by the Resource Provider to the Deployed Personnel

▶ Ineligible Costs:

- Paying per diem when the travel policy outlines payment by receipt
- Costs for meals provided by the Requesting State
- Alcohol



Travel: Meals by Receipt

▶ Eligible Costs:

The actual costs of any meals purchased throughout the course of a mission (e.g., breakfast, lunch, and dinner). The basis of reimbursement is dependent on the Resource Provider's travel policy.

If no policy exists, the Resource Provider should follow the Assisting State's policy or use the federal per diem rates (CONUS: www.gsa.gov or OCONUS: defensetravel.dod.mil).

When claiming actual costs, Resource Providers shall ensure the meal costs are reasonable prior to submitting for reimbursement. It is recommended the actual cost of meals be in line with established federal per diem rates for the area. Any costs that significantly exceed the federal per diem rate may be denied by the Requesting State. In this instance, the Requesting State would only reimburse an amount equal to the federal per diem rate.

▶ Documentation:

- Actual cost of meals – Itemized receipts that show the vendor's name, date, location, items purchased, and payment method
- Travel policy which identifies meals by receipt and reasonableness of the purchase of meals
- Proof of reimbursement by the Resource Provider to the Deployed Personnel (only when the purchase of the meals [by receipt] is made by the Deployed Personnel)

▶ Ineligible Costs:

- Missing receipts, receipts not itemized, or receipts are not legible
- Costs for meals provided by the Requesting State
- Alcohol



Travel: Airfare

► Eligible Costs:

- Airfare [unless direct billed to the Requesting State]
- Change fees [if authorized by the Requesting State]
- Baggage fees

Note: Extenuating circumstances may create a situation where a reasonable rate [economy/coach] cannot be secured for the Deploying Personnel airfare [e.g., only premium seats exist on available flights]. In these instances, the Assisting State should communicate the situation to the Requesting State and see if, 1) the start date of the mission can be adjusted back, or 2) the higher priced tickets should be purchased due to the urgent need of the resources. Either situation should be documented appropriately for reimbursement purposes.

► Documentation:

- Airline receipt or paid invoice showing name of traveler, dates of travel, destination[s], itemization of costs, and confirmation of payment
- Receipts for baggage fees
- Receipt for change fees
- Proof of reimbursement by the Resource Provider to the Deployed Personnel [only when the purchase of the ticket is made by the Deployed Personnel]

Ineligible Costs:

- Tickets for premium class seating [e.g., first class or business class] – see exception clause above under Eligible Costs
- Costs for travel amenities [e.g., Wi-Fi, headphones, etc.]



Travel: Lodging

► Eligible Costs:

The costs associated with any lodging arrangements needed throughout the course of the mission [e.g., hotels, Airbnb, VRBO, campgrounds, etc.].

Resource Providers shall make every effort to secure the lowest rate available or government rate [www.gsa.gov].

Notes:

- *Extenuating circumstances may create a situation where a reasonable rate cannot be secured for lodging. In these instances, the Assisting State should communicate the situation to the Requesting State and so they are aware of the rates.*
- *Deployed Personnel may be required to provide their own lodging during primitive conditions [tents, etc.]. In this case, there will be no lodging costs to claim for reimbursement with the exception of possible lodging on travel days.*
- *Resource Providers may still have costs to claim for the use of the tents as well as any damages and/or decontamination costs. These types of costs will be covered under the Equipment and Other cost categories.*

► Documentation:

- Receipt of paid invoice from vendor showing dates of stay, charges, name of guest, and zero balance due
- Proof of reimbursement by the Resource Provider to the Deployed Personnel [only when the lodging is paid by the Deployed Personnel]

► Ineligible Costs:

- Costs for lodging when accommodations are made available or paid by the Requesting State.



Travel: Parking and Tolls

▶ Eligible Costs:

- Parking fees and highway/bridge tolls are eligible for reimbursement.

▶ Documentation:

- Parking and tolls receipts with date, location, and amount paid
- Proof of reimbursement by the Resource Provider to the Deployed Personnel (only needed if parking/tolls were paid by Deployed Personnel)

▶ Ineligible Costs:

- Parking fines



Travel: Ground Transportation

▶ Eligible Costs:

- The costs of ground transportation (e.g., taxis, shuttles, ride share).
- Rental vehicle and fuel.
- Mileage rates for privately owned vehicle (POV), and government owned vehicle (GOV) to/from the airport, collective departure point, travel to/from mission location, or daily work location(s) during their deployment. Note: For POVs and GOVs, the cost of fuel or mileage are both acceptable as a basis of reimbursement. The decision to request fuel or mileage is dependent on what the Resource Provider's organizational policy prescribes as allowable. If no policy exists, the Resource Providers can adopt the Assisting State's mileage rate or use a federal mileage rate, specifically FEMA's Schedule of Equipment Rates.

For any rate established by the Resource Provider, the rate should incorporate all the following cost components; operating costs, overhead, depreciation, repairs and maintenance, and vehicle fluid (oil, fuel, etc.) consumption. Jurisdictional rates are still subject to reasonable costs as detailed in the next column.

▶ Documentation:

- Taxi/Shuttle/Ride Share: Receipts with date, origin/destination points, and amount paid
- Rental Vehicle: Copy of rental agreement with name of renter and dates. Receipt or paid invoice for the cost of the rental vehicle and fuel
- POV and GOV:
 - Fuel: Receipts, if claiming fuel (credit card statements is not acceptable documentation).
 - Mileage:
 - Policy authorizing the mileage rate
 - Daily mileage log showing the start and end location, as well as the beginning and ending odometer readings or maps showing routes driven if a mileage log is not maintained
- Proof of reimbursement by the Resource Provider to the Deployed Personnel (for fuel, POV, rental, or other out-of-expense paid by the Deployed Personnel)

▶ Ineligible Costs:

- Transportation costs where the purpose is not mission related (e.g., after-hours or leisure)
- Traffic violations or fines



Equipment by Rate

▶ Eligible Costs:

- The actual cost of fuel and maintenance incurred during the mission or the cost of using the equipment based on an equipment usage rate, are eligible.

Equipment rates can be those established under the Resource Provider's own guidelines, Assisting State guidelines, or FEMA's Schedule of Equipment Rates. See section on the reasonableness of rates when using jurisdictional policies.

For any rate established by the Resource Provider, the rate should incorporate all of the following cost components; cost of ownership and operation of the equipment including depreciation, overhead, all maintenance, field repairs, fuel, lubricants, tires, and other costs incidental to operation. Jurisdictional rates are still subject to reasonable costs detailed further.

▶ Documentation:

- Daily equipment logs showing the name of the operator(s), equipment description, dates, and hours of use per day
- Documentation demonstrating the equipment rate (unless using the FEMA equipment rate)

▶ Ineligible Costs:

- Costs for fuel and maintenance when usage rate is being claimed

▶ Negotiated Costs:

Negotiated costs are costs that are only eligible if included in the RSA and agreed upon by both the Requesting and Assisting states and allowable by state law and policies. Note that negotiated cost may not be eligible under federal funding but if agreed upon in the RSA must be reimbursed.

This includes the following:

- Equipment in "stand by" status

▶ Reimbursement for Federally Owned Equipment:

In cases where equipment is owned by the federal government and not by state National Guard, the state will receive an invoice from the United States Property and Fiscal Office (USPFO) for the state's use of the federally owned equipment. If the timing of the issuance of the invoice from the USPFO extends past the recommended timeline for the reimbursement process, this should be communicated to the Requesting State and the state National Guard to keep everyone informed of delays in the process.

▶ Reimbursement of Leased Equipment:

If an Assisting State or Resource Provider needs to lease equipment from a private vendor to perform the mission, they must include the terms, conditions, and estimated cost in the RSA. The reimbursement package should include the lease agreement, invoices or receipts with the days and rate for the lease and any fuel costs, if not included in the lease rate. They must follow the laws and policy established by the Assisting State and/or Resource Provider for leasing equipment.

Notes:

- *Leased equipment is eligible for reimbursement through the FEMA Public Assistance (PA) Program*
- *Leased equipment cost must be reasonable*
- *Equipment owned and used by another governmental agency must follow equipment rates and is not eligible as a lease*



Equipment Repair or Replacement

▶ Eligible Costs:

- Reasonable costs to repair or restore damaged equipment to its pre-deployment condition or replace destroyed equipment.

Note: It is incumbent upon the Resource Provider to demonstrate the damage occurred within the mission dates and the damage is mission related (through reporting of the damages to the state EMA, images, affidavits, email, etc.). Damages that are not reported within a reasonable timeframe may not be allowed.

▶ Documentation:

- Equipment Repair
 - Photographs documenting equipment damage
 - Written explanation on how the equipment was damaged (e.g., affidavits or police reports)
 - Copy of insurance claim
 - Repair receipt
 - Maintenance records showing the equipment was in good operational condition prior to the deployment
 - Depreciation schedule for the equipment showing the book value, useful life, salvage value, and accumulated depreciation

• Equipment Replacement

- Photographs documenting equipment destruction
- Written explanation on how the equipment was destroyed (e.g., affidavits or police reports)
- Copy of insurance claim
- Maintenance records showing the equipment was in good operational condition prior to the deployment
- Depreciation schedule for the equipment showing the book value, useful life, salvage value, and accumulated depreciation

It is recommended that the RSA is amended to include damaged or destroyed equipment.

▶ Ineligible Costs:

- Costs covered by insurance
- The replacement cost of equipment will be limited to the book value of the damaged or destroyed piece of equipment, less any insurance proceeds
- The cost to repair or replace damaged equipment that was found to be the result of willful misconduct, gross negligence, or recklessness



Commodities

► Eligible Costs:

Consumables and other supplies and materials that are necessary to perform the mission.

Examples of commodities includes, **but is not limited to**, the following:

- Office supplies
- PPE (Masks, gloves, sunscreen, bug spray, coveralls, respirator filters, eye protection, face shields)
- Bottled water
- Snacks
- Batteries
- MREs/pre-packaged meals
- Fluids not included in an equipment rate (bar/chain oil, fuel, engine oil, chainsaw chain)
- Spark plugs
- Medical supplies (disposable urinals, tongue depressors, syringes, medical tape, commode liners, gauze, alcohol pads, IV starter kits, catheter kit, cannula tubing, infection waste bags, shoe covers, pads for AED, etc.)
- Decontamination soap
- Self-sustainment supplies (ice, meals ready to eat (MREs), pre-packaged meals, water, snacks, toilet paper, snacks, etc.)
- Specialty gasses (oxygen, etc.)
- Ammunition and crowd control supplies
- Sanitary Supplies (hand sanitizer, disinfectant wipes, hand towels, toilet paper)
- Chemical light sticks (flares)
- Body bags
- Animal feed (dog, cat, etc.)

► Documentation:

- Receipt or paid invoice when commodities are purchased prior to deploying or during the deployment
- Documentation showing fair market value of items or paid invoice for items taken from Resource Provider's own inventory

► Ineligible Costs:

- Personal items (e.g., personal medication, tobacco, alcohol, etc.)
- Supplies purchased that are not used during the deployment and remain in possession of the Resource Provider after demobilization
- If claiming the costs for MREs, there will be no cost to claim under the "Meals" category (except for meals purchased on travel days)



Other by Rate

▶ Eligible Costs:

Non-equipment costs such as service charges that are billed by rate.

Examples of other by rate includes, **but is not limited to**, the following:

- Deployed Personnel government issued mobile phone
- Satellite phone usage
- Hotspot usage
- GPS service
- etc.

▶ Documentation:

- Receipt that establishes the rate

▶ Ineligible Costs:

- Replacement of non-equipment (mobile phone)



Other by Quantity

▶ Eligible Costs:

Non-equipment costs that are billed by receipt or invoice.

Examples of other by quantity includes, **but is not limited to**, the following:

- Laundry
- Transportation of equipment and supplies
- Costs for the decontamination of equipment
- Replacement, or repair of non-equipment (mobile phone)

▶ Documentation:

- Receipts or paid invoices
- Written explanation describing the reasoning for the repair/replacement

▶ Ineligible Costs:

- Damage or replacement of personal property

Negotiated Costs

As noted above, some costs are eligible if agreed upon by both the Requesting and Assisting States at the time of the Request and Offer and completion of the RSA. Negotiated costs must be in the RSA to be eligible and must be allowable through state laws and procedures.

Negotiated costs shall be clearly defined, stated and identifiable in the offer of assistance and RSA as negotiated costs. For example, if backfill costs are in the offer, they must be labeled as “Backfill” under the appropriate cost category.

Any agreed upon negotiated costs that is found to be prohibited by a pre-existing state policy will be disallowed. The pre-existing policy must be in place at the time of the execution of the RSA.

If “negotiated costs” are not in the RSA, they will be immediately denied for reimbursement.

Additional Examples of Ineligible Costs

The following are examples of situations where costs would be considered ineligible for reimbursement:

- Pre- or post-deployment costs not included in the RSA
- Costs over and above the book value of any damaged or destroyed equipment
- Purchased equipment where title of ownership remains with the Resource Provider following demobilization
- Any unauthorized purchases. Note: Deploying Personnel should be instructed to obtain written authorization from the Requesting State prior to making purchases
- Damages or cost associated with the use of personal property [e.g., clothing, electronic devices, etc.]
- Costs that do not adhere to a State or Resource Provider’s written policies
- Costs incurred where the assets self-deployed

Considerations for the Reimbursement of National Guard Missions

Personnel Costs: National Guard personnel are typically paid at rate per day. In the Mission Order/RSA, you will likely note the rate per day was divided by the number of hours they are expected to work per day. The resulting number was entered under the regular salary rate and the number of hours they were expected to work per day. Thus, the daily rate corresponded to the rate per day.

Reimbursement of Federal Equipment: See note under Equipment by Rate for the reimbursement of federally owned equipment.

Reasonable Costs

To justify a cost as reasonable, Resource Providers must prove that a prudent person under the same prevailing circumstances would incur the same cost.

While states recognize that pre-existing jurisdictional policies at the time of a mission will be the main driver for determining the actual cost incurred, it does not extend a blanket approval that all costs listed in pre-existing jurisdictional policies are considered reasonable.

Reviewing Offers of Assistance

If the Assisting State received an offer of assistance from a Resource Provider that did not pass the test of reasonableness, but the rate was based upon the jurisdictional policy, the state could request a breakdown of the rate to identify the full breakdown and justification of the rate[s].

A Requesting State may decline an offer of assistance if, in their opinion, the estimated costs are not reasonable.

Notes on Reasonable Equipment Rates

The Assisting State may, by policy, establish reasonable equipment rates for their state, adopt the FEMA equipment rate schedule, or defer to jurisdictional policy rates.

If the Assisting State defers equipment rates to the jurisdiction, the jurisdiction must have the equipment rate in policy prior to the disaster for which the resource is being requested.

When establishing the equipment rate, the Resource Provider should start with a historical cost breakdown of the individual cost component by the appropriate cost driver (i.e., rate per hour, rate per day, or rate per mile). In general, equipment rates cover costs of ownership and operation of the equipment including depreciation, overhead, all maintenance, field repairs, fuel, lubricants, tires, and other costs incidental to operation excluding the personnel required to operate the equipment.

The Assisting State may perform a reasonable cost analysis on the breakdown and deny the rate if determined to be unreasonable. For example, if the rate of a piece of equipment is \$75/hour from 3 Resource Providers but \$150/hour from another, the reasonableness of the rate and validity of the jurisdictional policy may be called into question. Should this occur, the Assisting State may advise the Resource Provider to revise their jurisdictional policy, accept a current reasonable rate (Assisting State or FEMA rate) or may simply decline to use the Resource Provider based upon the unreasonableness of the offer.

Additional Reimbursement Requirements

EMAC Members may have documentation requirements beyond what is in the EMAC Operations Manual.

If a Requesting State has additional documentation requirements, they shall be communicated in the request and included in the RSA and subsequently, the Mission Order, so the need to maintain documentation is clearly communicated as part of the terms of the mission.

The Requesting State shall only identify documentation requirements above/beyond what is stated in the EMAC Operations Manual and shall not alter other provisions such as timelines, eligibility, or re-state documentation requirements as identified in the EMAC Operations Manual.

In the event additional requirements are not included in the request and RSA, a Requesting State cannot deny a claim that still meets the requirements as outlined in this manual.

Policy Validation Requirements

Resource Providers may use jurisdictional policies, state policies, or federal policies.

Full policy documents are not required, only the pertinent section(s) along with the name of the jurisdiction, agency and date policy was adopted.

If the full policy document is provided, please indicate the section and pages that are relevant to the type of resource.

Sections of policy can be validated and certified by the Resource Provider in 2 ways:

1. Provide the cover page of the policy document to identify the Resource Provider and the date the policy was adopted.
2. Write on the relevant policy section the name of the Resource Provider and the date the policy was adopted.

If a Resource Provider does not have policies, but costs can be substantiated by non-EMAC cost documentation paid prior to the EMAC deployment (proof of salary rate paid, proof of per diem rate paid, etc.) as a precedent for that Resource Provider, the Assisting State may then be paid in accordance with the RSA.

For more information on EMAC reimbursement, including timelines, and how to compile your reimbursement package, please download the [EMAC Standard Operating Guidelines for Resource Providers and Deploying Personnel](#).