

COVID Closeout Applicant Briefing



State of Illinois

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MANAGEMENT AGENCY

IEMA

Key Takeaway From Presentation

The State (IEMA) is here to help you through closeout.

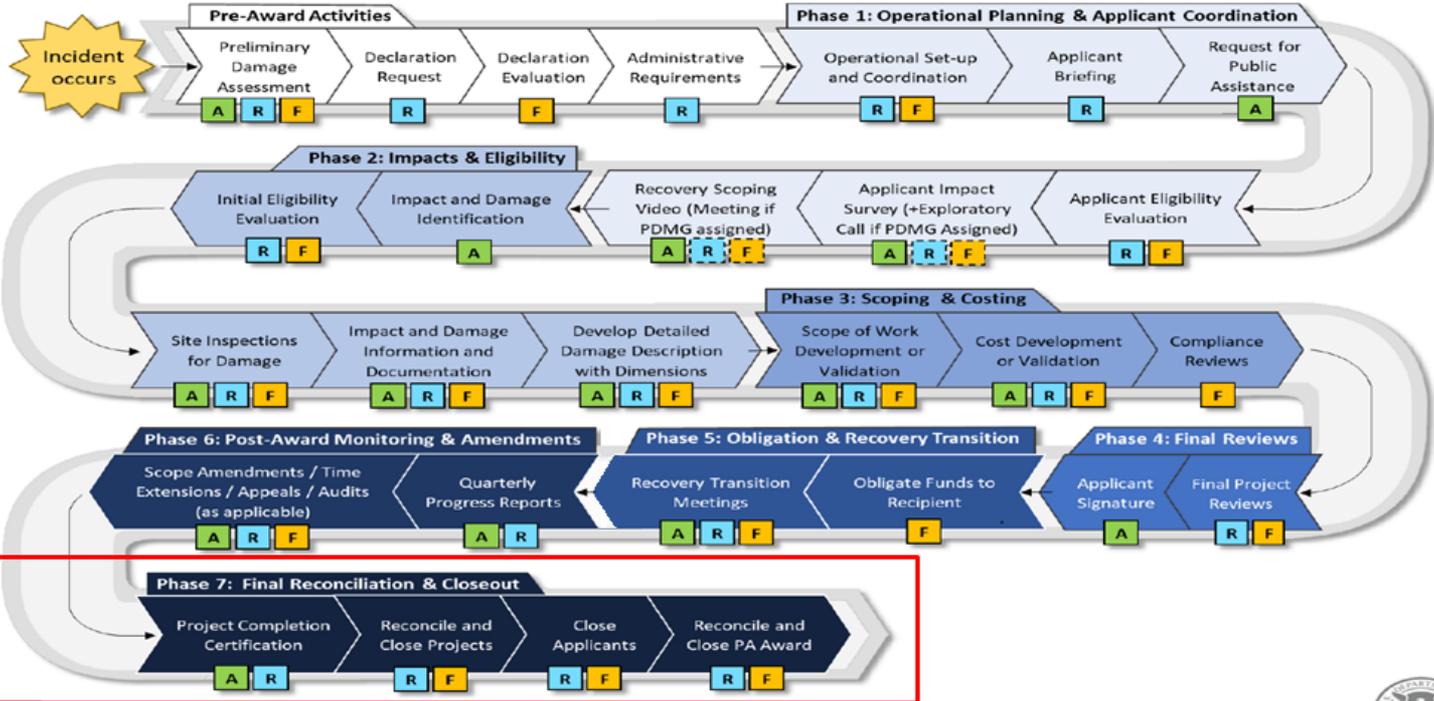
Presentation Outline

- Public Assistance Process
- FEMA COVID Key Dates
- When does Closeout occur?
- Small Project Closeout
- Large Project Closeout
- Project Closeout Considerations
- Deadlines
- Category Z (Management Costs)
- Subrecipient Closeout
- Documentation Retention Requirements
- Common Pitfalls/Sticking Points for Applicants during Closeout
- Reference (Paperwork and Policy)
- Final Thoughts
- Questions and Answers

The FEMA Public Assistance (PA) process.

FEMA Public Assistance National Workflow PROGRAM DELIVERY PROCESS STEPS

Pre-Award Activities Phase 1 Phase 2 Phase 3 Phase 4 Phase 5 Phase 6 Phase 7



You Are Here

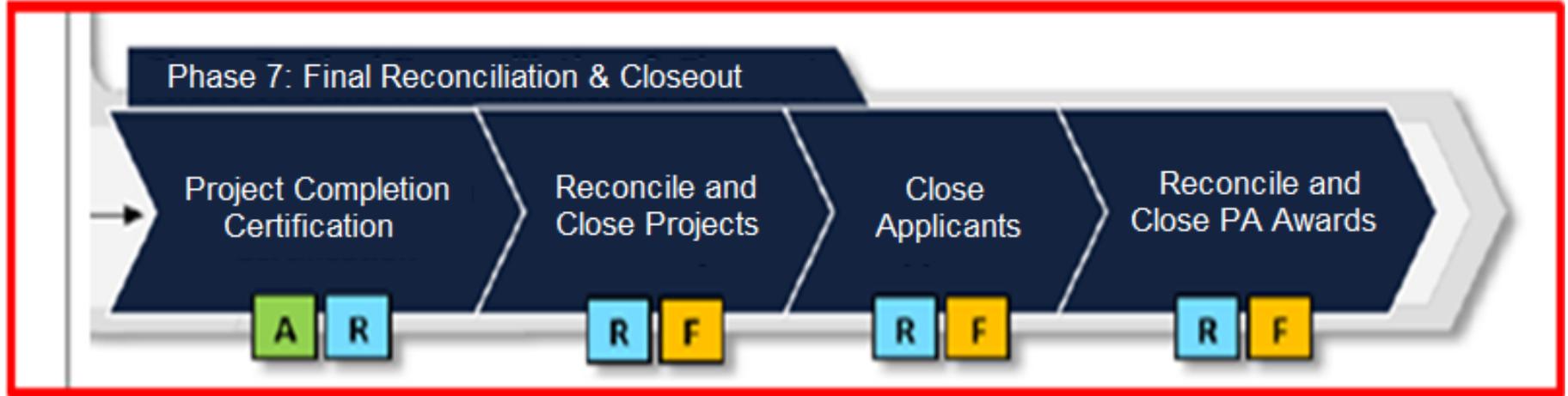


Key:

Applicant (A) Recipient (R) FEMA (F)



FINAL Reconciliation and Closeout of the Public Assistance (PA) process.





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FEMA COVID Key Dates

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Cost Share

- Work completed from January 20, 2020, to July 1, 2022, is at the 100% cost share.
- Work completed from July 2, 2022 to the end of the eligibility period is at the 90% cost share.

Section 422 Simplified Procedures Rule

- Rule was modified on August 3, 2022
- Large Project Threshold is \$1,000,000 to any unobligated projects in incidents declared on or after March 13, 2020



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Project Closeout

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When does closeout occur?

To initiate and ensure a timely project-level closeout, the Subrecipient should inform the Recipient immediately as it completes each large project and when it has completed its last small project. With COVID, the State (IEMA) is encouraging you to close out your small projects as soon as they are completed.



FEMA requires timely and complete project level information from the Recipient.



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Small Project Closeout

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Small Project Closeout (Initially Obligated Before August 3, 2022)

- The threshold for Small Projects was \$131,099.99 and below.
- Applicants will need to do the following:
 - Determine if there is any equipment purchased in the project and if their fair market value is over \$5,000.
 - Determine if there are any residual/unused supplies in the project and their fair market value.
 - If you have potential disposition, the State (IEMA) will work with you one on one.
 - Signed small project certification.

Small Project Closeout (Initially Obligated After August 3, 2022)

- The threshold for Small Projects is now \$999,999.99 and below.
- Applicants will need to do the following:
 - Determine if there is any equipment purchased in the project and if their fair market value over \$5,000.
 - Determine if there are any residual/unused supplies in the project and their fair market value.
 - If you have potential disposition, the State (IEMA) will work with you one on one.
 - Need to provide supporting documents for at least 90% of the obligated cost within the project.
 - Signed small project certification letter.



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Large Project Closeout

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Large Project Closeout

- As a result of updates to Section 422, Large Projects threshold changed from \$131,100 and above to \$1 million dollars and above.
- Large projects will need to be closed out as they are completed.
- Applicants will need to provide supporting documentation to substantiate 100% of the costs being claimed and is supported by FEMA policy.
- Applicants will need to submit Large Project Closeout Request form.

Large Project Closeout Forms

LARGE PROJECT CLOSEOUT REQUEST			
COVID DR-4489 / 90% Eligible Period (Projects Completed July 2, 2022 & After, Until End of Eligibility Period)			
Applicant Information			
Declaration No.		FEMA PA Code	
Applicant Name			
Project Information			
PW No.	Project Title	Project Location	
Total Amount Approved (100%)	Fed. Share Approved (90%)	Date Project Completed	
Final Project Costs			
Total Costs Claimed (100%)	Cost Overrun Requested	Cost Underrun Requested	
Applicant Certification			
The Applicant certifies the following (check all that apply):			
<input type="checkbox"/> All work under the PW is 100% complete.*	<input type="checkbox"/> All work was completed according to the PW scope of work.*		
<input type="checkbox"/> No further claims will be made for the PW.*	<input type="checkbox"/> Eligible work was completed within the required project performance period and/or copies of all approved time extension requests are attached.*		
<input type="checkbox"/> All Documentation is Uploaded into Grants Portal.* **** QR ****	<input type="checkbox"/> All work was completed in compliance with Special Conditions		
<input type="checkbox"/> Documentation is attached to support all costs claimed.	<input type="checkbox"/> Insurance (Section 311 of Stafford Act)		
<input type="checkbox"/> Invoices, bills, receipts	<input type="checkbox"/> Historic Preservation (36 CFR Part 800)		
<input type="checkbox"/> Payroll and/or equipment records	<input type="checkbox"/> Mitigation (Section 406 of Stafford Act)		
<input type="checkbox"/> Bid and contract documents	<input type="checkbox"/> Environmental (Section 316 of Stafford Act)		
<input type="checkbox"/> Permits			
<input type="checkbox"/> Proof of insurance	* Required certification		
Applicant's Agent (signature)	Applicant's Agent Name (printed)	Applicant's Agent Title	Date
Grantee Certification			
The Grantee certifies they have reviewed and confirmed the information contained in this Large Project Closeout Request and requests the funding be adjusted as shown and the large project PW be closed. IEMA made all payments in accordance with 2 C.F.R. § 200.305 (required by 44 C.F.R. § 206.205(b)(1))			
PA Group Supervisor (signature)	PA Group Supervisor Name (printed)	Date	
FEMA Review			
<input type="checkbox"/> Reviewed and version processed (if necessary)			
<input type="checkbox"/> PW closed in EMMIE			
<input type="checkbox"/> Notification sent to the Grantee			
Signature	Print Name/Title	Date	

IEMA Form PA106

Revised 7/22

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Revised 7/22



Project Closeout Considerations

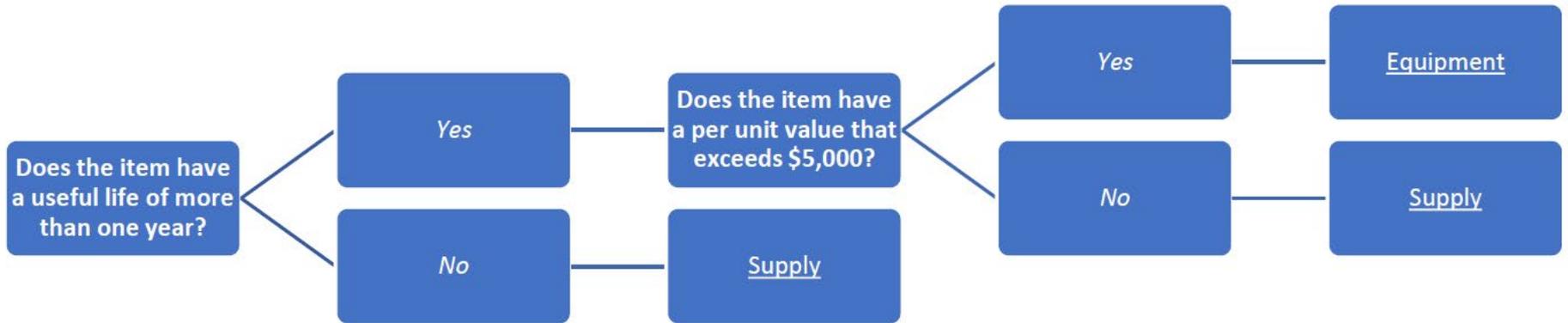


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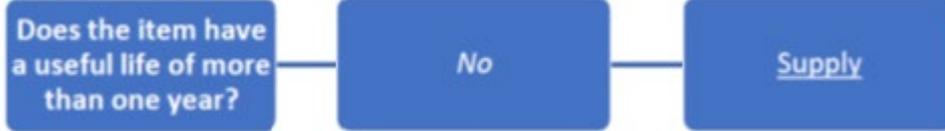
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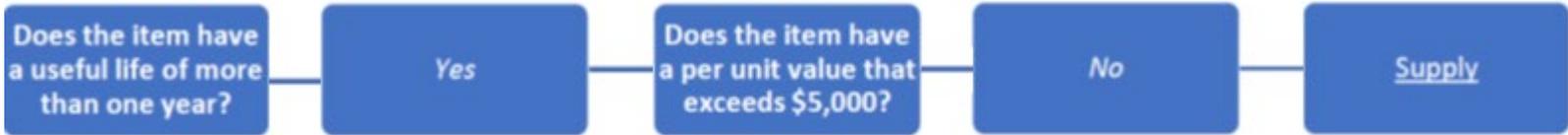
Equipment versus Supply



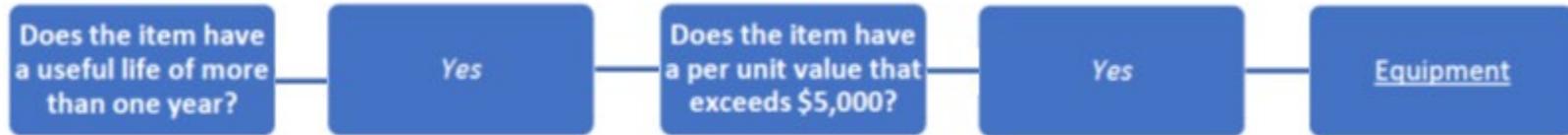
Supply



- Examples
- PPE
 - Masks
 - Gloves
 - Face shields



Equipment



Examples

- Oxygen tanks
- Ventilators
- Coolers
- Freezers

Supplies Disposition – Unused Supplies

- Subrecipient (you) must determine if there are any unused supplies in the project and their Fair Market Value (FMV).
- Fair Market Value must be determined for each unused supply for each project.
- Provide a list of the item, quantity, and FMV of ALL unused supplies.
- FEMA will make reduction or require payment back to FEMA for all unused supplies that total greater than \$5,000 from all your projects. Reminder the State (IEMA) will work with you on your disposition.

Disposition – Expired Supplies

- Expired supplies have a \$0 dollar value.
- Inventory expired items but do not dispose of them yet.
- FEMA will come out with more guidance soon regarding disposal of such items.

**HANG ON TO YOUR
EXPIRED SUPPLIES**

Equipment Disposition – State Agencies

- When equipment is purchased with PA funding is no longer needed for the original project or program, Federal regulations require State Applicants to dispose of equipment in accordance with their own laws and procedures.

Equipment Disposition – Non-State Agencies

- The State (IEMA) will work with you individually on the disposition of your equipment.
- May use the items for other Federally funded programs or projects, provided the Applicant informs the State and is approved by FEMA.
- Must calculate the fair market value of the individual item of equipment.
- FEMA will reduce funding by the applicable amount if it is over \$5,000.

Determine Fair Market Value (FMV)

- The State (IEMA) will work with you individually to determine Fair Market Value.
- FEMA relies on a documented FMV assessment from the Applicant.
- Obtaining spot quotes for the item from 3 vendors in the secondary market.
- For equipment: applying depreciation to the item's initial value based on its Modified Accelerated Cost Recovery System (MARCS) asset class, utilizing straight-line depreciation or the declining balance (DB) method.

Link: [Disposition Requirements for COVID-19 Equipment & Supplies, Public Assistance](#)

Duplication of Benefits

“Funding received from two sources for the same item of work”

Duplication of Benefits – What FEMA needs

- Documentation of payments received (Medicare, Medicaid, etc.)

or

- Methodology statement/calculations addressing duplication of benefits

or

- Certification that other funding sources (CARES, ARPA, etc.) did not cover project expenses



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Deadlines

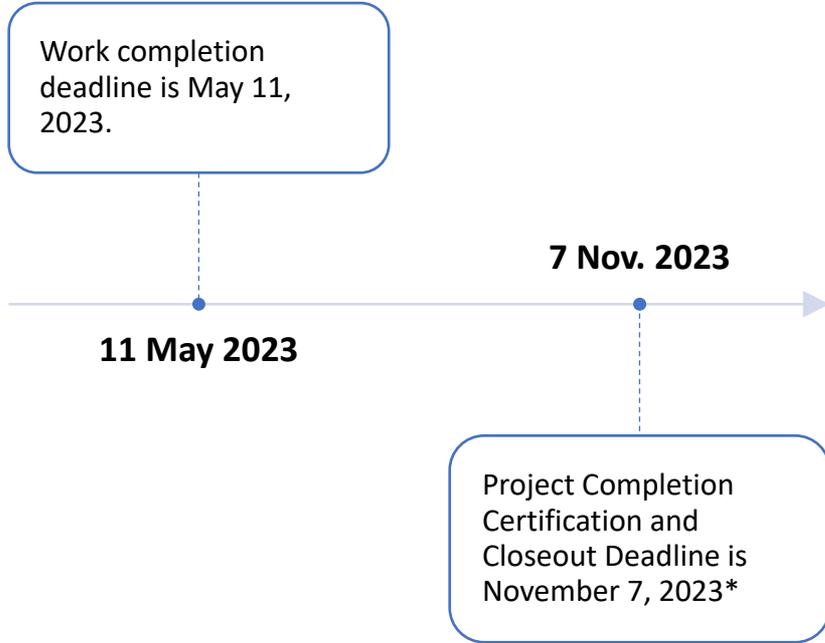
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Appendix A – Programmatic Deadlines Chart

Cost Share		Work Conducted	
100% Federal Funding	Costs for work performed and items used or distributed for use through 11:59 p.m. on July 1, 2022		
90% Federal Funding	Costs for work performed and items used or distributed for use on or after July 2, 2022		
Type		Deadline	
Request for Public Assistance		Time Extensions	
Request for Public Assistance	July 1, 2022	<ul style="list-style-type: none"> Regional Administrator up to 90 days Assistant Administrator of Recovery concurrence beyond 90 days 	
Work Completion Deadline for work performed through July 1, 2022	July 1, 2022	N/A	
Work Completion Deadline for work performed on or after July 2, 2022	Not yet established	N/A	
Project Application Submission / Damage Identification Deadline for work performed through 11:59 p.m. on July 1, 2022	December 31, 2022	<ul style="list-style-type: none"> Regional Administrator up to 90 days Assistant Administrator of Recovery concurrence beyond 90 days 	
Project Application Submission / Damage Identification Deadline for all work performed on or after July 2, 2022	Not yet established	N/A	
Closeout Deadline for large projects obligated on or after the work completion deadline	180 days from obligation date	Regional Administrator	
Closeout Deadline for large projects obligated prior to the work completion deadline	180 days from work completion deadline	Regional Administrator	
Closeout Deadline for small projects	180 days from last Small Project work completion deadline or date of obligation, whichever is later	Regional Administrator	
Management Costs	180 days after work completion date or the work completion deadline of last non-management cost project, whichever is sooner	<ul style="list-style-type: none"> Regional Administrator up to two years from the end of the incident period Assistant Administrator of Recovery concurrence beyond two years from the end of the incident period 	

Deadlines



Category Z (Management Costs)



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What is Category Z (Management Costs)?

- Additional funding for work performed by you to develop eligible PA projects and receiving reimbursement for them.
 - Preparing Small and Large Projects
 - Requesting disbursement of PA funds
 - Training
 - Reviewing PWs
- Applicants can claim actual costs up to a maximum of 5% of total obligated projects; however, it needs to be supported by documentation.
- Subrecipients may claim management costs incurred up to 180 days after either the work completion date or the work completion deadline of its last non-management cost PA project for the declaration, whichever is sooner.

How to apply for a Category Z project?

What type of Project do you want to create?

EMERGENCY PROTECTIVE MEASURES (COVID-19)

Projects to request reimbursement of emergency protective measures (Category B), for COVID-19 events, conducted to address immediate threats to life, public health, or safety.

MANAGEMENT COSTS

Projects to request reimbursement of Management Costs (Category Z) incurred in the administration of the Public Assistance program.



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Subrecipient Closeout

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When does Subrecipient Closeout Occur?

- Subrecipient (you) must closeout all small and large projects.
 - All approved work must be complete.
 - Certifications have been received (Small Project Certifications and/or Large Project Closeout Requests).
 - Administrative actions including appeals, arbitrations, and payments are finalized.
 - Recipient concurs.

Document Retention Requirements

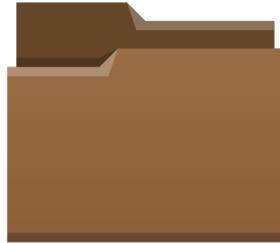


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**FILE
UPLOADS**



Subrecipients must retain all source documentation for each Project for three (3) years minimum after the date of transmission of the final expenditure report for project completion as certified by the Recipient.

Exceptions to the timeframe that may require longer retention periods:

- Real property and equipment disposition
- Audits
- Litigation
- SLTT government laws



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Common Pitfalls and Sticking Points

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DOCUMENTATION





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Reference

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Public Assistance
Disaster Specific
Guidance – COVID 19
Declaration Policy
Library

State Paperwork Link

- Large Project Closeout Request (100% Cost Share)
- Large Project Closeout Request (90% Cost Share)
- Subgrant Closeout Certification
- Applicant Closeout Checklist



Applicant Closeout Checklist

COVID DECLARATION RECEIPT CHECKLIST FOR DOCUMENTATION NEEDED FOR FEMA LARGE PROJECTS AND SMALL PROJECTS INITIALLY OBLIGATED AFTER AUGUST 3, 2022 WITH COSTS ABOVE \$131,100

(Please check applicable backup documentation enclosed & include this sheet in your project package)

Applicant Name: [REDACTED] DR #: [REDACTED]

Project #: [REDACTED] PW #: [REDACTED]

- Applicant Cost Summary (Total Claimed Costs [REDACTED])
 - A detailed breakdown of all costs associated with project separated by category (Force Account Labor, Force Account Equipment, Materials, Rented Equipment, and Contract Work).
- Time Extension (if applicable)
 - Provide a time extension request on letterhead
- Force Account Labor (Claimed Costs [REDACTED])
 - Payroll Policy in effect at time of the disaster (1 copy per applicant per disaster. FEMA will scan into a shared folder.)
 - Validate Benefits % for Reg. and O/T hours
 - Validate when O/T pay kicks in (e.g., after 8 or after 40)
 - 100% Timecards or Activity Logs* & 100% Payroll Record/Stub showing proof of payment
 - Not Applicable
- Force Account Equipment (Claimed Costs [REDACTED])
 - 100% Equipment Summaries or Equipment Logs
 - If using FEMA Cost Codes, copy of FEMA Schedule of Equipment Rates in effect at time of the disaster
 - Compare equipment hours against labor hours* for that employee manning equipment
 - Not Applicable
- Materials (Claimed Costs [REDACTED])
 - 100% invoices if purchased OR listing of materials taken from stock, and 100% proof of payments. Items from stock may be reimbursed at present-day costs. Cannot include % markups.
 - 100% proof of payments
 - Not Applicable
- Disposition of Equipment
 - Provide documentation informing FEMA if the items will be used for other Federally funded programs or projects
 - List of purchased of equipment
 - Calculation for Fair Market Value (FMV) of purchased equipment
 - If there is no purchased equipment, provide a memo on letterhead stating such
- Disposition of Supplies
 - List of unused and/or expired supplies
 - Calculation of the Fair Market Value (FMV) of any unused residual supplies that FEMA funded for any of its projects
 - If there is no unused and/or expired supplies, provide a memo on letterhead stating such
- Rental Equipment (Claimed Costs [REDACTED])
 - Contract if applicable (how decision to utilize rented instead of purchase was made, if applicable)
 - 100% invoices & 100% proof of payment
 - Validate time used
 - Not Applicable

- Contracted Work (Claimed Costs [REDACTED])
 - Procurement Policy in effect at time of the disaster (1 copy per applicant per disaster.) Bid Package to include
 - Bid Tabulations / List of bidders / Explanation of how contractors were selected
 - Advertisements
 - Emails
 - Documented Phone Calls
 - Check Procurement Policy to validate applicants followed their policy or 2 CFR 200.317-327, if required
 - Copy of Contract (if applicable and available)
 - Amendments to Contract (if applicable)/ Work order changes
 - Mutual Aid Agreements (if applicable)
 - 100% invoices and 100% proof of payment
 - Not Applicable
- Management Costs Project (if applicable) (Claimed Costs [REDACTED])
 - Spreadsheet showing employee(s) name(s), dates, hours, salary/benefits for costs with a detailed description of work performed associated with the project/disaster
 - Equipment used, if applicable
 - Materials purchased, if applicable
 - Backup documentation (paystubs, timesheets etc.)
 - Not Applicable
- Duplication of Benefits
 - Copy of all Insurance Checks received
 - Methodology statement/calculations addressing duplication of benefits
 - Certification that other funding sources (CARES, ARPA, and other grants) did not cover project expenses
- Permitting, if applicable to (applicable for mass mortuary projects, temporary medical facilities, and vaccination projects)
 - Environmental
 - Building/Construction Permits
 - Not Applicable



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Final Thoughts

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Key Takeaway From Presentation

The State (IEMA) is here to help you through closeout.

IEMA Public Assistance Staff Available to Assist

- Facilitating Completion of an RPA
- Development of Project Applications
- Documentation Reviews
- Eligibility Questions
- Closeout Questions (Small/Large Projects and/or Subgrant)

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- EMA.PA.GRANTS@Illinois.gov 217-782-8719
- EMA.4489Closeout@Illinois.gov



Other Top Takeaways From Presentation

- Remember the Deadlines.
- Use the resources (paperwork and policies) at your disposal.

Next Steps

- Download and use the Applicant Closeout Checklist for all your projects that are not closed.
- Prepare and organize your supporting documentation for closeout.
- Be on the lookout for any updated policies from FEMA as well as the State (IEMA).
- Do not hesitate to contact us for help.



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Questions and Answers

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