

Hurricane Irma Reimbursement Process

Key Observations & Recommendations

December 4, 2018

Audit Testing

The State Division of Emergency Management is applying 100% audit testing to documentation. In previous storms, testing began at 20% and increased if there were discrepancies. These extensive reviews are creating an excessive administrative burden, as if the Applicant is applying for funding a second time (the first time being for funding obligation). The State is essentially questioning the eligibility of documentation that's already been reviewed and approved by FEMA. The requests by the State are being conducted via a checklist and appear to have no flexibility if parameters aren't met. As a result, it does not consider emergency factors used to determine the sense of urgency, common sense factors, or cost reasonableness given the scale of the event.

Recommended Action:

- Establish clear roles between FEMA and the State to avoid overlap, specifically regarding obligation. Roles should define what activities occur before and after the project has been obligated.
- The State's efforts should focus on the support of actual costs (i.e., final invoice, proof of payment, if work was completed, etc.) rather than reviewing projects a second time for eligibility after it has been reviewed and approved by FEMA.
- Reduce initial audit testing from 100% to 40%. If there are major discrepancies that cannot be explained or rectified, increase the percentage incrementally based on the findings.
- Assign a State counterpart to assist consulting firms with testing from a policy standpoint.
- Allow Applicants to justify cost reasonableness when documentation parameters are unable to be met due to the urgency of the situation.
- Allow the Applicant alternatives for documentation parameters to support the claim.

Coordination Between FEMA and FDEM

The State has minimal involvement up front when the FEMA project scope is being developed. As a result, it appears that the State does not have contexts on things when the project is obligated for funding and the Applicant experiences duplicate requests from the State on documents previously submitted to FEMA.

Recommended Action:

- The State should conduct a more thorough review in the Grantee queue before FEMA's obligation. This will prevent the State from time-delaying inefficiencies and duplicate efforts by conducting an additional extensive review after FEMA has obligated the project for reimbursement.

The State has contracted with consulting firms to conduct reviews of submitted documentation for reimbursement. Consulting firms are great for manpower to review more documentation at a faster rate; however, it is not speeding up the reimbursement process for the Applicant due to the depth of these reviews and the conflicting guidance we receive. For example, FEMA only requests a percentage of payrolls for departments larger than 50 persons but the State wants to validate 100%.

Recommended Action:

- It would be beneficial to have one State representative identified to provide policy guidance consistent with FEMA and support for each Applicant. This would be similar to the FEMA Program Delivery Guidance Manager (PDMG) which provides the Applicant with a single point-of-contact to assist with policy guidance, roadblocks, and timely progression.

Timeframes

The FEMA Public Assistance Program and Policy Guide (PAPPG) establishes timeframes for the Applicant to comply with eligibility requirements. In addition, the Applicant is required to respond to Request for Information (RFI) by the State but the State does not have a standard deadline to review documentation and provide feedback. For example, the Applicant receives an RFI from the State requesting additional support with a deadline. The Applicant complies with the request but rarely hears from the State for weeks/months to confirm if the provided documentation was sufficient.

Recommendation Action:

- The State needs to establish and publish timeframes for reviewing and responding to Applicants after the submission of requested documents. This will ensure timely review and allows the opportunity to maximize reimbursement. *Failure by the State to review the Applicant's documentation timely could result in the Applicant missing out on the 1% incentive to request closeout within 90 days of obligation for Direct Administrative Costs (DAC) due to delays.* If the State needs additional time due to unforeseen circumstances, they could communicate this with an extension of the incentive time period.

Communication

The State rarely communicates new guidelines with the Applicant as changes occur. The Applicant typically learns about changes as it is going into effect or not at all. This has occurred in three instances for Hurricane Irma: 1) the implementation of the DAC pilot program; 2) audit testing at 100% vs. 20%; and 3) changes to the funding agreement structure (i.e., requiring an amendment each time a project is obligated).

Recommended Action:

- The State should utilize the Applicant's primary point-of-contacts to publish communications via e-mail *and* post updates under the "News Releases" section of the Florida Public Assistance website.

The State does not answer the phone or respond to e-mails timely. On the occasion that the Applicant connects with someone, they are often redirected to contact someone else. Then the cycle repeats itself.

Recommended Action:

- As previously mentioned, it would be beneficial to have one State representative identified to provide policy guidance consistent with FEMA and support for each Applicant. This would be similar to the FEMA Program Delivery Guidance Manager (PDMG) which provides the Applicant with a single point-of-contact to assist with policy guidance, roadblocks, and timely progression.

PINELLAS COUNTY GOVERNMENT BOARD OF COUNTY COMMISSIONERS				
Cost Estimate as of November 28, 2018				
Hurricane Irma 4337 - September 2017				
Project #	Category	Title	Estimated Reimbursement	Federal Share
15779	A - Debris Removal	Pinellas County - Cat A - PAAP 75% (Sept 4 - Sept 17)	\$ 794,000.00	\$ 595,500.00
15777	A - Debris Removal	Pinellas County - Cat A - PAAP 90% (Sept18-Oct17)	\$ 5,500,000.00	\$ 4,950,000.00
44237	A - Debris Removal	Pinellas County - Cat A - PAAP 80% (Oct 18- Dec 16)	\$ 6,256,060.00	\$ 5,004,848.00
42148	A - Debris Removal	Pinellas County - Cat A - PAAP 75% (Dec17-Mar3)	\$ 507,370.00	\$ 380,527.50
15788	B - Emergency Protective Measures	Pinellas County - Cat B - 100% (Sept 4 - Oct 3)	\$ 3,583,920.00	\$ 3,583,920.00
15788	B - Emergency Protective Measures	Category B - Period #2 (Oct. 4 and beyond)	\$ 85,800.00	\$ 64,350.00
28949	B - Emergency Protective Measures	Pinellas County - Cat B - Sheriff's Office	\$ 5,043,000.00	\$ 5,043,000.00
36632	B - Emergency Protective Measures	Pinellas County - Cat B - School Shelters	\$ 2,665,000.00	\$ 2,665,000.00
15792	C - Roads and Bridges	Pinellas County - Cat C - County-wide Traffic Lights/Signs	\$ 30,000.00	\$ 22,500.00
16852	D - Water Control Facilities	Pinellas County - Cat D - Water Control Facilities	\$56,940	\$ 42,705.00
15816	E - Buildings and Equipment	Pinellas County - Cat E - Waste-to-Energy Facility	\$ 195,000.00	\$ 146,250.00
25166	E - Buildings and Equipment	Pinellas County - Cat E - Buildings & Equipment (100% Completed)	\$ 200,000.00	\$ 150,000.00
65955	E - Buildings and Equipment	Emergency Communication Satellite Radios (Permanent Repair)	\$ 43,150.00	\$ 32,362.50
62460	G - Parks, Recreational Facilities, and Other Items	Pinellas County - Cat G - Fences	\$ 17,160.00	\$ 12,870.00
15822	G - Parks, Recreational Facilities, and Other Items	Pinellas County - Cat G - Docks at Belleair Causeway Boat Ramp/Dog Park	\$ 334,339.10	\$ 250,754.33
43806	Z - Direct Administrative Costs	Pinellas County - PAAP DAC	TBD	TBD
			\$ 25,311,739.10	\$ 22,944,587.33

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