

FEMA

The Federal Emergency Management Agency is the arm of the Department of Homeland Security designated to respond to natural and man-made disasters throughout the United States. Once the President has declared a state of emergency following the disaster, FEMA officials will respond with assistance for recovery. FEMA's guidelines for responding to an emergency are dictated by the Stafford Act, and without Congressional action, those guidelines are unchangeable.

FEMA will provide funding to a school district that suffers losses due to a natural disaster, but it is done on a reimbursable basis. FEMA writes a project worksheet (PW) detailing the loss, with an estimate of what it will cost to replace or repair the loss. The money is then "obligated" to the state Office of Homeland Security and released to the applicant by that office. The state may set up additional guidelines for securing reimbursement, since it is ultimately responsible for the expenditure of the federal dollars.

The following are just a few of the things to expect from your association with FEMA.

1. File the formal request for assistance

FEMA representatives will contact your school district. You will be introduced to your PAC (Public Assistance Coordinator) and various project officers that will assist you in your recovery efforts. At that initial meeting, you will file a formal request for assistance designating who in your organization will be FEMA's liaison. At that time you should also be given the FEMA Public Assistance Guide (www.FEMA.gov/pdf/government/grant/pa/pagdoc.pdf) that will give you direction for seeking and receiving assistance from the federal government in the wake of the disaster.

It is important to remember that the request for formal assistance must be filed with FEMA within 30 days of the disaster or federal assistance will not be available to you.

2. FEMA Kick-off Meeting

Once the formal request for assistance has been filed, FEMA will respond with a Kick-off meeting. At that time, FEMA representatives, including your PAC and project officers, FEMA management, and representatives from historical preservation, environmental protection, insurance review, accounting, hazard mitigation, and various other FEMA departments will meet with you (the applicant) to review their roles in the FEMA process. At that time, the clock starts ticking with regard to very important FEMA responses. Those timelines should be explained to you during this meeting.

It is important to note that FEMA is a reimbursement process. You will have the task of outlining your expenses in preparation for the imminent event, your emergency response expenses, and your recovery costs. However, you must pay for these expenses up front, with reimbursement to come after all the paper work is complete.

3. FEMA Project Worksheets (PW)

Once the Kick-off Meeting is over, your main contact with FEMA will be your PAC and project officers. They will meet with your designated liaisons, typically your finance and facilities officers, and begin to work through the disaster and its related costs to the district. FEMA breaks down its project worksheets into the following categories:

- A: Debris Removal
- B: Emergency Protective Measures
- C: Roads and Bridges
- D: Water Control Facilities
- E: Buildings and Equipment
- F: Utilities
- G: Parks, Recreation, and Other

As a school district, you can expect to complete project worksheets in categories A, B, E, and G.

You need to think very carefully about any storm preparation expenses you incurred, i.e., plywood and tools to board windows, food and supplies for shelters, overtime for employees engaged in storm preparation, etc. You will be able to ask FEMA for reimbursement for these expenditures through the writing of a Project Worksheet detailing the necessity of the activities and the expenses associated with them. Be prepared to provide documentation, i.e., overtime payroll records, time sheets, invoices, etc. and to justify the requested reimbursements as storm preparation necessities.

Then your focus will turn to temporary emergency work, including such items as replacing vehicles, securing portable classroom buildings, erecting fencing and/or securing damaged buildings, procuring temporary housing for essential staff, cleaning away debris from the storm, etc. Again, try to keep track of as much detail as possible while these tasks are being completed because you will need to provide documentation of and justification of your expenses. **Note: You must secure at least 3 proposals for services from vendors in order to satisfy FEMA's competitive bid process. However, if state law is more restrictive than that, you should follow your state's public bid law. This must be done to ensure proper and easier reimbursement. The serious nature of the crisis event does not relieve you of this responsibility as a government agency.**

After all temporary emergency work is completed, you will begin to focus on the permanent renovation or rebuilding of structures and the replacement of items damaged by the storm. FEMA, through the Stafford Act, traditionally expects local school districts to pay at least 25% of the rebuilding or replacement costs. However, the President and Congress have the authority to set reimbursement guidelines in terms of cost share. For example, school districts dealing with rebuilding issues following Hurricane Katrina were originally told that the President had set a new cost share, asking districts to pay 10% of all construction/ replacement costs, with FEMA paying 90%. Congress later agreed to a 100% reimbursement. This is an important point, as districts will need to know how much of a cash reserve they have in order to let contracts for rebuilding and pay those contracts out while awaiting FEMA reimbursement. Remember, also, that FEMA will write project worksheets (PW's) that delineate rebuilding efforts on a building by building basis, rather than addressing the campus as a whole. This effort is usually dictated by the way that buildings are listed on your property insurance policy.

The cost share can also vary depending on whether or not the rebuilding and/or replacement is an exact replacement, an improved project, or an alternate project. FEMA's purpose is to return your district's buildings and assets to pre-storm conditions. If you replace a building, for example, with the exact same building that you had prior to the storm in terms of footprint, usage, construction materials, HVAC systems, square footage, etc., FEMA will pay actual costs. If you decide to replace tile floor with terrazzo, however, FEMA will expect you to pay the cost difference. That could be an improved project. (If you make changes in construction due to required codes and standards upgrades, FEMA will absorb those costs.) And should you decide to build a gymnasium in place of a classroom wing, for example, that could be an alternate project, and the cost share reduces even further. **It is important from the outset to determine with your PAC and project officers which projects you will undertake - exact, improved, or alternate - and to know what those cost shares are going to be. It is also important that you adhere with FEMA timelines for alternate projects and have these discussions with your PAC early in the process.**

Finally, FEMA will make the decision regarding whether or not it is cost effective to repair a damaged building or to demolish it and replace it. PAC's and project officers usually refer to the 50% rule. If the estimated cost of repairs to storm-damaged parts of the building is more than 50% of the projected costs to rebuild, then the determination by FEMA will be to demolish and replace the building. The determination will depend on the scope of work necessary to repair the building. Agreement between your facilities personnel and FEMA on the necessary scope of work to repair the building is very important and will determine exactly what work will be done in the future, so it must be as exact and complete from the beginning.

4. A Word about Insurance

Once a project worksheet is written and an estimate of replacement cost is determined, the FEMA insurance division will apply any deduction of anticipated insurance proceeds. The amount available to be obligated, then, will be the amount of estimated costs minus the anticipated proceeds from your insurance company. If flooding is an issue, and you live in a flood plane, it is expected that you would carry flood insurance. Those anticipated proceeds will also be deducted from the estimated costs. If you do not carry flood insurance and your building is located in a flood plane, you will receive a penalty in the amount of the amount of insurance it is determined you should have carried. The estimated cost, minus insurance proceeds, minus any applied penalties will equal the amount “obligated” to you for replacement. **Note: After the event, it is FEMA’s expectation that you will then carry flood insurance and/or property insurance to the amount specified. If you do not, FEMA may choose to deny you assistance in the event of another disaster.**

5. Particulars about FEMA

- FEMA PAC and project officers change often, as most FEMA personnel are contract employees. Be prepared to go through several transitions with different personnel and realize that answers to your questions will often change with the personnel.
- Each project worksheet must be approved by the FEMA hierarchy prior to its “obligation.” This includes its insurance division, the environmental division, the mitigation division, etc. It takes several months before a project worksheet is “obligated” and the money accessible. A rejection from any division can begin the process anew.
- It is important to include your construction or facilities manager in writing the project worksheets. The scope of work defines into the future what allowable expenses were for the project. It is very important that you and your PAC and project officers agree on the scope of work to be done, as this generates the cost estimate.
- FEMA uses the R.S. Means to estimate costs. However, there is often a discrepancy between this and actual costs of repairs following a disaster. If the scope of work in the PW is the same as the work being done by the repair contractor, however, FEMA will pay actual costs.
- At least in the case of the Katrina disaster, any project worksheet that is written for more than \$1 million must be sent to Washington for review. This adds additional time to the “obligation” process. Know up front that it will take a very long time – 6 to 12 months in a disaster such as Katrina - to realize any actual dollars in hand from the FEMA and state reimbursement process.
- The interpretation of the Stafford Act’s guidelines can vary as much as your FEMA officers. Read your public assistance manual and be prepared to argue your own interpretation of those guidelines.
- If a project worksheet is rejected, you have the opportunity to appeal that decision. However, timelines are important here, also. You usually have

- sixty days to file the appeal, and you should discuss that timeline with your PAC once you get the denial letter.
- Your PAC is not the decision-maker. Often, you will need to request a face-to-face meeting with those heads of the agency that can make things happen. Don't hesitate to ask for this additional assistance.

FEMA is designed to help applicants for federal assistance recover to pre-disaster conditions. As in all things in life, the assistance you receive is dependant upon the officers' efforts in assisting you. If you persevere, however, you can work through the agency's bureaucracy and recoup your losses.