

**NATIONAL EMERGENCY MANAGEMENT ASSOCIATION
RESPONSE AND RECOVERY COMMITTEE
POSITION PAPER**

DATE: September 29, 2017

SUBJECT: Recommendations for Public Assistance Closeout Procedures

DISCUSSION: The mission of the Public Assistance (PA) Program is to assist communities in recovering from the devastating effects of disasters by providing technical assistance and financial grants in an efficient, effective, consistent, and customer-friendly manner.

Currently the grantee requirements for PA project closeout requires all subgrantees for a disaster or emergency to be closed out, the grantee to have made all disbursements, and the grantee to have performed financial reconciliation and drawn down any remaining eligible funds in SMARTLINK, or requested de-obligation of unexpended funds within 90 days of the last payment.

Following those steps, the grantee then sends a letter to the Regional Administrator requesting PA Program closeout.

Understanding that FEMA continuously seeks to identify opportunities to improve program delivery, the states feel it is necessary to address the requirement to complete large project closeouts on Project Worksheets (PWs) that are 100 percent complete and documented at the time of obligation.

For example, during the 2011 North Dakota floods (DR-1981), ten North Dakota National Guard PWs were closed for a combined dollar amount of \$8,831,313.86. These projects were 100 percent complete when obligated and all documentation, including proof of payment, was available and attached to the PW at the time of obligation. Prior to the closeout review, the ten PWs had a combined estimated cost of \$8,832,289.53 which is a \$975.67 difference between the estimated cost and final closeout cost.

Time management is a concern in the current process. Continuing the same example, hundreds of man hours from the applicant, state, and

FEMA were required to close the ten PWs which only netted a \$975.67 difference between the original version and the final version of the PWs.

North Dakota has reviewed all Category B Large Projects that were written for DR-1981 and compared the Large Project Closeout submission date to the project closed date. Between the ten projects there was an average of 432 days between the submission date and the closed date for the PW.

RECOMMENDATIONS:

1. NEMA recommends that FEMA closeout those projects that are 100 percent completed and documented at the time they are written - not requiring the states to submit for closeout within 90 days. If these closeouts could be done at the time of writing, the burden to the states and locals would be drastically reduced.

Moved:

Second:

DISPOSITION:

Authenticated: _____
NEMA Secretary

NEMA 2017 Annual Forum, September 28 – October 2, JW Marriott Camelback Resort, Scottsdale, AZ