

**The Department of Homeland Security (DHS)  
Notice of Funding Opportunity (NOFO)  
Fiscal Year 2021 Flood Mitigation Assistance**

**NOTE:** If you are going to apply for this funding opportunity and have not obtained an Employer Identification Number (EIN), a Data Universal Numbering System (DUNS) number, are not currently registered in the System for Award Management (SAM), or your SAM registration is not active, please take immediate action to obtain an EIN and DUNS Number, if applicable, and then register immediately in SAM or, if applicable, renew your SAM registration. It may take four weeks or more after you submit your SAM registration before your registration is active in SAM Information on obtaining a DUNS number and registering in SAM is available from Grants.gov at:

<http://www.grants.gov/web/grants/register.html>. Detailed information regarding DUNS, EIN, and SAM is also provided in Section D of this NOFO under the subsection titled “How to Register to Apply.” Detailed information regarding the time required for each registration is also provided in Section D of this NOFO under the subsection titled “Other Key Dates.”

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## **A. Program Description**

### **1. Issued By**

U.S. Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA)/ Federal Insurance and Mitigation Administration (FIMA)/Mitigation Directorate/ Hazard Mitigation Assistance (HMA) Division

### **2. Assistance Listings Number**

97.029

### **3. Assistance Listings Title**

Flood Mitigation Assistance

### **4. Funding Opportunity Title**

Fiscal Year 2021 Flood Mitigation Assistance (FMA)

### **5. Funding Opportunity Number**

DHS-21-MT-029-000-99

### **6. Authorizing Authority for Program**

Section 1366 of The National Flood Insurance Act of 1968, as amended (Pub. L. No. 90-448) (42 U.S.C. § 4104c)

### **7. Appropriation Authority for Program**

Department of Homeland Security Appropriations Act, 2021 (Pub. L. No. 116-260, Division F)

### **8. Announcement Type**

Initial

### **9. Program Category**

Mitigation: Natural Hazards

## **10. Program Overview, Objectives, and Priorities**

### **a. Overview**

The Flood Mitigation Assistance (FMA) program makes federal funds available to states, U.S. territories, federally recognized tribal governments, and local communities to reduce or eliminate the risk of repetitive flood damage to buildings and structures insured under the National Flood Insurance Program (NFIP). It does so with a recognition of the growing flood hazards associated with climate change<sup>1</sup>, and of the need for flood hazard risk mitigation activities that promote climate adaptation and resilience with respect to flooding. These

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<sup>1</sup> Climate change is defined as “Changes in average weather conditions that persist over multiple decades or longer. Climate change encompasses both increases and decreases in temperature, as well as shifts in precipitation, changing risk of certain types of severe weather events, and changes to other features of the climate system.” (National Climate Assessment)

include both acute extreme weather events and chronic stressors which have been observed and are expected to increase in the future.

The FMA Program aligns with the 2020-2024 DHS Strategic Plan through pursuing Goal 5: Strengthen Preparedness and Resilience. Specifically, Objective 5.1: Build a National Culture of Preparedness has several sub-objectives that the FMA Program supports. FMA serves primarily to bolster Sub-Objective 5.1.1: *Incentivize investments that reduce risk and increase pre-disaster mitigation, including expanding the use of insurance to manage risk* through funding flood mitigation projects. The FMA program addresses Presidential Policy Directive 21, Critical Infrastructure Security and Resilience, and supports the mitigation mission area through Strategic Goal #1 Building a Culture of Preparedness, Objectives 1.1, 1.2, 1.3, and 1.4 of the 2018 – 2022 FEMA Strategic Plan.

**b. Objectives**

FMA aims to implement projects that reduce flood risks posed to repetitively flooded properties insured under the National Flood Insurance Program (NFIP).

The FMA program also aims to promote equity in delivery of funds in line with the Administration’s Justice40 Initiative. In implementing the Justice40 Initiative, the FMA program is prioritizing assistance that benefits disadvantaged communities as referenced in EO 14008. A disadvantaged community may be characterized by variables including, but not limited to: low income, high and/or persistent poverty, high unemployment and underemployment, racial and ethnic segregation particularly where the segregation stems from discrimination by government entities, linguistic isolation, high housing cost burden and substandard housing, distressed neighborhoods, high transportation cost burden and/or low transportation access, disproportionate environmental burden and high cumulative impacts, limited water and sanitation access and affordability, disproportionate climate impacts, and high energy cost burden and low energy access, jobs lost through the energy transition, and access to health care.

In FY21, the FMA program is using the CDC’s Social Vulnerability Index (SVI) at the census tract level at a threshold of 0.7501 or greater as included in the project’s benefiting area map as a priority scoring criterion for Project Scoping, Community Flood Mitigation Projects, and Individual Flood Mitigation Projects project types.

**c. Priorities**

FEMA will distribute the available FY 21 FMA funding amount as follows:

**i. PROJECT SCOPING (PREVIOUSLY ADVANCE ASSISTANCE)**

Project Scoping to develop Community Flood Mitigation Projects and/or individual flood mitigation projects that will subsequently reduce flood claims against the NFIP. FEMA will select up to \$10 million of Project Scoping subapplications. For more information, refer to the Project Scoping Fact Sheet at <https://www.fema.gov/grants/mitigation/floods/fma-resources>.

**ii. COMMUNITY FLOOD MITIGATION PROJECTS**

FEMA will select up to \$70 million of projects that address community flood risk for the purpose of reducing NFIP flood claim payments. For more information, refer to the Community Flood Mitigation Project Fact Sheet at <https://www.fema.gov/grants/mitigation/floods/fma-resources> and Localized Flood Risk Reduction Projects in Hazard Mitigation Assistance Guidance at <https://www.fema.gov/grants/mitigation/hazard-mitigation-assistance-guidance>.

**iii. TECHNICAL ASSISTANCE**

Technical Assistance to maintain a viable FMA program over time. To be eligible to apply, the applicant must have received an FY 20 FMA award of at least \$1 million federal share.

**iv. FLOOD HAZARD MITIGATION PLANNING**

Planning subapplications for the flood hazard component of State, Local, Territory, and Tribal (SLTT) Hazard Mitigation Plans and plan updates.

**v. INDIVIDUAL FLOOD MITIGATION PROJECTS**

Projects that mitigate the risk of flooding to individual NFIP insured structures.

For more information on FY 21 FMA funding priorities and eligible activities, see Section E, Application Review Information, Review, and Selection Process. For more information about uses of assistance under FMA, including how to submit various project types in FEMA GO, refer to FMA resources at <https://www.fema.gov/grants/mitigation/floods/fma-resources>.

**11. Performance Measures**

FMA aims to implement projects that reduce flood risks posed to repetitively flooded properties insured under the National Flood Insurance Program (NFIP), by funding priority projects and activities. To achieve these goals, for FY 2021 FMA is prioritizing the following types of projects: Project Scoping, Community Flood Mitigation (aka localized flood control) projects, Flood Mitigation Plans, Technical Assistance, and Individual Property Mitigation that mitigate flood risks to NFIP participating communities and active policyholders. FEMA will evaluate input and output indicators of each federal award by measuring the total properties mitigated that carry a Severe Repetitive Loss (SRL) and Repetitive Loss (RL) definition pursuant to 42 U.S. Code § 4104.h(2) and (3), and are included in a final mitigation action. FEMA will also evaluate each award output by measuring project capability to positively influence the government's goal of mitigating SRL and RL designated properties and thereby the reduction of future losses to the NFIP under this award.

Additionally, FEMA's approach to benefit-cost analysis (BCA) is a method used to determine whether a project is cost-effective and is generally described as an estimation of the future benefits of a project compared to its cost (also known as the benefit-cost ratio [BCR]). Simply put, the BCR is derived from a project's risk-reduction-benefits divided by its project cost. A project is considered to be cost effective when the BCR is 1.0 or greater, indicating FEMA expects the benefits of a prospective hazard mitigation project are sufficient to justify the costs. For more information on FEMA's BCA methodology, please visit <https://www.fema.gov/grants/guidance-tools/benefit-cost-analysis>.

FEMA will further assess the recipient's performance against the program objective during the award closeout process as outlined in Section F.3.c of this NOFO.

## **B. Federal Award Information**

- 1. Available Funding for the NOFO:** \$160,000,000.00
- 2. Projected Number of Awards:** 30 awards; 145 subawards
- 3. Period of Performance:** 36 months or 48 months  
The Period of Performance (POP) is 36 months, starting on the date of the recipient's federal award. Given the complexity of the Community Flood Mitigation Projects, the POP for Community Flood Mitigation Projects is 48 months, starting on the date of the recipient's federal Award. Any subsequent amendments to the federal award will not extend the POP unless explicitly stated.

Extensions to the period of performance are allowed. For additional information on period of performance extensions, please refer to Section H, Additional Information, Period of Performance Extensions.

FEMA awards only include one budget period, so it will be same as the period of performance. *See* 2 C.F.R. § 200.1 for definitions of "budget period" and "period of performance."

- 4. Projected Period of Performance Start Date(s):** Will vary by award
- 5. Projected Period of Performance End Date(s):** 48 months for Community Flood Mitigation Projects and 36 months for all other projects from date of award unless otherwise approved by FEMA
- 6. Funding Instrument Type:** Grant

## **C. Eligibility Information**

- 1. Eligible Applicants**
  - States
  - District of Columbia
  - U.S. territories
  - Federally recognized tribal governments

Each state, territory, the District of Columbia, and federally recognized tribal government shall designate one agency to serve as the applicant for FMA funding. Each applicant's designated agency may submit only one FMA grant application to FEMA. Applications under which two or more entities would carry out the award are eligible, such as a multi-state or multi-tribal initiative; however, only one entity may be the applicant with primary responsibility for carrying out the award. The designate is strongly encouraged to conduct outreach with disadvantaged communities as referenced in EO 14008 prior to and during the application process.

## 2. Applicant Eligibility Criteria

### a. *Eligible Subapplicants*

Local governments, including cities, townships, counties, special district governments, and tribal governments (including federally recognized tribes who choose to apply as subapplicants), are considered subapplicants and must submit subapplications to the state/territory/tribal applicant agency. Certain political subdivisions (i.e., regional flood control districts or county governments) may apply and act as subapplicants if they are part of a community participating in the National Flood Insurance Program (NFIP) where the political subdivision provides zoning and building code enforcement or planning and community development professional services for that community. Contact information for the State Hazard Mitigation Officers (SHMOs) is provided on the FEMA website at <https://www.fema.gov/grants/mitigation/state-contacts>.

- All subapplicants must be participating in the NFIP, and not be withdrawn, on probation, or suspended. Structures identified in the subapplication must have an NFIP policy in effect at the FMA application start date and must maintain it through completion of the mitigation activity and for the life of the structure. NFIP community status can be verified at <https://www.fema.gov/national-flood-insurance-program-community-status-book>.

### b. *Hazard Mitigation Plan Requirement*

Applicants must have a FEMA-approved State or Tribal Hazard Mitigation Plan in accordance with Title 44 of the Code of Federal Regulations (C.F.R.) Part 201 by the application deadline and at the time of obligation of grant funds for project, Project Scoping, and Technical Assistance subapplications. More detailed information is provided in Part III, E.5, Hazard Mitigation Plan Requirement, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/media-library/assets/documents/103279>.

Subapplicants must have a FEMA-approved Local or Tribal Hazard Mitigation Plan in accordance with 44 C.F.R. Part 201 by the Application deadline and at the time of obligation of grant funds for project, Project Scoping, and Technical Assistance subapplications.

(Integrating mitigation and planning, while not required, is encouraged. See section H.13 for additional information.)

## 3. Other Eligibility Criteria

All subapplications submitted under the Project Scoping priority (see Section E, Application Review Information) must demonstrate that future projects submitted would benefit NFIP insured properties by submitting a map and associated geospatial file(s) (e.g., Shapefile, KML/KMZ, Geodatabase, or other GIS enabled document) delineating the proposed project's benefitting area.

All subapplications submitted under the Community Flood Mitigation Project priority (see Section E, Application Review Information, of this NOFO) must demonstrate that the proposed project benefits NFIP insured properties by submitting a map and associated geospatial file(s) (e.g., Shapefile, KML/KMZ, Geodatabase, or other GIS enabled document)

delineating: the proposed project footprint boundary, the area benefitting from project, and active NFIP policies (if this data is available).

All non-critical structure elevation, dry floodproofing, and mitigation reconstruction projects in a Special Flood Hazard Area (SFHA) must apply, at a minimum, the flood elevations of the Federal Flood Risk Management Standard's Freeboard Value Approach unless doing so would cause the project to be unable to meet applicable program cost-effectiveness requirements. All other types of projects may choose to apply the flood elevations of the Federal Flood Risk Management Standard's Freeboard Value Approach.

For critical actions in the Special Flood Hazard Area, the elevation requirements from 44 CFR § 9.11 continue to apply. For any new construction or substantial improvement of structures, the lowest floor of the structure (including the basement) must be at or above the level of the 500-year flood<sup>2</sup>.

All Project Scoping, Community Flood Mitigation Project, individual flood mitigation project, and Technical Assistance subapplications submitted as part of an FMA grant application must be consistent with the goals and objectives identified in: the current, FEMA-approved State or Tribal (Standard or Enhanced) Mitigation Plan, and the local mitigation plan for the jurisdiction in which the project is located. Hazard Mitigation Plans should reflect state-wide mitigation priorities, across all potential federal and non-federal mitigation funding sources. Current mitigation plans are not required for applicants and subapplicants submitting planning subapplications to develop a new flood mitigation plan or to update the flood portion of a mitigation plan.

#### **4. Cost Share or Match**

Cost share is required for all subapplications funded under this program. Generally, the cost share for this program is 75 percent federal / 25 percent non-federal. This means federal funding is available for up to 75 percent of eligible costs. The remaining 25 percent of eligible costs must be derived from non-federal sources. For example, if the total cost of the activity is \$400,000 and the non-federal cost share is 25 percent, then the non-federal contribution is \$100,000: 25 percent of \$400,000 is \$100,000. This amount would be provided by the applicant. Likewise, the federal share of that activity would be \$300,000: 75 percent of \$400,000 is \$300,000. This amount would be provided by FEMA. FEMA may consider the non-federal cost share based on availability of remaining federal funds, as noted in Section E, Application Review Information. Community Flood Mitigation projects are only eligible for 75 percent federal cost share.

FEMA may contribute up to 100 percent federal cost share for severe repetitive loss (SRL) properties within individual property flood mitigation projects. An SRL property as defined under 42 U.S.C. 4104c(h)(3) (updated by the Biggert-Waters Flood Insurance Reform Act of 2012) is a structure that:

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<sup>2</sup> In accordance with Section 2(a)(1) of Executive Order (EO) 11988, as amended by EO 13690, before taking an action, FEMA must determine whether a proposed action will occur in a floodplain.



- (a) Is covered under a contract for flood insurance made available under the NFIP; and
- (b) Has incurred flood-related damage
  - i. For which four or more separate claims payments (includes building and contents) have been made under flood insurance coverage with the amount of each such claim exceeding \$5,000, and with the cumulative amount of such claims payments exceeding \$20,000, or
  - ii. For which at least two separate claims payments (includes only building) have been made under such coverage, with the cumulative amount of such claims exceeding the market value of the insured structure.

FEMA may contribute up to 90 percent federal cost share for repetitive loss (RL) properties. An RL property as defined under 42 U.S.C. 4121(a)(7) is a structure covered by a contract for flood insurance made available under the NFIP that:

- (a) Has incurred flood-related damage on two occasions, in which the cost of the repair, on the average, equaled or exceeded 25 percent of the market value of the structure at the time of each such flood event; and
- (b) At the time of the second incidence of flood-related damage, the contract for flood insurance contains Increased Cost of Compliance (ICC) coverage.

To receive an increased federal cost share, properties must meet one of the definitions for SRL or RL properties. Applicants and subapplicants that are requesting an increased federal cost share must submit documentation with their application or subapplication demonstrating that properties meet these definitions. If documentation is not submitted with the application or subapplication to support a reduced non-federal cost share, FEMA will provide no more than 75 percent federal cost share of the total eligible costs. The remaining 25 percent of eligible activity costs are derived from non-federal sources.

Structures with different federal cost-share requirements can be submitted in a single project subapplication. The overall project federal cost share documented in the Cost Share Section of the project subapplication should reflect the combined federal cost shares of the structures. For example, a project with \$100,000 costs for one SRL structure funded at 100 percent federal cost share plus \$100,000 costs for one RL structure funded at 90 percent federal cost share will have an overall project federal cost share of 95 percent, or \$190,000, of the \$200,000 total cost for both structures.

For insular areas, including American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands, FEMA automatically waives the non-federal cost share for the recipient when the non-federal cost share for the entire award is under \$200,000. If the non-federal cost share for the entire award is \$200,000 or greater, FEMA may waive all or part of the non-federal cost share at the request of the recipient. The recipient may request 100 percent cost-share in its application.

The non-federal cost share may consist of cash, donated or third-party in-kind services, materials, or any combination thereof. Cash and third-party in-kind matches must consist of eligible costs (i.e., same eligibility as the federal share). Applicants cannot apply other federal award funds toward the non-federal cost share unless the other federal statutory authority allows the funds to be used to meet cost-share requirements. Likewise, third-party in-kind matches used to meet the matching requirement may not be used to meet matching requirements for any other federal grant program. FEMA encourages innovative use of public and private-sector partnerships to meet the non-federal cost share.

Ultimately, the recipient is responsible for ensuring that it contributes the proper cost share to its actual project costs. **If actual total project costs exceed the projected total project costs stated in the federal award, and the additional costs are not approved by FEMA, the recipient will be responsible for contributing additional funds above the required cost match.** If actual total project costs are less than the projected total project costs stated in the federal award, the recipient will be responsible for contributing a cost match calculated as a percentage of those actual project costs.

More detailed information is provided in Part III, C, and Cost Sharing, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/media-library/assets/documents/103279>.

#### **D. Application and Submission Information**

##### **1. Key Dates and Times**

- a. *Application Start Date:* 09/30/2021
- b. *Application Submission Deadline:* 01/28/2022 at 03:00:00 PM ET

All applications **must** be received by the established deadline. Please note that FEMA deadlines listed in this NOFO refer to application deadlines for the applicants. Subapplicants should consult with their applicant agency to confirm subapplication deadlines to the applicant if applicable.

FEMA's Grants Outcomes System (FEMA GO) automatically records proof of timely submission and the system generates an electronic date/time stamp when FEMA GO successfully receives the application. The individual with the Authorized Organization Representative role that submitted the application will also receive the official date/time stamp and a FEMA GO tracking number in an email serving as proof of their timely submission. For additional information on how an applicant will be notified of application receipt, see the subsection titled "Timely Receipt Requirements and Proof of Timely Submission" in Section D of this NOFO.

**FEMA will not review applications that are received after the deadline or consider these late applications for funding.**

**Applicants experiencing technical problems outside of their control must notify FEMA as soon as possible and before the application deadline.** Failure to timely notify FEMA of

the issue that prevented the timely filing of the application may preclude consideration of the award. “Timely notification” of FEMA means the following: prior to the application deadline and within 48 hours after the applicant became aware of the issue. FEMA may extend the application deadline for technical problems outside of the applicant’s control that prevent submission by the deadline.

A list of FEMA contacts can be found in Section G of this NOFO, “DHS Awarding Agency Contact Information.” For technical assistance with the FEMA GO system, please contact the FEMA GO Helpdesk at [femago@fema.dhs.gov](mailto:femago@fema.dhs.gov) or (877) 611-4700, Monday through Friday, 8:00 AM – 6:00 PM Eastern Time (ET). For programmatic or grants management questions, please contact your Program Analyst or Grants Management Specialist. If applicants do not know who to contact or if there are programmatic questions or concerns, please contact the Centralized Scheduling and Information Desk (CSID) by phone at (800) 368-6498 or by e-mail at [askcsid@fema.dhs.gov](mailto:askcsid@fema.dhs.gov), Monday through Friday, 9:00 AM – 5:00 PM ET.

**e. Other Key Dates**

| <b>Event</b>                                    | <b>Suggested Deadline for Completion</b>     |
|---|--|
| Obtaining DUNS Number                           | Four weeks before actual submission deadline |
| Obtaining a valid EIN                           | Four weeks before actual submission deadline |
| Creating an account with login.gov              | Four weeks before actual submission deadline |
| Registering in SAM or Updating SAM registration | Four weeks before actual submission deadline |
| Registering in FEMA GO                          | Four weeks before actual submission deadline |
| Submitting the final application in FEMA GO     | By the submission deadline                   |

**2. Agreeing to Terms and Conditions of the Award**

By submitting an application, applicants agree to comply with the requirements of this NOFO and the terms and conditions of the award, should they receive an award.

**3. Address to Request Application Package**

Applications are processed through the FEMA GO system. To access the system, go to <https://go.fema.gov/>.

Hard copies of the NOFO can be downloaded at [Grants.gov](https://grants.gov) or obtained via email from the Awarding Office points of contact listed in Section G of this NOFO, “DHS Awarding Agency Contact Information” or by TTY (800) 462-7585.

For a hard copy of the full NOFO, please write a request to:

**Angela Gladwell**

Director, Hazard Mitigation Assistance Division, Mitigation Directorate  
Federal Insurance and Mitigation Administration

Federal Emergency Management Agency  
 400 C Street, SW  
 Washington, DC 20472

#### **4. Steps Required to Obtain a Unique Entity Identifier, Register in the System for Award Management (SAM), and Submit an Application**

Applying for an award under this program is a multi-step process and requires time to complete. Applicants are encouraged to register early as the registration process can take four weeks or more to complete. Therefore, registration should be done in sufficient time to ensure it does not impact your ability to meet required submission deadlines.

Please review the table above for estimated deadlines to complete each of the steps listed. Failure of an applicant to comply with any of the required steps before the deadline for submitting an application may disqualify that application from funding.

To apply for an award under this program, all applicants must:

- a. Apply for, update, or verify their Data Universal Numbering System (DUNS) number from Dun & Bradstreet and Employer Identification Number (EIN) from the Internal Revenue Service;
- b. In the application, provide a valid DUNS number, which is currently the unique entity identifier;
- c. Have an account with [login.gov](https://login.gov);
- d. Register for, update, or verify their SAM account and ensure the account is active before submitting the application;
- e. Register in FEMA GO, add the organization to the system, and establish the Authorized Organizational Representative (AOR). The organization's electronic business point of contact (EBiz POC) from the SAM registration may need to be involved in this step. For step-by-step instructions, see <https://www.fema.gov/media-library/assets/documents/181607>;
- f. Submit the complete application in FEMA GO; and
- g. Continue to maintain an active SAM registration with current information at all times during which it has an active federal award or an application or plan under consideration by a federal awarding agency. As part of this, applicants must also provide information on an applicant's immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded federal contracts or federal financial assistance within the last three years, if applicable.

Applicants are advised that FEMA may not make a federal award until the applicant has complied with all applicable DUNS and SAM requirements. Therefore, an applicant's SAM registration must be active not only at the time of application, but also during the application review period and when FEMA is ready to make a federal award. Further, as noted above, an applicant's or recipient's SAM registration must remain active for the duration of an active federal award. If an applicant's SAM registration is expired at the time of application, expires during application review, or expires any other time before award, FEMA may determine that the applicant is not qualified to receive a federal award and use that determination as a

basis for making a federal award to another applicant.

Per 2 C.F.R. § 25.110(c)(2)(iii), if an applicant is experiencing exigent circumstances that prevents it from receiving a DUNS number and completing SAM registration prior to receiving a federal award, the applicant must notify FEMA as soon as possible by contacting [askcsid@fema.dhs.gov](mailto:askcsid@fema.dhs.gov) and providing the details of the circumstances that prevent completion of these requirements. If FEMA determines that there are exigent circumstances and FEMA has decided to make an award, the applicant will be required to obtain a DUNS number and complete SAM registration within 30 days of the federal award date.

## 5. Electronic Delivery

DHS is participating in the Grants.gov initiative to provide the grant community with a single site to find and apply for grant funding opportunities. DHS encourages or requires applicants to submit their applications online through Grants.gov, depending on the funding opportunity.

For this funding opportunity, FEMA requires applicants to submit applications through FEMA GO.

## 6. How to Register to Apply

### a. *General Instructions:*

Registering and applying for an award under this program is a multi-step process and requires time to complete. Applicants should read the instructions below about registering to apply for FEMA funds. Applicants should read the registration instructions carefully and prepare the information requested before beginning the registration process. Reviewing and assembling the required information before beginning the registration process will alleviate last-minute searches for required information.

**The registration process can take up to four weeks to complete.** To ensure an application meets the deadline, applicants are advised to start the required steps well in advance of their submission.

Organizations must have a Data Universal Numbering System (DUNS) Number, Employer Identification Number (EIN), and an active System for Award Management (SAM) registration.

### b. *Obtain a DUNS Number:*

All entities applying for funding, including renewal funding, must have a DUNS number from Dun & Bradstreet (D&B). Applicants must enter the DUNS number in the data entry field labeled "Organizational DUNS" on the SF-424 form.

For more detailed instructions for obtaining a DUNS number, refer to:

<https://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html>

Note: At some point, the DUNS Number will be replaced by a “new, non-proprietary identifier” requested in, and assigned by, SAM.gov. This new identifier is being called the

Unique Entity Identifier (UEI), or the Entity ID. Grants.gov has begun preparing for this transition by educating users about the upcoming changes and updating field labels and references to the DUNS Number (the current identifier) within the Grants.gov system. Users should continue using the DUNS Number in UEI fields until further notice. To learn more about SAM's rollout of the UEI, please visit <https://gsa.gov/entityid>.

**c. *Obtain Employer Identification Number***

In addition to having a DUNS number, all entities applying for funding must provide an Employer Identification Number (EIN). The EIN can be obtained from the IRS by visiting: <https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>.

**d. *Create a login.gov account:***

Applicants must have a login.gov account in order to register with SAM or update their SAM registration. Applicants can create a login.gov account here: [https://secure.login.gov/sign\\_up/enter\\_email?request\\_id=34f19fa8-14a2-438c-8323-a62b99571fd3](https://secure.login.gov/sign_up/enter_email?request_id=34f19fa8-14a2-438c-8323-a62b99571fd3).

Applicants only have to create a login.gov account once. For applicants that are existing SAM users, use the same email address for the login.gov account as with SAM.gov so that the two accounts can be linked.

For more information on the login.gov requirements for SAM registration, refer to: <https://www.sam.gov/SAM/pages/public/loginFAQ.jsf>.

**e. *Register with SAM:***

In addition to having a DUNS number, all organizations applying online through Grants.gov must register with SAM. Failure to register with SAM will prevent your organization from applying through Grants.gov. SAM registration must be renewed annually.

For more detailed instructions for registering with SAM, refer to: <https://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html>.

Note: As a new requirement per 2 C.F.R. § 25.200, applicants must also provide the applicant's immediate and highest-level owner, subsidiaries, and predecessors that have been awarded federal contracts or federal financial assistance within the last three years, if applicable.

**i. **ADDITIONAL SAM REMINDERS****

Existing SAM.gov account holders should check their account to make sure it is "ACTIVE." SAM registration should be completed at the very beginning of the application period and should be renewed annually to avoid being "INACTIVE." **Please allow plenty of time before the grant application submission deadline to obtain a DUNS number and then to register in SAM. It may be four weeks or more after an applicant submits the SAM registration before the registration is active in SAM, and then it may be an additional 24 hours before FEMA's system recognizes the information.**

It is imperative that the information applicants provide is correct and current. Please ensure that your organization's name, address, DUNS number, and Employer Identification Number, or EIN, are up to date in SAM and that the DUNS number used in SAM is the same one used to apply for all other FEMA awards. Payment under any FEMA award is contingent on the recipient's having a current SAM registration.

## ii. **HELP WITH SAM**

The SAM quick start guide for new recipient registration and SAM video tutorial for new applicants are tools created by the General Services Administration (GSA) to assist those registering with SAM. If applicants have questions or concerns about a SAM registration, please contact the Federal Support Desk at <https://www.fsd.gov/fsd-gov/home.do> or call toll free (866) 606-8220.

## f. **Register in FEMA GO, Add the Organization to the System, and Establish the AOR:**

Applicants must register in FEMA GO and add their organization to the system. The organization's electronic business point of contact (EBiz POC) from the SAM registration may need to be involved in this step. For step-by-step instructions, see <https://www.fema.gov/media-library/assets/documents/181607>.

Note: FEMA GO will support only the most recent major release of the following browsers:

- Google Chrome
- Internet Explorer
- Mozilla Firefox
- Apple Safari
- Microsoft Edge

Users who attempt to use tablet type devices or other browsers may encounter issues with using FEMA GO.

## 7. **Submitting the Application in FEMA GO**

Applicants will be prompted to submit the standard application information and any program-specific information required as described in Section D.10 of this NOFO, "Content and Form of Application Submission." The Standard Forms (SF) may be accessed in the Forms tab under the [SF-424 family on Grants.gov](https://www.fema.gov/sf-424-family-on-grants). Applicants should review these forms before applying to ensure they have all the information required.

After submitting the final application, FEMA GO will provide either an error message or a successfully received transmission in the form of an email sent to the AOR that submitted the application. Applicants using slow internet connections, such as dial-up connections, should be aware that transmission can take some time before FEMA GO receives your application.

For additional application submission requirements, including program-specific requirements, please refer to the subsection titled "Content and Form of Application Submission" under Section D of this NOFO

## 8. Timely Receipt Requirements and Proof of Timely Submission

All applications must be completed in FEMA GO by the application deadline. FEMA GO automatically records proof of timely submission and the system generates an electronic date/time stamp when FEMA GO successfully receives the application. The individual with the Authorized Organization Representative (AOR) role that submitted the application will also receive the official date/time stamp and a FEMA GO tracking number in an email serving as proof of their timely submission on the date and time that FEMA GO received the application.

**Applicants who experience system-related issues will be addressed until 3:00 PM ET on Wednesday, January 26.** No new system-related issues will be addressed after this deadline. Applications not received by the application submission deadline will not be accepted.

## 9. Content and Form of Application Submission

### a. Standard Required Application Forms and Information

The following forms or information are required to be submitted via FEMA GO. They are automatically generated in FEMA GO; no additional attachment is needed. The Standard Forms (SF) are also available at <https://www.grants.gov/web/grants/forms/sf-424-family.html>.

- **SF-424, Application for Federal Assistance**
- **Grants.gov Lobbying Form, Certification Regarding Lobbying**
- **SF-424A, Budget Information (Non-Construction)**
  - **For construction under an award, submit SF-424C, Budget Information (Construction), in addition to or instead of SF-424A]**
- **SF-424B, Standard Assurances (Non-Construction)**
  - **For construction under an award, submit SF-424D, Standard Assurances (Construction), in addition to or instead of SF-424B]**
- **SF-LLL, Disclosure of Lobbying Activities**
- **Indirect Cost Agreement or Proposal** if the budget includes indirect costs and the applicant is required to have an indirect cost rate agreement or proposal. If the applicant does not have or is not required to have an indirect cost rate agreement or proposal, please see Section D.13 of this NOFO, “Funding Restrictions and Allowable Costs,” for further information regarding allowability of indirect costs and whether alternatives to an indirect cost rate agreement or proposal might be available, or contact the relevant FEMA staff identified in Section G of this NOFO, “DHS Awarding Agency Contact Information” for further instructions.

Generally, applicants have to submit either the non-construction forms (i.e., SF-424A and SF-424B) or construction forms (i.e., SF-424C and SF-424D), meaning that applicants that only have construction work and do not have any non-construction work need only submit the construction forms (i.e., SF-424C and SF-424D) and not the non-construction forms (i.e., SF-424A and SF-424B), and vice versa. However, applicants who have both construction and non-construction work under this program need to submit both the construction and non-construction forms.



The SF-424 family of forms is available on the Grants.gov website at <http://www.grants.gov/web/grants/forms/sf-424-family.html>. The FEMA Form FF 20-16C, Certifications Regarding Lobbying, Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements is available from the FEMA library online at <https://www.fema.gov/media-library/assets/documents/9754>.

Applicants may require their subapplicants to complete and attach the grant application and/or Assurance and Certifications forms to their planning, Project Scoping, Community Flood Mitigation Project, Technical Assistance, and individual flood mitigation project subapplications in FEMA GO.

Subapplicants should contact their applicant agency for information specific to their state/territory/ federally recognized tribal government's application process. Contact information for the SHMOs is provided on the FEMA website at <https://www.fema.gov/state-hazard-mitigation-officers>.

All applicants must submit an FMA grant application via FEMAGO by the application deadline to be considered for funding. The required format for applications and subapplications is built into FEMA GO:

- FMA applications, including applicant-approved planning, Project Scoping, Community Flood Mitigation Project, Technical Assistance, individual flood mitigation project, and management costs subapplications must be submitted in an FY 2021 FMA application.
- Flood hazard mitigation planning activities must be submitted in a planning subapplication;
- Project Scoping activities must be submitted in a Project Scoping subapplication;
- Community Flood Mitigation Projects and individual flood mitigation projects must be submitted in a project subapplication;
- Applicant management costs (for applicants only) must be submitted in a management costs subapplication;
- Technical Assistance costs (for recipients to which FEMA obligated an FY 2020 FMA award of at least \$1 million federal share) must be submitted in a Technical Assistance subapplication.

**b. *Program-Specific Required Forms and Information***

The following program-specific forms or information are required to be submitted in FEMA GO

**i. MANAGEMENT COSTS**

States are eligible to receive management costs consisting of a maximum of 10 percent of the planning and project activities awarded to the State, each fiscal year under FMA. These costs must be included in the application to FEMA. A federally recognized tribal government applying directly to FEMA is eligible for management costs consisting of a maximum of 10 percent of grants awarded for planning and project activities under the FMA program.

Subapplicants may include a maximum of 5 percent of the total funds requested for their subapplication for management costs to support the implementation of their planning or project activity. These costs must be included in the subapplication to the State.

For additional information, please refer to Section D.13.b Management Costs.

## **10. Other Submission Requirements**

### **a. *Benefit-Cost Analysis for Mitigation Projects***

Applicants and subapplicants applying for mitigation projects (Community Flood Mitigation Projects or individual flood mitigation projects) must provide a Benefit-Cost Analysis (BCA) or other documentation that validates cost-effectiveness. FEMA's approach to benefit-cost analysis (BCA) is a method used to determine whether a project is cost-effective and is generally described as an estimation of the future benefits of a project compared to its cost (also known as the benefit-cost ratio [BCR]). Simply put, the BCR is the method by which the future benefits of a hazard mitigation project are determined and compared to its costs. A project is considered to be cost effective when the BCR is 1.0 or greater, indicating FEMA expects the benefits of a prospective hazard mitigation project are sufficient to justify the costs. The total benefits and costs must be entered in the Cost-Effectiveness section of the project subapplication and a FEMA-approved BCA must be attached as documentation, as applicable. Planning, Project Scoping, Technical Assistance, and management costs subapplications do not require a BCA.

FEMA has created software to ensure that the BCR is calculated in accordance with FEMA's standardized methodologies and OMB Circular A-94, Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs, available on the Internet at <https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/circulars/A94/a094.pdf>. FEMA's Benefit Cost Toolkit is available on the FEMA website at <https://www.fema.gov/benefit-cost-analysis> Version 6.0 or newer are the only versions FEMA will accept as documentation for demonstrating cost effectiveness. A non-FEMA BCA methodology may only be used if pre-approved by FEMA in writing.

More detailed information is available in Part IV, I, Cost Effectiveness, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/media-library/assets/documents/103279>.

Applicants and subapplicants should place careful consideration on how their work would potentially impact disadvantaged communities as referenced in EO. FEMA aims to prioritize 40 percent of the benefits towards disadvantaged communities, in accordance with the Administration's Justice40 Initiative.

### **b. *Acquisition Project Requirements***

The subrecipient must provide FEMA with a signed copy of the Statement of Voluntary Participation for each property post-award. The Statement of Voluntary Participation formally documents the Notice of Voluntary Interest and information related to the purchase offer. The Statement of Voluntary Participation is available on the FEMA website at <https://www.fema.gov/media-library/assets/documents/13708>.

Subrecipients must apply deed-restriction language to all acquired properties to ensure that the property is maintained in perpetuity as open space consistent with the conservation of natural floodplain functions, as agreed to by accepting FEMA mitigation award funding. Deed-restriction language is applied to acquired properties by recording the open space and deed restrictions. Subrecipients, as well as recipients and FEMA are responsible for enforcing compliance with open space restrictions pursuant to 44 CFR Part 80 requirements.

**c. *National Environmental Policy Act Requirements for Mitigation Projects***

Applicants and subapplicants applying for mitigation projects (Community Flood Mitigation Projects or individual flood mitigation projects) must provide information needed to comply with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321–4370h) and the related DHS and FEMA instructions and directives (i.e., DHS Directive 023-01, DHS Instruction Manual 023-01-001-01, FEMA Directive 108-1, FEMA Instruction 108-1-1). The required information is included in the subapplication in FEMA GO. Environmental Planning and Historic Preservation (EHP) Job Aids and Supplements are available on the FEMA website at <https://www.fema.gov/grants/guidance-tools/environmental-historic>. The required information is included in the subapplication in FEMA GO.

**11. Intergovernmental Review**

An intergovernmental review may be required. Applicants must contact their state’s Single Point of Contact (SPOC) to comply with the state’s process under Executive Order 12372 (See <https://www.archives.gov/federal-register/codification/executive-order/12372.html>).

**12. Funding Restrictions and Allowable Costs**

All costs charged to awards covered by this NOFO must comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements at 2 C.F.R. Part 200, unless otherwise indicated in the NOFO, or the terms and conditions of the award. This includes, among other requirements, that costs must be incurred, and products and services must be delivered, within the period of performance of the award. *See* 2 C.F.R. § 200.403(h) (referring to budget periods, which for FEMA awards is the same as the period of performance).

In general, the Cost Principles establish standards for the allowability of costs, provide detailed guidance on the cost accounting treatment of costs as direct or administrative costs, and set forth allowability principles for selected items of cost. More specifically, except as otherwise stated in this NOFO, the terms and condition of an award, or other program materials, costs charged to awards covered by this NOFO must be consistent with the Cost Principles for Federal Awards located at 2 C.F.R. Part 200, Subpart E. In order to be allowable, all costs charged to a FEMA award or applied to the cost share must be reasonable in nature and amount and allocable to the particular FEMA award.

Additionally, all costs charged to awards must comply with the grant program’s applicable statutes, policies, requirements in this NOFO as well as with the terms and conditions of the award. If FEMA staff identify costs that are inconsistent with any of these requirements,

these costs may be disallowed, and FEMA may recover funds as appropriate, consistent with applicable laws, regulations, and policies.

As part of those requirements, grant recipients and subrecipients may only use federal funds or funds applied to a cost share for the purposes set forth in this NOFO and the terms and conditions of the award, and those costs must be consistent with the statutory authority for the award.

Grant funds may not be used for matching funds for other federal grants/cooperative agreements, lobbying, or intervention in federal regulatory or adjudicatory proceedings. In addition, federal funds may not be used to sue the federal government or any other government entity.

The federal funding caps for FMA are as follows:

- \$300,000 per Project Scoping subapplication for individual flood mitigation projects;
- \$900,000 per Project Scoping subapplication for Community Flood Mitigation Projects;
- \$30 million cap per Community Flood Mitigation Project subapplication;
- \$50,000 per applicant for all Technical Assistance subapplications, for recipients to which FEMA obligated an FY 2020 FMA award of at least \$1 million federal share;
- \$100,000 per applicant for flood hazard mitigation planning with maximums of:
  - \$50,000 for state flood hazard mitigation planning;
  - \$25,000 for local flood hazard mitigation planning;
- 10 percent of the total application budget for applicant management costs for applicants to administer and manage award and subaward activities (see the Management and Administration Costs subsection below);
- 5 percent of the total mitigation project, Project Scoping, and planning subapplication budget for subapplicant management costs for subapplicants to manage their subaward activities (see the Management and Administration Costs subsection below).

Applicants should analyze the cost benefits of purchasing versus leasing equipment, especially high-cost items and those subject to rapid technical advances. Large equipment purchases must be identified and explained. For more information regarding property management standards for equipment and federal procurement requirements, please reference 2 C.F.R. Part 200, available at

[https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)

More detailed information is available in Part III, E.1, Eligible Activities, of the HMA Guidance, available on the FEMA website at

<https://www.fema.gov/media-library/assets/documents/103279>.

**a. *Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services***

Recipients and subrecipients of FEMA federal financial assistance are subject to the prohibitions described in Section 889 of the [John S. McCain National Defense Authorization Act for Fiscal Year 2019 \(FY 2019 NDAA\)](#), Pub. L. No. 115-232 (2018) and 2 C.F.R. §§ 200.216, 200.200.327 200.471, and Appendix II to 2 C.F.R. Part 200. Beginning August 13, 2020, the statute – as it applies to FEMA recipients, subrecipients, and their contractors and subcontractors – prohibits obligating or expending federal award funds on certain telecommunications and video surveillance products and contracting with certain entities for national security reasons.

Additional guidance is available at [Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services \(Interim\) FEMA Policy #405-143-1](#).

**Effective August 13, 2020**, FEMA recipients and subrecipients **may not** use any FEMA funds under open or new awards to:

- (1) Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;
- (2) Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system; or
- (3) Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

#### **i. DEFINITIONS**

Per section 889(f)(2)-(3) of the FY 2019 NDAA and 2 C.F.R. § 200.216, covered telecommunications equipment or services means:

- i. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation, (or any subsidiary or affiliate of such entities);
- ii. For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
- iii. Telecommunications or video surveillance services provided by such entities or using such equipment; or
- iv. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the People’s Republic of China.

Examples of the types of products covered by this prohibition include phones, internet, video surveillance, and cloud servers when produced, provided, or used by the entities listed in the definition of “covered telecommunications equipment or services.” *See* 2 C.F.R. § 200.471.

**b. *Pre-Award Costs***

Pre-award costs directly related to developing the FMA grant application or subapplication that are incurred prior to the date of the grant award are allowed subject to FEMA approval at time of award. Such costs may have been incurred prior to application submission, for example gathering NEPA data or developing a BCA (see Section D, Application and Submission Information), preparing design specifications, or conducting workshops or meetings related to development and submission of subapplications. To be eligible for FMA funding, pre-award costs must be identified in the individual line item in the cost estimate of the subapplication.

Pre-award costs may be cost shared or applicants and subapplicants may identify them as their non-federal cost share (see Section C, Eligibility Information, Cost Share or Match).

Costs associated with implementation of proposed projects in the submitted grant application or subapplication that are incurred prior to the date of the grant award are not allowed. Activities initiated or completed prior to the date of the grant award are generally not eligible.

If any pre-award activities related to developing an FMA grant application or subapplication result in ground disturbance, the applicant or subapplicant must comply with all applicable federal, state, and local laws and regulations, and obtain any applicable environmental permits and clearances. The applicant or subapplicant must ensure monitoring of ground disturbance, and if any potential archaeological resources are discovered, work will immediately cease, and the appropriate state authority will be notified.

Applicants and subapplicants who are not awarded awards or subawards will not receive reimbursement for the corresponding pre-award costs. More detailed information is provided in Part IV, F.2, Pre-Award Costs, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/grants/mitigation/hazard-mitigation-assistance-guidance>.

**c. *Management Costs***

Management costs are any indirect costs, any direct administrative costs, and other administrative expenses that are reasonably incurred in administering an award or subaward.

Applicant and subapplicant management cost activities including the implementation of the FMA program, such as subapplication development, geocoding mitigation projects, delivery of Technical Assistance, managing awards and staff salary costs are eligible for FMA funding in accordance with the HMA Guidance, available on the FEMA website at <https://www.fema.gov/grants/mitigation/hazard-mitigation-assistance-guidance>.

Applicants may apply for applicant management costs of up to 10 percent of the total FMA grant application for management of the award and all selected subawards. Applicant

requests for management costs must be submitted in a separate management costs subapplication in FEMA GO (see Section D, Application and Submission Information, Content and Form of Application Submission).

Subapplicants may include subapplicant management costs of up to 5 percent of the total cost of their planning, Project Scoping, or mitigation project subapplication to manage the proposed subaward activities. Subapplicant management cost activities must be added to the Scope of Work section and identified in the Cost Estimate section of subapplications in FEMA GO.

**i. INDIRECT COSTS**

Per 44 C.F.R. 79.8(a)(2) indirect costs for FMA are part of the management costs and in no case do they make the applicant eligible for additional management costs that exceed the caps identified in the previous subsection (Management Costs). Indirect costs are allowable under this program as described in 2 C.F.R. Part 200, including 2 C.F.R. § 200.414. Applicants with a current negotiated indirect cost rate agreement that desire to charge indirect costs to an award must provide a copy of their negotiated indirect cost rate agreement at the time of application. Not all applicants are required to have a current negotiated indirect cost rate agreement. Applicants that are not required by 2 C.F.R. Part 200 to have a negotiated indirect cost rate agreement but are required by 2 C.F.R. Part 200 to develop an indirect cost rate proposal must provide a copy of their proposal at the time of application. Applicants who do not have a current negotiated indirect cost rate agreement (including a provisional rate) and wish to charge the de minimis rate must reach out to the Grants Management Specialist for further instructions. Applicants who wish to use a cost allocation plan in lieu of an indirect cost rate must also reach out to the Grants Management Specialist for further instructions. Post-award requests to charge indirect costs will be considered on a case-by-case basis and based upon the submission of an agreement or proposal as discussed above or based upon on the de minimis rate or cost allocation plan, as applicable.

Subapplicants are not required to submit negotiated indirect cost rate agreements or proposals directly to FEMA, but they may need to submit them to the applicable applicants per 2 C.F.R. § 200.332.

**E. Application Review Information**

**1. Application Evaluation Criteria**

**a. *Programmatic Criteria***

FEMA will review subapplications submitted by each applicant to ensure compliance with applicable regulations at 44 C.F.R. Parts 79, 80, and 201, and the HMA Guidance, including:

- Eligibility of the applicant and subapplicant;
- Eligibility of proposed activities and costs;
- Completeness of the subapplication;
- Cost-effectiveness and engineering feasibility of mitigation projects; and
- Eligibility and availability of non-federal cost share.

- Alignment with approved State Mitigation Plan and Local and/or Tribal Hazard Mitigation Plan.

For more detailed information, see Part VI, Application Review Information, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/grants/mitigation/hazard-mitigation-assistance-guidance>.

**b. *Financial Integrity Criteria***

Prior to making a federal award, FEMA is required by 31 U.S.C. § 3354, as amended by the Payment Integrity Information Act of 2019, Pub. L. No. 116-117 (2020); 41 U.S.C. § 2313; and 2 C.F.R. § 200.206 to review information available through any Office of Management and Budget (OMB)-designated repositories of governmentwide eligibility qualification or financial integrity information, including whether the applicant is suspended or debarred. FEMA may also pose additional questions to the applicant to aid in conducting the pre-award risk review. Therefore, application evaluation criteria may include the following risk-based considerations of the applicant:

- Financial stability.
- Quality of management systems and ability to meet management standards.
- History of performance in managing federal award.
- Reports and findings from audits.
- Ability to effectively implement statutory, regulatory, or other requirements.

**c. *Supplemental Financial Integrity Criteria and Review***

Prior to making a federal award where the anticipated total federal share will be greater than the simplified acquisition threshold, currently \$250,000:

- FEMA is required to review and consider any information about the applicant, including information on the applicant's immediate and highest-level owner, subsidiaries, and predecessors<sup>3</sup>, if applicable, that is in the designated integrity and performance system accessible through the System for Award Management (SAM), which is currently the [Federal Awardee Performance and Integrity Information System](#) (FAPIIS).
- An applicant, at its option, may review information in FAPIIS and comment on any information about itself that a federal awarding agency previously entered.
- FEMA will consider any comments by the applicant, in addition to the other information in FAPIIS, in making a judgment about the applicant's integrity, business ethics, and record of performance under federal awards when completing the review of risk posed by applicants as described in 2 C.F.R. § 200.206.

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<sup>3</sup> As defined in 2 C.F.R. Part 25, specifically § 25.447: Predecessor means a non-Federal entity that is replaced by a successor and includes any predecessors of the predecessor.



## 2. Review and Selection Process

### a. *Selection order*

FEMA will select subapplications up to the available funding amount of \$160 million in the following order.

### i. **PROJECT SCOPING – UPTO \$10 MILLION**

FEMA will select the highest ranked eligible subapplication(s) for Project Scoping from each applicant not to exceed \$300,000 total federal cost share for scoping an individual flood mitigation project or \$900,000 total federal cost share for scoping a Community Flood Mitigation Project. Project Scoping can be used to obtain data and to prioritize, select, and develop Community Flood Mitigation Projects and/or individual flood mitigation projects for future funding based on current FEMA-approved mitigation plans. Project Scoping subapplications will be evaluated to ensure that the end result will lead to an eligible project subapplication that will provide benefits to the NFIP.

Consideration of Project Scoping early in the decision-making process can help facilitate the development of a viable project, as well as project implementation. FY 2021 Project Scoping projects are not eligible for FY 2021 Community Flood Mitigation Project or traditional flood mitigation project funding. There is no guarantee for future HMA project funding if Project Scoping is awarded.

All Project Scoping subapplications must include the following elements:

- Use the **Project Scoping** application type within FEMA GO to be considered,
- Be designated as a Project Scoping project in the subapplication title “Project Scoping for X”, and
- Prove that the proposed project benefits NFIP insured properties by submitting a map and associated geospatial file(s) (e.g., Shapefile, KML/KMZ, Geodatabase, or other GIS enabled document) delineating:
  - Estimated area benefitting from the project

Eligible Project Scoping activities must benefit NFIP insured properties. Examples include, but are not limited to:

- Conducting meetings, outreach and coordination with subapplicants and community residents
- Developing or conducting engineering, environmental feasibility and/or benefit-cost analyses
- Undertaking activities that lead to development of project applications
- Evaluating facilities to identify mitigation actions
- Using staff or resources to develop cost share strategies

| <b>Final Priority Scoring Criteria for Project Scoping</b> |   |                         |
|--|---|-------------------------|
| <b>Priority</b>  | <b>Description</b>  | <b>Available Points</b> |
| NFIP Insured Multiple Loss Communities                     | Jurisdictions with 50 or more Repetitive Loss (RL) or Severe Repetitive Loss (SRL) structures and has received an Individual Assistance declaration for flood in the past 10 years.   | 200                     |
| Private-Partnership Cost Share                             | Cost share contributed on by private organizations. Points will be assigned based on percentage of private cost share invested of the non-federal match, up to 150% of the non-federal match. For example, if a private organization provides 50% of the non-federal cost match the subapplicant would receive 50 points. If the organization provides 100% of the non-federal match, then the project would receive 100 points.                      | Up to 150               |
| Community Rating System (CRS) Participation                | The CRS recognizes and encourages community floodplain-management activities that exceed the minimum National Flood Insurance Program standards. Depending on the level of participation, flood insurance premium rates for policyholders can be reduced up to 45%. Highest weight will be assigned to class 1 and descending through lower classes. (Graded Scale: 1 = 100, 2 = 90, 3 = 80, 4 = 70, 5 = 60, 6 = 50, 7 = 40, 8 = 30, 9 = 20, 10 = 10) | 10-100                  |
| Cooperating Technical Partners Program (CTP) Participation | The CTP is a qualified partnership program in which communities commit to collaborate in maintaining up-to-date flood hazard maps and other flood hazard information. Points will be assigned to CTP participating communities.   | 30                      |
| CDC Social Vulnerability Index                             | Projects that benefit area(s) with an overall Social Vulnerability Index (SVI) score of 0.7501 or greater per CDC's Social Vulnerability Index will eligible for this point priority. The Benefiting Area map will be used to determine which census tracts will be considered for assessment of these points. In the event multiple census tracts are included in an area benefiting from the project, FEMA will consider the highest SVI score.     | 200                     |

In case of a tie, the total dollars in NFIP claims paid in the subapplicant's jurisdiction in the past 5 years will be used as a tiebreaker.

**ii. COMMUNITY FLOOD MITIGATION PROJECTS – UP TO \$70 MILLION**

FEMA will then select the highest scoring eligible Community Flood Mitigation Project subapplication(s) based on the FEMA scoring criteria (see below). In the event of a tie between two or more community flood mitigation subapplications, FEMA will use the highest Benefit-Cost Ratio (BCR) as a tiebreaker for projects. Each subapplication shall not exceed \$30 million federal cost share.

FEMA will convene an internal review panel to ensure that projects will provide benefits to the NFIP, in accordance with 44 C.F.R. Part 79 and HMA Guidance. The Community Flood Mitigation Projects review panel will include experts from across FEMA to broaden

understanding of project benefits. Panelists will consider Community Flood Mitigation Project subapplications holistically to determine if the projects will provide benefits to the NFIP, including but not limited to, the context of the project scale, community scale, and transformative mitigation potential.

All Community Flood Mitigation Project subapplications must include the following elements:

- Use the **Community Flood Control** code/activity type within FEMA GO to be considered,
- Be designated as Community Flood Mitigation Project in the subapplication title “Community Flood Mitigation Project”, and
- Prove that the proposed project benefits NFIP insured properties by submitting a map and associated geospatial file(s) (e.g., Shapefile, KML/KMZ, Geodatabase, or other GIS enabled document) delineating:
  - The proposed project footprint boundary,
  - Area benefitting from project, and
  - Active NFIP policies (if data available).

Eligible activities must benefit NFIP insured properties. Examples include, but are not limited to:

- Localized flood control
- Floodwater storage and diversion
- Floodplain and stream restoration
- Stormwater management
- Wetland restoration/creation

Subapplications submitted for either the Project Scoping funding or Community Flood Mitigation Project funding will be scored and selected based on the priorities in the following table, as needed:

| <b>Final Priority Scoring Criteria for Community Flood Mitigation Projects</b> |   |                              |
|--|---|------------------------------|
| <b>Priority</b>  | <b>Description</b>  | <b>Available Points</b>      |
| NFIP Insured Multiple Loss Communities   | Communities with 50 or more Repetitive Loss (RL) or Severe Repetitive Loss (SRL) structures and have received NFIP claims in a county that has received an Individual Assistance declaration for flood in the past 10 years.  | 200                          |
| NFIP Policy Holder   | Points will be assessed for every NFIP policy that is active as of the FMA application start date (Section D, Application and Submission Information, Key Dates and Times) and is verified within the benefitting area of the project.<br>(2 per NFIP Policy).  | 2 x each NFIP Policy         |
| Severe Repetitive Loss (SRL) and Repetitive Loss (RL) Properties               | Points will be assessed for SRL or RL structure that is verified within the benefitting area of the project (5 per RL and 10 per SRL property).   | 5 x each RL<br>10 x each SRL |
| Private-Partnership Cost Share   | Cost share contributed by private organizations/businesses. Points will be assigned based on percentage of private cost share invested in the non-federal match, up to 150% of the non-federal match. For example, if a private organization provides 50% of the non-federal cost match the subapplicant would receive 50 points. If the organization provides 100% of the non-federal match, then the project would receive 100 points.              | Up to 150                    |
| Community Rating System (CRS) Participation                                    | The CRS recognizes and encourages community floodplain-management activities that exceed the minimum National Flood Insurance Program standards. Depending on the level of participation, flood insurance premium rates for policyholders can be reduced up to 45%. Highest weight will be assigned to class 1 and descending through lower classes. (Graded Scale: 1 = 100, 2 = 90, 3 = 80, 4 = 70, 5 = 60, 6 = 50, 7 = 40, 8 = 30, 9 = 20, 10 = 10) | 10-100                       |
| Advance Assistance Generated Project (Projects Only)                           | Application generated from a previous FEMA HMA Advance Assistance award.  | 20                           |
| Cooperating Technical Partners Program (CTP) Participation                     | The CTP is a qualified partnership program in which communities commit to collaborate in maintaining up-to-date flood hazard maps and other flood hazard information. Points will be assigned to CTP participating communities.   | 30                           |

|   |   |     |
|---|---|-----|
| CDC Social Vulnerability Index  | Projects that benefit area(s) with an overall Social Vulnerability Index (SVI) score of 0.7501 or greater per CDC’s Social Vulnerability Index will eligible for this point priority. The Benefiting Area map will be used to determine which census tracts will be considered for assessment of these points. In the event multiple census tracts are included in an area benefiting from the project, FEMA will consider the highest SVI score.   | 200 |
| Consideration of climate change <sup>4</sup> and other future conditions<br><br>OR<br><br>Incorporation of Nature-based solutions | Projects that describe how the project will enhance climate adaptation and resilience, detail how the project is being responsive to the effects of climate change (such as sea level rise <sup>5</sup> , increased rainfall, increased likelihood of flash flood due to wildfire, etc.) and/or other future conditions (population/demographic/land use, etc.), and cites data sources, assumptions, and models.<br><br>OR<br><br>Incorporation of nature-based solutions. (For more information on potential nature-based solutions, please reference <a href="#">Building Community Resilience with Nature-Based Solutions: A guide for local communities.</a> ) | 200 |

After meeting the \$70 million available for community flood mitigation or when all eligible Community Flood Mitigation Project subapplications have been selected, FEMA will select eligible subapplications for the remaining funds in the following order:

**iii. TECHNICAL ASSISTANCE**

FEMA will select eligible Technical Assistance subapplications up to \$50,000 federal cost share for recipients to which FEMA obligated an FY 2020 FMA award of at least \$1 million federal share.

**iv. FLOOD HAZARD MITIGATION PLANNING**

FEMA will select eligible planning subapplications up to \$100,000 federal cost share per applicant with a maximum of \$50,000 federal cost share for the flood only portion of state

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<sup>4</sup> Climate change is defined as “Changes in average weather conditions that persist over multiple decades or longer. Climate change encompasses both increases and decreases in temperature, as well as shifts in precipitation, changing risk of certain types of severe weather events, and changes to other features of the climate system.” (National Climate Assessment)

<sup>5</sup> Applicants and subapplicants may use any valid source that is based on recognized sea level rise estimation methods for sea level rise. Several federal government sources are available for relative sea level rise data along coastal areas. Some of these sources include, but are not limited to National Oceanic and Atmospheric Administration Center for Operational Oceanographic Products and Services’ Mean Annual SLR Trend Data (<https://tidesandcurrents.noaa.gov/sltrends/sltrends.html>) and U.S. Army Corps of Engineers Sea-Level Change Curve Calculator (Version 2021.12) ([https://cwbi-app.sec.usace.army.mil/rccslc/slcc\\_calc.html](https://cwbi-app.sec.usace.army.mil/rccslc/slcc_calc.html)).

mitigation plan updates and a maximum of \$25,000 federal cost share for the flood only portion of local mitigation plans. FEMA may reduce the federal cost share of any planning subapplication that exceeds the statutory maximums.

#### **v. INDIVIDUAL FLOOD MITIGATION PROJECTS**

Please note, as stated in Section C.3 Other Eligibility Criteria, all non-critical structure elevation, dry floodproofing, and mitigation reconstruction projects in a Special Flood Hazard Area (SFHA) must, at a minimum, apply the flood elevations of the Federal Flood Risk Management Standard's Freeboard Value Approach unless doing so would cause the project to be unable to meet applicable program cost-effectiveness requirements. All other types of projects may choose to apply the flood elevations of the Federal Flood Risk Management Standard's Freeboard Value Approach.

For critical actions in the Special Flood Hazard Area, the elevation requirements from 44 CFR § 9.11 continue to apply. For any new construction or substantial improvement of structures, the lowest floor of the structure (including the basement) must be at or above the level of the 500-year flood<sup>6</sup>.

FEMA will select eligible individual flood mitigation project subapplications on a competitive basis in the following prioritized order:

- a. Projects that will mitigate flood damage to at least 50 percent of structures included in the subapplication that meet the definition in 42 U.S.C. § 4104c(h)(3)(B)(ii) of an SRL property: At least two separate NFIP claim payments have been made with the cumulative amount of such claims exceeding the market value of the insured structure.
- b. Projects that will mitigate flood damage to at least 50 percent of structures included in the subapplication that meet the definition of a RL property: have incurred flood-related damage on two occasions, in which the cost of the repair, on the average, equaled or exceeded 25 percent of the market value of the structure at the time of each such flood event.
- c. Projects that will mitigate flood damage to at least 50 percent of structures included in the subapplication that meet the definition in 42 U.S.C. § 4104c(h)(3)(B)(i) of an SRL property: four or more separate NFIP claims payments have been made with the amount of each claim exceeding \$5,000, and with the cumulative amount of claims payments exceeding \$20,000.

FEMA may rank subapplications lower where the average elevation federal cost share is greater than \$250,000 for all single dwelling units or the average acquisition federal cost share is greater than \$750,000 for all single dwelling units.

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<sup>6</sup> In accordance with Section 2(a)(1) of Executive Order (EO) 11988, as amended by EO 13690, before taking an action, FEMA must determine whether a proposed action will occur in a floodplain.

If available funding requires prioritization within one of the above priorities, FEMA will apply the “Final Prioritization Criteria for Individual Mitigation Projects” provided in section 2.a.vi below.

**vi. FEMA WILL SELECT REMAINING ELIGIBLE SUBAPPLICATIONS ONCE ALL ABOVE PRIORITIES ARE MET BASED ON BENEFITS TO THE NFIP.**

Applicants must ensure that accurate NFIP policy numbers and RL numbers are included in all subapplications to be eligible to be selected for the above priorities. After FEMA selects all subapplications in prioritized order (a) through (c) above, FEMA will use the scoring criteria below to determine the selection order for the remaining subapplications. The subapplications will be selected based on cumulative score, from highest to lowest.

| <b>Final Prioritization Criteria for Individual Flood Mitigation Projects</b> |   |                         |
|---|---|-------------------------|
| <b>Priority</b>   | <b>Description</b>  | <b>Available Points</b> |
| SRL/RL property   | If greater than 35% of properties in the subapplication are SRL or RL, then 40 points will be assigned.<br><br>OR<br><br>If 25-35% of properties in the subapplication are SRL or RL, then 10 points will be assigned.  | 40<br><br>OR<br><br>10  |
| Substantial Damage  | The subapplication includes structures that were determined Substantially Damaged by the community within two (2) years of the Application Submission Deadline and a verification letter is included in the subapplication.   | 10 x each SD structure  |
| Not Secondary Dwelling Units  | Less than 25% of structures included in the subapplication are Secondary Dwelling Units pursuant to the active NFIP Policy.   | 10                      |
| CDC Social Vulnerability Index  | Each subapplication will be assigned a weighted score relative to its social vulnerability score per CDC’s Social Vulnerability Index (SVI). The average SVI score per subapplication will be calculated by averaging the overall SVI scores of the census tract in which each property is located, based on validated address(es) provided in the subapplication. A subapplication average SVI score of 0 would receive 0 points and a subapplication average SVI score of 1 would receive the full 40 points. | 0-40                    |

FEMA may select a subapplication out of priority order based on one or more of the following factors:

- Availability of funding
- Duplication of subapplications
- Program priorities and policy factors
- Other pertinent information

**b. *Selection Status***

After the review has been completed as described in Section E, Application Review Information, FEMA will designate the selected planning, project, Project Scoping, and Technical Assistance subapplications as one of the following three statuses:

- **Identified for Further Review (IFFR)** – Applicants with planning, project, Project Scoping and/or Technical Assistance subapplication(s) that are Identified for Further Review that submitted a management costs subapplication in their FMA grant application (see Section D, Application and Submission Information, Content and Form of Application Submission) are eligible to receive applicant management costs not to exceed 10 percent of the selected planning and project subapplications.
- **Not Selected** – This means the subapplication is eligible but was not selected due to a lack of available funding under the applicable subtotals.
- **Does Not Meet HMA Requirements** – This means the subapplication does not satisfy the eligibility and completeness requirements.

**c. *Request for Reconsideration***

At its discretion, and at the request of the applicant or subapplicant (through the applicant), FEMA may reconsider a decision regarding a planning, project, or Technical Assistance subapplication that is Not Selected or Does Not Meet HMA Requirements only where there is an indication of substantive technical or procedural error that may have influenced FEMA's decision. There will be no reconsideration regarding the amount of planning subapplications, applicant management costs, or Technical Assistance costs. Applicants must send requests for reconsideration based on technical or procedural error to their FEMA Regional Office within 60 days of the posting of subapplication status. Subapplicants should contact their applicant agency regarding reconsideration requests, so that the applicant may submit it to FEMA on their behalf. Contact information for each SHMO is provided at <https://www.fema.gov/grants/mitigation/state-contacts>.

The FEMA Regional Office will review reconsideration requests received from applicants and submit the Regional recommendation to FEMA Headquarters. FEMA Headquarters will make a final determination to overturn or uphold the original decision and send the response to the applicant.

Prior to making an award, FEMA will evaluate applicants to determine the level of risk when there is a history of failure to comply with general or specific terms and conditions of a



federal award or failure to meet the expected performance goals. If FEMA determines that a federal award will be made, special conditions that correspond to the degree of risk assessed may be applied to the award, as specified in Part VI, B, Risk Assessment Prior to FMA award, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/grants/mitigation/hazard-mitigation-assistance-guidance>.

## **F. Federal Award Administration Information**

### **1. Notice of Award**

Before accepting the award, the AOR and recipient should carefully read the award package. The award package includes instructions on administering the grant award and the terms and conditions associated with responsibilities under federal awards. **Recipients must accept all conditions in this NOFO as well as any specific terms and conditions in the Notice of Award to receive an award under this program.**

FEMA will provide the federal award package to the applicant electronically via FEMA GO. Award packages include an Award Letter, Summary Award Memo, Agreement Articles, and Obligating Document. An email notification of the award package will be sent through FEMA's grant application system to the Authorized Organization Representative (AOR) that submitted the application.

Recipients must accept their awards no later than 30 days from the award date. The recipient shall notify FEMA of its intent to accept and proceed with work under the award through the FEMA GO system.

Funds will remain on hold until the recipient accepts the award through the FEMA GO system and all other conditions of the award have been satisfied or until the award is otherwise rescinded. Failure to accept a grant award within the specified timeframe may result in a loss of funds.

When FEMA obligates funds for a grant to an applicant, the applicant and subapplicant are denoted as recipient and subrecipient, respectively. The recipient and subrecipient agree to abide by the grant award terms and conditions as set forth in the Articles of Agreement provided in the award package. Recipients must accept all conditions in this NOFO as well as any Special Terms and Conditions.

FEMA or DHS may initiate a formal evaluation of programs, projects, or activities supported by this grant. By accepting grant funds, recipients agree to participate in the evaluation, which may include analysis of individuals who benefit from the grant (such as property owners), and providing access to program operating personnel and participants, as specified by the evaluator(s), including after the POP.

### **2. Administrative and National Policy Requirements**

In addition to the requirements of in this section and in this NOFO, FEMA may place specific terms and conditions on individual awards in accordance with 2 C.F.R. Part 200.

**a. *DHS Standard Terms and Conditions***

All successful applicants for DHS grant and cooperative agreements are required to comply with DHS Standard Terms and Conditions, which are available online at: [DHS Standard Terms and Conditions](#).

The applicable DHS Standard Terms and Conditions will be those in effect at the time the award was made. Terms and conditions which apply for the award will be clearly stated in the award package at the time of award.

**b. *Ensuring the Protection of Civil Rights***

As the Nation works towards achieving the [National Preparedness Goal](#), it is important to continue to protect the civil rights of individuals. Recipients and subrecipients must carry out their programs and activities, including those related to the building, sustainment, and delivery of core capabilities, in a manner that respects and ensures the protection of civil rights for protected populations.

Federal civil rights statutes, such as Section 504 of the Rehabilitation Act of 1973 and Title VI of the Civil Rights Act of 1964, along with FEMA regulations, prohibit discrimination on the basis of race, color, national origin, sex, religion, age, disability, limited English proficiency, or economic status in connection with programs and activities receiving [federal financial assistance](#) from FEMA.

The DHS Standard Terms and Conditions include a fuller list of the civil rights provisions that apply to recipients. These terms and conditions can be found in the [DHS Standard Terms and Conditions](#). Additional information on civil rights provisions is available at [Office of Equal Rights | FEMA.gov](#).

Monitoring and oversight requirements in connection with recipient compliance with federal civil rights laws are also authorized pursuant to 44 C.F.R. Part 7.

**c. *Environmental Planning and Historic Preservation (EHP) Compliance***

As a federal agency, FEMA is required to consider the effects of its actions on the environment and historic properties to ensure that all activities and programs funded by FEMA, including grant-funded projects, comply with federal EHP laws, Executive Orders, regulations, and policies, as applicable.

**Recipients and subrecipients proposing projects that have the potential to impact the environment, including, but not limited to, the construction of communication towers, modification or renovation of existing buildings, structures, and facilities, or new construction including replacement of facilities, must participate in the FEMA EHP review process.** The EHP review process involves the submission of a detailed project description along with any supporting documentation requested by FEMA in order to determine whether the proposed project has the potential to impact environmental resources or historic properties.

In some cases, FEMA is also required to consult with other regulatory agencies and the public in order to complete the review process. Federal law requires EHP review to be

completed before federal funds are released to carry out proposed projects. FEMA may not be able to fund projects that are not in compliance with applicable EHP laws, Executive Orders, regulations, and policies.

DHS and FEMA EHP policy is found in directives and instructions available on the [FEMA.gov EHP page](#), the FEMA website page that includes documents regarding EHP responsibilities and program requirements, including implementation of the National Environmental Policy Act and other EHP regulations and Executive Orders. Individual FEMA programs have separate procedures to conduct and document EHP review. Guidance for individual grant programs are available from applicable program offices.

**d. *Construction Project Requirements***

Acceptance of federal funding requires FEMA, the recipient, and any subrecipients to comply with all federal, state, and local laws and regulations prior to the start of any construction activity. Failure to obtain all appropriate federal, state, and local environmental permits and clearances may jeopardize federal funding. Also:

- Any change to the approved scope of work will require re-evaluation by FEMA for recipient and subrecipient compliance with the NEPA and other laws and Executive Orders.
- If ground-disturbing activities occur during construction, the recipient and any subrecipients must ensure monitoring of ground disturbance, and if any potential archaeological resources are discovered, the subrecipient will immediately cease construction in that area and notify the recipient and FEMA.
  - All mitigation projects must be in conformance with flood insurance requirements. This means that if the project is located in a Special Flood Hazard Area (SFHA): (a) the project must be in a jurisdiction participating in the National Flood Insurance Program (NFIP); and (b) the property owner(s) must obtain and maintain flood insurance for the life of the structure, regardless of transfer of ownership, in an amount at least equal to the project cost or to the maximum limit of coverage made available with respect to the mitigated property, whichever is less.

**3. Reporting**

Recipients are required to submit various financial and programmatic reports as a condition of award acceptance. Future awards and funds drawdown may be withheld if these reports are delinquent.

**a. *Financial Reporting Requirements***

**i. FEDERAL FINANCIAL REPORT (FFR)**

Recipients must report obligations and expenditures through the FFR form (SF-425) to FEMA.

Recipients may review the Federal Financial Reporting Form (FFR) (SF-425) at <https://www.grants.gov/web/grants/forms/post-award-reporting-forms.html#sortBy=1>

Recipients must file the FFR electronically using FEMA GO.

**ii. FFR REPORTING PERIODS AND DUE DATES**

An FFR must be submitted quarterly throughout the POP, including partial calendar quarters, as well as in periods where no grant award activity occurs. The final FFR is due within 120 days after the end of the POP. Future awards and fund drawdowns may be withheld if these reports are delinquent, demonstrate lack of progress, or are insufficient in detail.

Except for the final FFR due at 120 days after the end of the POP for purposes of closeout, the following reporting periods and due dates apply for the FFR:

| Reporting Period        | Report Due Date |
|-------------------------|-----------------|
| October 1 – December 31 | January 30      |
| January 1 – March 31    | April 30        |
| April 1 – June 30       | July 30         |
| July 1 – September 30   | October 30      |

The Federal Financial Report (FFR) form is available online at:

[SF-425 OMB #4040-0014](#)

Recipients must report obligations and expenditures on a quarterly basis through the FFR to DHS/FEMA. Recipients must file the FFR electronically using FEMA GO. Recipients must submit an FFR quarterly throughout the period of performance, including partial calendar quarters, as well as for periods where no grant award activity occurs. FEMA may withhold future awards and fund drawdowns if these reports are delinquent, demonstrate lack of progress, or are insufficient in detail.

**b. Programmatic Performance Reporting Requirements**

**i. PERFORMANCE PROGRESS REPORT (PPR)**

In addition to the FFR reports, Recipients must report on the progress of the grant on a quarterly basis to DHS/FEMA using the Quarterly Performance Report in FEMA GO. The Quarterly Performance Reports must be submitted electronically in FEMA GO throughout the period of performance, even for periods where no grant Award activity occurs. Reports are due within 30 days from the end of the first federal quarter following the initial grant Award and within 30 days after every subsequent quarter until the grant ends.

**c. Closeout Reporting Requirements**

**i. CLOSEOUT REPORTING**

Within 120 days after the end of the period of performance for the prime award or after an amendment has been issued to close out an award before the original POP ends, recipients must liquidate all financial obligations and must submit the following:

- i. The final request for payment, if applicable.
- ii. The final FFR (SF-425).
- iii. The final progress report detailing all accomplishments, including a narrative summary of the impact of those accomplishments throughout the period of performance.
- iv. Other documents required by this NOFO, terms and conditions of the award, or other FEMA guidance.

In addition, pass-through entities are responsible for closing out their subawards as described in 2 C.F.R. § 200.344; subrecipients are still required to submit closeout materials within 90 days of the period of performance end date. When a subrecipient completes all closeout requirements, pass-through entities must promptly complete all closeout actions for subawards in time for the recipient to submit all necessary documentation and information to FEMA during the closeout of the prime award.

After the prime award closeout reports have been reviewed and approved by FEMA, a closeout notice will be completed to close out the grant. The notice will indicate the period of performance as closed, list any remaining funds that will be deobligated, and address the requirement of maintaining the grant records for at least three years from the date of the final FFR. The record retention period may be longer, such as due to an audit or litigation, for equipment or real property used beyond the period of performance, or due to other circumstances outlined in 2 C.F.R. § 200.334.

The recipient is responsible for refunding to FEMA any balances of unobligated cash that FEMA paid that are not authorized to be retained per 2 C.F.R. § 200.344(d).

## **ii. ADMINISTRATIVE CLOSEOUT**

Administrative closeout is a mechanism for FEMA to unilaterally move forward with closeout of an award using available award information in lieu of final reports from the recipient per 2 C.F.R. § 200.344(h)-(i). It is a last resort available to FEMA, and if FEMA needs to administratively close an award, this may negatively impact a recipient's ability to obtain future funding. This mechanism can also require FEMA to make cash or cost adjustments and ineligible cost determinations based on the information it has, which may result in identifying a debt owed to FEMA by the recipient.

When a recipient is not responsive to FEMA's reasonable efforts to collect required reports needed to complete the standard closeout process, FEMA is required under 2 C.F.R. § 200.344(h) to start the administrative closeout process within the regulatory timeframe. FEMA will make at least three written attempts to collect required reports before initiating administrative closeout. If the recipient does not submit all required reports in accordance with 2 C.F.R. § 200.344, this NOFO, and the terms and conditions of the award, FEMA must proceed to administratively close the award with the information available within one year of the period of performance end date. Additionally, if the recipient does not submit all required reports within one year of the period of performance end date, per 2 C.F.R. § 200.344(i), FEMA must report in FAPIIS the recipient's material failure to comply with the terms and conditions of the award.

If FEMA administratively closes an award where no final FFR has been submitted, FEMA uses that administrative closeout date in lieu of the final FFR submission date as the start of the record retention period under 2 C.F.R. § 200.334.

In addition, if an award is administratively closed, FEMA may decide to impose remedies for noncompliance per 2 C.F.R. § 200.339, consider this information in reviewing future award applications, or apply special conditions to existing or future awards.

**d. *Additional Reporting Requirements***

**i. DISCLOSING INFORMATION PER 2 C.F.R. § 180.335**

This reporting requirement pertains to disclosing information related to government-wide suspension and debarment requirements. Before a recipient enters into a grant award with FEMA, the recipient must notify FEMA if it knows if it or any of the recipient's principals under the award fall under one or more of the four criteria listed at 2 C.F.R. § 180.335:

- i. Are presently excluded or disqualified;
- ii. Have been convicted within the preceding three years of any of the offenses listed in 2 C.F.R. § 180.800(a) or had a civil judgment rendered against it or any of the recipient's principals for one of those offenses within that time period;
- iii. Are presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses listed in 2 C.F.R. § 180.800(a); or
- iv. Have had one or more public transactions (federal, state, or local) terminated within the preceding three years for cause or default.

At any time after accepting the award, if the recipient learns that it or any of its principals falls under one or more of the criteria listed at 2 C.F.R. § 180.335, the recipient must provide immediate written notice to FEMA in accordance with 2 C.F.R. § 180.350.

**ii. REPORTING OF MATTERS RELATED TO RECIPIENT INTEGRITY AND PERFORMANCE**

Per 2 C.F.R. Part 200, Appendix I § F.3, the additional post-award reporting requirements in 2 C.F.R. Part 200, Appendix XII may apply to applicants who, if upon becoming recipients, have a total value of currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies that exceeds \$10,000,000 for any period of time during the period of performance of an award under this funding opportunity.

Recipients that meet these criteria must maintain current information reported in FAPIIS about civil, criminal, or administrative proceedings described in paragraph 2 of Appendix XII at the reporting frequency described in paragraph 4 of Appendix XII.

**iii. SINGLE AUDIT REPORT**

For audits of fiscal years beginning on or after December 26, 2014, recipients that expend \$750,000 or more from all federal funding sources during their fiscal year are required to submit an organization-wide financial and compliance audit report, also known as the single audit report.

The audit must be performed in accordance with the requirements of U.S. Government Accountability Office's (GAO) Government Auditing Standards, located at <https://www.gao.gov/yellowbook/overview>, and the requirements of Subpart F of 2 C.F.R. Part 200, located at <http://www.ecfr.gov/cgi-bin/text-idx?node=sp2.1.200.f>.

#### **4. Monitoring and Oversight**

Per 2 C.F.R. § 200.337, FEMA, through its authorized representatives, has the right, at all reasonable times, to make site visits or conduct desk reviews to review project accomplishments and management control systems to review award progress and to provide any required technical assistance. During site visits or desk reviews, FEMA will review recipients' files related to the award. As part of any monitoring and program evaluation activities, recipients must permit FEMA, upon reasonable notice, to review grant-related records and to interview the organization's staff and contractors regarding the program. Recipients must respond in a timely and accurate manner to FEMA requests for information relating to the award.

Effective monitoring and oversight help FEMA ensure that recipients use grant funds for their intended purpose(s); verify that projects undertaken are consistent with approved plans; and ensure that recipients make adequate progress toward stated goals and objectives. Additionally, monitoring serves as the primary mechanism to ensure that recipients comply with applicable laws, rules, regulations, program guidance, and requirements. FEMA regularly monitors all grant programs both financially and programmatically in accordance with federal laws, regulations (including 2 C.F.R. Part 200), program guidance, and the terms and conditions of the award. All monitoring efforts ultimately serve to evaluate progress towards grant goals and proactively target and address issues that may threaten grant success during the period of performance.

FEMA staff will periodically monitor recipients to ensure that administrative processes, policies and procedures, budgets, and other related award criteria are meeting Federal Government-wide and FEMA regulations. Aside from reviewing quarterly financial and programmatic reports, FEMA may also conduct enhanced monitoring through either desk-based reviews, onsite monitoring visits, or both. Enhanced monitoring will involve the review and analysis of the financial compliance and administrative processes, policies, activities, and other attributes of each federal assistance award, and it will identify areas where the recipient may need technical assistance, corrective actions, or other support.

Financial and programmatic monitoring are complementary processes within FEMA's overarching monitoring strategy that function together to ensure effective grants management, accountability, and transparency; validate progress against grant and program goals; and safeguard federal funds against fraud, waste, and abuse. Financial monitoring primarily focuses on statutory and regulatory compliance with administrative grant requirements, while programmatic monitoring seeks to validate and assist in grant progress, targeting issues that may be hindering achievement of project goals and ensuring compliance with the purpose of the grant and grant program. Both monitoring processes are similar in that they feature initial reviews of all open awards, and additional, in-depth monitoring of grants requiring additional attention.

Recipients and subrecipients who are pass-through entities are responsible for monitoring their subrecipients in a manner consistent with the terms of the federal award at 2 C.F.R. Part 200, including 2 C.F.R. § 200.332. This includes the pass-through entity's responsibility to monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

In terms of overall award management, recipient and subrecipient responsibilities include, but are not limited to: accounting of receipts and expenditures, cash management, maintaining adequate financial records, reporting and refunding expenditures disallowed by audits, monitoring if acting as a pass-through entity, or other assessments and reviews, and ensuring overall compliance with the terms and conditions of the award or subaward, as applicable, including the terms of 2 C.F.R. Part 200.

## **G. DHS Awarding Agency Contact Information**

### **1. Contact and Resource Information**

#### **a. Program Office Contact**

General questions about the FMA program can be directed to the appropriate FEMA Regional Office or SHMO. Contact information for FEMA Regional Offices is provided at <https://www.fema.gov/about/contact>. Contact information for the SHMOs is provided at <https://www.fema.gov/state-hazard-mitigation-officers>.

The HMA Helpline is available by telephone 1-866-222-3580.

For questions about cost-effectiveness and FEMA's BCA software, contact the BC Helpline by telephone 1-855-540-6744 or email [BCHelpline@fema.dhs.gov](mailto:BCHelpline@fema.dhs.gov).

The Feasibility and Effectiveness Helpline is available for guidance on FEMA Building Science publications by email [FEMA-BuildingScienceHelp@fema.dhs.gov](mailto:FEMA-BuildingScienceHelp@fema.dhs.gov).

For questions about NEPA or EHP requirements, the EHP Helpline is available by telephone 1-866-222-3580 or email [ehhelpline@fema.dhs.gov](mailto:ehhelpline@fema.dhs.gov).

Resources and job aids intended to help prepare applications and subapplications are available on FEMA's Hazard Mitigation Assistance webpage at <https://www.fema.gov/grants/mitigation>.

Resources intended to help applicants and subapplicants prepare mitigation plans and planning grants are available on FEMA's Mitigation planning webpage at [Hazard Mitigation Planning| FEMA.gov](https://www.fema.gov/hazard-mitigation-planning).

FEMA publications that specify the documentation and information necessary for FEMA to review project subapplications for feasibility and effectiveness, cost-effectiveness, and potential impacts on environmental and cultural resources are available on the FEMA website at <https://www.fema.gov/hazard-mitigation-assistance-publications>.



**b. *Centralized Scheduling and Information Desk (CSID)***

CSID is a non-emergency comprehensive management and information resource developed by FEMA for grants stakeholders. CSID provides general information on all FEMA grant programs and maintains a comprehensive database containing key personnel contact information at the federal, state, and local levels. When necessary, recipients will be directed to a federal point of contact who can answer specific programmatic questions or concerns. CSID can be reached by phone at (800) 368-6498 or by e-mail at [askcsid@fema.dhs.gov](mailto:askcsid@fema.dhs.gov), Monday through Friday, 9:00 AM – 5:00 PM ET.

**c. *FEMA Regional Offices***

FEMA Regional Offices manage, administer, and conduct the application budget review, create the award package, approve, amend, and close out awards, as well as conduct cash analysis, financial and programmatic monitoring, and audit resolution for FMA. The Regions also provide technical assistance to FMA recipients.

FEMA Regional Office contact information is available at <https://www.fema.gov/fema-regional-contacts>.

**d. *Equal Rights***

The FEMA Office of Equal Rights (OER) is responsible for compliance with and enforcement of federal civil rights obligations in connection with programs and services conducted by FEMA and recipients of FEMA financial assistance. All inquiries and communications about federal civil rights compliance for FEMA grants under this NOFO should be sent to [FEMA-CivilRightsOffice@fema.dhs.gov](mailto:FEMA-CivilRightsOffice@fema.dhs.gov).

**e. *Environmental Planning and Historic Preservation***

GPD's EHP Team provides guidance and information about the EHP review process to recipients and subrecipients. All inquiries and communications about GPD projects under this NOFO or the EHP review process, including the submittal of EHP review materials, should be sent to [gpdehpinfo@fema.dhs.gov](mailto:gpdehpinfo@fema.dhs.gov).

The FEMA Office of Environmental Planning and Historic Preservation (OEHP) provides guidance and information about the EHP review process to FEMA programs and FEMA's recipients and subrecipients. All inquiries and communications about EHP compliance for FEMA grant projects under this NOFO or the EHP review process should be sent to [FEMA-OEHP-NOFOQuestions@fema.dhs.gov](mailto:FEMA-OEHP-NOFOQuestions@fema.dhs.gov).

**2. *Systems Information***

**a. *FEMA GO***

For technical assistance with the FEMA GO system, please contact the FEMA GO Helpdesk at [femago@fema.dhs.gov](mailto:femago@fema.dhs.gov) or (877) 585-3242, Monday through Friday, 8:00 AM – 6:00 PM ET.

## **H. Additional Information**

### **1. Termination Provisions**

FEMA may terminate a federal award in whole or in part for one of the following reasons. FEMA and the recipient must still comply with closeout requirements at 2 C.F.R. §§ 200.344-200.345 even if an award is terminated in whole or in part. To the extent that subawards are permitted under this NOFO, pass-through entities should refer to 2 C.F.R. § 200.340 for additional information on termination regarding subawards.

#### **a. *Noncompliance***

If a recipient fails to comply with the terms and conditions of a federal award, FEMA may terminate the award in whole or in part. If the noncompliance can be corrected, FEMA may first attempt to direct the recipient to correct the noncompliance. This may take the form of a Compliance Notification. If the noncompliance cannot be corrected or the recipient is non-responsive, FEMA may proceed with a Remedy Notification, which could impose a remedy for noncompliance per 2 C.F.R. § 200.339, including termination. Any action to terminate based on noncompliance will follow the requirements of 2 C.F.R. §§ 200.341-200.342 as well as the requirement of 2 C.F.R. § 200.340(c) to report in FAPIIS the recipient's material failure to comply with the award terms and conditions. See also the section on Actions to Address Noncompliance in this NOFO.

#### **b. *With the Consent of the Recipient***

FEMA may also terminate an award in whole or in part with the consent of the recipient, in which case the parties must agree upon the termination conditions, including the effective date, and in the case of partial termination, the portion to be terminated.

#### **c. *Notification by the Recipient***

The recipient may terminate the award, in whole or in part, by sending written notification to FEMA setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. In the case of partial termination, FEMA may determine that a partially terminated award will not accomplish the purpose of the federal award, so FEMA may terminate the award in its entirety. If that occurs, FEMA will follow the requirements of 2 C.F.R. §§ 200.341-200.342 in deciding to fully terminate the award.

### **2. Period of Performance Extensions**

Extensions to the period of performance (POP) for this program are allowed. Extensions to the POP identified in the award will only be considered through formal, written requests to the recipient's FEMA Regional Office and must contain specific and compelling justifications as to why an extension is required. Recipients are advised to coordinate with the FEMA Regional Hazard Mitigation Assistance Specialist as needed when preparing an extension request.

All extension requests must address the following:

- a. The grant program, fiscal year, and award number;
- b. Reason for the delay –including details of the legal, policy, or operational challenges that prevent the final outlay of awarded funds by the deadline;

- c. Current status of the activity(ies);
- d. Approved POP termination date and new project completion date;
- e. Amount of funds drawn down to date;
- f. Remaining available funds, both federal and, if applicable, non-federal;
- g. Budget outlining how remaining federal and, if applicable, non-federal funds will be expended;
- h. Plan for completion, including milestones and timeframes for achieving each milestone and the position or person responsible for implementing the plan for completion; and
- i. Certification that the activity(ies) will be completed within the extended POP without any modification to the original statement of work, as described in the application and as approved by FEMA.

Extension requests will be granted only due to compelling legal, policy, or operational challenges. Extension requests will only be considered for the following reasons:

- Contractual commitments by the recipient or subrecipient with vendors prevent completion of the project, including delivery of equipment or services, within the existing POP;
- The project must undergo a complex environmental review that cannot be completed within the existing POP;
- Projects are long-term by design, and therefore acceleration would compromise core programmatic goals; or
- Where other special or extenuating circumstances exist.

Recipients should submit all proposed extension requests to FEMA for review and approval at least 60 days prior to the end of the POP to allow sufficient processing time.

Requests for extensions to an award POP will be evaluated by FEMA but will not be automatically approved. The Regional Administrator can extend the POP for up to 12 months with justification. All requests to extend the award POP beyond 12 months from the original grant POP end date must be approved by FEMA Headquarters.

All extension requests must be submitted to FEMA at least 60 days prior to the expiration of the award POP and justifications must be submitted in writing. The justification must include:

- Verification that progress has been made as described in quarterly reports
- Reason(s) for delay
- Current status of the activity/activities
- Current POP termination date and new projected completion date
- Remaining available funds, both Federal and non-Federal
- Budget outlining how remaining Federal and non-Federal funds will be expended
- Plan for completion, including updated schedule

### 3. Disability Integration

Pursuant to Section 504 of the Rehabilitation Act of 1973, recipients of FEMA financial assistance must ensure that their programs and activities do not discriminate against other qualified individuals with disabilities.

Grant recipients should engage with the whole community to advance individual and community preparedness and to work as a nation to build and sustain resilience. In doing so, recipients are encouraged to consider the needs of individuals with disabilities into the activities and projects funded by the grant.

FEMA expects that the integration of the needs of people with disabilities will occur at all levels, including planning; alerting, notification, and public outreach; training; purchasing of equipment and supplies; protective action implementation; and exercises/drills.

The following are examples that demonstrate the integration of the needs of people with disabilities in carrying out FEMA awards:

- Include representatives of organizations that work with/for people with disabilities on planning committees, work groups and other bodies engaged in development and implementation of the grant programs and activities.
- Hold all activities related to the grant in locations that are accessible to persons with physical disabilities to the extent practicable.
- Acquire language translation services, including American Sign Language, that provide public information across the community and in shelters.
- Ensure shelter-specific grant funds are in alignment with FEMA's [Guidance on Planning for Integration of Functional Needs Support Services in General Population Shelters](#).
- If making alterations to an existing building to a primary function area utilizing federal funds, complying with the most recent codes and standards and making path of travel to the primary function area accessible to the greatest extent possible.
- Implement specific procedures used by public transportation agencies that include evacuation and passenger communication plans and measures for individuals with disabilities.
- Identify, create, and deliver training to address any training gaps specifically aimed toward whole-community preparedness. Include and interact with individuals with disabilities, aligning with the designated program capability.
- Establish best practices in inclusive planning and preparedness that consider physical access, language access, and information access. Examples of effective communication access include providing auxiliary aids and services such as sign language interpreters, Computer Aided Real-time Translation (CART), and materials in Braille or alternate formats.

FEMA grant recipients can fund projects towards the resiliency of the whole community, including people with disabilities, such as training, outreach and safety campaigns, provided that the project aligns with this NOFO and the terms and conditions of the award.

#### 4. Conflicts of Interest in the Administration of Federal Awards or Subawards

For conflicts of interest under grant-funded procurements and contracts, refer to the section on Procurement Integrity in this NOFO and 2 C.F.R. §§ 200.317 – 200.327.

To eliminate and reduce the impact of conflicts of interest in the subaward process, recipients and pass-through entities must follow their own policies and procedures regarding the elimination or reduction of conflicts of interest when making subawards. Recipients and pass-through entities are also required to follow any applicable federal and state, local, tribal, or territorial (SLTT) statutes or regulations governing conflicts of interest in the making of subawards.

The recipient or pass-through entity must disclose to the respective Program Analyst or Program Manager, in writing, any real or potential conflict of interest that may arise during the administration of the federal award, as defined by the federal or SLTT statutes or regulations or their own existing policies, within five days of learning of the conflict of interest. Similarly, subrecipients, whether acting as subrecipients or as pass-through entities, must disclose any real or potential conflict of interest to the recipient or next-level pass-through entity as required by the recipient or pass-through entity's conflict of interest policies, or any applicable federal or SLTT statutes or regulations.

Conflicts of interest may arise during the process of FEMA making a federal award in situations where an employee, officer, or agent, any members of his or her immediate family, his or her partner has a close personal relationship, a business relationship, or a professional relationship, with an applicant, subapplicant, recipient, subrecipient, or FEMA employees.

#### 5. Procurement Integrity

Through audits conducted by the DHS Office of Inspector General (OIG) and FEMA grant monitoring, findings have shown that some FEMA recipients have not fully adhered to the proper procurement requirements when spending grant funds. Anything less than full compliance with federal procurement requirements jeopardizes the integrity of the grant as well as the grant program. To assist with determining whether an action is a procurement or instead a subaward, please consult 2 C.F.R. § 200.331.

The below highlights the federal procurement requirements for FEMA recipients when procuring goods and services with federal grant funds. FEMA will include a review of recipients' procurement practices as part of the normal monitoring activities. **All procurement activity must be conducted in accordance with federal procurement standards at 2 C.F.R. §§ 200.317 – 200.327.** Select requirements under these standards are listed below. The recipient and any of its subrecipients must comply with all requirements, even if they are not listed below.

Under 2 C.F.R. § 200.317, when procuring property and services under a federal award, states (including territories) must follow the same policies and procedures they use for procurements from their non-federal funds; additionally, states must now follow 2 C.F.R. § 200.321 regarding socioeconomic steps, 200.322 regarding domestic preferences for

procurements, 200.323 regarding procurement of recovered materials, and 2 C.F.R. § 200.327 regarding required contract provisions.

**All other non-federal entities, such as tribes (collectively, non-state entities),** must have and use their own documented procurement procedures that reflect applicable SLTT laws and regulations, provided that the procurements conform to applicable federal law and the standards identified in 2 C.F.R. Part 200. These standards include, but are not limited to, providing for full and open competition consistent with the standards of 2 C.F.R. § 200.319 and § 200.320.

**a. *Important Changes to Procurement Standards in 2 C.F.R. Part 200***

OMB recently updated various parts of Title 2 of the Code of Federal Regulations, among them, the procurement standards. States are now required to follow the socioeconomic steps in soliciting small and minority businesses, women’s business enterprises, and labor surplus area firms per 2 C.F.R. § 200.321. All non-federal entities should also, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States per 2 C.F.R. § 200.322.

The recognized procurement methods in 2 C.F.R. § 200.320 have been reorganized into informal procurement methods, which include micro-purchases and small purchases; formal procurement methods, which include sealed bidding and competitive proposals; and noncompetitive procurements. The federal micro-purchase threshold is currently \$10,000, and non-state entities may use a lower threshold when using micro-purchase procedures under a FEMA award. If a non-state entity wants to use a micro-purchase threshold higher than the federal threshold, it must follow the requirements of 2 C.F.R. § 200.320(a)(1)(iii)-(iv). The federal simplified acquisition threshold is currently \$250,000, and a non-state entity may use a lower threshold but may not exceed the federal threshold when using small purchase procedures under a FEMA award.

See 2 C.F.R. §§ 200.216, 200.471, and Appendix II as well as section D.13.a of the NOFO regarding prohibitions on covered telecommunications equipment or services.

**b. *Competition and Conflicts of Interest***

Among the requirements of 2 C.F.R. § 200.319(b) applicable to all non-federal entities other than states, in order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. FEMA considers these actions to be an organizational conflict of interest and interprets this restriction as applying to contractors that help a non-federal entity develop its grant application, project plans, or project budget. This prohibition also applies to the use of former employees to manage the grant or carry out a contract when those former employees worked on such activities while they were employees of the non-federal entity.

Under this prohibition, unless the non-federal entity solicits for and awards a contract covering both development and execution of specifications (or similar elements as described

above), and this contract was procured in compliance with 2 C.F.R. §§ 200.317 – 200.327, federal funds cannot be used to pay a contractor to carry out the work if that contractor also worked on the development of those specifications. This rule applies to all contracts funded with federal grant funds, including pre-award costs, such as grant writer fees, as well as post-award costs, such as grant management fees.

Additionally, some of the situations considered to be restrictive of competition include, but are not limited to:

- Placing unreasonable requirements on firms for them to qualify to do business;
- Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms or between affiliated companies;
- Noncompetitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- Any arbitrary action in the procurement process.

Per 2 C.F.R. § 200.319(c), non-federal entities other than states must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed SLTT geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

Under 2 C.F.R. § 200.318(c)(1), non-federal entities other than states are required to maintain written standards of conduct covering conflicts of interest and governing the actions of their employees engaged in the selection, award, and administration of contracts. **No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest.** Such conflicts of interest would arise when the employee, officer or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of the non-federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-federal entity. If the recipient or subrecipient (other than states) has a parent, affiliate, or subsidiary organization that is not a state, local, tribal, or territorial government, the non-federal entity must also maintain written standards of conduct covering organizational conflicts of interest. In this context, organizational

conflict of interest means that because of a relationship with a parent company, affiliate, or subsidiary organization, the non-federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. The non-federal entity must disclose in writing any potential conflicts of interest to FEMA or the pass-through entity in accordance with applicable FEMA policy.

**c. *Supply Schedules and Purchasing Programs***

Generally, a non-federal entity may seek to procure goods or services from a federal supply schedule, state supply schedule, or group purchasing agreement.

**i. GENERAL SERVICES ADMINISTRATION SCHEDULES**

States, tribes, and local governments, and any instrumentality thereof (such as local education agencies or institutions of higher education) may procure goods and services from a General Services Administration (GSA) schedule. GSA offers multiple efficient and effective procurement programs for state, tribal, and local governments, and instrumentalities thereof, to purchase products and services directly from pre-vetted contractors. The GSA Schedules (also referred to as the Multiple Award Schedules and the Federal Supply Schedules) are long-term government-wide contracts with commercial firms that provide access to millions of commercial products and services at volume discount pricing.

Information about GSA programs for states, tribes, and local governments, and instrumentalities thereof, can be found at <https://www.gsa.gov/resources-for/programs-for-State-and-local-governments> and <https://www.gsa.gov/buying-selling/purchasing-programs/gsa-schedules/schedule-buyers/state-and-local-governments>.

For tribes, local governments, and their instrumentalities that purchase from a GSA schedule, this will satisfy the federal requirements for full and open competition provided that the recipient follows the GSA ordering procedures; however, tribes, local governments, and their instrumentalities will still need to follow the other rules under 2 C.F.R. §§ 200.317 – 200.327, such as solicitation of minority businesses, women’s business enterprises, small businesses, or labor surplus area firms (§ 200.321), domestic preferences (§ 200.322), contract cost and price (§ 200.324), and required contract provisions (§ 200.327 and Appendix II).

**ii. OTHER SUPPLY SCHEDULES AND PROGRAMS**

For non-federal entities other than states, such as tribes, local governments, and nonprofits, that want to procure goods or services from a state supply schedule, cooperative purchasing program, or other similar program, in order for such procurements to be permissible under federal requirements, the following must be true:

- The procurement of the original contract or purchasing schedule and its use by the non-federal entity complies with state and local law, regulations, and written procurement procedures;
- The state or other entity that originally procured the original contract or purchasing schedule entered into the contract or schedule with the express purpose of making it available to the non-federal entity and other similar types of entities;



- The contract or purchasing schedule specifically allows for such use, and the work to be performed for the non-federal entity falls within the scope of work under the contract as to type, amount, and geography;
- The procurement of the original contract or purchasing schedule complied with all the procurement standards applicable to a non-federal entity other than states under at 2 C.F.R. §§ 200.317 – 200.327; and
- With respect to the use of a purchasing schedule, the non-federal entity must follow ordering procedures that adhere to applicable state, tribal, and local laws and regulations and the minimum requirements of full and open competition under 2 C.F.R. Part 200.

If a non-federal entity other than a state seeks to use a state supply schedule, cooperative purchasing program, or other similar type of arrangement, FEMA recommends the recipient discuss the procurement plans with its FEMA Regional Grants Management Specialist.

#### d. *Procurement Documentation*

Per 2 C.F.R. § 200.318(i), non-federal entities other than states and territories are required to maintain and retain records sufficient to detail the history of procurement covering at least the rationale for the procurement method, contract type, contractor selection or rejection, and the basis for the contract price. States and territories are encouraged to maintain and retain this information as well and are reminded that in order for any cost to be allowable, it must be adequately documented per 2 C.F.R. § 200.403(g).

Examples of the types of documents that would cover this information include but are not limited to:

- Solicitation documentation, such as requests for quotes, invitations for bids, or requests for proposals;
- Responses to solicitations, such as quotes, bids, or proposals;
- Pre-solicitation independent cost estimates and post-solicitation cost/price analyses on file for review by federal personnel, if applicable;
- Contract documents and amendments, including required contract provisions; and
- Other documents required by federal regulations applicable at the time a grant is awarded to a recipient.

## 6. Record Retention

### a. *Record Retention Period*

Financial records, supporting documents, statistical records, and all other non-federal entity records pertinent to a federal award generally must be maintained for at least three years from the date the final FFR is submitted. *See* 2 C.F.R. § 200.334. Further, if the recipient does not submit a final FFR and the award is administratively closed, FEMA uses the date of administrative closeout as the start of the general record retention period.

The record retention period **may be longer than three years or have a different start date** in certain cases. These include:

- Records for real property and equipment acquired with federal funds must be retained for **three years after final disposition of the property**. *See* 2 C.F.R. § 200.334(c).

- If any litigation, claim, or audit is started before the expiration of the three-year period, the records **must be retained until** all litigation, claims, or audit findings involving the records **have been resolved and final action taken**. *See* 2 C.F.R. § 200.334(a).
- The **record retention period will be extended if the recipient is notified in writing** of the extension by FEMA, the cognizant or oversight agency for audit, or the cognizant agency for indirect costs. *See* 2 C.F.R. § 200.334(b).
- Where FEMA requires recipients to report program income after the period of performance ends, the **program income record retention period begins at the end of the recipient's fiscal year in which program income is earned**. *See* 2 C.F.R. § 200.334(e).
- For indirect cost rate proposals, cost allocation plans, or other rate computations records, the start of the record retention period depends on whether the indirect cost rate documents were submitted for negotiation. If the **indirect cost rate documents were submitted for negotiation, the record retention period begins from the date those documents were submitted** for negotiation. If indirect cost rate documents were **not submitted for negotiation, the record retention period begins at the end of the recipient's fiscal year or other accounting period covered by that indirect cost rate**. *See* 2 C.F.R. § 200.334(f).

#### b. *Types of Records to Retain*

FEMA requires that non-federal entities maintain the following documentation for federally funded purchases:

- Specifications
- Solicitations
- Competitive quotes or proposals
- Basis for selection decisions
- Purchase orders
- Contracts
- Invoices
- Cancelled checks

Non-federal entities should keep detailed records of all transactions involving the grant. FEMA may at any time request copies of any relevant documentation and records, including purchasing documentation along with copies of cancelled checks for verification. *See, e.g.,* 2 C.F.R. §§ 200.318(i), 200.334, 200.337.

In order for any cost to be allowable, it must be adequately documented per 2 C.F.R. § 200.403(g). Non-federal entities who fail to fully document all purchases may find their expenditures questioned and subsequently disallowed.

#### 7. **Actions to Address Noncompliance**

Non-federal entities receiving financial assistance funding from FEMA are required to comply with requirements in the terms and conditions of their awards or subawards, including the terms set forth in applicable federal statutes, regulations, NOFOs, and policies. Throughout the award lifecycle or even after an award has been closed, FEMA or the pass-

through entity may discover potential or actual noncompliance on the part of a recipient or subrecipient. This potential or actual noncompliance may be discovered through routine monitoring, audits, closeout, or reporting from various sources.

In the case of any potential or actual noncompliance, FEMA may place special conditions on an award per 2 C.F.R. §§ 200.208 and 200.339, FEMA may place a hold on funds until the matter is corrected, or additional information is provided per 2 C.F.R. § 200.339, or it may do both. Similar remedies for noncompliance with certain federal civil rights laws are authorized pursuant to 44 C.F.R. Parts 7 and 19.

In the event the noncompliance is not able to be corrected by imposing additional conditions or the recipient or subrecipient refuses to correct the matter, FEMA might take other remedies allowed under 2 C.F.R. § 200.339. These remedies include actions to disallow costs, recover funds, wholly or partly suspend or terminate the award, initiate suspension and debarment proceedings, withhold further federal awards, or take other remedies that may be legally available. For further information on termination due to noncompliance, see the section on Termination Provisions in the NOFO.

FEMA may discover and act on noncompliance even after an award has been closed. The closeout of an award does not affect FEMA's right to disallow costs and recover funds as long the action to disallow costs takes place during the record retention period. *See* 2 C.F.R. §§ 200.334, 200.345(a). Closeout also does not affect the obligation of the non-federal entity to return any funds due as a result of later refunds, corrections, or other transactions. 2 C.F.R. § 200.345(a)(2).

The types of funds FEMA might attempt to recover include, but are not limited to, improper payments, cost share reimbursements, program income, interest earned on advance payments, or equipment disposition amounts.

FEMA may seek to recover disallowed costs through a Notice of Potential Debt Letter, a Remedy Notification, or other letter. The document will describe the potential amount owed, the reason why FEMA is recovering the funds, the recipient's appeal rights, how the amount can be paid, and the consequences for not appealing or paying the amount by the deadline.

If the recipient neither appeals nor pays the amount by the deadline, the amount owed will become final. Potential consequences if the debt is not paid in full or otherwise resolved by the deadline include the assessment of interest, administrative fees, and penalty charges; administratively offsetting the debt against other payable federal funds; and transferring the debt to the U.S. Department of the Treasury for collection.

FEMA notes the following common areas of noncompliance for FEMA's grant programs:

- Insufficient documentation and lack of record retention.
- Failure to follow the procurement under grants requirements.
- Failure to submit closeout documents in a timely manner.
- Failure to follow EHP requirements.
- Failure to comply with the POP deadline.

## 8. Audits

FEMA grant recipients are subject to audit oversight from multiple entities including the DHS OIG, the GAO, the pass-through entity, or independent auditing firms for single audits, and may cover activities and costs incurred under the award. Auditing agencies such as the DHS OIG, the GAO, and the pass-through entity (if applicable), and FEMA in its oversight capacity, must have access to records pertaining to the FEMA award. Recipients and subrecipients must retain award documents for at least three years from the date the final FFR is submitted, and even longer in many cases subject to the requirements of 2 C.F.R. § 200.334. In the case of administrative closeout, documents must be retained for at least three years from the date of closeout, or longer subject to the requirements of 2 C.F.R. § 200.334. If documents are retained longer than the required retention period, the DHS OIG, the GAO, and the pass-through entity, as well as FEMA in its oversight capacity, have the right to access these records as well. *See* 2 C.F.R. §§ 200.334, 200.337.

Additionally, non-federal entities must comply with the single audit requirements at 2 C.F.R. Part 200, Subpart F. Specifically, non-federal entities, other than for-profit subrecipients, that expend \$750,000 or more in federal awards during their fiscal year must have a single or program-specific audit conducted for that year in accordance with Subpart F. 2 C.F.R. § 200.501. A single audit covers all federal funds expended during a fiscal year, not just FEMA funds. The cost of audit services may be allowable per 2 C.F.R. § 200.425, but non-federal entities must select auditors in accordance with 2 C.F.R. § 200.509, including following the proper procurement procedures. For additional information on single audit reporting requirements, see section F of this NOFO under the header “Single Audit Report” within the subsection “Additional Reporting Requirements.”

The objectives of single audits are to:

- Determine if financial statements conform to generally accepted accounting principles (GAAP);
- Determine whether the schedule of expenditures of federal awards is presented fairly;
- Understand, assess, and test the adequacy of internal controls for compliance with major programs; and
- Determine if the entity complied with applicable laws, regulations, and contracts or grants.

For single audits, the auditee is required to prepare financial statements reflecting its financial position, a schedule of federal award expenditures, and a summary of the status of prior audit findings and questioned costs. The auditee also is required to follow up and take appropriate corrective actions on new and previously issued but not yet addressed audit findings. The auditee must prepare a corrective action plan to address the new audit findings. 2 C.F.R. §§ 200.508, 200.510, 200.511.

Non-federal entities must have an audit conducted, either single or program-specific, of their financial statements and federal expenditures annually or biennially pursuant to 2 C.F.R. § 200.504. Non-federal entities must also follow the information submission requirements of 2 C.F.R. § 200.512, including submitting the audit information to the [Federal Audit](#)

[Clearinghouse](#) within the earlier of 30 calendar days after receipt of the auditor’s report(s) or nine months after the end of the audit period. The audit information to be submitted include the data collection form described at 2 C.F.R. § 200.512(c) and Appendix X to 2 C.F.R. Part 200 as well as the reporting package described at 2 C.F.R. § 200.512(b).

The non-federal entity must retain one copy of the data collection form and one copy of the reporting package for three years from the date of submission to the Federal Audit Clearinghouse. 2 C.F.R. § 200.512; *see also* 2 C.F.R. § 200.517 (setting requirements for retention of documents by the auditor and access to audit records in the auditor’s possession).

FEMA, the DHS OIG, the GAO, and the pass-through entity (if applicable), as part of monitoring or as part of an audit, may review a non-federal entity’s compliance with the single audit requirements. In cases of continued inability or unwillingness to have an audit conducted in compliance with 2 C.F.R. Part 200, Subpart F, FEMA and the pass-through entity, if applicable, are required to take appropriate remedial action under 2 C.F.R. § 200.339 for noncompliance, pursuant to 2 C.F.R. § 200.505.

## 9. Payment Information

FEMA uses the Direct Deposit/Electronic Funds Transfer (DD/EFT) method of payment to recipients. To enroll in the DD/EFT, the recipient must complete SF-1199A, Direct Deposit Form.

Payment requests are submitted through FEMA GO.

## 10. Whole Community Preparedness

Preparedness is a shared responsibility that calls for the involvement of everyone—not just the government—in preparedness efforts. By working together, everyone can help keep the nation safe from harm and help keep it resilient when struck by hazards, such as natural disasters, acts of terrorism, and pandemics.

[Whole Community](#) includes:

- Individuals and families, including those with access and functional needs
- Businesses
- Faith-based and community organizations
- Nonprofit groups
- Schools and academia
- Media outlets
- All levels of government, including state, local, tribal, territorial, and federal partners

The phrase “Whole Community” often appears in preparedness materials, as it is one of the guiding principles. It means two things:

1. Involving people in the development of national preparedness documents.
2. Ensuring their roles and responsibilities are reflected in the content of the materials.

## 11. Extraordinary Circumstances

Applicants and subapplicants must have a FEMA-approved current hazard mitigation plan at

the time of application submission and at the time of the award; hazard mitigation plans pending adoption is not sufficient. However, for project subawards, the Region may grant an exception to the local or Tribal Mitigation Plan requirement in extraordinary circumstances if the local hazard mitigation plan has expired after the application submission deadline but before the time of award.

For project subawards, the Region may apply extraordinary circumstances when justification is provided and with concurrence from FEMA Headquarters (Hazard Mitigation Assistance and Risk Analysis Divisions) prior to granting an exception. If this exception is granted, a local or Tribal Mitigation Plan must be approved by FEMA within 12 months of the award of the project subaward to that community.

Pursuant to HMA Guidance, extraordinary circumstances exist when a determination is made by the applicant and FEMA that the proposed project is consistent with the priorities and strategies identified in the State or Tribal (Standard or Enhanced) Mitigation Plan and that the jurisdiction meets at least one of the criteria provided in section E.53 of HMA Guidance, accessible at: <https://www.fema.gov/grants/mitigation/hazard-mitigation-assistance-guidance>.

The applicant must provide written justification that identifies the specific criteria from above or circumstance, explains why there is no longer an impediment to satisfying the mitigation planning requirement, and identifies the specific actions or circumstances that eliminated the deficiency.

## **12. Integrating Mitigation and Planning**

In addition, SLTTs are encouraged, but not required, to pursue Plan Integration, which is a process where SLTTs look critically at their existing planning framework, such as state and local mitigation plans, and align efforts. Integration of hazard mitigation principles into other local planning mechanisms (economic development, housing, comprehensive plans, transportation plans, floodplain ordinances, etc.) and vice versa is vital to build safer, more resilient, equitable communities. This two-way exchange of information supports community-wide risk reduction, both before and after disasters occur. Not only will the community's planning efforts be better integrated, but by going through this process there is a higher level of interagency coordination, which is just as important as the planning mechanisms. Additional information on Plan Integration can be found at [Implement, Integrate and Maintain Mitigation Planning Activities | FEMA.gov](#), [Guides to Expanding Mitigation | FEMA.gov](#), and <https://planning.org/nationalcenters/hazards/>.