



# Hazard Mitigation Programs Planning Management Handbook

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New York State

Division of Homeland Security and Emergency Services (DHSES)  
2019

# PLANNING MANAGEMENT HANDBOOK

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## PROGRAM OVERVIEW

The purpose of this handbook is to serve as a guide for the administration of planning grants awarded pursuant to Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (The Stafford Act) as amended. The intent of the program is to reduce future disaster damages by providing financial support to implement cost-effective multi-jurisdictional hazard mitigation plans.

Measures consistent with the State Hazard Mitigation Plan are identified and applied for by eligible county applicants and Indian Tribes or tribal organizations.

Under Hazard Mitigation Programs, the State is designated the *Recipient* (formerly known as Grantee) and the eligible subapplicant as identified above, after funding is awarded, is designated as the *Subrecipient* (formerly Subgrantee). The NYS Division of Homeland Security and Emergency Services (DHSES) administers Mitigation Programs on behalf of the State of New York and is answerable to the Federal Emergency Management Agency (FEMA). This Handbook describes the role of the Recipient and Subrecipient, and as appropriate references are made to the role of FEMA as the federal agency that disburses the funds and has overall oversight on its use.

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***The State, serving as Recipient, has primary responsibility for project management and accountability of funds as indicated in 44 CFR § 13 et seq. The State should implement a record-keeping and financial management system to meet FEMA’s financial reporting requirements and to document that program funds have not been used in violation of existing regulations. The State should maintain files for each project application, correspondence, vouchers, reports, receipts, and other appropriate documentation. Once project close-out has occurred, these records should be kept for a minimum of three years for audit purposes.***

***Subrecipients, in turn, are responsible to the State for funds they receive under the Hazard Mitigation Programs. Similar, and in some cases more detailed, financial records documenting all expenditures, should be maintained by Subrecipients for a minimum of three years post closeout for audit purposes.***

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The State and Local Agreement signed by each Subrecipient includes the general program and financial requirements to which each Subrecipient must adhere. Additionally, there will be a planning grant agreement between the Recipient and the Subrecipient. This agreement is specific to the approved planning grant and outlines the scope of work, financial management requirements and deadlines. For grants costing \$50,000 or more (Federal funding), this agreement must be approved by the Office of the State Comptroller and the State Attorney General’s office before reimbursement of funds can commence. The following sections and attachments provide in greater detail specific guidance for implementing and managing approved hazard mitigation planning grants.

## II

### PLANNING GRANT IMPLEMENTATION

Upon receipt of the grant approval from the Regional Director of the FEMA Region II, DHSES Mitigation staff will notify the Subrecipient of this decision and schedule a Planning Grant Management Kick-off Briefing, to explain the administration of the grant. The Subrecipient should commence grant implementation as soon as practicable following the notice of FEMA approval, based on the work schedule outlined in the grant application and all the provisions in the FEMA/State approval letter. A copy of the FEMA/State approval letter will be provided to the Subrecipient, informally or formally as soon as it is received by DHSES. ~~The Subrecipient is advised to commence grant implementation rather than waiting for the execution of the grant implementation agreement, as this process could be lengthy.~~

In addition, as a reimbursement program, the Subrecipient must expend funds before payments can be made. To assist the Subrecipient throughout the grant, DHSES Mitigation staff will maintain contact monthly. Please contact your Planning Manager throughout the life of your grant as questions arise.

Correspondence should primarily be conducted with your assigned planning manager, via email.

All mailed correspondence should be sent to the following address:

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**Mitigation Planning  
NYS Division of Homeland Security and Emergency Services  
1220 Washington Avenue, Building 7A, 4<sup>th</sup> Floor  
Albany, New York 12242  
518-292-2304  
518-322-4983 (Fax)**

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### III

#### TIME EXTENSIONS/GRANT MODIFICATION

The Subrecipient must move diligently to implement the grant within the work schedule specified in the approved application. We want to avoid extensions when possible. If circumstances arise which will result in the plan not being completed within this time frame, the Subrecipient should notify DHSES in writing as soon as possible. The request should also be included explicitly in your most recent Quarterly Progress Report (QPR). **Request for extension must be made no later than 60 days prior to the approved grant completion date.** At a minimum, a request and justification for time extension must include the following:

- Verification that progress has been made as described in quarterly reports;
- Reason(s) for delay;
- Current status of the scope of work completed to date (including percentage) and what work still needs to be completed;
- 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; and
- Plan for completion, including updated schedule.

DHSES will review the request and make a determination if authorized to do so. If DHSES is not authorized to grant a time extension to complete a planning grant, DHSES will request such extension from FEMA.

**The Subrecipient is reminded that the HMGP and PDM Program allow for the matching of planning grant costs “up to 75%”.** Therefore, neither the State nor FEMA accepts the responsibility of providing 75% of grant cost irrespective of the situation. It is understood that the Subrecipient will implement the grant as described in the approved application unless permission is sought from and granted by the State and FEMA to change the grants scope.

### IV

#### COST OVERRUNS AND UNDERRUNS

**The funding in the Hazard Mitigation Grant Program (HMGP) for planning grants is finite and is usually completely allocated to eligible grants. Accordingly, funding to support cost overruns is typically available only if there are underruns in other grants.**

**The Pre-Disaster Mitigation (PDM) program is a competitive grant program and, therefore, Federal award amounts are final. There will be no additional FEMA funding beyond initial allocation.**

**If overruns or underruns are projected to occur please contact the State immediately.**

## V

### PLANNING GRANT ADMINISTRATION

**Quarterly Reports:** During grant implementation process, Subrecipients are required to submit quarterly progress reports to DHSES. These reports are reviewed and approved by DHSES before being transmitted to FEMA. Quarterly reports must include plan status, activities, anticipated completion date, financial information such as expenditure to date and anticipated expenditures next quarter, problems encountered and assistance required. Any problem affecting completion dates, scope of work or grant costs should be described. Attachment 1 is a Quarterly Progress Report Form. Your planning manager will provide this form for completion each quarter until the grant is completed and closed out.

**The first quarterly report is due to DHSES within fifteen days after the end of the first full quarter following the notification of grant approval.** Reports must be filled out completely and signed by an authorized agent or delegate. Reports must explain all progress achieved during the quarter. Quarterly reports are due no later than:

- **Quarter 1:** January 15, reporting period October 1 - December 31
- **Quarter 2:** April 15, reporting period January 1 - March 31
- **Quarter 3:** July 15, reporting period April 1 - June 30
- **Quarter 4:** October 15, reporting period July 1 - September 30

The status on QPR after approval but prior to 50% adoption should be 99% and not include a completion date. Your grant will be considered complete upon 50% adoption, including the county.

**Plan Review:** In addition to Federal Requirements set forth in 44 C.F.R. § 201.6, and 44 C.F.R. § 201.7, plans developed with DHSES administered funds must meet the DHSES Hazard Mitigation Planning Standards. DHSES may be available to review draft segments during plan development. Once a draft plan is complete, the Subrecipient will submit this draft to DHSES for review no less than 6 months before the period of performance expires. If DHSES review indicates that revisions are required to meet Federal and State requirements, the draft will be returned to the Subrecipient. Often drafts require revisions before they are sent to FEMA. When all requirements have been met, DHSES will forward the draft plan to FEMA for review.

**Upon meeting all Federal requirements as reviewed by FEMA, the plan will be designated Approvable Pending Adoption (APA).** Upon receipt of APA designation from FEMA, NYSDHSES will forward notification to the Subrecipient, at which point participating jurisdictions must formally adopt the plan in order to be eligible for future mitigation funds.

**Adoption of the plan by a minimum of one (1) participating jurisdiction must occur within one (1) year of receiving the APA designation.** The Subrecipient must send all adoption resolutions to DHSES, who will then forward to FEMA. Once the first adoption resolution has been submitted, FEMA will then approve the plan. This approved plan will be in effect for five (5) years from the date of approval.

The Subrecipient should continue this process of submitting adoption resolutions until all participating jurisdictions have adopted the approved plan.

**Payments/Reimbursement Requests:** Hazard Mitigation Programs are reimbursement programs. Subrecipients are reimbursed for work completed and capital expended. Reimbursement does not have to await full completion and FEMA plan approval; instead, periodic reimbursements can be made as the project is being implemented. **In instances where the periodic reimbursement approach is desired, requests should not be made more than once every three months.**

Following submission of a payment request, the applicant will be reimbursed up to 75% of *eligible* costs incurred on the approved grant.

For planning grants, final payment is held until FEMA has approved the plan and a minimum of 50% of participating jurisdictions have adopted the FEMA approved plan.

**Payment or reimbursement requests must include the following:**

1. A **Summary Sheet, detailing expenditure items;** e.g. labor, material, contractual, etc., total costs incurred, and total payment being requested (75% of incurred eligible expenses). Use the form provided in Attachment 2, Reimbursement Forms.

2. **Detailed documentation of expenditure items,** such as those noted as examples in item 1 above. Use the forms provided in Attachment 2, as appropriate to your grant. If necessary, the Subrecipient may add forms and items that support their claims and document their expenditures to the fullest extent practicable. Subrecipients may also use their own pre-existing forms if they provide the same information that is included on the sample forms included herein. This must be discussed and agreed upon with the planning manager prior to submittal.

3. **Certification by the Chief Elected Official, Chief Executive Officer or their designee (an individual with authority to obligate funds).** This certification provided in Attachment 2 will attest to the completion of the work for which payment is being requested. Furthermore, the official signing the Certification, in doing so, acknowledges that the grant must be completed as specified in the application and FEMA/State's approval letter and that failure to do so could result in DHSES and FEMA requesting that funds previously reimbursed be returned by the Subrecipient.

**Grant Close-out: Final Claim Letter/Final payment:** Upon completion of a grant, the Subrecipient must confirm to the Recipient indicating that the grant has been completed. The Subrecipient has 90 days from the grant completion date to submit documentation of all eligible expenditures. The State will review the documentation to ensure that all claims and costs are eligible and that the work performed complies with the approved grant application. Upon approval of the final reimbursement documentation, FEMA will authorize the State to make final payment. After the final payment has been made and the Subrecipient verifies receipt of this payment, the Recipient will transmit a Close-out Form to the Subrecipient for signature. The Recipient will then transmit this form to FEMA as verification that the grant was implemented and all payments were made in accordance with the FEMA approval letter and associated Recipient/Subrecipient agreements.

Please note: for NYS DSHES to release the FINAL reimbursement, the Subrecipient must submit Adoption Resolutions for a minimum of 50% of participating jurisdictions. The County must be one of the adopting jurisdictions.

## VI

### AUDIT REQUIREMENTS

The Single Audit Act of 1984 (P.L. 98-502, as amended) requires any Subrecipient that expends a total of \$750,000 or more in Federal awards from all sources during its fiscal year obtain either a single audit or a program specific audit for that fiscal year.

A single audit must be conducted if a subrecipient has expended funds of \$750,000 or more in a fiscal year. A program-specific audit may be conducted if a subrecipient has expended funds from only one Federal program. If a subrecipient has expended less than \$750,000 in Federal funds in any fiscal year, it is exempt for such fiscal year from compliance with Federal audit requirements. However, records, contracts, etc. must still be kept and be available for audit or review purposes.

Standards for obtaining consistency and uniformity among federal agencies for the audits of non-federal entities that expend federal funds are found in the U.S. Office of Management and Budget (OMB) circular A-133 and the *Government Auditing Standards* manual issued by the Comptroller General of the United States.

An audit performed under the Single Audit Act shall be conducted by a Certified Public Accountant (CPA) who is licensed by the State of New York. The CPA shall meet all of the general standards concerning qualifications, independence, due professional care and quality control as required by *Government Auditing Standards* (1999 Revision) and any subsequent amendments. When selecting an independent auditor, the subrecipient should adhere to Federal and State procurement requirements.

The audit report of the independent auditor should be prepared in accordance with generally accepted government auditing standards. These standards and other guidelines are contained in the latest version of the following publications:

- *Government Auditing Standards*, Comptroller General of the United States, 1999
- OMB Circular A-133, revised June 24, 1997
- OMB Circular A-133 Compliance Supplement, March 2003, or subsequent revisions
- AICPA's audit guides for State and Local Governmental Units of Not-for-Profit Organizations
- AICPA's Audit Risk Alerts "State and Local Governmental Development"
- AICPA's Audit Risk Alerts "Not-for Profit Organizations Industry Developments"

Any subrecipient of Federal pass-through funds awarded by DHSES will receive a Single Audit Certification letter following the close of that subrecipient's fiscal year. The Single Audit Certification must be completed by the subrecipient and returned.

If a subrecipient audit contains findings on program(s) awarded through DHSES in the Schedule of Findings and Questioned Costs, or contains findings on program(s) awarded through DHSES that are addressed by the auditee in their Summary Schedule of Prior Audit Findings, a copy of the single audit reporting package must be submitted to DHSES.



If no current or prior findings were noted in the audit for programs awarded through DHSES, the subrecipient only needs to submit a notification of audit in lieu of the single audit reporting package. Such notification would include the following:

- Notice that a single audit was conducted for the fiscal year.
- The name, amount, and CFDA number of the Federal awards provided by DHSES.
- The Schedule of Findings and Questioned Costs disclosing no audit findings relative to the Federal awards provided DHSES.
- Notice that the Summary Schedule of Prior Audit Findings did not contain any reference to the Federal awards provided by DHSES.

**If required, either a single audit reporting package or a notification of audit must be submitted by the subrecipient within nine (9) months after the end of the subrecipient's audited fiscal year.**