



**Homeland Security
and Emergency Services**



FEMA

Triggering Disbursement of Public Assistance Funding

July 6, 2022

SMALL PROJECTS



Homeland Security
and Emergency Services

SMALL PROJECTS (under \$131,100)

Automatically paid upon obligation

P.4 Project Completion and Certification Report

- Applicants receive the P.4 Project Completion and Certification Report (P.4 form) when the project is obligated.
- Complete, sign and submit the P.4 form to Disaster Assistance Manager (DAM) Ammu Subramaniam when all work on the project has been completed.
- Submission of P.4 form to the DAM triggers the project closeout process.

Small projects do not get adjusted for actual costs

SMALL PROJECTS (under \$131,100)

AUTOMATICALLY PAID UPON OBLIGATION

Small Project Obligated

Applicants receive P.4 Project Completion and Certification Report (P.4 Form)

When Work Completed

Applicant Signs & Submits P.4 to DAM Ammu Subramaniam

Close Out

Submission of P.4 triggers close out

LARGE PROJECTS



LARGE PROJECTS (over \$131,100)

Must Be Closed Out Based On Actual Costs

Recent change to FEMA's obligation process :

- Effective as of January 1, 2022, FEMA no longer validates proof of payment on work completed prior to obligation, however, DHSES must still validate proof of payment prior to disbursing funds to applicants.
- Consequently, disbursement of funds for large projects that were obligated on or after January 1, 2022, are now triggered solely by either project closeout or a progress payment request.
- For large projects that were obligated prior to January 1, 2022, applicants may have seen automatic disbursement of the federal share of work completed at the time of obligation.
- Expedited projects involved an advance disbursement of the initial obligation subject to a funding agreement, but subsequently convert to a standard large project once the applicant requests an amendment or closeout of that project.

PRIOR TO 1/1/2022

Applicants may have seen automatic disbursement of the federal share of work completed at the time of obligation

FEMA no longer validates proof of payment on work done *prior to obligation* however **DHSES must still validate proof of payment prior to distributing funds**

Disbursement of funds is triggered by either **Project Closeout -or- Progress Payment Request**

JANUARY 1, 2022
FEMA changes obligation process

*Expedited projects involved an advance disbursement of the initial obligation subject to a funding agreement, but subsequently convert to a standard large project once the applicant requests an amendment or closeout of that project.

Large Project Closeouts

(Administrative Closeouts versus LPFA)

Administrative Closeouts:

- Projects obligated at 100% work completed and fully documented.
- Applicant completes, signs and submits the P.4 form to the DAM.
- DHSES reviews the project and submits closeout request to FEMA.

Large Project Final Accounting (LPFA):

- Project was obligated at less than 100% work completed or actual final costs are different than the obligated amount.
- Once work is completed, Applicant completes, signs and submits the P.4 form to the DAM.
- DHSES staff coordinate with the Applicant to prepare LPFA documentation and submits closeout request to FEMA for the recommended final obligation.

LARGE PROJECT CLOSEOUTS

ADMINISTRATIVE CLOSEOUTS

- Projects Obligated at 100% work completed
-AND- fully documented
- Signed and Submitted P.4 form
- DHSES reviews and submits closeout request to FEMA

LARGE PROJECT FINAL ACCOUNTING (LPFA)

- Project obligated at <100%
-OR- final costs differ from obligated amount
- Signed and Submitted P.4 form
- DHSES coordinates with Applicant to prepare LPFA documentation and submits closeout request to FEMA

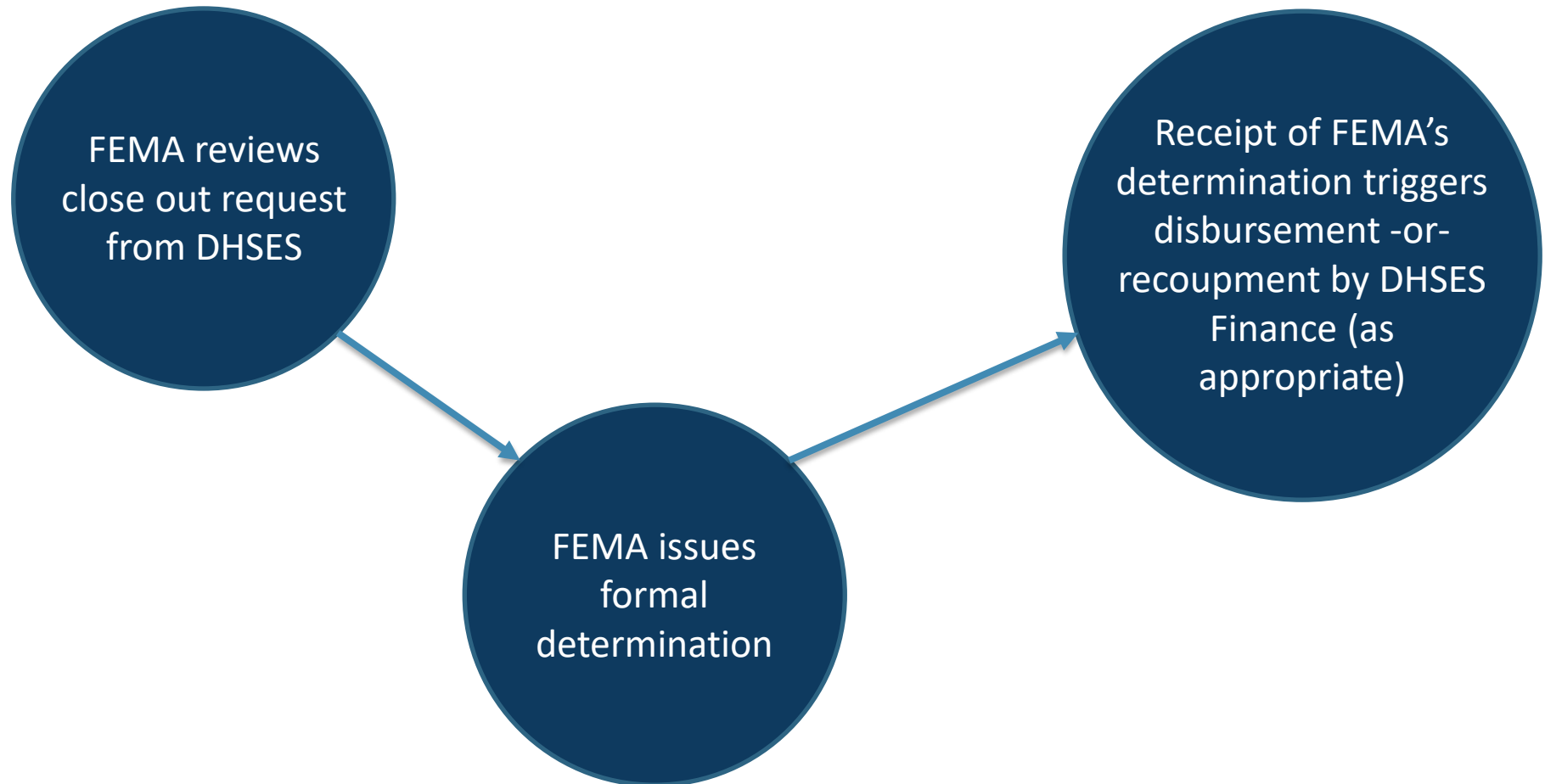


Large Project Closeouts

For all large project closeouts:

- FEMA reviews the closeout request received from DHSES.
- FEMA issues a formal determination on the closeout request.
- Receipt of FEMA's determination triggers disbursement or recoupment by DHSES Finance as appropriate.

Large Project Closeouts



Progress Payment Request

Progress Payment Requests:

- May be available for large projects where the applicant has already incurred and paid significant costs but there is still work that remains to be completed on the project.
- Applicant submits written progress payment request to the DAM for the cost of the work completed.
- DHSES staff coordinate with the Applicant to collect backup documentation supporting the claimed costs.
- DHSES staff must validate claimed costs to trigger disbursement.

Questions?

