November 2014

Over the past decade, the City of Houston (COH) has experienced numerous disasters each growing in strength and accumulated damage. The Finance Disaster Recovery Group (DRG) has focused on building stronger internal controls in managing disaster cost reimbursement. This manual serves to provide guidance for local government representatives to review applicable policies, procedures, templates and tools for managing when disasters strike. Additionally, it will provide guidance on the disaster recovery process with an emphasis on funding and reimbursement from key external sources. Each year, the COH conducts various disaster trainings for citywide representatives in preparation of hurricane season.

Key points to focus on are:

- Role of DRG in accounting, State and Federal reporting, project worksheet closeouts and monitoring and compliance review process;
- Preparation practices for long-term recovery efforts including best practices for project worksheet documentation;
- Compliance with Federal and State guidance;
- Role of key divisions including Insurance Management, Payroll and Strategic Procurement during a disaster; and
- Departmental responsibilities regarding documentation requirements to avoid de-obligation of funds including timely reporting and meeting deadlines.

I want to acknowledge key staff from the Financial Reporting and Operations Division—Michelle Simpson and Fazal Syed, Disaster Recovery Group; and Nickea Bradley and Gloria Moreno, Grants Management, for their tireless work in this recent edition of the Disaster Recovery Manual. When a disaster is impending, this tool should serve as the first place to look for financial preparation guidance and more importantly after the event for assistance in project cost documentation.

Sincerely,

Kelly Dowe, Finance Director

Controller: Ronald C. Green
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DISCLAIMER: The information provided in this manual is intended as guidance ONLY and does not relieve the City of Houston and its departments of its responsibility to comply with Federal regulations and policies. Documentation requirements may change over time. For additional information on documentation requirements for items listed in this manual, refer to the Appendix section.
Acronyms

ARA  Administration & Regulatory Affairs
AP   Administrative Procedure
CFR  Code of Federal Regulations
CMOC Catastrophic Medical Operations Center
COH  City of Houston
DAC  Direct Administrative Cost
DARM Disaster Assistance Recovery Manual
DDC  Disaster District Committee
DDCT Disaster Data Collection Team
DON  Department of Neighborhoods
DPU  Departmental Purchasing Unit
DRG  Disaster Recovery Group
ECA  Emergency Cash Account
EDR  Expenditure Data Request
EPO  Emergency Purchase Order
EOC  Emergency Operations or Operating Center
EMC  Emergency Management Coordinator
EPA  Environmental Protection Agency
ER   Emergency Relief
FEMA Federal Emergency Management Agency
FHWA Federal Highway Administration
FIN  Finance Department
FMD  Fleet Management Department
GM   Grants Management
GSA  US General Services Administration
GSD  General Services Department
HAS  Houston Airport System
HFD  Houston Fire Department
HITS Houston Information Technology Services
HLT  Health and Human Services
HMGP Hazard Mitigation Grant Program
HPD  Houston Police Department
HR   Human Resources
HUD  US Housing and Urban Development
I/O  Internal Order
OEM  Houston Office of Emergency Management
OIG  FEMA Office of Inspector General
P4   Project Completion Report and Certification
PA   Public Assistance
PD   Planning Department
PO   Purchase Order
POP  Program of Projects Spreadsheet
PR   Parks and Recreation
PSHS Public Safety and Homeland Security
PW   Project Worksheet
PWE  Public Works and Engineering
RFI  Request for Information
SAP  System, Applications and Products
SMOC Texas State Medical Operations Center
SOC  Texas State Operations Center
SOP Standard Operating Procedures
SPD  Strategic Procurement Division
SWM  Solid Waste Management
TDEM Texas Division of Emergency Management
TXDOT Texas Department of Transportation
Overview

Emergency management has evolved to an all-hazards approach that includes potential threats to life and property through environmental, biological and technological hazards, and domestic and foreign attacks. However, preparedness is only one phase of emergency management. The Mayor is responsible for the overall coordination of the event from preparedness to post-disaster efforts utilizing the City of Houston (COH) Emergency Plan. To assist the Mayor, the Emergency Operations Center (EOC) combines various stakeholders to assist in the execution of the emergency plan.

These stakeholders include internal and external partners that play significant roles in the four phases of emergency management: mitigation, preparedness, response and recovery. The following diagram illustrates the four phases of emergency management and the larger coordination functions of response and recovery.

<table>
<thead>
<tr>
<th>MITIGATION</th>
<th>PREPAREDNESS</th>
<th>RESPONSE</th>
<th>RECOVERY</th>
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<tbody>
<tr>
<td>• Action taken to reduce or eliminate the effects of a future emergency event</td>
<td>• Actions taken to prior to an emergency event to ensure an effective response</td>
<td>• Actions taken to respond from an emergency</td>
<td>• Actions taken to recover to an emergency event</td>
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The City is required to provide comprehensive documentation of damages, materials, and personnel used during the course of the event. Managing and maintaining funding for disasters is a crucial aspect of disaster recovery. Accurately and quickly assessing the scale of damage following a disaster is difficult. The level of declaration is based on the City’s ability to recover from the disaster with its own resources.

Robert T. Stafford Act authorizes Federal disaster assistance in the aftermath of a major emergency or disaster and outlines available assistance through two types of declarations:

- An Emergency Declaration is declared for any instance or occasion when the President determines that Federal assistance is needed to supplement State and local efforts and capabilities to save lives and protect property, public health, and safety.

- A Major Disaster Declaration is declared when the President determines that a natural event, fire, flood, or explosion causes damage beyond the combined capabilities of State, local governments, and disaster relief organizations.

In addition to assisting in the disaster declaration, event documentation also begins with the project worksheet (PW). Project worksheets are completed for each category of work. Depending on the type of damage, each category may consist of several PWs. Furthermore, PWs are a growing, changing document serving as a coversheet to supporting documentation of costs incurred related to the work for necessary restoration. The importance of keeping accurate records cannot be overemphasized. Supporting documentation of the event prior, during, and post disasters is critical and essential departmental responsibilities.

Compliance of expenditures to Federal and State guidelines is critical to funding reimbursement. Periodic reviews, reports and audits are the basis for verification of the accuracy of project cost estimates. Negative findings may result in de-obligation (withdrawal) of funds or an adverse City fiscal year end report.

Lessons learned from prior audit findings serve as the catalyst for DRG process improvements through numerous citywide disaster trainings, disaster manual development and a customer service driven support for departments.
Internal and external stakeholders are essential components to effective coordination and collaboration during and after an event. The capability to recover swiftly and efficiently increases with the commitment of stakeholders when an event strikes. Below is a summary of potential duties stakeholders complete during and after an event.

<table>
<thead>
<tr>
<th>Office of Emergency Management/ Houston Emergency Center</th>
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<tbody>
<tr>
<td>• Oversight of emergency operations</td>
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<td>• Enumerates responsibilities</td>
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<tr>
<td>• Emergency Plan and Functional Annexes</td>
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<tr>
<td>• Disaster Data Collection Team</td>
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<thead>
<tr>
<th>Administration and Regulatory Affairs</th>
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<tr>
<td>• Liaison between City &amp; insurance carriers</td>
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<td>• Emergency Payroll</td>
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<tr>
<th>Finance Department</th>
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<tbody>
<tr>
<td>• Emergency procurement</td>
</tr>
<tr>
<td>• Cost reimbursements</td>
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<tr>
<td>• Submits quarterly reports</td>
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<tr>
<td>• Liaison for disaster recovery audits</td>
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<table>
<thead>
<tr>
<th>Key COH Departments in Emergency Coordination</th>
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<tbody>
<tr>
<td>• Public Works &amp; Engineering</td>
</tr>
<tr>
<td>-Restores key services i.e. utilities</td>
</tr>
<tr>
<td>-Repairs critical infrastructure</td>
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<tr>
<td>• Solid Waste Management</td>
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<tr>
<td>-Conducts debris and waste collection</td>
</tr>
<tr>
<td>-Ensures proper documentation of collection activities</td>
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<tr>
<td>• General Services Department</td>
</tr>
<tr>
<td>-Coordinates resource management</td>
</tr>
<tr>
<td>-Oversees major reconstruction</td>
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<thead>
<tr>
<th>Texas Division of Emergency Management</th>
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<tbody>
<tr>
<td>• Manages disasters statewide</td>
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<tr>
<td>• Conducts damage assessment</td>
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<tr>
<td>• Reviews quarterly reports</td>
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<tr>
<td>• Audits projects</td>
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<table>
<thead>
<tr>
<th>Federal Highway Administration/ Texas Department of Transportation</th>
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<tbody>
<tr>
<td>• Coordinates emergency relief</td>
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<tr>
<td>• Repairs or reconstructs Federal roads and highways</td>
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<table>
<thead>
<tr>
<th>Federal Emergency Management Agency</th>
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<tbody>
<tr>
<td>• Determines obligation and de-obligation of funding</td>
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<tr>
<td>• Reviews project worksheet</td>
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<td>• Conducts audits</td>
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<table>
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<tr>
<th>Other Key External Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Insurance carriers</td>
</tr>
<tr>
<td>• Supplementary donations</td>
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<tr>
<td>• Consultants and contractors</td>
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</tbody>
</table>
Disaster Recovery Group (DRG): The Disaster Recovery Group functions include periodic reporting to internal and external agencies such as the Federal Emergency Management Agency (FEMA) and the Texas Division of Emergency Management (TDEM), and facilitates cost reimbursement, project closeouts and agency audits.


Strategic Procurement Division (SPD): SPD is a division within the Finance department and is responsible for emergency purchases and procurement pertaining to disaster projects. SPD has developed guidance and policies for City employees to use for purchases made during a disaster.

http://purchasing.houstontx.gov/index.shtml

Grants Management (GM): Grants Management is responsible for the applicable grant administration and the issuance of an internal order number and grant set up in SAP, the City’s financial accounting system.

http://www.houstontx.gov/finance/grants/

Financial Planning and Analysis: The Financial Planning and Analysis division is responsible for the development and administration of budgets pertaining to a disaster.

http://www.houstontx.gov/finance/fpa

FEMA & TDEM offer training in emergency management including self-studies and online courses.

www.fema.gov
www.preparingtexas.org
COH Hazard Mitigation

Mitigation is the effort to reduce loss of life and property by lessening the impact of disasters. The City created the hazard mitigation plan to detail concepts for administrative and operational activities, which could lead to the reduction and/or possible removal of those conditions that cause potential hazards or are hazardous to the public. It balances the cost of implementation against the potential cost of continued damages, if such measures are not taken. Guidelines are given to manage mitigation efforts in concert and coordination with State and Federal policies. Additionally, it provides opportunities for long-term programs that could reduce the negative effects of disasters or emergencies.

Federal Mitigation Grant Program

The Hazard Mitigation Grant Program (HMGP) is authorized under the Robert T. Stafford Disaster Relief and Emergency Assistance Act to implement long-term hazard mitigation measures after a major disaster declaration. Each level of government has an important, but different, role within HMGP. The City develops, coordinates, and manages the approved projects as a subgrantee of the State. Subsequently, the State monitors all program and administrative requirements. FEMA provides technical assistance to States in order to ensure effective and efficient implementation of the program. Additional subcategories of assistance have been created to provide increased funding for mitigation.
Emergency Operations

The Mayor is responsible for overall coordination and direction of the City Emergency Management Plan which includes post-disaster efforts. The Emergency Management, Basic Plan establishes the role of COH Office of Emergency Management (OEM) and provides general procedural guidance for addressing emergency and disaster situations. The plan is supported by a series of separate functional annexes that address operational response, coordination, management, recovery and mitigation to common emergencies. Additionally, annexes provide guidance of internal departmental operations in support of emergency operations. Further, this plan provides guidance on how COH coordinates operations with regional, State and Federal agencies. The plan and annexes are reviewed and revised for submission to TDEM for certification. The Emergency Management Coordinator, appointed by the Mayor, takes the lead in compiling data and coordinating inputs for all departments.

Like most major cities, OEM serves as the central collection point for all preliminary damage documentation related to City-owned facilities and infrastructure that is impacted by a disaster. Each year OEM provides departmental training on the Disaster Assistance Recovery Manual (DARM) and associated procedures. This ensures that all departments are appropriately trained on damage assessments and documentation completion. OEM also serves as a liaison and coordinator between State and Federal representatives and COH to ensure maximum recovery. Additionally, OEM’s daily responsibilities include severe weather monitoring, issuing emergency warnings and emergency resource coordination. During an event, OEM collaborates with interagency partners to coordinate a citywide response.
DARM Outlines Recovery Process
- Coordinate with City departments and agencies
- Facilitate shelter operations
- Distribute public recovery Information
- Complete restoration projects

Individual and Public Assistance Programs
- Coordinate damage assessments with departments and agencies
- Collect damage information
- Develop documentation to request disaster declarations

Training and Exercises
- Incident Command System and FEMA Training
- COH-Specific Response Plan Training
- DARM Training

OEM coordinates a citywide response by providing a framework for a multi-agency response and the efficient use of resources during all phases of a major emergency or disaster.
An emergency procurement arises when a purchase is required to protect personal safety or property after a serious and urgent event occurs demanding immediate action. Such procurements should be made with competition as to the extent feasible under the circumstances. Procurement rules applicable to competition are relaxed but only for a short period after the disaster, usually 72 hours. **After 72 hours, normal competitive bidding rules apply.** Executive Order 1-42 may authorize Pcardholders to make purchases beyond their single/monthly transaction limits during emergency preparedness or disaster.

**In collaboration with “first responder” departments, “Pre-Positioned” contracts were established for activation subsequent to the disaster or catastrophic event.**

**Examples of pre-positioned contracts currently in place at COH are:**

⇒ Disaster Debris Removal Services
⇒ Disaster Management Consulting Services
⇒ Mobilization, Collection, Characterization and Packaging of Household Hazardous Waste
⇒ Emergency Medical Transportation Services
⇒ Base Camp Services

**The Contingency Contracting (Emergency Purchases) Guide** was created to assist City employees (buyers) during a disaster. The Guide lists, alphabetically and by category, pre-approved Emergency Response Contractors with their 24/7 contact information.

The guide assists with maximizing the use of City, inter-local, cooperative purchasing contracts and U.S. General Services Administration (GSA) Federal Supply Schedules. For supplies and services not available from established contracts, the competitive bid procedures must be followed as promulgated by State and local procurement rules and regulations.
Contracting Work

Contracts must be of reasonable cost, generally must be competitively bid, and must comply with Federal, State and local procurement standards. Not all emergency work is time sensitive to the point where competitive bidding is infeasible.

Small Purchases – An Informal method for services or supplies that do not cost more than $100,000 and are secured by obtaining several price quotes.

Sealed Bids – A formal method in which bids are publicly advertised and solicited. Contracts are awarded to the responsive and responsible bidder who submits the lowest bid. This is the preferred method for construction contracts.

Competitive Proposals – A formal bidding method similar to sealed bid; but the contract is awarded based on contractor qualifications, not solely on price. This is used for procuring architectural and engineering professional services.

“Piggyback Contracting” is not eligible. It consists of expanding on a previously awarded contract with a vendor. This does not meet procurement requirements because it is non-competitive and may have an inappropriate price structure.

There are four methods of acceptable procurement. Each is described below in general terms.

1. Lump sum contracts for work within a prescribed boundary with a clearly defined scope and a total price.

2. Unit price contracts for work done on an item-by-item basis with cost determined per unit.

3. Cost plus fixed fee contracts, which are either lump sum or unit price contracts with a fixed contractor fee added into the price.

4. Time and materials contracts, while acceptable, should be avoided. These contracts when used are for a limited period (generally not more than 72 hours) for work that is necessary immediately after the disaster has occurred when a clear scope of work cannot be developed. However, be aware that FEMA has strict guidelines and requirements to qualify for FEMA reimbursement when these contracts are used. Monitoring is critical and a competitive process still should be used to include labor and equipment rates.

**NOTE: Cost Plus + Percentage of Cost contracts are NOT allowed**
PHASE 2: PREPAREDNESS

Departmental Responsibilities
Before a purchase can be made, the Departmental Purchasing Unit (DPU) reviews the justification and verifies that an emergency exists. The DPU prepares a justification letter documenting the nature of the emergency, for example hazard to life, welfare, safety or property and what caused the emergency. The justification letter must detail the estimated impact or damage (financial or otherwise) that may result from following standard procurement procedures. Buyers must follow the procurement procedures set forth in:

- COH Guide to Contingency Contracting (Emergency Purchases)
- COH Administrative Procedure 5-2
- COH Executive Order 1-14
- Section 252-022 of the Texas Local Government
- Title 44 Code of Federal Regulations 13.36

The DPU submits the requisition form and justification letter to the Strategic Procurement Division. SPD, in consultation with the Office of the City Attorney, reviews and determines if an emergency purchase order (EPO) is warranted. The State limit for EPOs is $50,000. For EPOs equal to or greater than $50,000 and if time permits, SPD shall obtain City Council approval before issuing the EPO. If time does not allow, SPD must obtain City Council approval for such EPOs equal to or greater than $50,000 as soon as possible thereafter.

Documentation of procurement methodology prior, during and post disasters is a critical and essential departmental responsibility, as there is significant scrutiny of individual expenditures.

Procurement file should contain:

a. Procurement process used – e.g. publically advertised request for bids, copy of all contractor proposals, proof of public opening of bids and contractor selection or rejection criteria
b. Selection process and bid analysis
c. Evidence of Federal Debarred list of contractors (www.sam.gov) check to determine if the selected contractor/supplier is on the list. The evidence of a debarment check must accompany a document, e.g. a screen print on the day the debarment check was performed.
Emergency Cash

An emergency cash account (ECA) is created when a state of emergency is declared by the Mayor and used to assist departments with access to cash for use in disaster recovery. All funds allocated must be withdrawn in one lump sum, thereby activating the ECA. Each ECA shall have a primary custodian and up to three alternate custodians. To document transactions the journal entries must be made with ECA receipts for all expenditures. ECA purchases are limited to goods or services that cannot reasonably be accommodated through existing contracts and serve to directly assist in disaster recovery (see Appendix 1).

<table>
<thead>
<tr>
<th>CITY OF HOUSTON EMERGENCY CASH ACCOUNT RECEIPT</th>
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<tbody>
<tr>
<td>Paid by:</td>
</tr>
<tr>
<td>Paid to:</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>Phone:</th>
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<tbody>
<tr>
<td>Address:</td>
<td></td>
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</table>

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<thead>
<tr>
<th>TAX EXEMPTION I.D.</th>
<th>INTERNAL ORDER #</th>
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<tbody>
<tr>
<td>1-74-600-1164-0</td>
<td></td>
</tr>
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<th>AMOUNT</th>
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Prohibited use of the ECA are:
- Cashing personal checks.
- Loans to employees or others.
- Payroll advances to employees.
- Entertainment of any kind.
- Personal expenditures (i.e. office decorations).
- Other inappropriate purposes established by the Approving Authority.
- Making change for transactions involving cash sales or where cash is received.
- Reimbursements of state sales tax for any purchase.

An ECA may not be deactivated until the Mayor rescinds the state of emergency. Once rescinded, all ECAs must be deactivated within 30 days with Finance Department approval. If extenuating circumstances present a reason requiring continued ECA spending, extensions to the 30 day closeout may be granted by the Finance Director with written justification.
Internal Order

An internal order (I/O) number is established by Finance Grants Management prior to the onset of the disaster and distributed to all departments. The I/O number is specific for each disaster event and used to identify all SAP transactions (revenues and expenditures) resulting from this event. Disaster related expense transactions are entered into SAP and coded to the applicable Internal Order number, fund, business area, grant and cost center, as assigned. NOTE: Expenses charged to disaster internal order number should be limited to approved reimbursable expenses or projects.

In addition, ALL supporting documentation related to the transactions such as work orders, receipts and invoices, should be maintained by departmental contacts for future audits and inquiry. Copies should also be provided to the Finance department and OEM as requested.

NOTE: Supporting documentation for projects is to be maintained at least 3 years after the date that the FINAL STATUS REPORT issued by TDEM and received by DRG for the disaster as a whole.

WHEN IN DOUBT, DON’T THROW IT OUT!
Emergency Payroll

The Payroll Services Division has two central missions during a disaster event: (1) ensure that all City employees continue to receive their proper remuneration during or after a disaster event; and (2) ensure all employee time spent preparing for, responding to and recovering from a disaster event is properly recorded in Kronos timekeeping system and SAP in order to maximize any reimbursement to which the City may be entitled to from the Federal and State governments. These missions are reinforced by procedures to ensure that employees are paid during and after a disaster.

In order for the City of Houston to maximize its cost recovery, all disaster-related time must be recorded in Kronos and supporting documentation must be prepared and maintained by the individual department. Kronos is an automated and paperless time and attendance system. Kronos has the capability to annotate time that was worked in relation to a disaster by use of special pay codes and internal order numbers. Special instructions regarding the use of special pay codes and internal order numbers will be disseminated prior to, during or immediately after the disaster period.

In the event communications are lost between Kronos time clocks and the Kronos server, as long as they are powered, the time clocks will store all time stamps and will transmit the stored information once communications are reestablished. Employees and supervisors should take extra care in reviewing electronic time cards to ensure time stamp data was accurately recorded during the disaster event and make any needed corrections.

It is not enough for City employees to clock in and out of Kronos for time worked preparing for, responding to and recovering from a disaster. In order to fulfill Federal and State requirements, departments must also maintain detailed log of hours worked for all employees performing disaster-related duties. The hours logged submitted for reimbursement on timesheets must coincide with the hours reported on the Kronos electronic time card.
Payroll Scenarios

There are three scenarios that may affect the procedures for processing and capturing payroll costs. They are:

1. **City Network and Internet are functional.** Kronos is available as normal and the SAP payroll module is available to Payroll Services Division staff:
   a. Payroll Services Division will coordinate with the HITS Department to expand the use of the TeleTime remote time card service and or Kronos Mobile App access as necessary.
   b. Payroll Services Division will disseminate any special payroll processing instructions such as the use of special pay codes and/or internal order numbers or paper timesheets.
   c. All supervisors are required to review and approve staff time cards as normal and appropriate.

2. **SAP is only available to payroll personnel.** Kronos is unavailable to City employees to record time stamps, request/approve time-off requests and review/approve time cards, the Payroll Services Division will ensure:
   a. Exempt employees (salaried) and Non-exempt employees (hourly) will be paid according to their normal bi-weekly work schedule.
   b. Temporary employees will be paid an average number of hours from the previous three pay periods. All temporary employees working through a staffing agency are required to submit their approved time cards to their staffing agency and will not be issued a check from COH.

3. **No systems are available.**
   a. With the Mayor’s approval, Payroll Services will authorize a repeat of the previous payroll period’s banking instructions to the City’s banking services provider.
   b. Payroll Services Division will disseminate special instructions such as paper timesheets to document for reconciliations post event.
Damage Documentation

When a disaster hits, the primary responsibilities for Departments are to: 1) maintain documentation on the preliminary damage for all property within 3 days of the disaster; 2) assign representatives to report damage; 3) provide updates on damage assessments; 4) monitor repairs; and 5) maintain ALL documentation. Other departmental responsibilities include assisting the Disaster Recovery Group (DRG), Federal and State adjusters by completing and maintaining records to identify costs for eligible work, recording disaster expenses separate from day-to-day operations and certifying that all information submitted in response to requests are true and correct. (See Appendix 1, AP 4-2, Section 6.8 for a complete listing of responsibilities).

During the initial response, assessments play a vital role in determining the scope of the disaster and necessary resources for recovery. The three most common initial assessments are:

**Rapid Assessment** is normally limited to evaluating the following humanitarian and emergency needs and activities:

- Life safety (e.g., search and rescue, medical assistance, mass care, hazardous materials)
- Life lines (e.g., utilities and transportation systems)
- Essential services (e.g., medical, emergency communication and logistics)

**Preliminary Damage Assessment** is conducted to determine the extent of damage to the community as soon as humanitarian and emergency needs have been identified and access into the area is safe.

**Detailed Site Assessment** includes detailed analysis of the damages to all private sector and public infrastructures. It may take several days or even weeks to complete.

Good documentation facilitates the project formulation, validation, approval and funding processes
Damage sustained as a direct result of the disaster event should be differentiated from pre-existing or non-disaster related damage. The City has 60 days to identify and report damages. The specific cause of damage must relate to the incident for which the disaster was declared.

**Location, Damage Description and Dimensions**

It is important to completely describe the cause of damage because it can affect eligibility determinations. The damage must be described in terms of:

- **Facility information** – the type and function of the damaged facility and its condition prior to the disaster is identified.
- **Work complete as of** – the date work was assessed and percentage completed.
- **Location** – facility’s address or detailed directions, with exact mileage, to pinpoint a specific area. Include latitude and longitude coordinates, if available.
- **Damage description and dimensions** – quantitative terms used to describe damage to the facility, its features and the items that require repair.

**Scope of Work**

The scope of eligible work necessary to repair the damage must be completely described and correspond directly to the cause of damage. It is the basis for the cost estimate and should establish:

- Direct connections between the cause of the damage and the repair.
- Costs description.

If part of the work is completed prior to project approval, the work that has been completed should be tracked and reported separately from the work remaining to be done.

**Cost Estimate**

Funding may be approved on the basis of actual costs, estimates based on work to be completed or a combination of both. The three primary methods for determining costs are time and materials, unit cost, and job completion contracts. These methods are covered in more detail on page 13. The cost estimate provides the detailed line item budget for the proposed activity. If more than one activity is proposed, then the cost estimate is broken out by the activities identified.

**NOTE:** Special considerations are issues other than Public Assistance (PA) program eligibility that could affect the scope of work or funding for a project. Special Considerations issues are addressed before Federal PA grant funds will be obligated.
Summary of Funding

Individual municipalities are to determine what damage may be covered by their insurance policies and what damage may qualify for assistance from FEMA or other government programs.

- Municipal Insurance
- State Assistance
- Federal Assistance
- National Voluntary Organizations Active in Disaster (www.NVOAD.org)
  - Faith and community based organizations.
  - Private sector.
  - Educational institutions and organizations (fraternities/sororities).
  - Regular service providers (meals-on-wheels, special needs transport, etc).

Insurance

Municipal insurance providers cover losses experienced by public entities. Services include management of all insurance policies, consulting and recommendations for contracts and post disaster recovery insurance claims.

Budget Stabilization Fund (formerly Rainy Day Fund)

The COH Budget Stabilization Fund establishes cash reserves available for any lawful use in the event of an emergency including major disasters.

State Assistance

Disaster grant funds from the Governor are typically available only after appropriated funds to local agencies for disasters are depleted. The Governor has the authority to consider approval of disaster grants for agencies with insufficient funds to operate or meet unanticipated situations.

The Urgent Needs Fund is by invitation only. Funds can only be utilized for activities that will restore water or sewer infrastructure whose sudden failure has resulted in either death, illness, injury or poses an imminent threat to life or health within the affected applicant’s jurisdiction and the problem being addressed must be of recent origin (no more than 30 days from the date of the event).
Texas Division of Emergency Management
TDEM is accountable for the use of pass-through funds provided by FEMA and is responsible for disbursing those funds to the City. TDEM is also responsible for providing: 1) technical advice and assistance; 2) ensuring that the City is aware of the available assistance programs; 3) providing support for damage assessment operations; 4) supporting project identification activities including large and small project identification and validation of small projects; and 5) submitting the necessary paperwork for grant awards.

Texas Department of Transportation
TXDOT is accountable for the use of pass-through funds provided by the Federal Highway Administration and assuring compliance to project regulations. TXDOT is also responsible for: 1) identifying federal-aid highways; 2) requesting Emergency Relief (ER) funding; 3) participating on detailed damage teams; 4) coordinating locally administered projects; and 5) providing technical advice and assistance.

Federal
Federal disaster funding programs are available from the FEMA, FHWA, Environmental Protection Agency (EPA), and US Department of Housing and Urban Development (HUD).

Each federal funding program will cover different uses, including planning, construction, operations and maintenance. The following table highlights applicability under the government programs listed below.

<table>
<thead>
<tr>
<th>Program</th>
<th>Emergency Repairs (M, R)</th>
<th>Planning and Design (M)</th>
<th>Construction/ Capitalization (M, R)</th>
<th>Technical Assistance²</th>
</tr>
</thead>
<tbody>
<tr>
<td>FHWA</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>FEMA Public Assistance</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>FEMA Hazard Mitigation Grant Program</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>EPA Drinking Water State Revolving Fund</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>EPA Clean Water State Revolving Fund</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>HUD Community Develop Block Grant</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>HUD Section 108 Loan Program</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
</tbody>
</table>

¹M = Activity is related to Mitigation; R = Activity is related to Response/Recovery
²Technical Assistance = May include activities undertaken to help utilities recover from disasters
Insurance

The Insurance Management group is responsible for working with departments to identify and document damages that may be eligible for insurance recovery. The group also coordinates and negotiates settlements for all insurance claims related to the disaster. Additionally, the group serves as a liaison to the City insurance representatives. **Departments must allocate and account for insurance proceeds at the level of individual project worksheets.**

### Insurance Claim Process

Immediately following an event, first responders (fire, police, public works, etc.) are normally required to provide an initial “snapshot” of the geographic area affected. As emergency calls come in and the response phase begins, the general location and the severity of damage becomes known.

<table>
<thead>
<tr>
<th>Damage Estimates of Owned Property (Buildings, Contents, etc.)</th>
<th>Immediate Notice of Damages — Three Days</th>
<th>Disaster Data Collection Team (DDCT) — ARA/OEM/FIN</th>
<th>Department Designated Representatives</th>
</tr>
</thead>
</table>

**Total Insured Value** - $10.9B for over 2600 Locations

**High Maximum Property Policy Deductible** - $20M

**Policy Loss Limit** - $175M

*as of June 2014*
The schedule of insured property is used to identify insured properties to assist in completing the City’s Preliminary Property Damage form (Appendix 1).
**City Preliminary Property Damage Form**

Event/Incident: [ ] Fire  [ ] Flood  [ ] Wind  [ ] Other ________________________________

Department: ___________________________ Division: ___________________________

Date of Loss: ___________________________ Estimated Time of Loss: _______________________

Location of Damage* (Name of Building/Structure): ________________________________

Address of Building/Structure*: ________________________________________________

Insurance Key No.*: ___________________________ (* Obtain information from the City Schedule of Insured Property in Office of Emergency Management’s Disaster Recovery Manual (DARM).)

**Description of Damaged Building/Structure** (examples: actual building, permanently installed fixtures, machinery, outdoor fixtures, fire extinguishing equipment, floor coverings, appliances):

Estimated Loss $___________________ Description ___________________________

**Description of Damaged Contents** (examples: furniture, computers, and supplies):

Estimated Loss $___________________ Description ___________________________

Building/Content Contact Person: ___________________________ Telephone: ________________

(Conduct person for scheduling inspections of damaged buildings/contents.)

**Description of Damaged Vehicles** (if needed, attach a schedule of damaged vehicles):

5-Digit Shop # Make Model Year Description Amount of Loss $___________________

Vehicle Contact Person: ___________________________ Telephone: ________________

Note: Please prepare one information sheet per location, per department; please do not add multiple locations or departments on one information sheet. This form needs to be completed and returned to the Disaster Data Collection Team (Office of Emergency Management) within three calendar days of damage.

**Claim Settlement**

**How Much and Where Does it go?**

⇒ Actual Expenses vs. Negotiated Settlement

⇒ Claim Payment After Application of Deductible

⇒ Insurance Recovery Deposited into Disaster Recovery Fund and managed by Finance Department

**What is REQUIRED?**

1. **Identification of Damages** – Schedule of Insured Property

2. **Include Location of Damages, Address and Insurance Key Number**

3. **Damage Estimates**

   • Buildings
     o Permanently Installed Fixtures & Machinery

   • Contents (All Departments)
     o Furniture, Fixtures, Supplies & Computers

4. **Damage Documentation** – Emergency Repairs & Permanent Repairs

   • Photograph Damages Upon Discovery

5. **Damage Inspections**

   • Multiple Inspections for Multiple Purposes

6. **Description of Damaged Vehicles**

   • Designate a Vehicle Contact Person

**Why should it be a priority?**

• Time Sensitive – Preliminary Report Due in Three Days

• Initial Insurance Claim

• Request for State and/or Federal Disaster Assistance – Filing Deadlines

• Mobilization of Resources

Finance Disaster Recovery Manual—Revised November 2014
Duplication of Benefits

Following a disaster, COH often looks for assistance from the general public, private institutions, and Federal and State agencies to help rebuild their infrastructure. The assistance comes in the form of donations, insurance proceeds and volunteer work. With multiple entities providing assistance, it is possible for different sources to allocate funds to repair the same project. This action, of allotting funds to the same project, may constitute a duplication of benefits.

Section 312(a) of the Stafford Act, as amended, states that no entity will receive assistance for any loss for which financial assistance has already been received from any other program, insurance or any other source. The use of Federal and/or State funds granted for the same purpose clearly constitutes a duplication of benefits. Grant or cash donations provided by a third party also may constitute a duplication of benefits.

Disaster assistance will not be provided for damages covered by insurance. When FEMA provides assistance it is intended to supplement assistance from other sources. Insurance proceeds should be the applicant’s first alternative for disaster assistance.

It is the responsibility of COH departments to properly account and certify for all Federal funds allocated to a project for which a Project Worksheet is written.

The Duplication of Benefits form is required for all large and small projects. This form is the City’s acknowledgement that the only funding received and applied to the scope of work costs on a specific Project Worksheet was from FEMA (e.g. no donations or insurance proceeds duplicated the costs reimbursed by FEMA).

The chart below identifies some category of items that constitute non-Federal assistance that City departments must account for on the Duplication of Benefits form. The items in the chart are NOT an exhaustive list.

<table>
<thead>
<tr>
<th>PW #</th>
<th>Insurance Claims Received:</th>
<th>Anticipated Insurance Proceeds:</th>
<th>Grant Funds Received:</th>
<th>Contractor Credits or Refunds:</th>
<th>Disposition of Equipment:</th>
<th>Salvageable Materials:</th>
<th>Other Funds Received:</th>
<th>PW Total Non-FEMA Funds Received:</th>
</tr>
</thead>
</table>

Sample
Public Assistance

Public Assistance is aid to State or local governments to pay part of the costs of rebuilding a community’s damaged infrastructure. Public Assistance may include debris removal, emergency protective measures and public services, repair of damaged public property, loans needed by communities for essential government functions and grants for public schools. The two most commonly used Federal public assistance program agencies are Federal Highway Administration and Federal Emergency Management Agency.

Eligibility

Federal-aid highways are public roads that are classified as arterial, urban collectors and major rural collectors. To identify eligible Federal-aid roadways, the Guidance for the Functional Classification of Highways web link is listed on References page. There are two categories of emergency relief. Emergency repairs are repairs undertaken during or immediately after a disaster to restore essential traffic, to minimize the extent of damage or to protect the remaining facilities. Permanent repairs are those repairs undertaken after the occurrence of a disaster to restore the highway to its pre-disaster condition. Funds are primarily used for permanent work and are granted on the basis of inspections performed by FHWA and State highway personnel.

As a general rule, the estimated cost for repairs must require at least $700,000 for Federal road and bridge damage and $5,000 for each damage site (emergency and permanent repairs) in ER funding before the FHWA will consider approving the disaster or catastrophic failure as eligible for funding under the ER program.

FHWA administers the Emergency Relief (ER) Program to assist State and local governments with the repair of Federal aid roads and bridges damaged during disasters. The applicability of the ER program to a natural disaster is based on the extent and intensity of the disaster. Damage to highways must be severe, occur over a wide area and result in unusually high expenses to the highway agency. This program supplements the commitment of resources by States, their political subdivisions, or other Federal agencies to help pay for unusually heavy expenses resulting from extraordinary conditions.
Project Management

Approved ER funds are available at the pro-rata share that would normally apply to the damaged Federal-aid facility. For most projects, the recipient of ER assistance is TxDOT. Projects are initiated by the signing of a contract between TxDOT and COH defining roles and responsibilities of each party. Funding is issued as a reimbursement program. Local governments work with TxDOT district staff to identify and prioritize funding for projects. After prioritizing needs in the context of available funding, the district staff updates and coordinates these plans. After the project is complete, the TxDOT and DRG will coordinate to perform a close-out accounting for project funds.

TxDOT requires the following project support documents to be completed by COH:

- Detailed damage inspection report
- Damage survey summary report
- ER program of projects
- Maps of damaged areas
- Before and after photos

Through the public assistance (PA) program, FEMA provides supplemental Federal disaster grant assistance for debris removal, emergency protective measures, the repair, replacement, or restoration of disaster-damaged, publicly owned facilities. Such assistance may take the form of equipment, supplies, personnel, or other available capabilities. FEMA is responsible for managing the program, approving grants and providing technical assistance to the State and the City of Houston. The State, in most cases, acts as the Grantee for the PA program. The State educates potential applicants, works with FEMA to manage the program, and is responsible for implementing and monitoring the grants awarded under the program. PA reimbursements provide funding on a percentage basis to eligible applicants who have suffered damages as a result of a Presidentially declared disaster and whose damages are within a county authorized for PA. After a declaration, FEMA designates the area eligible for federal assistance, and the types of assistance available. Implementation of the PA Program is managed by FEMA in partnership with the State.
Eligibility Thresholds
FEMA and the State require that the applicant, facility, work and costs are eligible and meet applicable criteria. The order in which eligibility is evaluated starts with applicant eligibility and ends with the eligibility of cost.

All four basic components for the Public Assistance Program must meet eligibility:

1) The applicant must be eligible to receive assistance.
2) The applicant’s facility must be eligible.
3) The work must be designated as eligible.
4) The cost of performing the approved work must be eligible for reimbursement.

Categories of Work
Eligible work is identified as Emergency Work and Permanent Work:

• **Emergency Work** is an activity done immediately after a disaster to save lives, protect and preserve property, public health and safety and to provide essential public services. The two "Emergency" work categories are identified as categories "A" and "B" and require a six month time limit to complete work.
  - Category A: Debris Removal
  - Category B: Emergency Protective Measures

• **Permanent Work** is work required to restore a damaged facility to its pre-disaster condition. The five "Permanent" work categories are identified as categories "C" through "G". There is an 18 month time limit to complete permanent work. However, the State may grant extensions in 6 month intervals up to 30 additional months. If the project exceeds 48 months additional time extension must be approved by FEMA through the State.
  - Category C: Roads and Bridges
  - Category D: Water Control Facilities
  - Category E: Buildings and Equipment
  - Category F: Utilities
  - Category G: Parks, Recreational, and Other Facilities

The State has limited authority to grant time extensions, if requested.
Type of Projects

FEMA reimbursement projects are categorized into large or small projects according to the amount threshold for that year. If the estimated cost of a project is equal to or exceeds this threshold, the project is classified as a large project. During the recovery process on a specific disaster, the small/large dollar threshold remains the same amount as existed during the year the disaster first occurred.

As a result of the Sandy Recovery Improvement Act of 2013, FEMA raised the threshold to $120,000 from $68,500 for large projects. This threshold is effective for new declarations on or after February 26, 2014. Additionally, in order for a FEMA Project Worksheet to be created, the estimated project cost must meet the minimum threshold of $3,000.

Small Project (Under $120,000)— The Federal share for small projects, at any point-in-time, is the same as for large projects. However, all of the individual small project PW’s are handled by FEMA as a group and have several different requirements than large projects. Small projects are subject to Small Project validation, in which a review of initial supporting documentation and estimates are performed.

Large Project ($120,000 and above)— A large project is any project which has a cost estimate greater than the threshold for small projects. Reimbursement occurs throughout the repair period or after project completion and is based on actual expenses or costs actually incurred.

Improved Project— Projects in which the applicant makes additional improvements while still restoring the facility to its pre-disaster function, such as replacing a fire station that originally had two bays with three bays. The Applicant must request approval from FEMA and TDEM to make the improvements PRIOR to construction. Project reimbursement is usually capped at approved Federal Share.

Alternate Project— Occurs when the service provided by a facility is no longer needed or useful, although the facility was in use at the time of the disaster. Examples of alternative projects include the repair or expansion of other facilities, demolition of original structure, or the construction of a new facility. Only permanent work projects (category C– G on page 29) are eligible. Funding is limited to the Federal Share or the actual costs of performing the alternate project, whichever is less (see Reference page). The State is notified to approve the project PRIOR to commencement of work.
**Project Worksheet (PW)** is the primary form (see Appendix 2) used to document and request FEMA reimbursement on each project. City departments are required to maintain a **COMPLETE** and **ACCURATE** set of records for each eligible project in accordance with the City’s Administrative Procedure AP 4-2 (see Appendix 1). Support provided should clearly identify the project by PW number and include a summary schedule of costs identified for the project based on the following criteria:

1. **Reasonable** and **Necessary** to accomplish the work.
2. **Compliant** with Federal, State and local requirements for competitive procurement.
3. **Reduced by all applicable credits**, such as insurance proceeds, salvage value, and other funding sources.

Supporting documents such as work orders, receipts, and invoices are provided by departments to the Disaster Recovery Group (DRG) throughout the duration of the project.

### ELEMENTS OF A PROJECT WORKSHEET

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Project Worksheet Cover – FEMA Form 90-91</td>
</tr>
<tr>
<td>2.</td>
<td>Damage Description and Scope of Work Continuation Sheet – FEMA Form 90-91A</td>
</tr>
<tr>
<td>3.</td>
<td>Project Worksheet – Cost Estimating Continuation Sheet – FEMA Form 90-91B</td>
</tr>
<tr>
<td>4.</td>
<td>Special Considerations Questions – FEMA Form 90-120 (as applicable)</td>
</tr>
<tr>
<td>5.</td>
<td>Hazard Mitigation Proposal – FEMA Form 90-61 (as applicable)</td>
</tr>
<tr>
<td>6.</td>
<td>Force Account Labor Summary Record – FEMA Form 90-123</td>
</tr>
<tr>
<td>7.</td>
<td>Applicant’s Benefits Calculation Worksheet – FEMA Form 90-128</td>
</tr>
<tr>
<td>8.</td>
<td>Force Account Equipment Summary Record – FEMA Form 90-127</td>
</tr>
<tr>
<td>9.</td>
<td>Rented Equipment Summary Record – FEMA Form 90-125</td>
</tr>
<tr>
<td>10.</td>
<td>Materials Summary Record – FEMA Form 90-124</td>
</tr>
<tr>
<td>11.</td>
<td>Contract Work Summary Record – FEMA Form 90-126</td>
</tr>
<tr>
<td>12.</td>
<td>Contract Documentation</td>
</tr>
<tr>
<td>13.</td>
<td>Insurance Information</td>
</tr>
<tr>
<td>14.</td>
<td>Project Worksheet Maps and Sketches Sheet – FEMA Form 90-91C</td>
</tr>
<tr>
<td>15.</td>
<td>Project Worksheet Photo Sheet – FEMA Form 90-91D</td>
</tr>
<tr>
<td>16.</td>
<td>Other Documentation</td>
</tr>
<tr>
<td>17.</td>
<td>Do Not Copy/Scan Sheet</td>
</tr>
<tr>
<td>18.</td>
<td>Materials Back up Documentation</td>
</tr>
</tbody>
</table>
PW Supporting Documentation

Force Account Labor is a term used to identify labor provided by the City’s employees rather than by a contractor. Labor rates include actual wages plus fringe benefits paid or credited to personnel. The description of the work performed on the FEMA – Disaster Related Work forms must be very specific. Eligibility payroll costs includes regular time, overtime, compensatory time and fringe benefits (see Appendix 3).

Required labor supporting documents are:

- FEMA Form 90-123 Force Account Labor Summary Record (see Appendix 2);
- Signed employee time sheets (electronic and manual) from Kronos and SAP, when applicable, with specific hours dedicated to PWs;
- Signed and approved overtime approval forms;
- Proof of payment payroll documents; and
- Record regular and overtime hours separately.

Required benefits supporting documents are:

- FEMA Form 90-128 Applicant's Benefit Calculation Worksheet (see Appendix 2);
- Record the benefits separately for regular and overtime hours;
- HR employee verification list;
- HR payroll list; and
- Overtime, compensatory time, exempt time, payroll policy prior to disaster.

Direct Administrative Costs (DAC) are costs for time and materials (administrative activities) used in support of a specific PW. See Eligibility Chart on page 69 for Public Assistance Program Indirect and Direct administrative activity list for a detailed description and eligible DAC.

### Direct Administrative Cost (DAC) Summary

<table>
<thead>
<tr>
<th>PW # or Temp #</th>
<th>Name</th>
<th>Title</th>
<th>Date of Work*</th>
<th>Time Start*</th>
<th>Time Stop*</th>
<th>Hours</th>
<th>Work Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>8776</td>
<td>John Doe</td>
<td>Financial Analyst</td>
<td>6/2/2014</td>
<td>02:15 PM</td>
<td>3:05 PM</td>
<td>0:50</td>
<td>Attendance in the audit findings meeting with State auditors</td>
</tr>
<tr>
<td>12356</td>
<td>John Doe</td>
<td>Financial Analyst</td>
<td>6/4/2014</td>
<td>10:05 AM</td>
<td>11:05 AM</td>
<td>1:00</td>
<td>Emailing project managers regarding data collection for PW development</td>
</tr>
</tbody>
</table>

*Accuracy of date as well as time start and time stop is critical.*
**Force Account Materials** is a term used to identify equipment, materials and supplies owned by COH prior to the disaster or purchased as a result of the disaster. **Eligible material costs include materials and supplies taken from existing stock or purchased for the disaster project.**

Required supporting documents are:

- FEMA Form 90-124 (see Appendix 2);
- Procurement policy;
- List of materials used;
- Purchase orders, invoices, and proof of payment for purchases; and
- Proof of cost on-hand/in warehouse materials used.

**Force Account Equipment** is equipment owned by the City used to perform eligible work related to the disaster. Equipment rates are applied only to the time equipment is actually working. However, if equipment is used intermittently for more than half the normal scheduled working day, the entire day may be claimed. For vehicles, **both the hours of use and miles driven must be recorded.**

Required equipment usage supporting documents are:

- FEMA Form 90-127 Force Account Equipment Summary (see Appendix 2);
- Proof of equipment ownership;
- Copy of inventory at the time of disaster;
- Equipment rate source documents;
- Signed equipment use logs with operator name; and
- Operator “force account labor” support documents.

Approved rental/lease equipment supporting documents are:

- FEMA Form 90-125 Rented Equipment Summary Record (see Appendix 2);
- Rental/Lease Procurement policy;
- Justification of need;
- Rental/Lease agreement;
- Use logs as applicable;
- Invoices and purchase orders;
- Proof of payment; and
- Detailed use logs that identify:
  - Date & times used;
  - Name of user;
  - Miles driven (if applicable);
  - Description of work performed; and
  - Duplication of benefits and compliance certification.
Contract Work is work specified for a short period of time under a written agreement to perform services. In general, contracting for emergency work requires competitive bidding. Whether utilizing competitive or non-competitive procurement procedures, all costs must be determined reasonable by FEMA to be eligible for reimbursement.

Required supporting documents for contracts are:

- FEMA Form 90-126 Contract Work Summary (see Appendix 2);
- Approved Contractor/Vendor Contract;
- Contractor/Vendor Procurement Documentation:
  - Publically advertised requests for bids
  - Copies of all received proposals
  - Contractor selection/rejection criteria
  - Cost Price Analysis
- Notice of Award;
- Notice to Proceed/Work Orders:
  - Signed copies of multiple Work Orders, if more than one
- Contractor Proof of Insurance;
- Contractor Debarment Check on SAM.gov;
- Subcontractors:
  - Contracts
  - Invoices
  - Proof of Applicant (City) and Contractor contract monitoring and other Federal requirements
  - Debarment Check with appropriate date checked at time of review on SAM.gov
- Contractor Invoices, timesheets and other pertinent details of work completed;
- Proof of Payment:
  - Check or Proof of Bank Transfer
- Proof of applicant (City) contract monitoring of Contractor/Vendor;

In order to be reimbursed for work performed under a contract that was not competitively bid, the procurement of that work also must NOT have been feasible under small purchase procedures, sealed bids, or competitive proposals.
Other pertinent supporting documentation includes:

- Providing copies of specific codes and standards, especially if proposed repairs or replacements exceed the pre-disaster design.
- Listing evidence of pre-disaster damage, such as cracks on a steel bridge covered by rust and corrosion.
- Providing pre-disaster inspection reports with noted deficiencies.
- Identifying ineligible work or maintenance, inactive facilities, responsibilities of other federal agencies, etc.
- Referencing a Hazard Mitigation Proposal, if included in the project.
- Indicating that the project is an Improved Project, if applicable. An Improved Project makes additional improvements while still restoring the facility to its pre-disaster function and capacity. Description of the overall project is required.
- Identifying any special equipment or construction approach, such as heavy trucks, access roads, staging areas, coffer dams, etc.
- Describing the larger action, if the project is part of a larger one, (e.g., one building within a complex).

### Reporting

The City utilizes both internal and external reporting to communicate the project status. DRG coordinates project status reports to ensure projects are staying on schedule, within guidelines and decrease the opportunities for potential issues. Progress reports are critical to ensuring that FEMA and the State have up-to-date information on PA program grants.

![Sample Table]

Departments verify supporting documentation to transactions entered in SAP. Costs by project are reported by each department to DRG. Reports should be in the Expenditure Data Request (EDR) format shown above including percentage of completion and cumulative costs incurred per project. Total EDR costs reported should be reconciled to SAP with any discrepancies or cost overruns identified for further research and approval.
Funds Management

Eligible costs are typically reimbursed by FEMA based on percentages which determines the Federal share. The remaining portion or percentage is paid by the City of Houston.

DRG facilitates funds management between external funders and internal City departments. DRG serves as a liaison for audits, project closeouts and assists the departments with accounting entries and reporting. This ongoing process requires effective coordination with departmental contacts for cost reporting, as well as communicating with external parties like FEMA and FHWA for reimbursement related issues.
Project Closeout

Quarterly reports are required to be submitted to TDEM for all projects that have not received final payment. The reports explain the progress that has been made on the various projects. The reports are due the first full quarter after the closure of the joint field office. The following dates are deadlines for submitting reports to TDEM:

<table>
<thead>
<tr>
<th></th>
<th>March 31st</th>
<th>June 30th</th>
<th>September 30th</th>
<th>December 31st</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly reports includes:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Status of the project, such as percentage of construction completed;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Time extensions granted, if any;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Projected completion date;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Amount of expenditures and payment for each project; and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Problems or circumstances that could delay the project or result in noncompliance with the conditions of the FEMA approval.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Extensions

Extension requests are generated if additional time is required beyond the established timeframes. In that event, the status of both large and small outstanding projects are reported to TDEM as an extension request each six months after the disaster date.

Justification for an extension must be detailed and project specific explaining:

• Cause of the delays and why the extension is needed;
• How similar delays will be avoided in the future; and
• All projects involved with the request.

Both large and small eligible projects are to be completed within the timeframes below:

**Completion Deadlines**

<table>
<thead>
<tr>
<th>Type of Work</th>
<th>Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debris Clearance</td>
<td>6</td>
</tr>
<tr>
<td>Emergency Work</td>
<td>6</td>
</tr>
<tr>
<td>Permanent Work</td>
<td>18</td>
</tr>
</tbody>
</table>
**Project Completion Report**

When all work has been performed on a project, the project is reported as 100% complete on the EDR by the department. DRG coordinates with the department to complete a claim summary form. The claim summary form (see Appendix 4) categorizes and subtotals the actual cost in comparison to the estimates included on the PW. The claim summary along with a Project Completion Report and Certification (P4) with an approval signature of the COH authorized representative is then submitted to TDEM. The submission of the claim summary and P4 serve as notification to TDEM that the project is complete and ready for audit.

The P4 form is an internal document for TDEM placed in the COH file stating:

- All work and costs claimed are eligible;
- All work claimed has been completed;
- All expenses for work claimed and deemed eligible have been paid in full; and
- No further claims for damages.

**Record Keeping**

Each department must maintain an accurate and secure record keeping system to provide a clear audit trail of all documentation and expenditures to be provided to the inspection team, reviewers and/or auditors. This documentation is critical for the City to receive reimbursement for eligible disaster related costs.

Specific documentation and procedures are based on the requirements of the Federal Office of Management and Budget and other Federal agencies. All of the documentation pertaining to a project should be filed with the corresponding PW and maintained by the responsible City department as the permanent record of the project. These records become the basis for verification of the accuracy of project cost estimates during validation of small projects, reconciliation of costs for large projects and audits.

**Supporting documents should NOT be destroyed nor archived through Records Management division until three years after the date that the Final Status Report issued by TDEM and received by the Finance DRG.** Even if a State audit has been completed on your projects, the project is still subject to further audit requests, for example by FEMA Office of Inspector General, and records should still be retained within your department.
Audits

Audits and quarterly reviews are conducted on all projects that have not received final payment. However, all approved projects are subject to random audits. These audits may be performed in conjunction with a financial statement audit, internal audit or other forms of attestation engagement. Currently, Single Audit Act requires an audit of grant recipients expending greater than $500,000. However, this threshold will be increased to $750,000 effective December 26, 2014. Even though a single audit must be performed, grant recipients also are subject to additional audits by the FEMA, Office of Inspector General and State auditors for items not covered by the Single Audit.

The City may be audited by all or one of the following:

- Texas Department of Emergency Management.
- Office of Inspector General.
- Federal Highway Administration.
- Internal Auditors.
- External Auditors.

Generally, audits are performed by TDEM to verify eligibility and compliance with the applicable FEMA regulations.

Audit Process Flow

When projects are submitted for closing, TDEM begins auditing projects. A listing of projects that will be opened for audit is communicated by State auditors to the City’s Finance department. A Request for Information (RFI) is then provided to the DRG. The RFI lists all documents that the auditor will need to begin the audit including supporting documentation for the reported costs.
COMPLIANCE

DRG identifies which requested items require input from City departments. Documentation provided to DRG should clearly identify the PW and associated costs. The responses are then compiled for review and are submitted to the auditors. **Note: Throughout the audit period, the RFI is often updated with additional items or follow-up questions that are needed to complete the audit.** Finding meetings are held between COH and auditors throughout the process.

**DO**

- Save and organize email correspondence
- Organize by PW number
- Respond timely to audit request
- Get ALL correspondence on PWs in writing
- Keep scanned copies or duplicate copies
- Provide summary schedules

**DON’T**

- Untimely response to auditors
- Delete emails or destroy documentation
- Send ineligible documentation
- Incomplete PW files
- Unresponsive to audit requests
- Assume all projects will be reimbursed

Common audit findings are:

⇒ Missing overtime approval forms
⇒ Pay rate discrepancies
⇒ Ineligible Invoices or Receipts
⇒ Duplicate Invoices or Billings
⇒ Overstated Invoice amounts
⇒ Timesheet Discrepancies
⇒ Missing Receipts/Documentation
⇒ Costs Outside Scope of Work
⇒ Contract/Bid Approval Deviations
⇒ Time & Materials Contracts

State auditors reviews the claim and submit an audit report along with a final funding recommendation to Federal agencies for review and approval. The Federal agencies review the claim and make any necessary funding adjustments. Final reimbursement is made, or in some cases, a refund of excess advances is required.

**Negative audit findings may result in:**

- De-obligation (return) of funds by FEMA or FHWA
- Adverse City fiscal year end report
- General fund absorbing return of funds
Audit Findings: Case Study

Due to flooding from Tropical Storm Allison in June of 2001, the City performed debris removal operations, emergency protective measures, and search and rescue operations. Following an Office of Inspector General’s (OIG) audit report, FEMA de-obligated $2,500,302 based on the OIG’s findings and recommendations related to documentation, equipment rates, labor costs, and project management costs. COH did not dispute $2,992 of the initial OIG finding.

An initial decision letter from FEMA is not the ultimate decision. The City may appeal any decision made by FEMA, whether a project worksheet assessment or an issue such as eligibility or an extension request denial. However, an appeal has to be filed with the State within 60 days of receiving notice of the action. In turn, FEMA will have 90 days to review the appeal and render a decision or request additional information.

An appeal was filed by the City, requesting the re-obligation of $2,497,310. However, this request was denied due to the City not providing sufficient documentation to evaluate the appeal resulting in a $78,169 loss.

A second appeal was filed by the City, requesting the re-obligation of $2,419,141. Due to the denial of the first appeal for insufficient documentation, over 600 hard copies and over 1,000 scanned pages of documentation were submitted. The documentation included contracts, time sheets, equipment logs, and other documents to support reimbursement.

In summary, $1,320,007 of the force account labor and equipment costs and contract costs submitted for reimbursement was re-obligated. However, the remaining $1,099,134 for the project management costs was denied and remained de-obligated resulting in the general fund absorbing this loss. Second appeals are final and should be unnecessary if complete support is submitted.

Lessons learned may seem obvious but numerous factors contributed to these oversights. With improvements in planning, communications, and data quality, audit readiness has become more accurate and efficient. The revision of AP 4-2 as collaborative effort with stakeholders established roles and responsibilities for future events. Lines of communications were improved during this process and familiarized all with expectations. Additionally, detailed data collection processes were instituted to create an audit trail. Finally, the annual disaster training and disaster manual aid in continually updating and promoting best practices.
References

FEDERAL:

  www.ecfr.gov/cgi-bin/text-idx?SID=b88be42f570bbb3fa992d90e718ee545&tpl=/ecfrbrowse/Title02/2tab_02.tpl

- 44 CFR:

- 9500 Series Policy Publications - FEMA (Disaster Assistance Policy [DAP] series):
  www.fema.gov/9500-series-policy-publications

- Debris Management Guide - FEMA 325/July 2007:

- Guidance for the Functional Classification of Highways:

- Developing and Maintaining Emergency Operations Plans:

- Public Assistance Guide - FEMA 322/June 2007:

- Robert T. Stafford Disaster Relief and Emergency Assistance:
  www.fema.gov/media-library-data/1383153669955-21f970b19e8eaa67087b7da9f4af706e/stafford_act_booklet_042213_508e.pdf

- System for Award Management (SAM)
  www.sam.gov/portal/SAM/#1

State:

- Texas Department of Public Safety, TDEM forms and publications:
  www.txdps.state.tx.us/dem/downloadableforms.htm

- Section 252-022 of the Texas Local Government:
  www.statutes.legis.state.tx.us/SOTWDocs/LG/htm/LG.252.htm

- TDEM-62 Disaster Recovery Manual:
  www.txdps.state.tx.us/InternetForms/Forms/TDEM-62.pdf
STATE continued:
- TDEM-93 Disaster Summary Outline:
  www.txdps.state.tx.us/InternetForms/Forms/TDEM-93.pdf

LOCAL:
- City of Houston Finance Department:
  www.houstontx.gov/finance/acct/general_accounting.html

- City of Houston Emergency Management Plan:
  www.houstonoem.org/external/content/document/4027/1124975/1/COH%
  ⇒ COH Disaster Assistance Recovery Manual (DARM)
  ⇒ COH Emergency Plan Annex J Recovery
  ⇒ COH Emergency Plan Annex M Resource Management
  ⇒ COH Hazard Mitigation Plan

- City of Houston Administrative Policies and Executive Orders:
  www.houstontx.gov/Administrative-Policies-and-Procedures
  ⇒ COH AP 4-2 Internal Disaster Preparation and Recovery
  ⇒ COH AP 5-2 Procurement Procedures
  ⇒ COH AP 5-3 Petty Cash
  ⇒ COH EO 1-14 Procurement Payment and Policies
  ⇒ COH EO 1-42 Purchasing Card Policy and Procedures

- City of Houston Procurement Department:
  //purchasing.houstontx.gov/index.shtml
  ⇒ COH Guide to Contingency Contracting (Emergency Purchases)
  ⇒ COH Procurement Manual

DISCLAIMER: The information provided in this manual is intended as guidance ONLY and does not relieve the City of Houston and its departments of its responsibility to comply with Federal regulations and policies. Documentation requirements may change over time. The most current documentation requirements for items listed in this manual can be found in the above references.
APPENDIX 1:
Administrative Procedure 4-2
1. AUTHORITY

1.1 Article VI, Section 7a, of the City Charter of the City of Houston.

1.2 City of Houston Emergency Management Plan.

2. PURPOSE

2.1 To outline the process by which the City implements appropriate action for collecting, documenting, maintaining, and reporting timely and accurate information in connection with a disaster that financially affects the City directly or indirectly.

2.2 To establish a method by which departments have cash available for use in disaster recovery.

3. OBJECTIVE

3.1 To establish a clear delineation of responsibilities for administration of a Public Assistance Program (PAP) grant and insurance recovery.

3.2 To establish documentation procedures whereby eligible disaster recovery costs can be reimbursed under a PAP and any insurance policy or program that exists at the time of the disaster.

3.3 To identify roles and responsibilities of City departments have related to collecting, documenting, and reporting information during and after a disaster.

3.4 To provide guidance, instruction for identifying and documenting Eligible Work done by City personnel and authorize the Finance Department (Finance) to issue procedures governing financial matters in this process to be used by other departments.

3.5 To provide for the establishment and administration of special accounts such as disaster recovery funds, cost center(s) and internal order numbers where all disaster related costs are captured.

3.6 To establish policies and procedures designed to govern an Emergency Cash Account (ECA).

4. SCOPE

4.1 All City departments are covered by this administrative procedure.
4.2 With the exception of §8, this policy applies to all disasters that financially affect the City directly or indirectly, regardless of declaratory status, and will follow guidelines set forth to enhance and maximize capture of information to achieve maximum recovery reimbursement in the form of insurance, state, or federal reimbursement programs that exist at time of disaster (i.e. Public Assistance Program, Robert T. Stafford Disaster Relief, Emergency Assistance Act, insurance policy/program, etc.).

5. DEFINITIONS

Council Approval Threshold (CAT) – State law sets the dollar threshold (currently $50,000) at which purchases must be solicited using a competitive process, unless specifically exempted by state law. Purchases greater than $50,000 must also be approved by City Council.

Disaster Data Collection Team (DDCT) – The central preliminary damage information gathering body coordinated by the Office of Emergency Management (OEM), and consisting of representatives from Finance and the Administration & Regulatory Affairs Departments (ARA).

Disaster Assistance/Recovery Manual (DARM) – Maintained by OEM, the DARM provides guidance for City departments, along with the private sector, volunteer organizations, and citizens, outlining concept of operations, organizational plans, responsibilities, and methods for evaluating, documenting, and reporting damages as well as short and long-term recovery activities of mass care, individual assistance, and public assistance following a disaster.

Eligible Work – Work that is (i) a direct result of a presidentially declared major disaster or emergency, (ii) within the designated disaster area, unless associated with sheltering or evacuation activities, (iii) the scope of work is clearly defined on an approved Project Worksheet (PW) and (iv) the legal responsibility of the City. The purpose of such work is either for emergency protective measures, permanent restoration or debris removal.

Emergency Cash Account (ECA) – A fund used to facilitate needs for cash during a disaster. These monies are designated exclusively for payment of goods or services directly associated with disaster response and recovery.

Emergency Work – An activity done before, during and after a disaster to save lives, protect and preserve property, public health, or safety, and to provide essential public services. The two “emergency” work categories are identified as Categories “A” and “B”.

(A) – Debris Removal – Work to clear debris from public rights of way and other public property.

(B) – Emergency Protective Measure – Work before, during and after a disaster to eliminate / reduce immediate threats to life, public health, or safety, or to eliminate / reduce an immediate threat of significant damage to public and private property through cost-effective measures.

Federal Emergency Management Agency (FEMA) – A component of the U.S. Department of Homeland Security that prepares the nation for hazards, manages federal response and recovery efforts following any national incident, and administers the National Flood Insurance Program.

FEMA Kick-off Meeting – A meeting held by the FEMA Public Assistance Coordinator, establishing a partnership among FEMA, state and City, and is designed to focus on the specific needs of the City, while establishing eligibility and documentation requirements pertaining to the disaster.

Public Infrastructure – For the purposes of this policy, the roads, streets, bridges, storm water systems, traffic signs and signals, freeway and road lighting, water and wastewater systems needed for the basic facilities and services to sustain a community that are maintained by the Public Works & Engineering Department (PWE).

Permanent Work – Work that is required to restore a damaged facility to pre-disaster design, function, and capacity in accordance with applicable codes and standards. The five “permanent” work categories are identified as Categories
“C” through “G”:

(C) – Road and Bridges – Roads, bridges, traffic controls, lighting, culverts, etc.;

(D) – Water Control Facilities – Drainage channels, pumping facilities, select irrigation facilities;

(E) – Buildings and Equipment – Buildings, including their contents and systems, heavy equipment and vehicles;

(F) – Utilities – Water treatment and delivery systems, power generation and distribution facilities, sewage collection and treatment facilities, communications, etc.; and

(G) – Parks, recreational facilities, and other facilities.

Preliminary Damage Assessment – Conducted to determine the estimated extent of damage to City-owned facilities and infrastructure as soon as humanitarian and emergency needs have been identified and access to the area is deemed safe.

Project Worksheet (PW) – FEMA form that includes a facility location, a damage description, scope of Eligible Work in the form of emergency work or permanent work, estimated or actual costs, etc. PWs further address the special conditions of insurance, environmental and historical issues and form the basis for PA funding.

Public Assistance Disaster Recovery Fund – An accounting entity established to record the cost of Eligible Work, whether such work is initially charged to operating departments' budgets or capital project accounts.

Public Assistance Program (PAP) – FEMA program to provide supplemental federal disaster grant assistance for debris removal, emergency protective measures, and the repair, replacement, or restoration of disaster-damaged City owned facilities. The PAP also encourages protection of these damaged facilities from future events by providing assistance for hazard mitigation measures. The PAP provides federal assistance for emergency work and permanent work.

Robert T. Stafford Act – Authorizes federal disaster assistance to individuals and to governmental entities in the aftermath of a major emergency or disaster and outlines the types of available assistance. The majority of federal disaster assistance programs are administered by state agencies.

State of Emergency – Governmental declaration that can suspend normal City functions, alert citizens to change their normal behaviors, or order government agencies to implement emergency preparedness plans. Such declarations usually come during, or in anticipation of, a natural or manmade disaster.

6. RESPONSIBILITIES

6.1 The Office of the Mayor is responsible for overall coordination and direction of the City Emergency Management Plan to include post-disaster efforts.

6.2 The Emergency Management Coordinator, appointed by the Mayor, will take the lead in compiling the data and coordinate inputs for all departments and coordinate the activities of the DDCT.

6.3 The DDCT shall:

6.3.1 Serve as the central collection point for all preliminary damage documentation relating to City-owned facilities and infrastructure that is impacted by a disaster.

6.3.2 Operate out of the City's Emergency Operations Center.
6.3.3 Assemble when deemed safe to do so.

6.4 OEM is responsible for coordination of documentation related to a disaster, including:

6.4.1 Providing a departmental brief annually, prior to June 1, concerning the DARM, and the associated forms and procedures outlined therein;

6.4.2 Ensuring all departments are trained appropriately in damage assessments and documentation completion. This assurance may be accomplished through regular meetings as OEM deems appropriate and should include, at a minimum, annual training, prior to June 1, for department representatives assigned to take part in preliminary damage assessment;

6.4.3 Collecting disaster related damage information and creating the Disaster Summary Outline submitted to the state, along with copies of the Local Disaster Declaration and the Mayor’s letter requesting state/federal assistance;

6.4.4 Preparing and coordinating the execution of applicable interlocal agreements by ensuring prior approvals are in place, and they are current and accessible at all times;

6.4.5 Ensuring City-wide compliance with the National Incident Management System (NIMS) and the Homeland Security Presidential Directive 5 (HSPD-5).

6.4.6 Coordinating among state/federal representatives and the City to ensure maximum recovery;

6.4.7 Identifying work performed by the City that may be eligible for reimbursement in accordance with current FEMA regulations in conjunction with Finance and other City departments; and

6.4.8 Establishing documentation procedures and standards to enable maximum recovery for eligible City costs.

6.5 Finance is responsible for:

6.5.1 Issuance of an internal order number and implementation instructions to departments.

6.5.2 Development and administration of all budgets, fund transfers, and all other fiscal matters pertaining to the disaster, including establishing and communicating a system for tracking administrative time when preparing PWs.

6.5.3 Depositing disaster relief funds to the established recovery funds and provide copies of documentation to the OEM.

6.5.4 Through the authority of the Finance Director, transferring funds within general and enterprise fund budgets in accordance with the disaster recovery fund budget, subject to Council approval as required by the budget ordinance and the five (5) % transfer provisions.

6.5.5 Working with City departments to plan and coordinate the accounting process necessary to record the financial transactions resulting from the disaster, including the yearly instructions to departments on record keeping.

6.5.6 Determining the proper amount of claims to submit to FEMA, other reimbursing agencies, and insurance companies, working in concert with ARA’s Insurance Management Division (Insurance Management).

6.5.7 Approving P-card limit adjustment plans. Authorizing and adjusting P-card limits upon disaster
declaration. Approving exceptions and increases after initial adjustments. Ensuring limits are adjusted back to normal at some period (TBD) after the disaster.

6.5.8 Preparing the City’s emergency procurement policies and procedures and educating departments on a yearly basis on these policies and procedures.

6.5.9 Obtaining the Mayor’s signature for all procurements that require an exception to the City’s emergency procurement policies (with reason for exceptions, for FEMA reimbursement facilitation).

6.5.10 Maintaining separate records of all emergency purchases made by City departments above their purchasing authority in support of the disaster recovery effort, and requesting Council approval when required.

6.5.11 Preparing emergency specifications and bids in a manner consistent with relevant procurement laws.

6.6 ARA is responsible for handling insurance claims pertaining to the disaster.

6.6.1 Insurance Management is responsible for working with departments to identify and document damages that may be eligible for insurance recovery and the coordination and negotiation of settlement for all insurance claims related to the disaster.

6.7 The Legal Department is responsible for:

6.7.1 Ensuring every contract for services implemented in connection with applicable federal grant funding has complied with applicable procurement laws and includes sufficient assurances and language to meet all applicable federal, state, and local requirements as well as any insurance procedures.

6.7.2 Assisting OEM in the preparation of interlocal agreements by ensuring prior approvals are in place, and that the agreements are current and accessible at all times.

6.7.3 Assisting in determining the eligibility of costs under the Stafford Act and other relevant state and federal disaster laws.

6.7.4 Filing appeals to FEMA, if necessary.

6.8 All departments are responsible for:

6.8.1 Completing preliminary damage information for all property (e.g. buildings, vehicles, etc.) for which they are assigned responsibility.

6.8.2 Assigning representatives to work in conjunction with the DDCT, and with the state and federal government. These representatives will attend training coordinated through the OEM. Representatives will be responsible for reporting damage, providing updates on damage assessments, monitor repairs, and report completed repairs. These representatives shall include:

6.8.2.1 One or more employees who are knowledgeable of the damages and capable of reporting such damages; and

6.8.2.2 One or more employees who will handle the financial documentation.

6.8.3 Completing the required City Preliminary Property Damage Form (Attachment A) and submitting those forms to the DDCT within three calendar (3) days of the disaster.
APPENDIX 1

6.8.4 Completing and maintaining separate records of all forms and providing such documentation as is necessary to identify costs related to federal, state, or insurance Eligible Work.

6.8.5 Providing all necessary information and assistance to federal officials performing damage estimates and the City’s insurance representatives.

6.8.6 Understanding that signatures on each form certify that all information summarized and/or attached is true and correct.

6.8.7 Completing, documenting and maintaining their own internal departmental costs for the purpose of keeping disaster expenses separate from day-to-day operations. These records shall be maintained for audit purposes.

6.8.8 Performing any emergency work required and for formulating and/or review of all bid specifications developed for permanent work on facilities for all buildings for which, at the time of the disaster, they are assigned responsibility.

6.8.9 Coordinating, in accordance with the DARM, the development of PWs with complete supporting documentation for eligible costs.

6.8.10 Providing PWs and other relevant supporting documentation to Finance as needed.

6.9 The Public Works and Engineering Department is responsible for formulating and/or reviewing all bid specifications developed for permanent work on public infrastructure damage caused by the disaster.

6.10 For City-owned insurable assets falling outside of the defined public infrastructure, the asset owner or their designee shall be responsible for formulating and/or review of all bid specifications developed for repairs of damage caused by the disaster.

7. PROCEDURES

7.1 Immediately after the disaster, each department shall complete a City Preliminary Property Damage Form (Attachment A) and shall submit the subsequent City Preliminary Property Damage Forms to the DDCT within three (3) calendar days of the disaster. Refer to the DARM for detailed completion instructions.

7.2 OEM will complete and submit the Disaster Summary Outline to the state with all appropriate and necessary documentation.

7.3 As a result of a presidentially declared disaster, federal agencies will be referred to City departments through OEM and will assist City staff with the preparation of PWs to be submitted under the PAP. FEMA will distribute applicable forms at their kick-off meeting with the City.

7.4 Once a PW is completed, and the responsible department director, or designee, has signed it, he/she shall forward the City’s copy of the original PW, along with any attachments, to OEM and Finance. Originating departments will keep copies of all documentation supporting each PW. Completed PWs provide the basis for all documentation of disaster costs.

7.5 Reimbursement for disaster related expenses is contingent on complete documentation of eligible expenditures. Documentation procedures will differ according to the nature of the transaction and the recovery method sought e.g., grant, insurance, etc. Transactions fall into one of five (5) categories as defined by FEMA below:

7.5.1 Contracts;
7.5.2 Payments to vendors for services;
7.5.3 Salaries (straight-time and overtime), materials, and other direct costs related to City crews doing Eligible Work;
7.5.4 Use of City vehicles and equipment (mileage/fuel usage/purpose/operator); and
7.5.5 Repair of damage done to City facilities or equipment.

7.6 The following documents (refer to the DARM for a comprehensive list) should be kept for contract work as well as any photographs, videos and sketches for additional clarity:

7.6.1 Project Worksheet
7.6.2 Project cost summary
7.6.3 Requests for bids
7.6.4 Bid documents/work specifications
7.6.5 Bid summary sheet
7.6.6 Contracts/purchase orders and change orders thereto
7.6.7 Invoices submitted by the contractor
7.6.8 Invoices submitted for engineering services
7.6.9 Authorization for check issuances
7.6.10 Copies of checks issued for payment

7.7 All non-payroll recovery costs will be charged to the appropriate accounts and to an internal order number and a disaster recovery grant or fund that will be established by Finance and communicated to departments prior to the disaster if possible.

7.7.1 Straight time payroll expenditures for recovery efforts will be charged to the internal order number and the operating budget of the department.

7.7.2 Overtime payroll expenditures for recovery efforts will be charged to the internal order number and the disaster recovery grant or fund.

7.8 If service costs are expected to fall above the CAT:

7.8.1 Bid specifications are to be submitted first for review by Finance’s Strategic Purchasing Division (SPD), and to the Legal Department if over $1 million, to ensure compliance with federal, state, and local regulations.

7.8.2 All other City bidding procedures will be followed.

7.8.3 Necessary emergency purchases that exceed the CAT shall be approved by SPD prior to City Council approval. Purchases made in this manner shall be submitted to City Council for review once the crisis has passed.

7.8.4 The vendor payment process will follow documentation guidelines, which include controls estab-
7.9 Use of City Vehicles and equipment:

7.9.1 The use of all City-owned vehicles and equipment for disaster responses will be documented along with other internal departmental costs.

7.9.2 Based upon the current Federal Schedule of Equipment Rates provided by FEMA via OEM, the reimbursable cost of City-owned vehicles and equipment for recovery efforts will be charged to the internal order number and the disaster recovery grant or fund that will be established by Finance and communicated to departments prior to the disaster if possible.

7.10 Repair of damage to City property which is insured in whole or in part:

7.10.1 Facility damage is to be handled as follows:

7.10.1.1 All damage is to be reported to the DDCT. All PWs prepared by the City, federal and state representatives on damages will be coordinated through the OEM. Copies of PWs will be forwarded to Insurance Management and Finance.

7.10.1.2 All departments, depending on the nature of the damage, will prepare repair specifications. Copy of approved specifications should be sent to the Insurance Management.

7.10.1.3 Once contracts for facility repair have been awarded, a copy will be forwarded to the DDCT and the department charged with overseeing the repairs. Contracts should be attached to the PW for documentation purposes.

7.10.1.4 Insurance Management will work with the City insurance company to secure reimbursement for damages.

7.10.1.5 Temporary repairs and emergency clean-up of buildings or facilities shall be documented.

7.10.1.6 Each department shall submit, as part of the PW process, a detailed listing of all materials (with itemized cost) used in making temporary repairs and affecting emergency clean-up of City facilities.

7.10.1.7 Each department shall submit the personnel hours with the salaries paid to employees involved in these activities (regardless of classification).

7.10.1.8 Any department that has awarded emergency contracts for facility repairs shall send a copy of the contract including the scope of work and contract amount to Insurance Management.

8. EMERGENCY CASH ACCOUNT (ECA)

8.1 The ECA is hereby established.

8.2 With exception to the directives stated in this section of this policy, ECA procedures shall be governed by A.P. 5-3, Petty Cash.

8.3 Additional budgeted funds shall not be granted for an ECA. A temporary drawdown from a predetermined fund, cost center and general ledger account within the department's normal operating budget must be established prior to a disaster. It is the department's responsibility to ensure that the targeted drawdown location is
adequately funded.

8.4 An ECA shall be activated when a state of emergency is declared by the Mayor.

8.5 Finance shall establish a method by which an ECA drawdown shall take place, to include drawdown activation and fund delivery to the ECA’s designated financial institution. Individual financial institution designation may be requested by a department as a part of the ECA justification package.

8.6 All funds allocated must be drawn down in one lump sum, thereby activating the ECA; however, cash withdrawals may be made in-whole or in-part.

8.6.1 If essential, full or partial fund replenishment is authorized. The request and justification for replenishment shall be submitted to the Finance Director. Upon approval, the Finance Department shall perform a subsequent drawdown from the established funding source and deposit these funds into the same financial institution account.

8.7 ECA Establishment or Increase:

8.7.1 Departments shall establish or request an increase to an ECA in accordance with the forms used in A.P. 5-3, Petty Cash, §7.3.

8.7.2 Each department must show cause in order to qualify for an ECA. Cause must include a clearly established need to distribute cash during a disaster that cannot be accommodated at a later time through existing contracts. This explanation shall originate with the department's director or designee and accompany ECA establishment or increase requests.

8.7.3 Written justification must be provided when establishing an ECA dollar amount.

8.7.4 Departments shall provide an operating procedure, delineating ECA safeguards and controls once activated, which shall accompany the justification letter. Department’s shall keep this document up to date.

8.7.5 The Controller’s Office shall approve and establish fund destination bank accounts for the ECA.

8.8 Each ECA shall have a primary custodian and up to three alternate custodians.

8.8.1 The primary custodian shall activate an alternate custodian only in the event that the primary custodian is unavailable to perform the duty. If the primary custodian is unable to relay this notice, alternate custodians shall have an understanding of a default alternate custodian activation order.

8.8.2 The custodian who withdraws the ECA cash from the designated financial institution shall be considered the primary custodian for the duration of the ECA activation period.

8.8.3 The primary custodian is responsible for all ECA transactions and losses.

8.8.4 All ECA custodians and alternates shall maintain a pay grade of 26 or higher; however, all transaction and expenditure summaries/reports submitted to the Controller’s Office must be approved by a pay grade 32 or higher within the same department.

8.8.5 It is the department’s responsibility to ensure its custodian and alternate(s) list is current with the ECA’s financial institution.

8.9 Supporting Documentation
8.9.1 All ECA transactions must be logged in a journal dedicated to the ECA and supported by receipt.

8.9.2 This information should be transferred over to an electronic journal when feasible.

8.9.3 Receipts, with the vendor’s name, should be maintained for all expenditures. Attachment B – Emergency Cash Account Receipt shall be printed in advance and used to document all expenditures.

8.10 The ECA custodian shall routinely reconcile the ECA. At a minimum, this should be performed on a daily basis.


8.12 Purchasing Limitations

8.12.1 ECA purchases are limited to goods or services that cannot reasonably be accommodated through existing contracts and serve to directly assist in disaster recovery.

8.12.2 Prohibited purchases:

8.12.2.1 Cashing personal checks.

8.12.2.2 Loans to employees or others.

8.12.2.3 Personal expenditures (e.g. plants, office decorations, etc.).

8.12.2.4 Payroll advances to employees.

8.12.2.5 Reimbursements of state sales tax for any purchase (the sales tax exemption certificate should be presented to the vendor when petty cash is used to pay for goods or services).

8.12.2.6 Making change for transactions involving cash sales or where cash is received.

8.12.2.7 Entertainment of any kind.

8.12.2.8 Other inappropriate purposes established by the Approving Authority.

8.13 A.P. 5-3, Petty Cash, §§7.7 & 7.8 shall be complied with for policies to establish a new ECA custodian and back-up custodian, respectively. For the purposes of this policy, the alternate custodian shall follow the same protocols governing the back-up custodian.

8.14 An ECA shall be replenished by state and federal reimbursements when plausible. It is the department’s responsibility to compensate for the funds used for the ECA when performing normal operations. This may include additional appropriations granted by City Council.

8.15 Fund Deactivation – An ECA may not be deactivated until the Mayor rescinds the state of emergency. Once rescinded, all ECAs must be closed out within 30 days. If extenuating circumstances present a causal relationship fostering continued ECA spending, extensions to the 30 day closeout may be granted by the Finance Director with written justification.

8.15.1 The final fund reconciliation must be verified and signed off by a designee appointed by the department director. This designee may not be the ECA custodian or an alternate.
8.15.2 Once all remaining funds have been returned to the account of origin, the receipts have been justified with no discrepancies and A.P. 5-3, Petty Cash, §§7.9.1.1 – 7.9.1.3 has been complied with, the ECA shall be considered deactivated.

8.16 Fund Closeout – See A.P. 5-3, Petty Cash, §7.11.

8.17 Compliance with §8.15 shall be monitored by the Finance Department. This scrutiny shall include validation of the final ECA cash balance reconciliation and general audit proceedings.

9. ATTACHMENTS

9.1 Attachment A - City Preliminary Property Damage Form

9.2 Attachment B - Emergency Cash Account Receipt
Attachment A

City Preliminary Property Damage Form
City Preliminary Property Damage Form

Event/Incident: [ ] Fire [ ] Flood [ ] Wind [ ] Other ______________________

Department: __________________________ Division: ______________________

Date of Loss: __________________________ Estimated Time of Loss: __________

Location of Damage* (Name of Building/Structure): __________________________

Address of Building/Structure*: __________________________________________

Insurance Key No.*: ___________ (Obtain information from the City Schedule of Insured Property in Office of Emergency Management's Disaster Recovery Manual (DARM).)

Description of Damaged Building/Structure (examples: actual building, permanently installed fixtures, machinery, outdoor fixtures, fire extinguishing equipment, floor coverings, appliances):

Estimated Loss $ ___________ Description __________________________

Description of Damaged Contents (examples: furniture, computers, and supplies):

Estimated Loss $ ___________ Description __________________________

Building/Content Contact Person: __________________ Telephone: ___________

(Contact person for scheduling inspections of damaged buildings/contents.)

Note: Please prepare one information sheet per location, per department; please do not add multiple locations or departments on one information sheet. This form needs to be completed and returned to the Disaster Data Collection Team (Office of Emergency Management) within three calendar days of damage.

Description of Damaged Vehicles (if needed, attach a schedule of damaged vehicles):

<table>
<thead>
<tr>
<th>5-Digit Shop #</th>
<th>Make</th>
<th>Model</th>
<th>Year</th>
<th>Description</th>
<th>Amount of Loss</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

Vehicle Contact Person: __________________ Telephone: ___________

Were photos of damage taken? ______ What is the photo format? __________________

Person Completing Form: __________________ Title: __________________

Signature: __________________ Date Signed: ____________________
Attachment B

Emergency Cash Account Receipt
Emergency Cash Account Receipt

<table>
<thead>
<tr>
<th>CITY OF HOUSTON EMERGENCY CASH ACCOUNT RECEIPT</th>
<th>Dept. No.*</th>
<th>No.**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid by:</td>
<td>Paid to:</td>
<td></td>
</tr>
</tbody>
</table>

**DESCRIPTION**

<table>
<thead>
<tr>
<th>Phone:</th>
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<table>
<thead>
<tr>
<th>Address:</th>
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<tbody>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>TAX EXEMPTION I.D.:</th>
<th>1-74-600-1164-0</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTERNAL ORDER #:</td>
<td></td>
</tr>
<tr>
<td>AMOUNT</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date:</th>
<th>Received by:</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

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*Department’s two digit identifier (e.g., 65 for ARA)

**Four digit, unique, sequential numbering identifier (e.g., 0001). No duplicate numbers should exist in the same department during the same state of emergency.
APPENDIX 2:

PW Forms for SUMMARY RECORDS
## Project Worksheet FEMA Form 90-91

U.S. DEPARTMENT OF HOMELAND SECURITY
FEDERAL EMERGENCY MANAGEMENT AGENCY
PROJECT WORKSHEET

### PAPERWORK BURDEN DISCLOSURE NOTICE
Public reporting burden for this form is estimated to average 90 minutes per response. Burden means the time, effort and financial resources expended by persons to generate, maintain, disclose, or to provide information to us. You may send comments regarding the burden estimate or any aspect of the collection, including suggestions for reducing the burden to: Information Collections Management, U.S. Department of Homeland Security, Federal Emergency Management Agency, 500 C Street, SW, Washington, DC 20472, Paperwork Reduction Project (OMB Control Number 1660-0017). You are not required to respond to this collection of information unless a valid OMB number appears in the upper right corner of this form. NOTE: Do not send your completed questionnaire to this address.

<table>
<thead>
<tr>
<th>DISASTER</th>
<th>PROJECT NO.</th>
<th>PA ID NO.</th>
<th>DATE</th>
<th>CATEGORY</th>
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</thead>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>DAMAGED FACILITY</th>
<th>WORK COMPLETE AS OF</th>
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<tbody>
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</table>

<table>
<thead>
<tr>
<th>APPLICANT</th>
<th>COUNTY</th>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>LATITUDE</th>
<th>LONGITUDE</th>
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<tbody>
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</table>

### DAMAGE DESCRIPTION AND DIMENSIONS

### SCOPE OF WORK

Does the Scope of Work change the pre-disaster conditions at the site?  
☐ Yes  ☐ No  
Special Considerations issues included?  
☐ Yes  ☐ No  
Hazard Mitigation proposal included?  
☐ Yes  ☐ No  
Is there insurance coverage on this facility?  
☐ Yes  ☐ No

### PROJECT COST

<table>
<thead>
<tr>
<th>ITEM</th>
<th>CODE</th>
<th>NARRATIVE</th>
<th>QUANTITY/UNIT</th>
<th>UNIT PRICE</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

| TOTAL COST | ☑ |

PREPARED BY  
TITLE  SIGNATURE

APPLICANT REP.  
TITLE  SIGNATURE

FEMA Form 90-91, FEB 06  REPLACES ALL PREVIOUS EDITIONS.
### Force Account Labor Summary FEMA Form 90-123

<table>
<thead>
<tr>
<th>Name</th>
<th>Dates and Hours Worked Each Week</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

#### Dates and Hours Worked Each Week

<table>
<thead>
<tr>
<th>Name</th>
<th>Job Title</th>
<th>Date</th>
<th>Total Hours</th>
<th>Hourly Rate</th>
<th>Benefit Rate/Hr</th>
<th>Total Hourly Rate</th>
<th>Total Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>REG.</td>
<td></td>
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<tr>
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<td>REG.</td>
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<td>REG.</td>
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<td></td>
<td>REG.</td>
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</tbody>
</table>

#### Costs

- **Total Costs for Force Account Labor Regular Time:** 3
- **Total Cost for Force Account Labor Overtime:** 3

I certify that the information above was obtained from payroll records, invoices, or other documents that are available for audit.

<table>
<thead>
<tr>
<th>Certified</th>
<th>Title</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>
## Benefit Calculation FEMA Form 90-128

<table>
<thead>
<tr>
<th>FRINGE BENEFITS (by %)</th>
<th>REGULAR TIME</th>
<th>OVERTIME</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOLIDAYS</td>
<td></td>
<td></td>
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<tr>
<td>VACATION LEAVE</td>
<td></td>
<td></td>
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<tr>
<td>SICK LEAVE</td>
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<tr>
<td>SOCIAL SECURITY</td>
<td></td>
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<tr>
<td>MEDICARE</td>
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<tr>
<td>UNEMPLOYMENT</td>
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<tr>
<td>WORKER'S COMP.</td>
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<tr>
<td>RETIREMENT</td>
<td></td>
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</tr>
<tr>
<td>HEALTH BENEFITS</td>
<td></td>
<td></td>
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<tr>
<td>LIFE INS. BENEFITS</td>
<td></td>
<td></td>
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<tr>
<td>OTHER</td>
<td></td>
<td></td>
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<tr>
<td><strong>TOTAL in % annual salary</strong></td>
<td></td>
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</tr>
</tbody>
</table>

**COMMENTS**

*I CERTIFY THAT THE INFORMATION ABOVE WAS TRANSCRIBED FROM PAYROLL RECORDS OR OTHER DOCUMENTS WHICH ARE AVAILABLE*

<table>
<thead>
<tr>
<th>Name</th>
<th>TITLE</th>
<th>DATE</th>
</tr>
</thead>
</table>

*FEMA Form 90-128, FEB 09*
# Materials Summary Record FEMA Form 90-124

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>DESCRIPTION</th>
<th>QUAN.</th>
<th>UNIT PRICE</th>
<th>TOTAL PRICE</th>
<th>DATE PURCHASED</th>
<th>DATE USED</th>
<th>INFO FROM (CHECK ONE)</th>
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<tbody>
<tr>
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</table>

**GRAND TOTAL**

I certify that the information was obtained from payroll records, invoices, or other documents that are available for audit.

CERTIFIED: [Name]

TITLE: [Position]

DATE: [Date]
## Force Account Equipment Summary Record FEMA Form 90-127

**DEPARTMENT OF HOMELAND SECURITY**  
**FEDERAL EMERGENCY MANAGEMENT AGENCY**  
**FORCE ACCOUNT EQUIPMENT SUMMARY RECORD**

<table>
<thead>
<tr>
<th>APPLICANT</th>
<th>PAID NO.</th>
<th>PROJECT NO.</th>
<th>DISASTER</th>
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</thead>
<tbody>
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<table>
<thead>
<tr>
<th>LOCATION/SITE</th>
<th>CATEGORY</th>
<th>PERIOD COVERING</th>
</tr>
</thead>
<tbody>
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</table>

**DESCRIPTION OF WORK PERFORMED**

<table>
<thead>
<tr>
<th>TYPE OF EQUIPMENT</th>
<th>INDICATE SIZE, CAPACITY, HOURSEPOWER, MAKE AND MODEL AS APPROPRIATE</th>
<th>EQUIPMENT CODE NUMBER</th>
<th>OPERATOR’S NAME</th>
<th>DATES AND HOURS USED EACH DAY</th>
<th>COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DATE</td>
<td>HOURS</td>
<td>TOTAL HOURS</td>
<td>TOTAL COST</td>
<td></td>
</tr>
</tbody>
</table>

**GRAND TOTAL**

I CERTIFY THAT THE ABOVE INFORMATION WAS OBTAINED FROM PAYROL RECORDS, INVOICES, OR OTHER DOCUMENTS THAT ARE AVAILABLE FOR AUDIT.

<table>
<thead>
<tr>
<th>CERTIFIED</th>
<th>TITLE</th>
<th>DATE</th>
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FEMA Form 90-127, AUG 10
APPENDIX 2

Rental Equipment Summary Record FEMA Form 90-125

<table>
<thead>
<tr>
<th>TYPE OF EQUIPMENT</th>
<th>DATES AND HOURS USED</th>
<th>RATE PER HOUR</th>
<th>TOTAL COST</th>
<th>VENDOR</th>
<th>INVOICE NO</th>
<th>DATE AND AMOUNT PAID</th>
<th>CHECK NO</th>
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<tbody>
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</table>

GRAND TOTAL

I CERTIFY THAT THE ABOVE INFORMATION WAS OBTAINED FROM PAYROLL RECORDS, INVOICES, OR OTHER DOCUMENTS THAT ARE AVAILABLE FOR AUDIT.

CERTIFIED 

TITLE 

DATE 

FEMA Form 90-125, FEB 09
## Contract Work Summary Record FEMA Form 90-126

<table>
<thead>
<tr>
<th>DATES WORKED</th>
<th>CONTRACTOR</th>
<th>BILLING/INVOICE NUMBER</th>
<th>AMOUNT</th>
<th>COMMENTS/ SCOPE</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

**GRAND TOTAL**

I CERTIFY THAT THE INFORMATION WAS OBTAINED FROM PAYROLL, INVOICES, OR OTHER DOCUMENT THAT ARE AVAILABLE FOR AUDIT.

CERTIFIED | TITLE | DATE
---|---|---

FEMA Form 90-126, FEB 09
APPENDIX 3:
Eligibility Charts
Eligibility Charts

The following charts can be utilized in determining eligibility for Public Assistance reimbursement within the work categories indicated. Items that are usually eligible are listed on the left, while ineligible items are indicated on the right.

### Procurement/Contracts

<table>
<thead>
<tr>
<th>Eligible</th>
<th>Ineligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Purchase</td>
<td>Cost Plus Percentage</td>
</tr>
<tr>
<td>Sealed Bids</td>
<td>PiggyBack Contracts (Utilizing a previous contract for new scope of work)</td>
</tr>
<tr>
<td>Competitive Bids</td>
<td>Time &amp; Materials*</td>
</tr>
<tr>
<td>Lump Sum</td>
<td>Debarred Contractors</td>
</tr>
<tr>
<td>Unit Price</td>
<td>Non-Competitive Proposals*</td>
</tr>
<tr>
<td>Cost Plus Fixed Fee</td>
<td></td>
</tr>
</tbody>
</table>

* To be avoided or requires strict criteria to meet eligibility requirements.

### General

<table>
<thead>
<tr>
<th>Eligible</th>
<th>Ineligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reasonable &amp; necessary costs</td>
<td>Alcoholic Beverages</td>
</tr>
<tr>
<td>Complies with Federal, State, and Local Regulations</td>
<td>Bad Debts</td>
</tr>
<tr>
<td></td>
<td>Donations/Contributions</td>
</tr>
<tr>
<td></td>
<td>Entertainment</td>
</tr>
<tr>
<td></td>
<td>Fines/penalties</td>
</tr>
<tr>
<td></td>
<td>Insurance Proceeds, salvage value, and purchase discounts must be deducted from claimed costs</td>
</tr>
<tr>
<td></td>
<td>Goods &amp; Services for Personal Use</td>
</tr>
<tr>
<td></td>
<td>Excessive or Unreasonable Costs</td>
</tr>
<tr>
<td></td>
<td>Cost Outside of Scope of Work</td>
</tr>
<tr>
<td></td>
<td>Upgrades or improvements (not including approved mitigation projects)</td>
</tr>
<tr>
<td></td>
<td>Costs Outside of Time Period</td>
</tr>
</tbody>
</table>

### Force Account Labor

<table>
<thead>
<tr>
<th>Eligible</th>
<th>Ineligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overtime for Emergency Work</td>
<td>Comp Time (please see further discussion about labor costs in FEMA Guides)</td>
</tr>
<tr>
<td>Regular &amp; Overtime Hrs for Perm Work</td>
<td>Straight Time for Emergency Work</td>
</tr>
</tbody>
</table>

### Direct Administrative Costs (DAC)

<table>
<thead>
<tr>
<th>Eligible</th>
<th>Ineligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collecting documentation to validate a claim</td>
<td>Applicant Briefing &amp; PreAward Activities</td>
</tr>
<tr>
<td>Direct travel expenses (ex. To monitor project site)</td>
<td>Kick-Off Meetings</td>
</tr>
<tr>
<td>Initial &amp; final site inspections</td>
<td>General support travel expenses</td>
</tr>
<tr>
<td>Developing an alternate project</td>
<td>Review of Compliance with PA Requirements</td>
</tr>
<tr>
<td></td>
<td>Indirect Costs</td>
</tr>
</tbody>
</table>
APPENDIX 4:
Claim Summary
### Division of Emergency Management
Texas Department of Public Safety
Summary of Documentation in Support of Claimed Amount

<table>
<thead>
<tr>
<th>Applicant:</th>
<th>FEMA</th>
<th>DR TX</th>
<th>Project Worksheet (PW):</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>References</th>
<th>Dates</th>
<th>Item Description</th>
<th>Line Item Amount</th>
<th>Total Claimed Actual Cost</th>
<th>Total Per FEMA PW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll, Time Cards, Work Orders, Personnel policies.</td>
<td>Inclusive Dates</td>
<td>Force Account Labor Regular Time Overtime Fringe Benefits (Regular) Fringe Benefits (Overtime)</td>
<td></td>
<td>Total of Line Items for Category</td>
<td>Total for category from FEMA PW</td>
</tr>
<tr>
<td>Labor use log</td>
<td>Inclusive Dates</td>
<td>Equipment Force Account Rental</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FEMA No. for Force Account and invoice and checks for rentals.</td>
<td>Date Delivered</td>
<td>Material Major Material Item... Miscellaneous Material Items...</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment use logs</td>
<td></td>
<td>Contract Line Items if Applicable...</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Load Tickets, Invoice &amp; Check Numbers</td>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Material Use log.</td>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bid Documents, Contract, Invoice and check numbers.</td>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Log</td>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total**

Description of work accomplished and explanation of cost differences between Actual Costs and FEMA PW amounts. Use additional sheet if necessary.

### INSTRUCTION
At Large Council
1: Stephen C. Costello  
2: David W. Robinson  
3: Michael Kubosh  
4: C.O. "Brad" Bradford  
5: Jack Christie

Mayor Annise D. Parker
Finance Director Kelly Dowe