

**The Department of Homeland Security (DHS)  
Notice of Funding Opportunity (NOFO)  
FY 2020 Flood Mitigation Assistance**

**NOTE:** If you are going to apply for this funding opportunity and have **not** obtained a Data Universal Numbering System (DUNS) number and/or **are not** currently registered in the System for Award Management (SAM), please take immediate action to obtain a DUNS Number, if applicable, and then to register immediately in SAM. It may take 4 weeks or more after you submit your SAM registration before your registration is active in SAM, then an additional 24 hours for Grants.gov to recognize your information. Information on obtaining a DUNS number and registering in SAM is available from Grants.gov at: <http://www.grants.gov/web/grants/register.html>. Detailed information regarding DUNS and SAM is also provided in Section D of this NOFO, subsection, Content and Form of Application Submission.

**A. Program Description**

**1. Issued By**

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

**2. Assistance Listings (formerly Catalog of Federal Domestic Assistance (CFDA) Number)**

97.029

**3. Assistance Listings Title (formerly CFDA Title)**

Flood Mitigation Assistance

**4. Funding Opportunity Title**

FY 2020 Flood Mitigation Assistance

**5. Funding Opportunity Number**

DHS-20-MT-029-000-99

**6. Authorizing Authority for Program**

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

**7. Appropriation Authority for Program**

*Department of Homeland Security Appropriations Act, 2020* (Pub. L. No. 116-93, Division D)

**8. Announcement Type**

Initial

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

The Flood Mitigation Assistance (FMA) program makes federal funds available to states, U.S. territories, Indian tribal governments, and local communities to reduce or eliminate the risk of repetitive flood damage to buildings and structures insured under the National Flood Insurance Program (NFIP). The FMA program addresses Presidential Policy Directive 21, Critical Infrastructure Security and Resilience, and supports the mitigation mission area through Strategic Goal #1 Building a Culture of Preparedness, Objectives 1.1, 1.2, 1.3, and 1.4 of the 2018 – 2022 FEMA Strategic Plan.

FEMA will distribute the available FY 20 FMA funding amount as follows:

- 1. Project Scoping (previously Advance Assistance):** Project Scoping to develop community flood mitigation projects and/or individual flood mitigation projects that will subsequently reduce flood claims against the NFIP. FEMA will select up to \$4 million of Project Scoping subapplications.
- 2. Community Flood Mitigation Projects:** FEMA will select up to \$70 million of projects that address community flood risk for the purpose of reducing NFIP flood claim payments.
- 3. Technical Assistance:** Technical Assistance to maintain a viable FMA program over time. To be eligible to apply, the Applicant must have received an FY 19 FMA Award of at least \$1 million federal share.
- 4. Flood Hazard Mitigation Planning:** Planning subapplications for the flood hazard component of State, Local, Territory, and Tribal (SLTT) Hazard Mitigation Plans and plan updates.
- 5. Individual Flood Mitigation Projects:** Projects that mitigate the risk of flooding to individual NFIP insured structures.

For more information on FY 20 FMA funding priorities and eligible activities, see Section E, Application Review Information, Review, and Selection Process.

## **10. Performance Metrics**

Benefit-Cost Analysis (BCA) is the method by which the future benefits of a hazard mitigation project are determined and compared to its costs. The end result is a BCR, which is calculated by a project's total benefits divided by its total costs. The BCR is a numerical expression of the "cost-effectiveness" of a project. A project is considered to be cost effective when the BCR is 1.0 or greater, indicating FEMA expects the benefits of a prospective hazard mitigation project are sufficient to justify the costs.

## **B. Federal Award Information**

- 1. **Available Funding for the NOFO:** \$160,000,000
- 2. **Period of Performance:** 36 months or 48 months  
(Period of Performance for community flood mitigation projects will be 48 months)

The Period of Performance (POP) is 36 months, starting on the date of the Recipient’s federal Award (see Section D, Application and Submission Information). Given the complexity of the community flood mitigation projects, the POP for community flood mitigation projects is 48 months, starting on the date of the Recipient’s federal Award (see Section D, Application and Submission Information). Any subsequent amendments to the federal Award will not extend the POP unless explicitly stated.

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

- 3. **Projected Period of Performance Start Date(s):** Will vary by Award
- 4. **Projected Period of Performance End Date(s):** 48 months for community flood mitigation projects and 36 months for all other projects from date of Award
- 5. **Funding Instrument Type:** Grant

**C. Eligibility Information**

**1. Eligible Applicants**

- States
- District of Columbia
- U.S. territories
- Indian tribal governments (federally recognized)

Each state, territory, the District of Columbia, and Indian tribal government (federally recognized) shall designate one agency to serve as the Applicant for FMA funding. Each Applicant’s designated agency may submit only one FMA grant Application to FEMA. Applications under which two or more entities would carry out the Award are eligible, such as a multi-state or multi-tribal initiative; however, only one entity may be the Applicant with primary responsibility for carrying out the Award.

**2. Eligible Subapplicants**

Local governments, including cities, townships, counties, special district governments, and Indian tribal governments (including federally recognized tribes who choose to apply as subapplicants), are considered subapplicants and must submit subapplications to their state/territory/tribal Applicant agency. Certain political subdivisions (i.e., regional flood control districts or county governments) may apply and act as subapplicants if they are part of a community that is participating in the National Flood Insurance Program (NFIP) where the political subdivision provides zoning and building code enforcement or planning and community development professional services for that community. Contact

information for the State Hazard Mitigation Officers (SHMOs) is provided on the FEMA website at <https://www.fema.gov/state-hazard-mitigation-officers>.

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

### **3. Hazard Mitigation Planning**

- Hazard Mitigation Plan Requirement

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

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

- Mitigation Plan Integration Encouraged

In addition, communities are encouraged, but not required, to pursue Plan Integration, which is a process where communities look critically at their existing planning framework and align efforts. Integration of hazard mitigation principles into other local planning mechanisms (comprehensive plans, transportation plans, floodplain ordinances, etc.) and vice versa is vital to build a safer, more resilient community. This two-way exchange of information supports community-wide risk reduction, both before and after disasters occur. Not only will the community's planning efforts be better integrated, but by going through this process there is a higher level of interagency coordination, which is just as important as the planning mechanisms themselves. Additional information on Plan Integration can be found at [https://www.fema.gov/media-library-data/20130726-1908-25045-0016/integrating\\_hazmit.pdf](https://www.fema.gov/media-library-data/20130726-1908-25045-0016/integrating_hazmit.pdf).

### **4. Application Submission in FEMA's Grant System**

To be considered for funding, all Applicants must submit their FY 2020 FMA grant Application to FEMA via FEMA's grant application system (see Section D, Application and Submission Information).

## 5. Other Eligibility Criteria

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

All subapplications submitted under the community flood mitigation project priority (see Section E, Application Review Information, of this NOFO) must demonstrate that the proposed project benefits NFIP insured properties by submitting a map and associated geospatial file(s) (e.g., Shapefile, KML/KMZ, Geodatabase, or other GIS enabled document) delineating: the proposed project footprint boundary, the area benefitting from project, and active NFIP policies (if this data is available).

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

## 6. Cost Share or Match

Cost share is required for all subapplications funded under this program. Federal funding is available for up to 75 percent of eligible costs in most cases. The remaining 25 percent of eligible costs must be derived from non-federal sources and applied in accordance with 2 C.F.R. § 200.306. For example, if the total cost is \$400,000 and the non-federal cost share is 25 percent, then the non-federal contribution is \$100,000: 25 percent of \$400,000 is \$100,000. FEMA may consider the non-federal cost share based on availability of remaining federal funds, as noted in Section E, Application Review Information.

- FEMA may contribute up to 100 percent federal cost share for severe repetitive loss (SRL) properties. An SRL property as defined under 42 U.S.C. 4104c(h)(3) is a structure that:
  - (a) Is covered under a contract for flood insurance made available under the NFIP; and
  - (b) Has incurred flood-related damage
    - i. For which four or more separate claims payments (includes building and contents) have been made under flood insurance coverage with the amount of each such claim exceeding \$5,000, and with the cumulative amount of such claims payments exceeding \$20,000, or

- ii. For which at least two separate claims payments (includes only building) have been made under such coverage, with the cumulative amount of such claims exceeding the market value of the insured structure.
- FEMA may contribute up to 90 percent federal cost share for repetitive loss (RL) properties. An RL property as defined under 42 U.S.C. 4121 is a structure covered by a contract for flood insurance made available under the NFIP that:
  - (a) Has incurred flood-related damage on two occasions, in which the cost of the repair, on the average, equaled or exceeded 25 percent of the market value of the structure at the time of each such flood event; and
  - (b) At the time of the second incidence of flood-related damage, the contract for flood insurance contains Increased Cost of Compliance (ICC) coverage.

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

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

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

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

innovative use of public and private-sector partnerships to meet the non-federal cost share.

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

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

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

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

- |  |   |
|--|---|
| <b>a. Application Start Date:</b>          | 09/30/2020                              |
| <b>b. Application Submission Deadline:</b> | 01/29/2021 at 3:00 PM<br>[Eastern Time] |

All Applications must be received by 3:00 PM Eastern Time on January 29, 2021. FEMA's Grants Outcomes System (FEMA GO) automatically records proof of timely submission and the system generates an electronic date/time stamp when FEMA GO successfully receives the Application. The individual with the Authorized Organization Representative (AOR) role that submitted the Application will also receive the official date/time stamp and a FEMA GO tracking number in an email serving as proof of their timely submission on the date and time that FEMA GO received the Application. Applications received by FEMA GO after the established due date for Applications will be considered late and will not be considered for funding.

**DHS/FEMA will not review Applications that are received after the deadline or consider these late Applications for funding.** DHS/FEMA may, however, extend the Application deadline on request for any Applicant who can demonstrate that good cause exists to justify extending the deadline. Good cause for an extension may include technical problems outside of the Applicant's control that prevent submission of the Application by the deadline, other exigent or emergency circumstances, or statutory requirements for DHS/FEMA to make an Award.

**Applicants experiencing technical problems outside of their control must notify FEMA as soon as possible and prior to the Application deadline.** Failure to timely notify FEMA of the issue that prevented the filing of the Application within the required timeframe may preclude consideration of the Award. "Timely notification" of FEMA means the following: prior to the Application deadline and within 48 hours after the Applicant became aware of the issue.

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

**c. Other Key Dates**

<b>Event</b>	<b>Suggested Deadline for Completion</b>
Obtaining DUNS Number	Four weeks before actual submission deadline
Obtaining a valid EIN	Four weeks before actual submission deadline
Create account with login.gov	One week before actual submission deadline
Registering in SAM or updating SAM registration	Four weeks before actual submission deadline
Registering with FEMA GO	One week before actual submission deadline
Submitting final Application in FEMA GO	By submission deadline

All complete Applications **must** be received by the established deadline.

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

By submitting an Application, Applicants agree to comply with the requirements of this NOFO and the terms and conditions of the Award, should they receive an Award.

**3. Address to Request Application Package**

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

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

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

**Kayed Lakhia**

Director, Hazard Mitigation Assistance Division, Mitigation Directorate  
 Federal Insurance and Mitigation Administration  
 Federal Emergency Management Agency  
 400 C Street, SW  
 Washington, DC 20472



In addition, the following Telephone Device for the Deaf (TDD) and/or Federal Information Relay Service (FIRS) number available for this Notice is: 1-800-462-7585.

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

To apply for an Award under this program, all Applicants must:

- a. Apply for, update, or verify their Data Universal Numbering System (DUNS) Number from Dun & Bradstreet and Employer Identification Number (EIN) from the Internal Revenue Service;
- b. In the Application, provide a valid DUNS number, which is currently the unique entity identifier;
- c. Have an account with [login.gov](https://login.gov);
- d. Register for, update, or verify their SAM account and ensure the account is active before submitting the Application;
- e. Register in FEMA GO and add their organization to the system. The organization's electronic business point of contact (EBIZ POC) from the SAM registration may need to be involved in this step. For step-by-step instructions, see <https://www.fema.gov/media-library/assets/documents/181607>;
- f. Submit the complete Application in FEMA GO; and
- g. Continue to maintain an active SAM registration with current information at all times during which it has an active federal Award or an Application or plan under consideration by a federal awarding agency.

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

#### **5. Electronic Delivery**

DHS is participating in the Grants.gov initiative to provide the grant community with a single site to find and apply for grant funding opportunities. DHS encourages or requires Applicants to submit their Applications online through Grants.gov, depending on the funding opportunity. For this funding opportunity, FEMA requires Applicants to submit their Application through FEMA GO.

#### **6. How to Register to Apply**

a. *Instructions:*

Registering and applying for an Award under this program is a multi-step process and requires time to complete. Read the instructions below about registering to apply for

DHS/FEMA funds. Applicants should read the registration instructions carefully and prepare the information requested before beginning the registration process. Reviewing and assembling the required information before beginning the registration process will alleviate last-minute searches for required information.

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

Applicants must have a Data Universal Numbering System (DUNS) Number and an active System for Award Management (SAM) registration.

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

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

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

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

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

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

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

- 4) *Register with SAM:* In addition to having a DUNS number, all Applicants applying online through Grants.gov must register with the System for Award Management (SAM). Failure to register with SAM will prevent your organization from applying through Grants.gov. SAM registration must be renewed annually.

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

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

## 7. Submitting the Application in FEMA GO

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

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

All Applications must be completed in FEMA GO by the Application deadline. Proof of timely submission is automatically recorded by FEMA GO. An electronic date/time stamp is generated within the system when the Application is successfully submitted to FEMA in FEMA GO. Additionally, the Applicant will receive a system-generated email to confirm submission.

**FEMA will address any system-related issues Applicants and subapplicants are experiencing until 3:00 PM Eastern Time on 01/27/2021, two days before the application deadline. No new system-related issues will be addressed after this deadline.** Applications not received by the Application submission deadline will not be accepted.

## 9. Content and Form of Application Submission

Application for Federal Assistance and Assurances and Certifications Forms

The following forms or information are required to be submitted via FEMA GO. The Standard Forms (SF) are also available at

<https://www.grants.gov/web/grants/forms/sf-424-family.html>.

- SF-424, Application for Federal Assistance
- Certification Regarding Lobbying
- SF-424A, Budget Information (Non-Construction)
  - For construction under an Award, submit SF-424C, Budget Information (Construction), in addition to or instead of SF-424A
- SF-424B, Standard Assurances (Non-Construction)
  - For construction under an Award, submit SF-424D, Standard Assurances (Construction), in addition to or instead of SF-424B
- SF-LLL, Disclosure of Lobbying Activities

- **Indirect Cost Rate Agreement or Proposal** if the budget includes indirect costs and the Applicant is required to have an indirect cost rate agreement or proposal. See further information below regarding allowability of indirect costs and documentation requirements, including if the Applicant does not have or is not required to have an indirect cost rate agreement or proposal, or contact the relevant DHS/FEMA staff identified in Section G, “DHS Awarding Agency Contact Information” for further instructions.

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

Applicants may require their subapplicants to complete and attach the grant Application and/or Assurance and Certifications forms to their planning, Project Scoping, community flood mitigation project, Technical Assistance, and individual flood mitigation project subapplications in FEMA’s grant application system.

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

All Applicants must submit an FMA grant Application via FEMA’s grant application system by the Application deadline to be considered for funding. The required format for Applications and subapplications is built into FEMA’s grant application system:

- FMA Applications, including Applicant-approved planning, Project Scoping, community flood mitigation project, Technical Assistance, individual flood mitigation project, and management costs subapplications must be submitted in an FY 2020 FMA Application.
- Flood hazard mitigation planning activities must be submitted in a planning subapplication;
- Project Scoping activities must be submitted in a Project Scoping subapplication;
- Community flood mitigation projects and individual flood mitigation projects must be submitted in a project subapplication;
- Applicant management costs (for Applicants only) must be submitted in a management costs subapplication;
- Technical Assistance costs (for Recipients to which FEMA obligated an FY 2019 FMA Award of at least \$1 million federal share) must be submitted in a Technical Assistance subapplication.

#### Management Costs

Applicant requests for management costs must be submitted in a separate management costs subapplication in FEMA’s grant application system. Applicants may apply for

Applicant management costs of up to 10 percent of the total FMA grant application for management of the Award and all selected subawards.

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

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

## **10. Other Submission Requirements**

This section sets forth documentation which must be provided to document specific eligibility criteria set forth in Section C, Eligibility Information, Other Eligibility Criteria.

### Benefit-Cost Analysis for Mitigation Projects

Applicants and subapplicants applying for mitigation projects (community flood mitigation projects or individual flood mitigation projects) must provide a Benefit-Cost Analysis (BCA) or other documentation that validates cost-effectiveness. BCA is the method of estimating the future benefits of a project compared to its cost. The end result is a benefit-cost ratio (BCR), which is derived from a project's total net benefits divided by its total project cost. The total benefits and costs must be entered in the Cost-Effectiveness section of the project subapplication and a FEMA-approved BCA must be attached as documentation, as applicable. Planning, Project Scoping, Technical Assistance, and management costs subapplications do not require a BCA.

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

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

### Acquisition Project Requirements

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

Subrecipients must apply deed-restriction language to all acquired properties to ensure that the property is maintained in perpetuity as open space consistent with the conservation of natural floodplain functions, as agreed to by accepting FEMA mitigation award funding. Deed-restriction language is applied to acquired properties by recording the open space and deed restrictions. The FEMA Model Deed Restriction is available on the FEMA website at [https://www.fema.gov/media-library-data/20130726-1848-25045-1210/fema\\_model\\_deed\\_restriction.pdf](https://www.fema.gov/media-library-data/20130726-1848-25045-1210/fema_model_deed_restriction.pdf). Subrecipients, as well as recipients and FEMA are responsible for enforcing compliance with open space restrictions pursuant to 44 CFR Part 80 requirements.

#### National Environmental Policy Act Requirements for Mitigation Projects

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

### **11. Intergovernmental Review**

An intergovernmental review may be required. Applicants must contact their state’s Single Point of Contact (SPOC) to comply with the state’s process under Executive Order 12372 (See <https://www.archives.gov/federal-register/codification/executive-order/12372.html>; <https://www.whitehouse.gov/wp-content/uploads/2019/02/SPOC-February-2019.pdf>).

### **12. Funding Restrictions**

All costs charged to awards covered by this NOFO must comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements at 2 C.F.R. Part 200, unless otherwise indicated in the NOFO or the terms and conditions of the Award.

Federal funds made available through an Award under this NOFO may only be used for the purpose set forth in this NOFO and the terms and conditions of the Award and must be consistent with the statutory and regulatory authority for the Award. Award funds may not be used for matching funds for any other federal grants/cooperative agreements, lobbying, or intervention in federal regulatory or adjudicatory proceedings. In addition, federal funds may not be used to sue the federal government or any other government entity.

The federal funding caps for FMA are as follows:

- \$600,000 per Applicant for all Project Scoping subapplications;
- \$30 million cap per community flood mitigation project subapplication;

- \$50,000 per Applicant for all Technical Assistance subapplications, for Recipients to which FEMA obligated an FY 2019 FMA Award of at least \$1 million federal share;
- \$100,000 per Applicant for flood hazard mitigation planning with maximums of:
  - \$50,000 for state flood hazard mitigation planning;
  - \$25,000 for local flood hazard mitigation planning;
- 10 percent of the total Application budget for Applicant management costs for Applicants to administer and manage Award and subaward activities (see the Management and Administration Costs subsection below);
- 5 percent of the total mitigation project, Project Scoping, and planning subapplication budget for subapplicant management costs for subapplicants to manage their subaward activities (see the Management and Administration Costs subsection below).

Applicants should analyze the cost benefits of purchasing versus leasing equipment, especially high-cost items and those subject to rapid technical advances. Large equipment purchases must be identified and explained. For more information regarding property management standards for equipment and federal procurement requirements, please reference 2 C.F.R. Part 200, available at [https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)

More detailed information is available in Part III, E.1, Eligible Activities, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/media-library/assets/documents/103279>.

### **13. Allowable Costs**

#### **a. Pre-Award Costs**

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

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

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

Applicants and subapplicants who are not awarded Awards or subawards will not receive reimbursement for the corresponding pre-award costs. More detailed information is provided in Part IV, F.2, Pre-Award Costs, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/media-library/assets/documents/103279>.

**b. Management Costs**

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

Applicant and subapplicant management cost activities including the implementation of the FMA program, such as subapplication development, geocoding mitigation projects, delivery of Technical Assistance, managing Awards and staff salary costs are eligible for FMA funding in accordance with the HMA Guidance, available on the FEMA website at <https://www.fema.gov/media-library/assets/documents/103279>.

Applicants may apply for Applicant management costs of up to 10 percent of the total FMA grant Application for management of the Award and all selected subawards. Applicant requests for management costs must be submitted in a separate management costs subapplication in FEMA's grant application system (see Section D, Application and Submission Information, Content and Form of Application Submission).

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

Indirect Cost Rates

As part of management costs, Applicants and subapplicants may charge indirect costs as described in 2 C.F.R. Part 200, including 2 C.F.R. § 200.414. Applicants with a negotiated indirect cost rate agreement that desire to charge indirect costs to an award must provide a copy of their negotiated indirect cost rate agreement at the time of application. Applicants that are not required by 2 C.F.R. Part 200 to have a negotiated indirect cost rate agreement but are required by 2 C.F.R. Part 200 to develop an indirect cost rate proposal must provide a copy of their proposal at the time of application. Subapplicants are not required to submit negotiated indirect cost rate agreements or proposals directly to FEMA, but they may need to submit them to the applicable Applicants per 2 C.F.R. § 200.331.

Applicants and subapplicants that are required to have either a negotiated indirect cost rate agreement or proposal may use their applicable indirect cost rate to charge indirect costs, but they may only charge an amount up to the applicable dollar cap set



above for all management costs. If Applicants or subapplicants are not required to have a negotiated indirect cost rate agreement or proposal, the Applicants should reach out on behalf of themselves or on behalf of subapplicants to the applicable contacts listed in Section G, DHS Awarding Agency Contact Information for further instructions.

## **E. Application Review Information**

### **1. Application Evaluation Criteria**

#### **a. Programmatic Criteria**

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

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

For more detailed information, see Part VI, Application Review Information, of the HMA Guidance, available on the FEMA website at

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

#### **b. Financial Integrity Criteria**

Prior to making a federal Award, the DHS FEMA is required by 31 U.S.C. § 3321 note, 41 U.S.C. § 2313, and 2 C.F.R. § 200.205 to review information available through any OMB-designated repositories of government wide eligibility qualification or financial integrity information. Therefore, Application evaluation criteria may include the following risk-based considerations of the Applicant:

- 1) Financial stability.
- 2) Quality of management systems and ability to meet management standards.
- 3) History of performance in managing federal Award.
- 4) Reports and findings from audits.
- 5) Ability to effectively implement statutory, regulatory, or other requirements.

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

Prior to making a federal Award where the anticipated total federal share will be greater than the simplified acquisition threshold, currently \$250,000 (see Section 805 of the National Defense Authorization Act for Fiscal Year 2018, Pub. L. No. 115-91, OMB Memorandum M-18-18 at

<https://www.whitehouse.gov/wp-content/uploads/2018/06/M-18-18.pdf>):

- 1) DHS/FEMA is required to review and consider any information about the Applicant that is in the designated integrity and performance system

accessible through SAM, which is currently the [Federal Awardee Performance and Integrity Information System](#) (FAPIIS) and is accessible through the [SAM](#) website.

- 2) An Applicant, at its option, may review information in FAPIIS and comment on any information about itself that a federal awarding agency previously entered.
- 3) DHS FEMA will consider any comments by the Applicant, in addition to the other information in FAPIIS, in making a judgment about the Applicant's integrity, business ethics, and record of performance under federal awards when completing the review of risk posed by Applicants as described in 2 C.F.R. § 200.205.

## 2. Review and Selection Process

### a. Review Process

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

#### 1. Project Scoping – up to \$4 million

FEMA will select the highest ranked eligible subapplication(s) for Project Scoping from each Applicant not to exceed \$600,000 total federal cost share. Project Scoping can be used to obtain data and to prioritize, select, and develop community flood mitigation projects and/or individual flood mitigation projects for future funding based on current FEMA-approved mitigation plans. In accordance with 44 C.F.R. Part 79 and HMA Guidance, Project Scoping subapplications will be evaluated to ensure that the end result will lead to an eligible project subapplication that will provide benefits to the NFIP.

Consideration of Project Scoping early in the decision-making process can help facilitate the development of a viable project, as well as project implementation. FY 2020 Project Scoping projects are not eligible for FY 2020 community flood mitigation project or traditional flood mitigation project funding. There is no guarantee for future HMA project funding if Project Scoping is awarded.

All Project Scoping subapplications must include the following elements:

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

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

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

## 2. Community Flood Mitigation Projects – up to \$70 million

FEMA will then select the highest scored eligible community flood mitigation project subapplication(s) based on the FEMA scoring criteria (see below). Each subapplication shall not exceed \$30 million federal cost share. In accordance with 44 C.F.R. Part 79 and HMA Guidance, projects will be evaluated to ensure they will provide benefits to the NFIP.

All community flood mitigation project subapplications must include the following elements:

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

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

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

Subapplications submitted for either the Project Scoping funding or community flood mitigation project funding will be scored and selected based on the priorities in the following table, as needed:

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

In the event of a tie between two or more community flood mitigation subapplications, FEMA will use the highest Benefit-Cost Ratio (BCR) as a tiebreaker for projects.

After meeting the \$70 million available for community flood mitigation or when all eligible community flood mitigation project subapplications have been

selected, FEMA will select eligible subapplications for the remaining funds in the following order:

**3. Technical Assistance**

FEMA will select eligible Technical Assistance subapplications up to \$50,000 federal cost share for Recipients to which FEMA obligated an FY 2019 FMA Award of at least \$1 million federal share.

**4. Flood Hazard Mitigation Planning**

FEMA will select eligible planning subapplications up to \$100,000 federal cost share per Applicant with a maximum of \$50,000 federal cost share for the flood only portion of state mitigation plan updates and a maximum of \$25,000 federal cost share for the flood only portion of local mitigation plans. FEMA may reduce the federal cost share of any planning subapplication that exceeds the statutory maximums.

**5. Individual Flood Mitigation Projects**

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

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

FEMA may rank subapplications higher in each of the above priorities where the average elevation federal cost share is less than \$250,000 for all single dwelling units and the average acquisition federal cost share is less than \$750,000 for all single dwelling units.

**6. FEMA will select remaining eligible subapplications once all above priorities are met based on benefits to the NFIP.**

Applicants must ensure that accurate NFIP policy numbers and RL numbers are included in all subapplications to be eligible to be selected for the above priorities.

For project subapplications in priority categories 5(a) through 5(c) above, FEMA will prioritize projects as follows:

- a. The highest percentage of structures included in the subapplication that meet the definition from 100 to 50 percent;
- b. The largest number of structures included in the subapplication that meet the definition;
- c. The highest percentage of structures included in the subapplication that were determined Substantially Damaged by the community within two (2) years of the Application Submission Deadline and a verification letter is attached to the Application;
- d. The lowest percentage of structures included in the subapplication that are Secondary Dwelling Units pursuant to the active NFIP Policy; and
- e. The projects with the highest FEMA-validated BCR.

FEMA may rank subapplications higher in each of the above priorities where the average elevation federal cost share is less than \$250,000 for all single dwelling units and the average acquisition federal cost share is less than \$750,000 for all single dwelling units.

If a project subapplication includes structures that meet the definition in more than one of the priority categories, then the project will be considered under each of those priority categories, and the structures that meet the definition of each priority category will be counted for that category.

- For example, a project with structures that meet the definition in priority category (a) is not selected for priority (a) because less than 50 percent of the structures included in the subapplication meet that definition. However, the project also contains structures that meet the definition in priority category (b). So the project is considered for priority (b), and the percentage of structures included in the subapplication that meet the definition in priority category (b) is used to determine whether it is selected.

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

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

#### **b. Selection Status**

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

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

**c. Request for Reconsideration**

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

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

Prior to making an Award, FEMA will evaluate Applicants to determine the level of risk when there is a history of failure to comply with general or specific terms and conditions of a federal Award or failure to meet the expected performance goals. If FEMA determines that a federal Award will be made, special conditions that correspond to the degree of risk assessed may be applied to the Award, as specified in Part VI, B, Risk Assessment Prior to FMA Award, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/media-library/assets/documents/103279>.

**F. Federal Award Administration Information**

**1. Notice of Award**

Before accepting the Award, the AOR and Recipient should carefully read the Award package. The Award package includes instructions on administering the grant Award and the terms and conditions associated with responsibilities under federal Awards. Award package must be accepted within 30 days of receipt. **Recipients must accept all conditions in this NOFO as well as any special terms and conditions in the Notice of Award to receive an Award under this program.**

FEMA will provide the federal Award package to the Applicant electronically via FEMA's grant application system. Award packages include an Award letter, Obligor Document for Awards/Amendments, and Articles of Agreement, including EHP review and/or other conditions. An email notification of the Award package will be sent through FEMA's grant application system to the Applicant POC(s) designated in the FMA grant application. See 2 C.F.R. § 200.210, Information contained in a federal Award at <http://www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-sec200-210>.

When FEMA obligates funds for a grant to an Applicant, the Applicant and subapplicant are denoted as Recipient and subrecipient, respectively. The Recipient and subrecipient agree to abide by the grant Award terms and conditions as set forth in the Articles of Agreement provided in the Award package. Recipients must accept all conditions in this NOFO as well as any Special Terms and Conditions. For detailed information, see Part VI, A, Notice of Award, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/media-library/assets/documents/103279>.

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

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

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

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

### Construction Project Requirements

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



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

#### Environmental Planning and Historic Preservation (EHP) Compliance

Applicants and subapplicants proposing projects that have the potential to affect the environment, including but not limited to modification or renovation of existing buildings, structures and facilities, or new construction, including replacement of facilities, must participate in the FEMA EHP review process. See FEMA Directive 108-1: *Environmental Planning and Historic Preservation Responsibilities and Program Requirements* (October 10, 2018); FEMA Instruction 108-1-1: *Instruction on Implementation of the Environmental Planning and Historic Preservation Responsibilities and Program Requirements* (October 10, 2018), accessible at <https://www.fema.gov/media-library/assets/documents/118323>.

The EHP review process involves the submission of a detailed project description that explains the goals and objectives of the proposed project along with supporting documentation so that FEMA may determine whether the proposed project has the potential to adversely affect environmental resources and/or historic properties. EHP Job Aids and Supplements are available on the FEMA website at <https://www.fema.gov/grants/guidance-tools/environmental-historic>.

### **3. Reporting**

Recipients are required to submit quarterly financial and performance reports to FEMA as a condition of their Award acceptance throughout the period of performance, even for periods where no grant Award activity occurs. Future Awards and fund drawdowns may be withheld if these reports are delinquent, demonstrate a lack of progress, or are insufficient in detail.

The following reporting periods and due dates apply:

<b>Reporting Period</b>	<b>Report Due Date</b>
October 1 – December 31	January 30
January 1 – March 31	April 30
April 1 – June 30	July 30
July 1 – September 30	October 30

**a. Federal Financial Reporting Requirements**

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

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

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

**b. Programmatic Performance Reporting Requirements**

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

**c. Closeout Reporting Requirements**

Within 90 days after the end of the period of performance, or after an amendment has been issued to close out a grant, Recipients must submit the following:

- 1) The final request for payment, if applicable;
- 2) The final FFR (SF-425);
- 3) The final progress report detailing all accomplishments;
- 4) A qualitative narrative summary of the impact of those accomplishments throughout the period of performance; and
- 5) Other documents required by this NOFO, terms and conditions of the Award, or other DHS FEMA guidance.

If applicable, an inventory of all construction projects that used funds from this program must be reported with the final progress report.

After these reports have been reviewed and approved by DHS FEMA, a closeout notice will be completed to close out the grant. The notice will indicate the period of performance as closed, list any remaining funds that will be deobligated, and address the requirement of maintaining the grant records for three years from the date of the final FFR, unless a longer period applies, such as due to an audit or litigation, for

equipment or real property used beyond the period of performance, or due to other circumstances outlined in 2 C.F.R. § 200.333.

In addition, any Recipient that issues subawards to any subrecipient is responsible for closing out those subawards as described in 2 C.F.R. § 200.343. Recipients acting as pass-through entities must ensure that they complete the closeout of their subawards in time to submit all necessary documentation and information to DHS FEMA during the closeout of their prime grant Award.

The Recipient is responsible for returning any funds that have been drawn down but remain as unliquidated on Recipient financial records.

**d. Disclosing Information per 2 C.F.R. § 180.335**

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

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

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

**e. Reporting of Matters Related to Recipient Integrity and Performance**

Per 2 C.F.R. Part 200, Appendix I § F.3, the additional post-award reporting requirements in 2 C.F.R. Part 200, Appendix XII may apply to Applicants who, if upon becoming Recipients, have a total value of currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies that exceeds \$10,000,000 for any period of time during the period of performance of an Award under this funding opportunity. Recipients that meet these criteria must maintain current information reported in FAPIIS about civil, criminal, or administrative proceedings described in paragraph 2 of Appendix XII at the reporting frequency described in paragraph 4 of Appendix XII.

**4. Monitoring**

Per 2 C.F.R. § 200.336, DHS FEMA, through its authorized representatives, has the right, at all reasonable times, to make site visits to review project accomplishments and management control systems to review project accomplishments and to provide any required technical assistance. During site visits, DHS FEMA will review grant Recipients' files related to the grant Award. As part of any monitoring and program evaluation activities, grant Recipients must permit DHS FEMA upon reasonable notice, to review grant-related records and to interview the organization's staff and contractors regarding the program. Recipients must respond in a timely and accurate manner to DHS FEMA requests for information relating to the grant program.

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

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

#### Program/Financial and Administrative Questions

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

The HMA Helpline is available by telephone 1-866-222-3580 or email [HMA-NonDisaster@fema.dhs.gov](mailto:HMA-NonDisaster@fema.dhs.gov).

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

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

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

Resources and job aids intended to help prepare Applications and subapplications are available on FEMA's Hazard Mitigation Assistance webpage at <https://www.fema.gov/application-development-1>.

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

### **2. Systems Information**

Information, training, and resources on FEMA's grant outcomes system for Applicant and subapplicant users are available at <https://go.fema.gov>.

## **H. Additional Information**

### **1. Procurement Integrity**

Through audits conducted by the DHS Office of Inspector General (OIG) and FEMA grant monitoring, findings have shown that some FEMA Recipients have not fully adhered to proper procurement requirements when spending grant funds. Anything less than full compliance with federal procurement requirements jeopardizes the integrity of the grant as well as the grant program.

The below highlights the Federal procurement requirements for FEMA Recipients when procuring goods and services with federal grant funds. FEMA will include a review of Recipients' procurement practices as part of the normal monitoring activities. **All procurement activity must be conducted in accordance with Federal Procurement Standards at 2 C.F.R. §§ 200.317 – 200.326.** Select requirements under these standards are listed below. The Recipient and any of its subrecipients must comply with all requirements, even if they are not listed below.

Under 2 C.F.R. § 200.317, when procuring property and services under a federal Award, states must follow the same policies and procedures they use for procurements from their non-federal funds; additionally, states must follow 2 C.F.R. § 200.322 regarding procurement of recovered materials, and 2 C.F.R. § 200.326 regarding required contract provisions.

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

#### **a. Competition and Conflicts of Interest**

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

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

described above), and this contract was procured in compliance with 2 C.F.R. §§ 200.317 – 200.326, federal funds cannot be used to pay a contractor to carry out the work if that contractor also worked on the development of those specifications. This rule applies to all contracts funded with federal grant funds, including pre-award costs, such as grant writer fees, as well as post-award costs, such as grant management fees.

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

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

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

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

The officers, employees, and agents of the non-federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal

value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-federal entity. If the recipient or subrecipient (other than states) has a parent, affiliate, or subsidiary organization that is not a state, local government, territory, or Indian tribe, the non-federal entity must also maintain written standards of conduct covering organizational conflicts of interest. In this context, organizational conflict of interest means that because of a relationship with a parent company, affiliate, or subsidiary organization, the non-federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. The non-federal entity must disclose in writing any potential conflicts of interest to FEMA or the pass-through entity in accordance with applicable FEMA policy.

**b. Supply Schedules and Purchasing Programs**

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

**i. General Services Administration Schedules**

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

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

For tribes, local governments, and their instrumentalities that purchase off of a GSA schedule, this will satisfy the federal requirements for full and open competition provided that the recipient follows the GSA ordering procedures; however, tribes, local governments, and their instrumentalities will still need to follow the other rules under 2 C.F.R. §§ 200.317 – 200.326, such as contract cost and price (§ 200.323) and solicitation of minority, women-owned, or small businesses (§ 200.321).

**ii. Other Supply Schedules and Programs**

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

- The procurement of the original contract or purchasing schedule and its use by the non-federal entity complies with state and local law, regulations, and written procurement procedures;
- The state or other entity that originally procured the original contract or purchasing schedule entered into the contract or schedule with the express purpose of making it available to the non-federal entity and other similar types of entities;
- The contract or purchasing schedule specifically allows for such use, and the work to be performed for the non-federal entity falls within the scope of work under the contract as to type, amount, and geography;
- The procurement of the original contract or purchasing schedule complied with all of the procurement standards applicable to a non-federal entity other than states under at 2 C.F.R. §§ 200.317 – 200.326; and
- With respect to the use of a purchasing schedule, the non-federal entity must follow ordering procedures that adhere to applicable state, tribal, and local laws and regulations and the minimum requirements of full and open competition under 2 C.F.R. Part 200.

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

**c. Procurement Documentation**

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

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

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



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

Extensions to the period of performance under this program are allowed (per Part VI, D.4.1, Extensions, of the HMA Guidance, available on the FEMA website at <https://www.fema.gov/media-library/assets/documents/103279>).

Recipients must submit proposed extension requests to FEMA for review and approval at least 60 days prior to the expiration of the grant period of performance.

Extensions to the initial period of performance identified in the Award will be considered only through formal, written requests to the Recipient's respective Region and must contain specific and compelling justification as to why an extension is required. Recipients are advised to coordinate with the Region as needed when preparing an extension.

All extension requests must address the following:

1. Grant Program, Fiscal Year, and Award number;
2. Verification that progress has been made as described in quarterly reports;
3. Reason for delay – this must include details of the legal, policy, or operational challenges being experienced that prevent the final outlay of Awarded funds by the applicable deadline;
4. Current status of the activity/activities;
5. Approved period of performance termination date and new project completion date;
6. Amount of funds drawn down to date;
7. Remaining available funds, both federal and non-federal;
8. Budget outlining how remaining federal and non-federal funds will be expended;
9. Plan for completion including milestones and timeframes for achieving each milestone and the position/person responsible for implementing the plan for completion; and
10. Certification that the activity/activities will be completed within the extended period of performance without any modification to the original Statement of Work approved by FEMA.

FEMA will evaluate requests for extensions to a grant period of performance. Based on sufficiency of justification, the FEMA Regional Administrator can issue up to two extensions of the period of performance for up to 12 months each.

## **3. Payment**

FMA payment/drawdown requests are generated using FEMA GO and are governed by applicable federal regulations, including 2 C.F.R. § 200.305.

Recipients should not expend funds or request drawdowns until all special conditions listed on the grant Award document are met and FEMA has approved the request for payment in FEMA GO.

Recipients should draw down funds based upon immediate disbursement requirements; however, FEMA strongly encourages Recipients to draw down funds as close to disbursement or expenditure as possible to avoid accruing interest.

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

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

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

The Recipient must disclose to FEMA, in writing, any real or potential conflict of interest as defined by the federal, state, local, or tribal statutes or regulations or their own existing policies that may arise during the administration of the federal Award. Recipients must disclose any real or potential conflicts to the FEMA Program Analyst within 15 days of learning of the conflict of interest, per Part III, D.2, Conflict of Interest, of the HMA Guidance, available on the FEMA website at

<https://www.fema.gov/media-library/assets/documents/103279>. Similarly, subrecipients must disclose any real or potential conflict of interest to the Recipient as required by the Recipient's conflict of interest policies, or any applicable state, local, or tribal statutes or regulations.

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

#### **5. Encouraged Use of Certain Products Produced in the United States**

Pursuant to Executive Order 13858, "Strengthening Buy-American Preferences for Infrastructure Projects," FEMA encourages Recipients to use, to the greatest extent practicable and consistent with the law, iron and aluminum as well as steel, cement, and other manufactured products produced in the United States, in projects funded by an Award under this programs affecting surface transportation, including roadways, bridges, railroads, and transit; aviation; ports, including navigational channels; water resources projects; energy production, generation, and storage, including from fossil-fuels, renewable, nuclear, and hydroelectric sources; electricity transmission; gas, oil, and propane storage and transmission; electric, oil, natural gas, and propane distribution systems; broadband internet; pipelines; stormwater and sewer infrastructure; drinking water infrastructure; and cybersecurity.

Notwithstanding this encouragement, non-Federal entities must ensure that all costs, procurements and contract actions are consistent with the law, this NOFO, program regulations and guidance, and the costs and federal procurement standards at 2 C.F.R. Part 200.

## 6. Record Retention

### a. Record Retention Period

Financial records, supporting documents, statistical records, and all other non-federal entity records pertinent to a federal award generally must be maintained for at least three years from the date the final FFR is submitted. *See* 2 C.F.R. § 200.333. Further, if the recipient does not submit a final FFR and the award is administratively closed, FEMA uses the date of administrative closeout as the start of the general record retention period.

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

- Records for real property and equipment acquired with Federal funds must be retained for **3 years after final disposition of the property**. *See* 2 C.F.R. § 200.333(c).
- If any litigation, claim, or audit is started before the expiration of the 3-year period, the records **must be retained until** all litigation, claims, or audit findings involving the records **have been resolved and final action taken**. *See* 2 C.F.R. § 200.333(a).
- The **record retention period will be extended if the recipient is notified in writing** of the extension by DHS/FEMA, the cognizant or oversight agency for audit, or the cognizant agency for indirect costs. *See* 2 C.F.R. § 200.333(b).
- Where DHS/FEMA requires recipients to report program income after the period of performance ends, the **program income record retention period begins at the end of the recipient's fiscal year in which program income is earned**. *See* 2 C.F.R. § 200.333(e).
- For indirect cost rate proposals, cost allocation plans, or other rate computations records, the start of the record retention period depends on whether the indirect cost rate documents were submitted for negotiation. If the **indirect cost rate documents were submitted for negotiation, the record retention period begins from the date those documents were submitted for negotiation**. If indirect cost rate documents were **not submitted for negotiation, the record retention period begins at the end of the recipient's fiscal year or other accounting period covered by that indirect cost rate**. *See* 2 C.F.R. § 200.333(f).

### b. Types of Records to Retain

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

- Specifications
- Solicitations

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

Non-federal entities should keep detailed records of all transactions involving the grant. FEMA may at any time request copies of any relevant documentation and records, including purchasing documentation along with copies of cancelled checks for verification. *See, e.g.*, 2 C.F.R. §§ 200.318(i), 200.333, 200.336.

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