

**The Department of Homeland Security (DHS)
 Notice of Funding Opportunity (NOFO)
 Fiscal Year 2023
 Safeguarding Tomorrow Revolving Loan Fund Program**

Effective April 4, 2022, the Federal Government transitioned from using the Data Universal Numbering System or DUNS number, to a new, non-proprietary identifier known as a Unique Entity Identifier or UEI. For entities that have an active registration in SAM.gov prior to the April 4 date, the UEI has automatically been assigned and no action is necessary. For all entities filing a new registration in SAM.gov on or after April 4, 2022, the UEI will be assigned to that Entity as part of the SAM.gov registration process.

Unique Entity Identifier registration information is available on GSA.gov at: [Unique Entity Identifier Update | GSA](https://www.gsa.gov/about-us/organization/federal-acquisition-service/office-of-systems-management/integrated-award-environment-iae/iae-systems-information-kit/unique-entity-identifier-update) (<https://www.gsa.gov/about-us/organization/federal-acquisition-service/office-of-systems-management/integrated-award-environment-iae/iae-systems-information-kit/unique-entity-identifier-update>) Unique Entity Identifier registration information is available on GSA.gov at: [Unique Entity Identifier Update | GSA](https://www.gsa.gov/about-us/organization/federal-acquisition-service/office-of-systems-management/integrated-award-environment-iae/iae-systems-information-kit/unique-entity-identifier-update) (<https://www.gsa.gov/about-us/organization/federal-acquisition-service/office-of-systems-management/integrated-award-environment-iae/iae-systems-information-kit/unique-entity-identifier-update>)

Grants.gov registration information can be found at <https://www.grants.gov/web/grants/register.html>. Detailed information regarding UEI and SAM is also provided in Section D of this NOFO.

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A. Program Description

1. Issued By

U.S. Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA)/ Federal Insurance and Mitigation Administration/ Mitigation Division/Policy, Tools and Training Branch

2. Assistance Listings Number

97.139

3. Assistance Listings Title

Safeguarding Tomorrow through Ongoing Risk Mitigation Revolving Loan Fund Program

4. Funding Opportunity Title

Fiscal Year 2023 Safeguarding Tomorrow through Ongoing Risk Mitigation Revolving Loan Fund Program

5. Funding Opportunity Number

DHS-23-STORM-139-00-01

6. Authorizing Authority for Program

Section 205 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), as amended (Pub. L. No. 93-288) (42 U.S.C. § 5135); Safeguarding Tomorrow through Ongoing Risk Mitigation Act (Pub. L. No. 116-284).

7. Appropriation Authority for Program

Division J, Title V of the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58, 135 Stat. 1386) (2021).

8. Announcement Type

Initial

9. Program Category

Mitigation: Natural Hazards

10. Program Overview, Objectives, and Priorities

a. Overview

Pursuant to 42 U.S.C. § 5135, FEMA will provide grants to capitalize revolving loan funds which may be used to provide loans to finance various types of hazard mitigation projects to reduce risks from natural hazards and disasters. Through the Safeguarding Tomorrow through Ongoing Risk Mitigation Revolving Loan Fund (Safeguarding Tomorrow RLF) program, eligible entities (refer to Section C.1) will use these capitalization grants to establish a revolving loan fund (referred to herein as an entity loan fund) from which they will provide direct loans to local governments for projects and activities that mitigate the impacts of drought, intense heat, severe storms (including hurricanes, tornadoes, wind storms, cyclones, and severe winter storms), wildfires, floods, earthquakes, and other natural hazards. Eligible activities may include the construction or modification of natural or built infrastructure to increase resilience and reduce risk of harm. A full description of allowable costs under this NOFO is provided in Section D.12.

Entity loan funds will be programmatically and financially administered by the respective entity. FEMA will monitor the administration of the entity loan funds during the period of performance per the reporting requirements described in Sections F.3 and will continue to monitor administration of the entity loan funds after the capitalization grant closeout via biennial audits (described in Section G.11) and post-closeout reporting (described in Section F.3.c.i). Under 42 U.S.C. § 5135(h)(3)(C), FEMA may make recommendations for or require specific changes as needed to improve the effectiveness of the funds.

Funding for the Safeguarding Tomorrow RLF program is limited. Pursuant to the Infrastructure Investment and Jobs Act, also more commonly known as the Bipartisan Infrastructure Law (BIL), FEMA must award funding through multiple Notices of Funding Opportunity over a 5-year period.

The Safeguarding Tomorrow RLF program aligns with the goal of promoting resilience and adaptation in light of current risks, including those posed by climate change, and the [2020-2024 DHS Strategic Plan](https://www.dhs.gov/publication/department-homeland-security-strategic-plan-fiscal-years-2020-2024) through Goal 5: Strengthen Preparedness and Resilience. Specifically, Objective 5.1: Build a National Culture of Preparedness has several sub-objectives that the Safeguarding Tomorrow RLF program supports. The Safeguarding Tomorrow RLF program serves primarily to bolster Sub-Objective 5.1.1: Incentivize investments that reduce risk and increase pre-disaster mitigation, including expanding the use of insurance to manage risk through funding hazard mitigation projects, particularly ones that reduce risk to infrastructure. By focusing on increasing resilience and reducing harm to built infrastructure, this program will help members of underserved communities,¹ who might be at heightened risk as a result of current hazards, including those associated with climate change.

The Safeguarding Tomorrow RLF program complements and supplements FEMA's Hazard Mitigation Assistance (HMA) grant portfolio to support mitigation projects at the local government level and increase the Nation's resilience to natural hazards and climate change. Entity loan funds can be leveraged differently than other funding opportunities to meet unique funding needs. This program will support entity-led hazard mitigation priorities and allow participating entities to meet their funding needs as described in the entity's Intended Use Plan (see Section D.10.b). Such needs may include but are not limited to: meeting non-Federal cost-share requirements for other grants, upfront project design costs, smaller projects that may not qualify for other HMA grant programs, or projects that do not meet the cost-effectiveness requirements applicable for other programs.

For more detailed program information, please go to [Safeguarding Tomorrow Revolving Loan Fund Program](https://www.fema.gov/grants/mitigation/storm-rlf) (<https://www.fema.gov/grants/mitigation/storm-rlf>).

¹ Underserved communities is defined in [Executive Order \(EO\) 13895: Advancing Racial Equity and Support for Underserved Communities through the Federal Government](#), and cited in the [2022-2026 FEMA Strategic Plan](#).

b. Objective

The objective of the Safeguarding Tomorrow RLF program is to capitalize applicant-established revolving loan funds that will provide loans to local governments most in need of financing assistance to complete hazard mitigation projects and activities that will reduce risks from natural hazards for homeowners, businesses, nonprofit organizations, and communities in order to decrease the loss of life and property; the cost of insurance; and federal disaster payments.

c. Priorities

FEMA's primary priority for the Safeguarding Tomorrow RLF program is to capitalize multiple revolving loan funds that will provide local governments most in need of financing assistance with low-interest loans to finance hazard mitigation projects in their entirety, or the non-federal cost share requirement for other FEMA HMA grants. For this inaugural funding opportunity, other priorities include collaborating with participating entities to understand programmatic capacity and capability needs; promoting equity in the distribution of loan funds; and supporting the delivery of innovative and transformational hazard mitigation projects addressing the priorities established in 42 U.S.C. § 5135 (d)(3).

The program framework has incorporated key components of FEMA's agency-wide strategic priorities to minimize administrative burden on entities. At the grant level, FEMA will leverage the technical assistance allowable under 42 U.S.C. § 5135 (d)(2) to work with entities in the Year 1 application period to develop a more simplified grant application process, while still complying with statutory requirements and equity priorities. Application requirements are provided in more detail in Section C.2 of this NOFO.

11. Performance Measures

The performance measures for the Safeguarding Tomorrow RLF program focus on evaluating the success of the entity loan funds in reaching local governments most in need of financing assistance, and the effectiveness of projects funded. Performance measures align with program objectives throughout and after the Period of Performance (POP). The Safeguarding Tomorrow RLF program requires entities to effectively monitor and evaluate the revolving loan fund program through four processes, including publication of project information, Quarterly Progress Reports (QPR), an annual audit, and a biennial audit. FEMA will evaluate the performance of the entity loan funds, and under 42 U.S.C. § 5135(h)(3)(C), as needed may make recommendations for or require specific changes to improve the effectiveness of the fund.

Performance evaluation will support execution of the following objectives:

- **Fund Administration:** Ensure Safeguarding Tomorrow RLF funds are administered efficiently, managed effectively, and maintained in perpetuity. FEMA will measure the efficiency of loan distribution through loans executed as a percent of total available assets. The measurement aims to assess the amount of capitalization grant funding disbursed as loans to local governments throughout the period of performance. FEMA will also monitor additional metrics related to entity loan fund health in areas such as but not limited to program management, staffing capacity and resources, and loan repayment.

- **Equitable Distribution of Financing:** Use Safeguarding Tomorrow RLF funds to reach local governments most in need of financing assistance, including low-income geographic areas² and underserved communities.³ Although the Safeguarding Tomorrow RLF program is not currently included in the Justice40 Initiative, FEMA has included an equity-specific performance measure to align with [Executive Order \(EO\) 14008: Tackling the Climate Crisis at Home and Abroad](#) (<https://www.federalregister.gov/documents/2021/02/01/2021-02177/tackling-the-climate-crisis-at-home-and-abroad>). FEMA will measure the percentage of loan funds distributed in low-income geographic areas and/or underserved communities. A goal of the Safeguarding Tomorrow RLF program is that 40 percent of the overall benefits generated by the entity loan funds flow to underserved communities.
- **Effective Project Implementation:** Use Safeguarding Tomorrow RLF funds to reduce natural hazards risk and future losses. FEMA will monitor metrics related to project effectiveness in areas such as but not limited to insurance premium reductions, expected avoided losses, and reduction in hazard risk and vulnerability. FEMA will also assess project effectiveness by measuring the percentage of completed projects.

The Safeguarding Tomorrow RLF performance measurement process aims to ensure that the program’s intended goals are met. As each loan fund will be revolving in structure and operate beyond the POP of the grant, long-term monitoring is necessary to verify that the program is operating as intended, including monitoring the financial position of the fund and the use of federal dollars. Therefore, evaluating the performance of the fund administration, the promotion of loans going to the local governments most in need of financing assistance, and the effectiveness of projects, require monitoring throughout the life of the fund. Performance reporting, including requirements after the POP of the grant, are discussed further under Section F.3 of this NOFO.

B. Federal Award Information

1. Available Funding for the NOFO: \$50,000,000

² Pursuant to 42 U.S.C. § 5165(m)(6), a “low-income geographic area” is an area, pursuant to 42 U.S.C. § 3161(a)(1) that meets one of the two following criteria: (1) “the area has a per capita income of 80 percent or less of the national average”; or (2) “the area has an unemployment rate that is, for the most recent 24-month period for which data are available, at least 1 percent greater than the national average unemployment rate.”

³ Executive Order 13985: Advancing Racial Equity And Support For Underserved Communities Through The Federal Government, defines “underserved communities” as “populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life...” and includes communities such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality. It also includes “communities environmentally overburdened,” which are communities adversely and disproportionately affected by environmental and human health harms or risks, and “disadvantaged, communities” as referenced in Executive Order 14008, Tackling the Climate Crisis at Home and Abroad, and defined in Office of Management and Budget’s Memo M-21-28: Interim Implementation Guidance for the Justice40 Initiative.

2. Period of Performance: 24 months from date of award

Within the period of performance for capitalization grants awarded under this NOFO, recipients must establish the revolving loan fund and utilize the full federal and non-federal share of funding made available to issue loans. Projects funded by the loans do not need to be completed within the period of performance for capitalization grants. Loans do not need to be fully repaid during the period of performance for capitalization grants.

Extensions to the period of performance are allowed. For additional information on period of performance extensions, please refer to Section G of this NOFO.

For this award the budget period will be same as the period of performance. *See* 2 C.F.R. § 200.1 for definitions of “budget period” and “period of performance.”

3. Projected Period of Performance Start Date(s): Will vary by award
4. Projected Period of Performance End Date(s): 24 months from date of award unless otherwise approved by FEMA
5. Funding Instrument Type: Grant

C. Eligibility Information

1. Eligible Applicants

Any state of the United States, the District of Columbia, and the Commonwealth of Puerto Rico are eligible to apply for Safeguarding Tomorrow RLF program funds.

Federally recognized tribal governments having received a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act between January 1, 2016 and January 1, 2021, are also eligible to apply. FEMA has determined that the following tribes were found to have a qualifying major disaster declaration including but may not be limited to: Seminole Tribe of Florida, Muscogee (Creek) Nation, Pueblo of Acoma, Ponca Tribe of Nebraska, Navajo Nation, Sac & Fox Tribe of the Mississippi in Iowa, Oglala Sioux Tribe, Havasupai Tribe, Soboba Band of Luiseño Indians, Tohono O’odham Nation, Cahuilla Band of Indians, La Jolla Band of Luiseño Indians, Resighini Rancheria, Hoopa Valley Tribe, and Confederated Tribes of the Colville Reservation.

For this funding opportunity, FEMA will not provide capitalization grants to insular areas. As defined by 42 U.S.C. § 5135(m)(5), insular areas include Guam, American Samoa, the Commonwealth of the Northern Mariana Islands and U.S. Virgin Islands. Insular areas may have future opportunities to participate directly in this program.

Pursuant to 42 U.S.C. § 5135(d)(2), FEMA is authorized to set-aside up to 2.5 percent of available funds to provide technical assistance to eligible applicants, provide capitalization grants to insular areas, and cover the administrative costs of carrying out the program. For this NOFO, FEMA will prioritize funding to provide technical assistance to eligible applicants. FEMA

intends to utilize lessons learned from this NOFO to understand technical assistance needs and best practices that will inform FEMA on its allocation of funds in future funding cycles, including to insular areas.

2. Applicant Eligibility Criteria

To be eligible, applicants must:

- Provide an Intended Use Plan that has been published by the applicant for review and comment prior to submitting an application, as required by 42 U.S.C. § 5135(g).
- Provide a project proposal list, prior to submitting an application, that results from a public notice of no less than six weeks in length, inviting hazard mitigation project proposals from local governments, as required by 42 U.S.C. § 5135(b)(1)(A).
- 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 the award.

3. Cost Share or Match

Once an applicant receives notification from FEMA of a potential grant award, pursuant to 42 U.S.C. § 5135(c)(4), the applicant must confirm its intent to contribute not less than 10 percent of the proposed grant to the entity loan fund. If the applicant indicates it will contribute less than 10 percent of the proposed grant amount, FEMA will reduce the amount of the capitalization grant to an amount that is 10 times that of what the applicant proposes to contribute. Thereafter, on or before the date on which the capitalization grant is received, the applicant entity must contribute to the entity loan fund an amount equal to at least 10 percent of the capitalization grant. The source of the entity contribution may include entity programs or budgets, private investment, or other available sources. Entities may not use contributions from potential loan recipients to source the entity contribution. Any source of funding an applicant uses towards the 10 percent contribution must comply with the requirements in 2 C.F.R. Part 200.

4. Entity Loan Fund

Prior to receipt of a capitalization grant award, an entity loan fund must be established and thereafter administered by the applicant agency responsible for emergency management, pursuant to 42 U.S.C. § 5135(c).

D. Application and Submission Information

1. Key Dates and Times

- | | |
|--|----------------------------|
| a. <i>Application Start Date:</i> | 02/01/2023 |
| b. <i>Application Submission Deadline:</i> | 04/28/2023 at 3:00:00PM ET |

All applications **must** be received by the established deadline.

The Non-Disaster (ND) Grants System has a date stamp that indicates when an application is submitted. Applicants will receive an electronic message confirming receipt of their submission. For additional information on how an applicant will be notified of application receipt, see the subsection titled “Timely Receipt Requirements and Proof of Timely Submission” in Section D of this NOFO.

FEMA will not review applications that are received after the deadline or consider these late applications for funding. 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 FEMA to make an award.

Applicants experiencing technical problems outside of their control must notify FEMA as soon as possible and before the application deadline. Failure to timely notify FEMA of the issue that prevented the timely filing of the application may preclude consideration of the award. “Timely notification” of FEMA means 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 of this NOFO, “DHS Awarding Agency Contact Information.” For additional assistance using the ND Grants System, please contact the ND Grants Service Desk at (800) 865-4076 or NDGrants@fema.dhs.gov. The ND Grants Service Desk is available Monday through Friday, 9:00 AM –5:00 PM Eastern Time (ET). For programmatic or grants management questions, please contact your Program Analyst or Grants 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, Monday through Friday, 9:00 AM – 5:00 PM ET.

c. Other Key Dates

Event	Suggested Deadline for Completion
Obtaining Unique Entity Identifier (UEI) number	Four weeks before actual submission deadline
Obtaining a valid Employer Identification Number (EIN)	Four weeks before actual submission deadline
Creating an account with login.gov	Four weeks before actual submission deadline
Registering in SAM or updating SAM registration	Four weeks before actual submission deadline
Registering in Grants.gov	Four weeks before actual submission deadline
Registering in ND Grants	Four weeks before actual submission deadline
Starting application in Grants.gov	One week before actual submission deadline
Submitting the final application in ND Grants	By the submission deadline

2. Agreeing to Terms and Conditions of the Award

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

3. Address to Request Application Package

Initial applications are processed through the [Grants.gov](http://www.grants.gov) portal. Final applications are completed and submitted through FEMA's Non-Disaster Grants (ND Grants) System. Application forms and instructions are available at Grants.gov. To access these materials, go to <http://www.grants.gov>.

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

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

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

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

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

- a. Apply for, update, or verify their Unique Entity Identifier (UEI) number from SAM.gov and Employer Identification Number (EIN) from the Internal Revenue Service;
- b. In the application, provide an UEI number;
- c. Have an account with login.gov;
- d. Register for, update, or verify their SAM account and ensure the account is active before submitting the application;
- e. Create a Grants.gov account;
- f. Add a profile to a Grants.gov account;
- g. Establish an Authorized Organizational Representative (AOR) in Grants.gov;
- h. Register in ND Grants;
- i. Submit an initial application in Grants.gov;
- j. Submit the final application in ND Grants, including electronically signing applicable forms; and
- k. Continue to maintain an active SAM registration with current information at all times during which it has an active federal award or an application or plan under consideration by a federal awarding agency. As part of this, applicants must also provide information on an applicant's immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded federal contracts or federal financial assistance within the last three years, if applicable.

Specific instructions on how to apply for, update, or verify an UEI number or SAM registration or establish an AOR are included below in the steps for applying through Grants.gov.

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

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

5. Electronic Delivery

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

For this funding opportunity, FEMA requires applicants to submit initial applications through Grants.gov and a final application through ND Grants.

6. How to Register to Apply through Grants.gov

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

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

Organizations must have an UEI number, an EIN, an active System for Award Management (SAM) registration and Grants.gov account to apply for grants.

Organizations must also have a Grants.gov account to apply for an award under this program. Creating a Grants.gov account can be completed online in minutes, but UEI and SAM registrations may take several weeks. Therefore, an organization's registration should be done in sufficient time to ensure it does not impact the entity's ability to meet required application submission deadlines. Complete organization instructions can be found on Grants.gov here:

<https://www.grants.gov/web/grants/applicants/organization-registration.html>.

If individual applicants are eligible to apply for this grant funding opportunity, refer to: <https://www.grants.gov/web/grants/applicants/registration.html>.

b. *Obtain an UEI Number:*

All entities applying for funding, including renewal funding, prior to April 4, 2022, must have a UEI number. Applicants must enter the UEI number in the applicable data entry field on the SF-424 form.

For more detailed instructions for obtaining a UEI number, refer to: [SAM.gov](https://www.sam.gov).

c. *Obtain Employer Identification Number*

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

d. *Create a login.gov account:*

Applicants must have a login.gov account in order to register with SAM or update their SAM registration. Applicants can create a login.gov account here:

https://secure.login.gov/sign_up/enter_email?request_id=34f19fa8-14a2-438c-8323-a62b99571fd3.

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](https://www.sam.gov) so that the two accounts can be linked.

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

e. *Register with SAM:*

All organizations applying online through Grants.gov must register with SAM. Failure to register with SAM will prevent your organization from applying through Grants.gov. SAM registration must be renewed annually.

For more detailed instructions for registering with SAM, refer to:

<https://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html>.

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

I. ADDITIONAL SAM REMINDERS

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

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

II. HELP WITH SAM

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

f. *Create a Grants.gov Account:*

The next step in the registration process is to create an account with Grants.gov. If applicable, applicants must know their organization’s UEI number to complete this process.

For more information, follow the on-screen instructions or refer to:

<https://www.grants.gov/web/grants/applicants/registration.html>.

See also Section D.8 in this NOFO, “Submitting the Final Application in ND Grants,” for instructions on how to register early in ND Grants.

i. *Add a Profile to a Grants.gov Account:*

A profile in Grants.gov corresponds to a single applicant organization the user represents (i.e., an applicant) or an individual applicant. If you work for or consult with multiple organizations and have a profile for each, you may log in to one Grants.gov account to access all of your grant applications. To add an organizational profile to your Grants.gov account, if applicable, enter the UEI number for the organization in the UEI field while adding a profile.

For more detailed instructions about creating a profile on Grants.gov, refer to:

<https://www.grants.gov/web/grants/applicants/registration/add-profile.html>.

j. *EBiz POC Authorized Profile Roles:*

After you register with Grants.gov and create an Organization Applicant Profile, the organization applicant's request for Grants.gov roles and access is sent to the EBiz POC. The EBiz POC will then log in to Grants.gov and authorize the appropriate roles, which may include the Authorized Organization Representative (AOR) role, thereby giving you permission to complete and submit applications on behalf of the organization. You will be able to submit your application online any time after you have been assigned the AOR role.

For more detailed instructions about creating a profile on Grants.gov, refer to:
<https://www.grants.gov/web/grants/applicants/registration/authorize-roles.html>.

k. *Track Role Status:*

To track your role request, refer to:

<https://www.grants.gov/web/grants/applicants/registration/track-role-status.html>.

l. *Electronic Signature:*

When applications are submitted through Grants.gov, the name of the organization applicant with the AOR role that submitted the application is inserted into the signature line of the application, serving as the electronic signature. The EBiz POC **must** authorize individuals who are able to make legally binding commitments on behalf of the organization as an AOR; **this step is often missed, and it is crucial for valid and timely submissions.**

7. *How to Submit an Initial Application to FEMA via Grants.gov*

Standard Form 424 (SF-424) is the initial application for this NOFO.

Grants.gov applicants can apply online using a workspace. A workspace is a shared, online environment where members of a grant team may simultaneously access and edit different web forms within an application. For each Notice of Funding Opportunity, you can create individual instances of a workspace. Applicants are encouraged to submit their initial applications in at least seven days before the application deadline.

In Grants.gov, applicants need to submit the following forms:

- SF-424, Application for Federal Assistance
- Grants.gov Lobbying Form, Certification Regarding Lobbying

Below is an overview of applying on Grants.gov. For access to complete instructions on how to apply for opportunities using Workspace, refer to:

<https://www.grants.gov/web/grants/applicants/workspace-overview.html>.

a. *Create a Workspace:*

Creating a workspace allows you to complete it online and route it through your organization for review before submitting.

b. *Complete a Workspace:*

Add participants to the workspace to work on the application together, complete all the required forms online or by downloading PDF versions, and check for errors before submission.

c. *Adobe Reader:*

If you decide not to apply by filling out webforms you can download individual PDF forms in Workspace so that they will appear similar to other Standard or DHS forms. The individual PDF forms can be downloaded and saved to your local device storage, network drive(s), or external drives, then accessed through Adobe Reader.

NOTE: Visit the Adobe Software Compatibility page on to download the appropriate version of the software at: <https://www.grants.gov/web/grants/applicants/adobe-software-compatibility.html>.

d. *Mandatory Fields in Forms:*

In the forms, you will note fields marked with an asterisk and a different background color. These fields are mandatory fields that must be completed to successfully submit your application.

e. *Complete SF-424 Fields First:*

The forms are designed to fill in common required fields across other forms, such as the applicant name, address, and UEI number. To trigger this feature, an applicant must complete the SF-424 information first. Once it is completed, the information will transfer to the other forms.

f. *Submit a Workspace:*

An application may be submitted through workspace by clicking the “Sign and Submit” button on the Manage Workspace page, under the Forms tab. recommends submitting your application package at least 24-48 hours prior to the close date to provide you with time to correct any potential technical issues that may disrupt the application submission.

g. *Track a Workspace:*

After successfully submitting a workspace package, a Tracking Number (GRANTXXXXXXXX) is automatically assigned to the application. The number will be listed on the confirmation page that is generated after submission. Using the tracking number, access the Track My Application page under the Applicants tab or the Details tab in the submitted workspace.

h. *Additional Training and Applicant Support:*

For additional training resources, including video tutorials, refer to: <https://www.grants.gov/web/grants/applicants/applicant-training.html>.

Grants.gov provides applicants 24/7 (except federal holidays) support via the toll-free number (800) 518-4726, email at support@grants.gov and the website at <https://www.grants.gov/support.html>. For questions related to the specific grant opportunity, contact the number listed in the application package of the grant you are applying for.

If you are experiencing difficulties with your submission, it is best to call the Support Center and get a ticket number. The Support Center ticket number will assist FEMA with tracking your issue and understanding background information on the issue.

8. Submitting the Final Application in ND Grants

After submitting the initial application in Grants.gov, eligible applicants will be notified by FEMA and asked to proceed with submitting their complete application package in ND Grants. Applicants can register early with ND Grants and are encouraged to begin their ND Grants registration at the time of this announcement or, at the latest, seven days before the application deadline. Early registration will allow applicants to have adequate time to start and complete their applications.

Applicants needing assistance registering for the ND Grants system should contact ndgrants@fema.dhs.gov or (800) 865-4076. For step-by-step directions on using the ND Grants system and other guides, please see <https://www.fema.gov/grants/guidance-tools/non-disaster-grants-management-system>.

In ND Grants, applicants will be prompted to submit the standard application information and any program-specific information required as described in Section D.10 of this NOFO, “Content and Form of Application Submission.” The Standard Forms (SF) are auto generated in ND Grants, but applicants may access these forms in advance through the Forms tab under the [SF-424 family on Grants.gov](#). Applicants should review these forms before applying to ensure they have all the information required.

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

9. Timely Receipt Requirements and Proof of Timely Submission

As application submission is a two-step process, the applicant with the AOR role who submitted the application in Grants.gov will receive an acknowledgement of receipt and a tracking number (GRANTXXXXXXXX) from Grants.gov with the successful transmission of its initial application. **This notification does not serve as proof of timely submission, as the application is not complete until it is submitted in ND Grants.** Applicants can also view the ND Grants Agency Tracking Number by accessing the Details tab in the submitted workspace section in Grants.gov, under the Agency Tracking Number column. Should the Agency Tracking Number not appear, the application has not yet migrated from Grants.gov into the ND Grants System. Please allow 24 hours for your ND Grants application tracking number to migrate.

All applications must be received in ND Grants by **3:00 PM ET** on the application deadline. Proof of timely submission is automatically recorded by ND Grants. An electronic date/time stamp is generated within the system when the application is successfully received by ND Grants. Additionally, the applicant(s) listed as contacts on the application will receive a system-generated email to confirm receipt.

10. Content and Form of Application Submission

a. *Standard Required Application Forms and Information*

The following forms or information are required to be submitted in either Grants.gov or ND Grants, as specified below. The Standard Forms (SF) are submitted either through Grants.gov, through forms generated in ND Grants, or as an attachment in ND Grants. Applicants may also access the SFs at <https://www.grants.gov/web/grants/forms/sf-424-family.html>.

I. GRANTS.GOV

- **SF-424, Application for Federal Assistance**, initial application submitted through Grants.gov
- **Grants.gov Lobbying Form, Certification Regarding Lobbying**, submitted through Grants.gov

II. ND GRANTS

- **SF-424A, Budget Information (Non-Construction)**, submitted via the forms generated by ND Grants
- **SF-424B, Standard Assurances (Non-Construction)**, submitted via the forms generated by ND Grants
- **SF-LLL, Disclosure of Lobbying Activities**, submitted via the forms generated by ND Grants

b. *Program-Specific Required Forms and Information*

The following program-specific forms or information are required to be submitted in ND Grants:

- Applicants must submit a Safeguarding Tomorrow RLF application in ND Grants using the application form available on the FEMA website at <https://www.fema.gov/grants/mitigation/storm-rlf>. The application, in concert with the applicant's Hazard Mitigation Plan, must document an assessment of recurring major disaster vulnerabilities impacting the applicant that demonstrates a risk to life and property, as well as a proposal of the systematic and regional approach to achieve resilience in a vulnerable area.
- Applicants must provide access to their Hazard Mitigation Plan in their application via a weblink. If the Hazard Mitigation Plan is not publicly available online, applicants may contact FEMA-STORMRLF@fema.dhs.gov to coordinate submission of their Hazard Mitigation Plan.
- Applicants must include with their application an Intended Use Plan. The Intended Use Plan, which must be provided to the public for review and comment before submitting it with the application, provides information to FEMA, potential loan recipients, and other interested parties on goals for the revolving loan fund and the entity's planned approach to programmatic and financial administration of the loan fund. Topics to be addressed include but are not limited to: intended applicability of the up to 1% interest rate, loan amortization schedules and repayment timelines, requirements for repayment sources, and the process for management of the loan fund. An entity's Intended Use Plan will be reviewed by FEMA to ensure it is developed in accordance with the requirements

outlined in 42 U.S.C. § 5135(g). The Intended Use Plan, including addressing each of the criteria set forth at 42 U.S.C. § 5135(g)(2), must establish the criteria and methods for loan distribution and the applicant's plan to ensure loan funds are distributed to local governments with the greatest financial need and that 40 percent of the overall benefits of loan funds flow to underserved communities. Entities will be required to update their Intended Use Plan on an annual basis to ensure continued compliance with statutory requirements. A template for the Intended Use Plan is available for applicants on the FEMA website at <https://www.fema.gov/grants/mitigation/storm-rlf>.

- Applicants must include with their application a project proposal list to comply with 42 U.S.C. § 5135(b). The project proposal list should contain the project proposals received from local governments within the entity's jurisdiction for which the entity would consider awarding loans (refer to Section D.12.b of this NOFO for allowable project and activity types). The project proposal list should identify how the proposed projects conform to the Hazard Mitigation Plan of the applicant and the local government. With the exception of local governments receiving a loan for hazard mitigation planning, local governments that receive a loan under the Safeguarding Tomorrow RLF program must have a FEMA-approved Local or Tribal Hazard Mitigation Plan in accordance with 44 C.F.R. Part 201 at the time the loan is issued. A well-developed project proposal list affords an entity the opportunity to focus limited loan funds to the local governments most in need of financial assistance, to promote equity, and to prioritize loans for projects ready for financing. Projects included on the proposal list are not required to submit a benefit-cost analysis to FEMA.
- Applicants must include with their application documentation that they provided the Intended Use Plan for public comment and review pursuant to 42 U.S.C. § 5135(g)(1), and that they provided the public notice of no less than six weeks in length, prior to submission of their application, inviting hazard mitigation project proposals from local governments, pursuant to 42 U.S.C. § 5135(b)(1)(A). A template for both the Intended Use Plan and project proposal list is available for applicants on the FEMA website at <https://www.fema.gov/grants/mitigation/storm-rlf>.

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>; [Intergovernmental Review \(SPOC List\) \(whitehouse.gov\)](https://www.whitehouse.gov)).

12. Funding Restrictions and Allowable Costs

The grants made by FEMA to capitalize revolving loan funds under this program 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. Within the period of performance of the award, the recipients must establish the revolving loan fund, execute the Intended Use Plan, and utilize the full federal and non-federal share of funding made available to issue loans.

In general, the Cost Principles establish standards for the allowability of costs, provide detailed guidance on the cost accounting treatment of costs as direct or administrative costs,

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

Additionally, all costs charged to awards must comply with the grant program's applicable statutes, policies, requirements in this NOFO as well as with the terms and conditions of the award. If FEMA staff identify costs that are inconsistent with any of these requirements, these costs may be disallowed, and FEMA may recover funds as appropriate, consistent with applicable laws, regulations, and policies.

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

An entity loan fund may provide a loan to a local government for its non-federal cost share requirement of a grant under one of FEMA's HMA grant programs, provided that the use is otherwise in accordance with all applicable legal and programmatic requirements. An applicant should list any potential projects where a loan may be utilized for this purpose in the project proposal list submitted with its application. Federal funds that are used to meet the non-federal cost-share requirement must meet the purpose and eligibility requirements of both the relevant HMA grant program and the Safeguarding Tomorrow RLF program. Local governments interested in using loan funding as matching funds for a HMA grant should work with the applying entity to understand funding priorities, ensure the project is captured in the entity's Intended Use Plan and project proposal list, and to align loan funding with project and grant timelines. Entities and prospective loan recipients may contact FEMA for additional information at FEMA-STORMRLF@fema.dhs.gov.

An entity loan fund may not provide loans to a local government for the non-federal cost share requirement for any other federal grants/cooperative agreements; or for lobbying, or intervention in federal regulatory or adjudicatory proceedings. In addition, no grant funds may be used to sue the federal government or any other government entity.

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

Recipients of FEMA federal financial assistance are subject to the prohibitions described in section 889 of the [John S. McCain National Defense Authorization Act for Fiscal Year 2019 \(FY 2019 NDAA\)](#), (<https://www.congress.gov/bill/115th-congress/house-bill/5515/text?format=txt>) Pub. L. No. 115-232 (2018) and 2 C.F.R. §§ 200.216, 200.327, 200.471, and Appendix II to 2 C.F.R. Part 200. Beginning August 13, 2020, the statute – as it applies to FEMA recipients, and their contractors and subcontractors – prohibits obligating or expending federal award funds on certain telecommunications and video surveillance products and contracting with certain entities for national security reasons.

Guidance is available at [Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services \(Interim\) FEMA Policy #405-143-1 \(https://www.fema.gov/sites/default/files/documents/fema_policy-405-143-1-prohibition-covered-services-equipment-gpd.pdf\)](https://www.fema.gov/sites/default/files/documents/fema_policy-405-143-1-prohibition-covered-services-equipment-gpd.pdf), or superseding document.

Additional guidance is available at [Contract Provisions Guide: Navigating Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards. \(https://www.fema.gov/sites/default/files/documents/fema_contract-provisions-guide_6-14-2021.pdf\)](https://www.fema.gov/sites/default/files/documents/fema_contract-provisions-guide_6-14-2021.pdf)

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

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

I. REPLACEMENT EQUIPMENT AND SERVICES

FEMA grant funding may be permitted to procure replacement equipment and services impacted by this prohibition, provided the costs are otherwise consistent with the requirements of the NOFO.

II. DEFINITIONS

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

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

Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the People’s Republic of China.

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

b. Entity Loan Fund

(1) Establishment of the Fund

- a. An applicant must establish an entity loan fund under 42 U.S.C. § 5135 before FEMA will award it a capitalization grant.

(2) Management of the Entity Loan Fund

- a. The entity loan fund must be managed by the applicant entity’s agency responsible for emergency management and may include only the following:
 - i. funds provided by a capitalization grant;
 - ii. the entity share provided under 42 U.S.C. § 5135(c)(4);
 - iii. repayments of loans to the entity loan fund; and
 - iv. interest earned on amounts in the entity loan fund.

(3) Entity Loan Fund Administration

- a. An entity may combine the financial administration of the entity loan fund with the financial administration of any other revolving fund established by the entity, provided:
 - i. the capitalization grant, entity share, repayments of loans, and interest earned on amounts in the entity loan fund are accounted for separately from other amounts in the revolving fund; and
 - ii. the authority to establish assistance priorities and carry out oversight activities remains in the control of the entity’s agency responsible for emergency management.
- b. If an entity intends to combine the administration of the entity loan fund with that of another revolving loan fund, the entity must indicate this in the application and FEMA must provide prior approval.

(4) Allowable Use of Entity Loan Funds

- a. Funding deposited in the entity loan fund, including capitalization grants issued under this NOFO, entity contributions, loan repayments, and interest earned on loan repayments, may be used to make loans, provided that:
 - i. such loans are made at an interest rate of not more than 1 percent;
 - ii. loan repayment will commence not later than 1 year after project completion;
 - iii. all loans are fully amortized not later than 20 years after the date the project is completed, or 30 years after the date the project is completed for projects in a low-income geographic area as defined at 42 U.S.C. § 5135(m)(6);
 - iv. the loan recipient establishes a dedicated source of revenue for repayment;

- v. for projects and activities that are not hazard mitigation planning, the loan recipient has a hazard mitigation plan that has been approved by FEMA; and
 - vi. the entity loan fund will be credited with all loan repayments, including principal and interest.
- b. Loans issued from the entity loan fund may be used for the following purposes:
- i. Costs associated with projects or activities that mitigate the impacts of natural hazards including:
 - 1. Drought and prolonged episodes of intense heat;
 - 2. Severe storms, including hurricanes, tornadoes, windstorms, cyclones, and severe winter storms;
 - 3. Wildfires;
 - 4. Earthquakes;
 - 5. Flooding⁴;
 - 6. Shoreline erosion;
 - 7. High water levels; and
 - 8. Storm surges.
 - ii. Building code adoption and enforcement of the latest published editions of relevant building codes, specifications, and standards for the purpose of protecting the health, safety, and general welfare of the building's users against disasters and natural hazards.
 - iii. Local government implementation of zoning and land use planning changes focused on:
 - 1. the development and improvement of zoning and land use codes that incentivize and encourage low-impact development, resilient wildland-urban interface land management and development, natural infrastructure, green stormwater management, conservation areas adjacent to floodplains, implementation of watershed or greenway master plans, and reconnection of floodplains;
 - 2. the study and creation of agricultural risk compensation districts where there is a desire to remove or set-back levees protecting highly developed agricultural land to mitigate for flooding, allowing agricultural producers to receive compensation for assuming greater flood risk that would alleviate flood exposure to population centers and areas with critical national infrastructure;
 - 3. the study and creation of land use incentives that reward developers for greater reliance on low impact development stormwater best management practices, exchange density increases for increased open space and improvement of neighborhood catch

⁴ Mitigation projects to address flooding including the construction, repair, or replacement of a non-federal levee or other flood control structure, require the prior approval of FEMA and requires a participating entity to determine that such levee or structure is designed, constructed, and maintained in accordance with sound engineering practices and standards equivalent to the purpose for which the levee or structure is intended.

basins to mitigate urban flooding, reward developers for including and augmenting natural infrastructure adjacent to and around building projects without reliance on increased sprawl, and reward developers for addressing wildfire ignition; and

4. the study and creation of an erosion response plan that accommodates river, lake, forest, plains, and ocean shoreline retreating or bluff stabilization due to increased flooding and disaster impacts.
- c. The entity loan fund may also be used to provide technical assistance to recipients of financial assistance from the entity loan fund.

c. *Management and Administration (M&A) Costs*

Entity loan fund administration costs are allowable, provided the costs do not exceed the limits established in 42 U.S.C. § 5135 (f)(1)(C). Entity loan fund administrative costs may not exceed \$100,000 per year, 2 percent of the capitalization grants made in that fiscal year, or 1 percent of the value of the entity loan fund, whichever amount is greatest, plus the amount of any fees collected by the entity for administrative purposes.

d. *Indirect Facilities & Administrative (F&A) Costs*

Indirect costs of administering the Safeguarding Tomorrow Revolving Loan Fund Program are eligible as part of the costs described in Section D.12.c of this NOFO M&A Cost. However, in no case do such costs make the participating entity eligible for additional management costs that exceed statutory caps provided in 42 U.S.C. § 5135(f)(1)(C).

Indirect costs are allowable under this program as described in 2 C.F.R. Part 200. Applicants with a current negotiated indirect cost rate agreement that desire to charge indirect costs to an award must provide a copy of their negotiated indirect cost rate agreement at the time of application. Not all applicants are required to have a current negotiated indirect cost rate agreement. Applicants that are not required by 2 C.F.R. Part 200 to have a negotiated indirect cost rate agreement but are required by 2 C.F.R. Part 200 to develop an indirect cost rate proposal must provide a copy of their proposal at the time of application. Applicants who do not have a current negotiated indirect cost rate agreement (including a provisional rate) and wish to charge the de minimis rate must reach out to the FEMA Program Analyst, Grants Management Specialist, or other relevant FEMA position for further instructions. Applicants who wish to use a cost allocation plan in lieu of an indirect cost rate must also reach out to the FEMA Program Analyst, Grants Management Specialist, or other relevant FEMA position for further instructions. Post-award requests to charge indirect costs will be considered on a case-by-case basis and based upon the submission of an agreement or proposal as discussed above or based upon the de minimis rate or cost allocation plan, as applicable.

e. *Funding Restrictions*

Zoning and Land Use Planning

1. An entity loan fund may not commit more than 10 percent of a capitalization grant for loans to implement zoning and land use planning changes as discussed in Section D.12.b of this NOFO.

Mitigation Planning

2. An entity loan fund may not commit more than 10 percent of a capitalization grant for loans to perform mitigation planning under Section 322 of the [Stafford Act](#) (https://www.fema.gov/sites/default/files/documents/fema_stafford_act_2021_vol1.pdf) (42 U.S.C. § 5165).

Technical Assistance for Loan Recipients

3. An entity loan fund may not commit more than 5 percent of a capitalization grant for technical assistance to loan recipients.

Single Project Limitation

4. An entity loan fund may not provide a loan greater than \$5,000,000 to finance a single hazard mitigation project.

E. Application Review Information

1. Application Evaluation Criteria

a. Programmatic Criteria

Applications will be reviewed for the following criteria:

- Eligibility criteria listed in C.2 of this NOFO.
- Applicant’s approach to entity loan fund development and implementation in accordance with 42 U.S.C. § 5135, including the entity’s capacity to administer the fund and provide the required 10 percent cost match.
- Extent to which the Intended Use Plan and proposed project list demonstrates the applicant’s entity loan fund will support local governments most in need of financing assistance, including low-income geographic areas and underserved communities, and promotes equity.
- Extent to which the entity application prioritizes the statutory priorities established in 42 U.S.C. § 5135(f)(3), specifically whether the application:
 - Proposes to finance projects increasing resilience and reducing risk of harm to natural and built infrastructure;
 - Supports partnerships between two or more eligible entities to implement a project or similar projects;
 - Considers regional impacts of hazards on river basins, river corridors, micro-watersheds, macro-watersheds, estuaries, lakes, bays, and coastal regions, and areas at risk of earthquakes, tsunamis, droughts, severe storms, and wildfires, including the wildland-urban interface; or
 - Proposes to finance projects for the resilience of major economic sectors or critical national infrastructure.⁵

b. Financial Integrity Criteria

⁵ 42 U.S.C. § 5135(d)(3). Examples include ports, global commodity supply chain assets, power and water production and distribution centers, and bridges and waterways essential to interstate commerce.

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

- i. Financial stability.
- ii. Quality of management systems and ability to meet management standards.
- i. History of performance in managing federal award.
- ii. Reports and findings from audits.
- iii. 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:

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

2. Review and Selection Process

Timely submitted applications will be reviewed by FEMA to confirm the compliance with the eligibility criteria listed under Section C.2. FEMA anticipates making available no less than \$5,100,000 per grant application selected for funding. Eligible applications will be evaluated based on the criteria described in Section E.1, such as addressing resiliency and regional impacts of hazards as well as utilizing partnerships, to align awarded funding from this NOFO with program priorities. FEMA will utilize the technical assistance provided during the application period to understand an applying entity’s approach to these priorities.

FEMA will leverage a variety of factors in making awards, including the number of entities to apply, total amount of funding applied for, cost to the entity for management and oversight of the program, and emphasis on equity in the entity's Intended Use Plan. If necessary, applications that pass the eligibility criteria review may be evaluated further. Awarded amounts are subject to the availability of funds, quality of applications, and other applicable considerations.

F. Federal Award Administration Information

1. Notice of Award

Before accepting the award, the AOR and recipient should carefully read the award package. The award package includes instructions on administering the grant award and the terms and conditions associated with responsibilities under federal awards. **Recipients must accept all conditions in this NOFO.**

Notification of award approval is made through the ND Grants system through an automatic electronic mail to the recipient's authorized official listed in the initial application. The recipient should follow the directions in the notification to confirm acceptance of the award.

Recipients must accept their awards no later than 30 days from the award date. The recipient shall notify FEMA of its intent to accept and proceed with work under the award or provide a notice of intent to decline through the ND Grants system. Notification to FEMA of an intent to accept must include confirmation the recipient will contribute not less than 10 percent of the award approval amount to the recipient entity loan fund. For instructions on how to accept or decline an award in the ND Grants system, please see the ND Grants Grant Recipient User Guide, which is available at <https://www.fema.gov/grants/guidance-tools/non-disaster-grants-management-system> along with other ND Grants materials.

Recipients must have an established entity loan fund to receive the award from FEMA. Funds will remain on hold until the recipient accepts the award through the ND Grants system and all other conditions of the award have been satisfied or until the award is otherwise rescinded. Failure to accept a grant award within the 30-day timeframe may result in a loss of funds.

2. Administrative and National Policy Requirements

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

a. *DHS Standard Terms and Conditions*

All successful applicants for DHS grant and cooperative agreements are required to comply with DHS Standard Terms and Conditions, which are available online at: [DHS Standard Terms and Conditions. \(http://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions\)](http://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions).

The applicable DHS Standard Terms and Conditions will be those in effect at the time the award was made, unless the application is for a continuation award. In that event, the terms and conditions in effect at the time the original award was made will generally apply. What

terms and conditions will apply for the award will be clearly stated in the award package at the time of award.

b. *Ensuring the Protection of Civil Rights*

As the Nation works towards achieving the [National Preparedness Goal](https://www.fema.gov/national-preparedness-goal) (<https://www.fema.gov/national-preparedness-goal>), it is important to continue to protect the civil rights of individuals. Recipients must carry out their programs and activities, including those related to the building, sustainment, and delivery of core capabilities, in a manner that respects and ensures the protection of civil rights for protected populations.

Federal civil rights statutes, such as Section 504 of the Rehabilitation Act of 1973 and Title VI of the Civil Rights Act of 1964, along with DHS and FEMA regulations, prohibit discrimination on the basis of race, color, national origin, sex, religion, age, disability, limited English proficiency, or economic status in connection with programs and activities receiving [federal financial assistance](https://www.ecfr.gov/cgi-bin/text-idx?SID=5e41f4d1a74f253d602c5a7fdc4fc2d8&mc=true&node=se44.1.7_1913&rgn=div8) (https://www.ecfr.gov/cgi-bin/text-idx?SID=5e41f4d1a74f253d602c5a7fdc4fc2d8&mc=true&node=se44.1.7_1913&rgn=div8) from FEMA.

The DHS Standard Terms and Conditions include a fuller list of the civil rights provisions that apply to recipients. These terms and conditions can be found in the [DHS Standard Terms and Conditions](https://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions), (<https://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions>). Additional information on civil rights provisions is available at <https://www.fema.gov/about/offices/equal-rights/civil-rights>.

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

In accordance with civil rights laws and regulations, recipients must ensure the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment.

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

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

Federal law requires EHP review to be completed before federal funds are released to carry out proposed projects. **A recipient that establishes a loan fund providing loans to local governments for projects that have the potential to impact the environment, including, but not limited to, the construction of communication towers, modification or renovation of existing buildings, structures, and facilities, or new construction including replacement of facilities, must ensure projects are reviewed for impacts to the environment and historic properties.** Therefore, for projects requiring EHP reviews, a recipient may not issue a loan until an EHP review is completed for the proposed project.

The EHP review process involves the submission of a detailed project description along with any associated photographs, maps, and other relevant documents and any supporting documentation in order to determine whether the proposed project has the potential to impact environmental resources including but not limited to historic properties and endangered species prior to a loan being awarded. In some cases, consultation with other regulatory agencies and the public is required in order to complete the review process. In order to complete these reviews, recipients must submit to FEMA an EHP Checklist and other information to allow FEMA to complete the EHP review of the project prior to the release of loan funds. FEMA will use the submitted information to determine whether the proposed project has the potential to impact environmental resources including but not limited to historic properties or endangered species. A template EHP checklist to assist with project compliance reviews is available on <https://www.fema.gov/grants/mitigation/storm-rlf>.

Section 205(e) of the Stafford Act (42 U.S.C. § 5135(e)) authorizes FEMA to delegate the responsibilities for environmental review to a participating entity if requested by the entity so long as the entity carries out such responsibilities in the same manner and is subject to the same requirements as if FEMA carried out such responsibilities. For this funding opportunity, FEMA intends to review submitted checklists and conduct EHP reviews for projects awarded under the capitalization grant. FEMA will provide guidance on the delegation process in the future based on coordination with participating entities.

FEMA has determined that some loan project types are administrative in nature and do not have the potential to have significant effect on the human environment as documented in the FEMA Environmental Planning and Historic Preservation Memo for Record. The EHP Checklist does not need to be submitted for the following project types, including Building Code Adoption and Enforcement; Zoning and Land-use Planning; Hazard Mitigation Planning; and Technical Assistance. Additionally, loans may be used as a non-federal cost match for another HMA grant application. In this situation, FEMA will complete the EHP review process following the procedures of the FEMA HMA grant program.

A recipient may provide loans for new construction or substantial improvement, provided the recipient and loan recipients comply with [Executive Order \(EO\) 14030, Climate-Related Financial Risk](https://www.whitehouse.gov/briefing-room/presidential-actions/2021/05/20/executive-order-on-climate-related-financial-risk/) (<https://www.whitehouse.gov/briefing-room/presidential-actions/2021/05/20/executive-order-on-climate-related-financial-risk/>) and applicable FEMA implementing policies in place at the time of disbursement, including [FEMA Policy #206-21-0003-0001, Partial Implementation of the Federal Flood Risk Management Standard for Hazard Mitigation Assistance Programs \(fema.gov\)](https://www.fema.gov/sites/default/files/documents/fema_policy-fp-206-21-003-0001-partial-implementation-of-the-federal-flood-risk-management-standard-for-hazard-mitigation-assistance-programs.pdf) (https://www.fema.gov/sites/default/files/documents/fema_policy-fp-206-21-003-0001-implementation-ffrms-hma-program_122022.pdf) or superseding policies.

Presidential Executive Orders 11990 and 11988, as amended by Executive Order 13690, require that all federal actions in or affecting the floodplain or wetlands be reviewed for opportunities to relocate, and be evaluated for social, economic, historical, environmental, legal and safety considerations. FEMA's regulations at 44 C.F.R. Part 9 implement the EOs, and require an 8-step review process if a proposed action is located in a floodplain or wetland consistent with 44 C.F.R. § 9.6. The regulation also requires that the federal agency provide

public notice of the proposed action at the earliest possible time to provide the opportunity for public involvement in the decision-making process (44 C.F.R. § 9.8). Where there is no opportunity to relocate, FEMA must ensure a detailed review is conducted to determine what measures can be taken to minimize future damages. Consistent with 44 C.F.R. § 9.8, FEMA is giving initial notice through this NOFO that proposed projects under this program may be located in the floodplain or wetlands. The public is invited to participate in the process of identifying alternatives to a proposed project affecting floodplains or wetlands and analyzing the impacts of the project and the alternatives on floodplains or wetlands through this notification and may do so by emailing ehphelp@fema.dhs.gov within 30 days of its issuance. While analyzing alternatives, FEMA may determine there are no practicable alternatives to carrying out the proposed work within the floodplain or wetland. Relocating facilities for this action may not be practicable and would adversely impact affected communities socially and economically. In addition, no alternative actions may be practicable that serve the same purpose and have less potential to affect or be affected by the floodplain. The no action option would not be appropriate as it would fail to meet the purpose and need of the community. For these kinds of determinations, this may be the only public notice provided. In the course of developing project proposals, subsequent public notices will be published, if necessary, as more specific information becomes available.

DHS and FEMA EHP policy is found in directives and instructions available on the [FEMA.gov EHP page](https://www.fema.gov/grants/guidance-tools/environmental-historic) (<https://www.fema.gov/grants/guidance-tools/environmental-historic>), the FEMA website page that includes documents regarding EHP responsibilities and program requirements, including implementation of the National Environmental Policy Act (NEPA) and other EHP regulations and Executive Orders.

d. *Davis-Bacon Act and Labor Standards*

Pursuant to 42 U.S.C. § 5135(f)(8), local government construction projects financed in any part from an entity loan fund must be implemented in compliance with the requirements of the Davis-Bacon Act (40 U.S.C. § 3141 *et seq.*). Construction workers on these projects must be paid at least the locally prevailing wage and fringe benefits for the work they perform. This ensures that responsible contractors can compete for federally-funded or assisted construction contracts and receive fair wages. Federal agencies and funding recipients must ensure that the Davis-Bacon labor standards clauses and applicable wage determinations are included in covered construction contracts. For more information regarding compliance with Davis-Bacon Act requirements, visit <https://www.dol.gov/agencies/whd/government-contracts/construction>. In addition, entity loan funds are encouraged to consider in their review of loan applications whether and how a project will incorporate strong labor standards to ensure high-quality work, avert disruptive and costly delays, and promote efficiency. For example, strong labor standards may include use of project labor agreements (PLAs), use of local hire provisions, using a directly employed workforce (as opposed to a subcontracted workforce), use of an appropriately skilled workforce (e.g., through Registered Apprenticeships or other joint labor management training programs that serve all workers, particularly those underrepresented or historically excluded), and use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure).

3. Reporting

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

a. *Financial Reporting Requirements*

I. FEDERAL FINANCIAL REPORT (FFR)

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

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

Recipients must file the FFR electronically using the Payment and Reporting Systems (PARS) (<https://isource.fema.gov/sf269/execute/LogIn?sawContentMessage=true>).

II. FFR REPORTING PERIODS AND DUE DATES

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

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

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

b. *Programmatic Performance Reporting Requirements*

I. PUBLICATION OF INFORMATION

In accordance with 42 U.S.C. § 5135(h)(2) and FEMA best practice, recipients should publish the following information about all projects receiving funding, including any necessary updates:

- 1) The project title;
- 2) The purpose of the project;
- 3) The natural hazard the project mitigates;
- 4) The location of the project;

- 5) The type and amount of assistance provided by the loan fund;
- 6) The expected funding schedule; and
- 7) The anticipated date of completion of the project. The recipient should publish information publicly on a preferred platform and at intervals most suitable to the recipient during, and after, the POP.

II. QUARTERLY PROGRESS REPORT (QPR)

In addition to the FFR reports, recipients must report on the grant's progress quarterly to DHS/FEMA using the Quarterly Performance Report in ND Grants, including partial calendar quarters and 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. FEMA will evaluate progress of the loan fund administration, project effectiveness, and equity promotion through the established performance measures. FEMA will provide participating entities with QPR templates for reporting. At any time, FEMA may make recommendations for or require specific changes to an entity loan fund to improve the effectiveness of the fund during the POP. QPRs are only required to be submitted to FEMA during the POP. Details on measuring and reporting on the performance of the program beyond the POP, including metrics captured in the QPR and frequency of submission, are contained in closeout agreements.

c. *Closeout Reporting Requirements*

I. CLOSEOUT REPORTING

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

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

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

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

The program requires continued post-closeout reporting to ensure long-term program objectives are achieved. Post-closeout reporting will be required following the effective date of the closeout agreement. Reporting requirements required in the closeout agreement

include the project information publication, annual Intended Use Plan with associated reporting on performance measures, and biennial audits. The reports shall consist of entity loan fund financial information and project information.

II. ADMINISTRATIVE CLOSEOUT

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

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

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

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

d. *Additional Reporting Requirements*

I. DISCLOSING INFORMATION PER 2 C.F.R. § 180.335

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

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

- iv. Have had one or more public transactions (federal, state, or local) terminated within the preceding three years for cause or default.

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

II. REPORTING OF MATTERS RELATED TO RECIPIENT INTEGRITY AND PERFORMANCE

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

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

III. SINGLE AUDIT REPORT

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

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

4. Monitoring and Oversight

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

Effective monitoring and oversight help FEMA ensure that recipients use grant funds for their intended purpose(s); verify that projects undertaken are consistent with approved plans; and ensure that recipients make adequate progress toward stated goals and objectives. Additionally, monitoring serves as the primary mechanism to ensure that recipients comply with applicable laws, rules, regulations, program guidance, and requirements. FEMA regularly monitors all grant programs both financially and programmatically in accordance with federal laws, regulations (including 2 C.F.R. Part 200), program guidance, and the terms

and conditions of the award. All monitoring efforts ultimately serve to evaluate progress towards grant goals and proactively target and address issues that may threaten grant success during the period of performance.

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

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

Recipients are responsible for monitoring loan agreements in a manner consistent with the terms of the federal award at 2 C.F.R. Part 200, including 2 C.F.R. § 200.331-200.333. This includes ensuring that recipient loans are used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the award.

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

G. DHS Awarding Agency Contact Information

1. Contact and Resource Information

a. *Program Office Contact*

Questions about the Safeguarding Tomorrow RLF program can be directed to FEMA's Hazard Mitigation Assistance Division at FEMA-STORMRLF@fema.dhs.gov. Additional resources and program contacts can be found at <https://www.fema.gov/grants/mitigation/storm-rlf>.

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

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

c. *FEMA Regional Offices*

FEMA Regional Offices will be involved in managing, administering, and conducting the application budget review, creating the award package, approving, amending, and closing out awards, as well as conducting cash analysis, financial and programmatic monitoring, and audit resolution. FEMA Regional Office contact information is available at <https://www.fema.gov/fema-regional-contacts>.

d. *Equal Rights*

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

e. *Environmental Planning and Historic Preservation*

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

2. Systems Information

a. *Grants.gov*

For technical assistance with Grants.gov, call the customer support hotline 24 hours per day, 7 days per week (except federal holidays) at (800) 518-4726 or e-mail at support@grants.gov.

b. *Non-Disaster (ND) Grants*

For technical assistance with the ND Grants system, please contact the ND Grants Helpdesk at ndgrants@fema.dhsgov or (800) 865-4076, Monday through Friday, 9:00 AM – 6:00 PM ET. User resources are available at <https://www.fema.gov/grants/guidance-tools/non-disaster-grants-management-system>

c. *Payment and Reporting System (PARS)*

FEMA uses the [Payment and Reporting System \(PARS\)](#) (<https://isource.fema.gov/sf269/execute/LogIn?sawContentMessage=true>) for financial reporting, invoicing, and tracking payments. FEMA uses the Direct Deposit/Electronic Funds

Transfer (DD/EFT) method of payment to recipients. To enroll in the DD/EFT, recipients must complete a Standard Form 1199A, Direct Deposit Form. If you have questions about the online system, please call the Customer Service Center at (866) 927-5646 or email ask-GMD@fema.dhs.gov.

H. Additional Information

3. Termination Provisions

FEMA may terminate a federal award in whole or in part for one of the following reasons. FEMA and the recipient must still comply with closeout requirements at 2 C.F.R. §§ 200.344-200.345 even if an award is terminated in whole or in part.

a. *Noncompliance*

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

b. *With the Consent of the Recipient*

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

c. *Notification by the Recipient*

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

4. Program Evaluation

Recipients are encouraged to incorporate program evaluation activities from the outset of their program design and implementation to meaningfully document and measure their progress towards meeting an agency priority goal(s). Title I of the Foundations for Evidence-Based Policymaking Act of 2018 ([Evidence Act](#)), [Pub. L. No. 115-435 \(2019\)](#) urges federal awarding agencies and federal assistance recipients to use program evaluation as a critical tool to learn, to improve equitable delivery, and to elevate program service and delivery across the program lifecycle. Evaluation means “an assessment using systematic data

collection and analysis of one or more programs, policies, and organizations intended to assess their effectiveness and efficiency.” Evidence Act § 101 (codified at 5 U.S.C. § 311). Evaluation costs are allowable costs (either as direct or indirect), unless prohibited by statute or regulation.

5. Period of Performance Extensions

Extensions to the period of performance (POP) for this program are allowed. Extensions to the POP identified in the award will only be considered through formal, written requests to the Safeguarding Tomorrow RLF program and must contain specific and compelling justifications as to why an extension is required. Recipients are advised to coordinate with the Safeguarding Tomorrow RLF program as needed when preparing an extension request.

All extension requests must address the following:

- a. The grant program, fiscal year, and award number;
- b. Reason for the delay –including details of the legal, policy, or operational challenges that prevent the final outlay of awarded funds by the deadline;
- c. Current status of the activity(ies);
- d. Approved POP termination date and new project completion date;
- e. Amount of funds drawn down to date;
- f. Remaining available funds, both federal and, if applicable, non-federal;
- g. Budget outlining how remaining federal and, if applicable, non-federal funds will be expended;
- h. Plan for completion, including milestones and timeframes for achieving each milestone and the position or person responsible for implementing the plan for completion; and
- i. Certification that the activity(ies) will be completed within the extended POP without any modification to the original statement of work, as described in the application, or other relevant document and as approved by FEMA.

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

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

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

6. Disability Integration

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

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

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

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

- Include representatives of organizations that work with/for people with disabilities on planning committees, work groups and other bodies engaged in development and implementation of the grant programs and activities.
- Hold all activities related to the grant in locations that are accessible to persons with physical disabilities to the extent practicable.
- Acquire language translation services, including American Sign Language, that provide public information across the community and in shelters.
- Ensure shelter-specific grant funds are in alignment with FEMA's [Guidance on Planning for Integration of Functional Needs Support Services in General Population Shelters](https://www.fema.gov/media-library/assets/documents/26441) (<https://www.fema.gov/media-library/assets/documents/26441>).
- If making alterations to an existing building to a primary function area utilizing federal funds, complying with the most recent codes and standards and making path of travel to the primary function area accessible to the greatest extent possible.
- Implement specific procedures used by public transportation agencies that include evacuation and passenger communication plans and measures for individuals with disabilities.
- Identify, create, and deliver training to address any training gaps specifically aimed toward whole-community preparedness. Include and interact with individuals with disabilities, aligning with the designated program capability.
- Establish best practices in inclusive planning and preparedness that consider physical access, language access, and information access. Examples of effective communication access include providing auxiliary aids and services such as sign language interpreters, Computer Aided Real-time Translation (CART), and materials in Braille or alternate formats.

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

7. Conflicts of Interest in the Administration of Federal Awards

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

A recipient must disclose to the respective Program Analyst or Program Manager, in writing, any real or potential conflict of interest that may arise during the administration of the federal award, as defined by the federal or state, territorial or tribal statutes or regulations or their own existing policies, within five days of learning of the conflict of interest.

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

8. Procurement Integrity

Through audits conducted by the DHS Office of Inspector General (OIG) and FEMA grant monitoring, findings have shown that some FEMA recipients have not fully adhered to the proper procurement requirements at 2 C.F.R. §§ 200.317 – 200.327 when spending grant funds. Anything less than full compliance with federal procurement requirements jeopardizes the integrity of the grant as well as the grant program. To assist with determining whether an action is a procurement or instead a subaward, please consult 2 C.F.R. § 200.331. For detailed guidance on the federal procurement standards, recipients should refer to various materials issued by FEMA’s Procurement Disaster Assistance Team (PDAT), such as the [PDAT Field Manual](https://www.fema.gov/sites/default/files/documents/fema_PDAT-field-manual_102021.pdf) (https://www.fema.gov/sites/default/files/documents/fema_PDAT-field-manual_102021.pdf) and [Contract Provisions Guide](https://www.fema.gov/sites/default/files/documents/fema_contract-provisions-guide_6-14-2021.pdf) (https://www.fema.gov/sites/default/files/documents/fema_contract-provisions-guide_6-14-2021.pdf). Additional resources, including an upcoming trainings schedule can be found on the PDAT Website: <https://www.fema.gov/grants/procurement>.

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

Under 2 C.F.R. § 200.317, when procuring property and services under a federal award, states (including territories) must follow the same policies and procedures they use for procurements from their non-federal funds; additionally, states must now follow 2 C.F.R. § 200.321 regarding socioeconomic steps, 200.322 regarding domestic preferences for procurements, 200.323 regarding procurement of recovered materials, and 2 C.F.R. § 200.327 regarding required contract provisions.

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

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

OMB recently updated various parts of Title 2 of the Code of Federal Regulations, among them, the procurement standards. States are now required to follow the socioeconomic steps in soliciting small and minority businesses, women’s business enterprises, and labor surplus area firms per 2 C.F.R. § 200.321. All non-federal entities should also, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States per 2 C.F.R. § 200.322. More information on OMB’s revisions to the federal procurement standards can be found in [Purchasing Under a FEMA Award: OMB Revisions Fact Sheet](https://www.fema.gov/sites/default/files/documents/fema_purchasing-under-fema-award-omb-revisions_fact-sheet_0.pdf) (https://www.fema.gov/sites/default/files/documents/fema_purchasing-under-fema-award-omb-revisions_fact-sheet_0.pdf).

The recognized procurement methods in 2 C.F.R. § 200.320 have been reorganized into informal procurement methods, which include micro-purchases and small purchases; formal procurement methods, which include sealed bidding and competitive proposals; and noncompetitive procurements. The federal micro-purchase threshold is currently \$10,000, and non-state entities may use a lower threshold when using micro-purchase procedures under a FEMA award. If a non-state entity wants to use a micro-purchase threshold higher than the federal threshold, it must follow the requirements of 2 C.F.R. § 200.320(a)(1)(iii)-(v). The federal simplified acquisition threshold is currently \$250,000, and a non-state entity may use a lower threshold but may not exceed the federal threshold when using small purchase procedures under a FEMA award. *See* 2 C.F.R. § 200.1 (citing the definition of simplified acquisition threshold from [48 C.F.R. Part 2, Subpart 2.1](https://www.ecfr.gov/current/title-48/chapter-1/subchapter-A/part-2/subpart-2.1)) (<https://www.ecfr.gov/current/title-48/chapter-1/subchapter-A/part-2/subpart-2.1>).

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

b. *FEMA Financial Assistance Programs for Infrastructure Build America, Buy America Act*

Recipients must comply with Build America, Buy America Act (BABAA), which was enacted as part of the Infrastructure Investment and Jobs Act §§ 70901-70927, Pub. L. No. 117-58 (2021); and Executive Order 14005, Ensuring the Future is Made in All of America by All of America’s Workers. See also Office of Management and Budget (OMB), Memorandum M-22-11, Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.

After FEMA’s General Applicability Public Interest waiver expires on January 1, 2023 (or is otherwise extended), none of the funds provided under this program may be used for a project for infrastructure unless the iron and steel, manufactured products, and construction materials used in that infrastructure are produced in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the

construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

To see whether a particular FEMA federal financial assistance program is considered an infrastructure program and thus required to include a Buy America preference, please see Programs and Definitions: Build America, Buy America Act | FEMA.gov.

Waivers

When necessary, recipients may apply for, and FEMA may grant, a waiver from these requirements.

A waiver of the domestic content procurement preference may be granted by the agency awarding official if FEMA determines that:

- 1) Applying the domestic content procurement preference would be inconsistent with the public interest.
- 2) The types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality.
- 3) The inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

For FEMA awards, the process for requesting a waiver from the Buy America preference requirements can be found on FEMA's website at: ["Buy America" Preference in FEMA Financial Assistance Programs for Infrastructure](https://www.fema.gov/grants/policy-guidance/buy-america) (<https://www.fema.gov/grants/policy-guidance/buy-america>).

Definitions

Construction materials: An article, material, or supply—other than an item primarily of iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives—that is or consists primarily of non-ferrous metals, plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), glass (including optic glass), lumber, paint, and drywall.

Domestic content procurement preference: Means all iron and steel used in the project are produced in the United States; the manufactured products used in the project are produced in

the United States; or the construction materials used in the project are produced in the United States.

Federal financial assistance: Generally defined in 2 C.F.R. § 200.1 and includes all expenditures by a federal agency to a non-federal entity for an infrastructure project, except that it does not include expenditures for assistance authorities relating to major disasters or emergencies under sections 402, 403, 404, 406, 408, or 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act relating to a major disaster or emergency declared under section 401 or 501, respectively, or pre and post disaster or emergency response expenditures.

Infrastructure: Infrastructure projects which serve a public function, including at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property; and structures, facilities, and equipment that generate, transport, and distribute energy.

Produced in the United States: means the following for:

- 1) **Iron and steel:** All manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- 2) **Manufactured products:** The product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.
- 3) **Construction Materials:** All manufacturing processes for the construction material occurred in the United States.

Project: is any activity related to the construction, alteration, maintenance, or repair of infrastructure in the United States

c. *Competition and Conflicts of Interest*

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

Under this prohibition, unless the non-federal entity solicits for and awards a contract covering both development and execution of specifications (or similar elements as described above), and this contract was procured in compliance with 2 C.F.R. §§ 200.317 – 200.327, federal funds cannot be used to pay a contractor to carry out the work if that contractor also worked on the development of those specifications. This rule applies to all contracts funded with federal grant funds, including pre-award costs, such as grant writer fees, as well as post-award costs, such as grant management fees.

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

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

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

Under 2 C.F.R. § 200.318(c)(1), non-federal entities other than states are required to maintain written standards of conduct covering conflicts of interest and governing the actions of their employees engaged in the selection, award, and administration of contracts. **No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest.** Such conflicts of interest would arise when the employee, officer or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-federal entity.

Under 2 C.F.R. 200.318(c)(2), if the recipient has a parent, affiliate, or subsidiary organization that is not a state, local, tribal, or territorial government, the non-federal entity must also maintain written standards of conduct covering organizational conflicts of interest. In this context, organizational conflict of interest means that because of a relationship with a parent company, affiliate, or subsidiary organization, the non-federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. The non-federal entity must disclose in writing any potential conflicts of interest to FEMA in accordance with applicable FEMA policy.

d. *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 tribal government recipients 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 will still need to follow the other rules under 2 C.F.R. §§ 200.317 – 200.327, such as solicitation of minority businesses, women’s business enterprises, small businesses, or labor surplus area firms (§ 200.321), domestic preferences (§ 200.322), contract cost and price (§ 200.324), and required contract provisions (§ 200.327 and Appendix II).

II. OTHER SUPPLY SCHEDULES AND PROGRAMS

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

- The procurement of the original contract or purchasing schedule and its use by the non-federal entity complies with state and local law, regulations, and written procurement procedures;

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

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

e. *Procurement Documentation*

Per 2 C.F.R. § 200.318(i), tribes are required to maintain and retain records sufficient to detail the history of procurement covering at least the rationale for the procurement method, selection of contract type, contractor selection or rejection, and the basis for the contract price. States and territories are encouraged to maintain and retain records sufficient to detail the history of procurement covering at least the rationale for the procurement method, selection of contract type, contractor selection or rejection, and the basis for the contract price, 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.
- Additional information on required procurement records can be found on pages 24-26 of the [PDAT Field Manual](https://www.fema.gov/sites/default/files/documents/fema_PDAT-field-manual_102021.pdf) (https://www.fema.gov/sites/default/files/documents/fema_PDAT-field-manual_102021.pdf).

9. Record Retention

a. *Record Retention Period*

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

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

- Records for real property and equipment acquired with federal funds must be retained for **three years after final disposition of the property**. *See* 2 C.F.R. § 200.334(c).
- If any litigation, claim, or audit is started before the expiration of the three-year period, the records **must be retained until** all litigation, claims, or audit findings involving the records **have been resolved and final action taken**. *See* 2 C.F.R. § 200.334(a).
- The **record retention period will be extended if the non-federal entity is notified in writing** of the extension by FEMA, the cognizant or oversight agency for audit, or the cognizant agency for indirect costs, or pass-through entity. *See* 2 C.F.R. § 200.334(b).
- Where FEMA requires recipients to report program income after the period of performance ends, the **program income record retention period begins at the end of the recipient's fiscal year in which program income is earned**. *See* 2 C.F.R. § 200.334(e).
- For indirect cost rate computations and proposals, cost allocation plans, or any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates), the start of the record retention period depends on whether the indirect cost rate documents were submitted for negotiation. If the **indirect cost rate documents were submitted for negotiation, the record retention period begins from the date those documents were submitted** for negotiation. If indirect cost rate documents were **not submitted for negotiation, the record retention period begins at the end of the recipient's fiscal year or other accounting period covered by that indirect cost rate**. *See* 2 C.F.R. § 200.334(f).

b. *Types of Records to Retain*

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

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

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

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

10. Actions to Address Noncompliance

Non-federal entities receiving financial assistance funding from FEMA are required to comply with requirements in the terms and conditions of their awards, including the terms set forth in applicable federal statutes, regulations, NOFOs, and policies. Throughout the award lifecycle or even after an award has been closed, FEMA may discover potential or actual noncompliance on the part of a recipient. This potential or actual noncompliance may be discovered through routine monitoring, audits, closeout, or reporting from various sources.

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

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

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

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

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

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

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

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

11. Audits

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

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

The objectives of single audits are to:

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

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

Non-federal entities must have an audit conducted, either single or program-specific, of their financial statements and federal expenditures annually or biennially pursuant to 2 C.F.R. § 200.504. Non-federal entities must also follow the information submission requirements of 2 C.F.R. § 200.512, including submitting the audit information to the [Federal Audit Clearinghouse](https://harvester.census.gov/facweb/) (<https://harvester.census.gov/facweb/>) within the earlier of 30 calendar days after receipt of the auditor's report(s) or nine months after the end of the audit period. The audit information to be submitted include the data collection form described at 2 C.F.R. § 200.512(c) and Appendix X to 2 C.F.R. Part 200 as well as the reporting package described at 2 C.F.R. § 200.512(b). The submission of the annual audit must accompany the annual Intended Use Plan submission as a package, in ND Grants.

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

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

Biennial Audit

In accordance with 42 U.S.C. § 5135(h)(1), recipients must conduct a biennial audit of the loan fund and draft a report for FEMA review. Recipient reports must include the audit results and a review of the effectiveness of the entity loan fund in meeting the goals and intended benefits described in the Intended Use Plan. Audits must be in accordance with the auditing procedures of the GAO, including generally accepted government auditing standards. Biennial audit reports are due on the last day of the second fiscal year after the fiscal year in which the entity begins receiving repayments from the loan recipients. Additionally, every four years, FEMA will conduct reviews and audits as necessary to carry out the objectives of performance review and determine the effectiveness of the fund in reducing natural hazard risk. The recipient will be expected to report progress toward the attainment of expected project goals as stated in the Intended Use Plan during the project POP, including partial calendar quarters, and for periods where no grant award activity occurs.

12. Payment Information

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

FEMA utilizes the Payment and Reporting System (PARS) for financial reporting, invoicing and tracking payments. For additional information, refer to <https://isource.fema.gov/sf269/execute/LogIn?sawContentMessage=true>.

13. Whole Community Preparedness

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

Whole Community (<https://www.fema.gov/whole-community>) includes:

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

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

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