

PUBLIC ASSISTANCE PROCESS

Federal reimbursement for the extraordinary expenses of disaster recovery

What is Public Assistance?

Following a disaster, the Commonwealth, local governments, state government subdivisions (such as school districts), and certain private nonprofit organizations may be eligible for Public Assistance grants from the Federal Emergency Management Agency (FEMA).

Grants through FEMA's Public Assistance program are used to help repair and restore essential public facilities and reimburse emergency agencies for extraordinary expenses, such as increased overtime pay which was incurred as a result of a disaster.

Public Assistance grants become available when damage assessments determine disaster damages to infrastructure and loss of public services exceed the ability of the Commonwealth, local governments, and certain private nonprofit agencies to accomplish a timely recovery.

FEMA sends Public Assistance grants directly to the Commonwealth, which then reimburses eligible applicants as "sub-grantees."

2012 Kentucky Tornadoes and Severe Storms

Following the severe storms, tornadoes, straight-line winds, and flooding from February 29 through March 3, 2012, Public Assistance has been made available to Ballard, Grant, Johnson, Kenton, LaRue, Laurel, Lawrence, Magoffin, Martin, Menifee, Morgan, Pendleton, Trimble, and Wolfe counties.

What is eligible for funding?

Approval of a project depends on four (4) primary factors:

- **Is the applicant eligible?** Public Assistance grants are for Commonwealth agencies, local governments, governmental subdivisions (such as school districts), and certain private nonprofit agencies, within the designated disaster area, that perform services of a public nature (e.g., public utilities, emergency medical facilities).
 - Nonprofits must hold a current federal tax-exempt status. Certain private nonprofit organizations must apply first to the U.S. Small Business Administration for a disaster loan for permanent work and, if declined, will be referred back to FEMA.
- **Is the damaged facility eligible?** Facilities must be the legal responsibility of an eligible applicant, located in the declared disaster area, in active use when the disaster occurred, and damages had to be a result of the disaster.

- **Is the completed recovery work or work that needs to be accomplished eligible?** The work has to be disaster related, located in the disaster area, be the responsibility of the applicant, and cannot have been caused by negligence.
- **Are the project costs eligible?** To be reimbursable, costs incurred to perform recovery projects must be reasonable and necessary. FEMA will not duplicate any other benefits, such as insurance coverage.

Must the applicant document the work?

Documentation of damage is crucial – projects will not progress without it. The first rule for applicants is: Undocumented eligible expenses will not be reimbursed. This process protects public funds and maintains accountability for their use.

Applicant Briefings

An Applicant Briefing is a meeting, conducted by Kentucky Emergency Management, for potential Public Assistance applicants following an emergency or major disaster declaration. The briefing addresses application procedures, administrative requirements, funding, and program eligibility criteria.

Submission of a Request for Assistance

The request is an applicant's official notification to FEMA of the intent to apply for a Public Assistance grant. Typically, the request is submitted at the applicant's briefing. If an applicant is unable to submit the request at the applicant's briefing, the applicant must submit the form within 30 days of the date of designation of the county for Public Assistance. Once a request has been submitted, project formulation can begin.

Once a request of assistance has been forwarded to FEMA, the applicant is assigned to a Public Assistance Coordinator. The coordinator is a FEMA specialist who serves as the applicant's customer service representative on Public Assistance program matters and manages processing of the applicant's projects.

Kickoff Meeting

Within one week of FEMA's receipt of an applicant's request, the Public Assistance Coordinator will contact the applicant to schedule a Kickoff Meeting. This meeting is the first step in establishing a partnership among the coordinator and the applicant and is designed to focus on the specific needs of the applicant.

Grant Processing

FEMA and the Commonwealth share responsibility for making Public Assistance program funds available to the applicant. FEMA is responsible for approving projects and making the grant funds available to the Commonwealth through a process known as “obligation.”

Funds obligated by FEMA are placed in a Federal holding account. After the Commonwealth disburses federal and state shares to the applicant, the Commonwealth is reimbursed for the federal portion from the holding account.

The Commonwealth is responsible for timely payment to the applicant in accordance with federal cash management requirements.

Receipt of funds

The flow of funds is directly related to the ability of the local applicant to submit required documentation to the Commonwealth and FEMA accurately, completely, and in a timely manner.

Funds cannot be disbursed to an applicant until projects have received FEMA approval and funds have been obligated. Funding for small projects (those less than \$66,400) is based on estimates or actual costs, if available. As soon as practicable after FEMA obligated a small project, the state disburses funds to the applicant. Funding for large projects is disbursed to applicants only as supporting documentation (such as receipts, invoices, and cancelled checks) for work completed is submitted to KYEM. All funds are electronically transferred by the Commonwealth to the applicant’s designated bank account.

Closeout

The Public Assistance Program will be considered “closed” when all projects have been described and approved, appeals have been resolved, and funds have been obligated. Applicants must maintain all supporting documentation for three (3) additional years from the official closure notification date.