

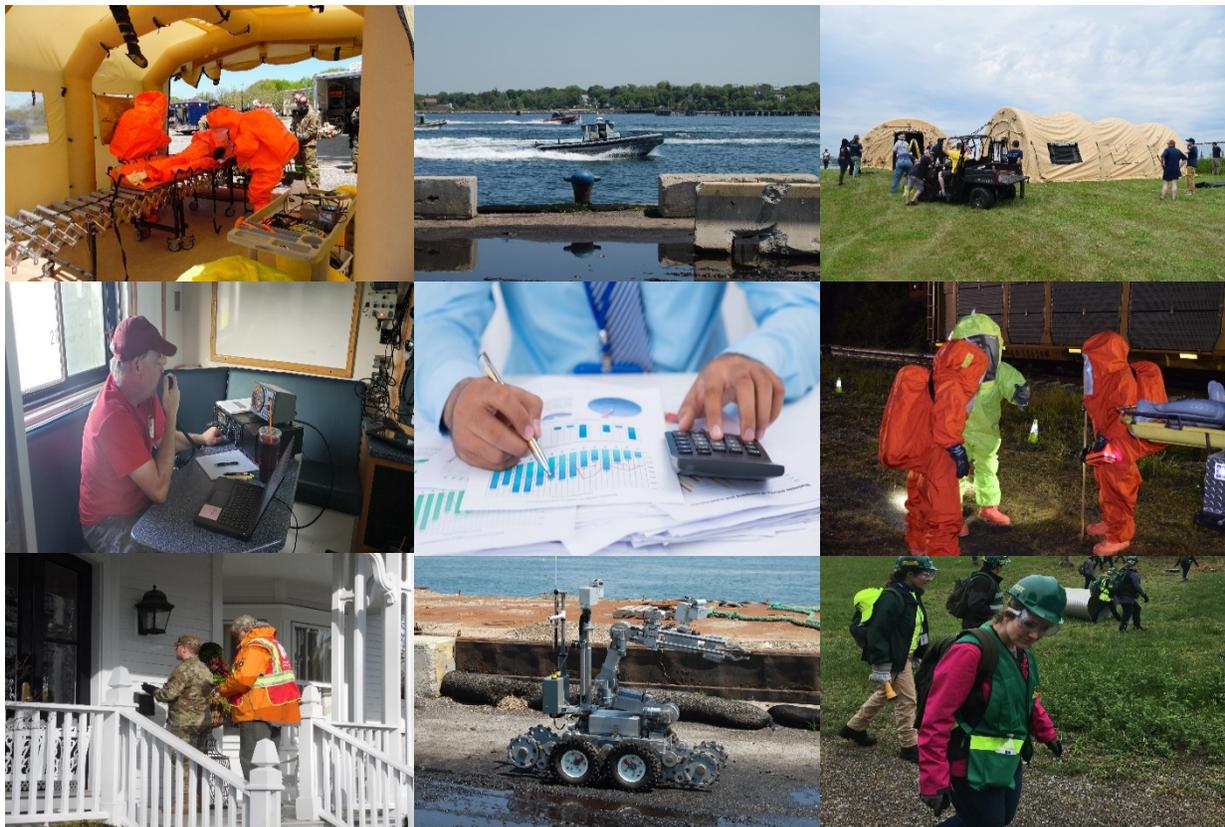


RIEMA RHODE ISLAND
EMERGENCY MANAGEMENT AGENCY

Daniel J. McKee, **Governor**
Marc R. Pappas, **Director**

Sub-Recipient Grant Management Handbook

March 2021



**Rhode Island Emergency Management Agency
645 New London Avenue
Cranston, Rhode Island 02920
Phone: (401) 946-9996 | Fax: (401) 944-1891**

Table of Contents

Overview	3
Application Eligibility and Process	4
Grant Award	6
Grant Compliance	8
Recordkeeping Requirements.....	10
Grant Reporting.....	10
Reimbursements	11
Procurement	11
Contracts	12
Publications	16
Environmental and Historical Preservation Policy	16
Equipment Control.....	16
Programmatic Monitoring Policy	17
Match and Cost Sharing Policy.....	17
Covered Technology	18
Closeout	19

Overview

The Sub-Recipient Grant Management Handbook serves as a primary reference manual to safeguard federal grant funds and ensure they are used for the purposes for which they were awarded. This handbook will serve as a day-to-day management tool for sub-recipients in administering grant programs. For additional information on grants management, please visit the RIEMA website at <http://www.riema.ri.gov/>.

As per Presidential Policy Directive 8: <http://www.fema.gov/learn-about-presidential-policy-directive-8> and Rhode Island General Law 30-15, the Rhode Island Emergency Management Agency (RIEMA) will utilize grant funding to support the National Preparedness goal in establishing a secure and resilient Nation, with capabilities required across the whole community, to **prevent, protect** against, **mitigate, respond** to, and **recover** from the threats and hazards that pose the greatest risk.

PPD-8 identifies core capabilities as the distinct critical elements necessary for our success. They are highly interdependent and will require RIEMA to use existing planning and prevention networks and activities, improve training and exercise programs, promote innovation, and ensure that the administrative, finance, and logistics systems are in place to support and enhance these capabilities.

RIEMA is pleased to respond to any questions not covered by this handbook and welcomes suggestions to improve the utility and content of the handbook. Please contact the Grants Division at 401-946-9996 with any questions or suggestions.

Applicant Eligibility

Depending on the funding source, the following criteria are required for the related grant program:

Homeland Security Grant Program (HSGP): State and local units of government, and, certain entities that are in an active Memorandum of Agreement (MOA) with RIEMA to perform a function on a State-wide basis in RI.

The **Emergency Preparedness Grant Program (EMPG):** The purpose of RIEMA’s EMPG program is to support local units of government emergency preparedness program within a city or town located in Rhode Island. All municipalities may apply for the program.

The **Nonprofit Security Grant Program (NSGP):** Generally, the NSGP is intended for 501 (C) 3 entities and must self-identify as:

1) Ideology-based/Spiritual/Religious	3) Medical
2) Educational	4) Other

The **Hazardous Materials Emergency Preparedness Program (HMEP):** Funding is allocated to support the Local Emergency Planning Committee’s (LEPC) for planning and training either through direct or indirect funding allocations.

All sub-recipients must have an active Dun and Bradstreet Data Universal Numbering System (DUNS) number in order to apply for federal funding. In addition, all sub-recipients must register with the System for Award Management (SAM) database <https://www.sam.gov>, with the exception of certain **nonprofit entities**. SAM is the primary registrant database for the U.S. Federal Government and sub-recipients are required to update or renew their registration at least once per calendar year to maintain an active status. Failure to maintain an active status will potentially result in de-obligation of all federal funds.

Sub-recipients deemed eligible to receive federal grants, contracts, and other activities are required to adopt the National Incident Management System (NIMS) <http://www.fema.gov/national-incident-management-system>, in accordance with Homeland Security Presidential Directive 5 (HSPD-5) <http://www.dhs.gov/publication/Homeland-Security-Presidential-Directive-5>, Management of Domestic Incidents. NIMS provides a consistent nationwide approach and vocabulary to enable all levels of government, tribal nations, nongovernmental organizations, and private sector partners to work together to prevent, protect against, respond to, recover from, and mitigate the effects of incidents, regardless of cause, size, location, or complexity.

All sub-recipients of The Homeland Security Grant Program (HSGP) and Emergency Management Performance Grant (EMPG) Program are required to complete the NIMS Data Collection Tool, for Local units of government, and submit it electronically to RIEMA no later than November 30th of each calendar year in order to remain eligible for continued grant funding. All funded personnel through EMPG are required to have completed the Department of Homeland Security (DHS) Professional

Development Series or attendance at the Emergency Management Institute (EMI) National Emergency Management Basic Academy

Note: The EMPG Sub-recipients unable to adhere to NIMS standards, as outlined in this handbook, are required to submit a Corrective Action Plan to complete the requirement to RIEMA prior to the November 30th deadline. Please visit the RIEMA website for further information concerning NIMS implementation and compliance. This deadline may change as federal guidance requirements dictate.

Application Process

RIEMA will post application instructions, the **Notice of Funding Opportunity (NOFO)**, and kick-off meeting schedules for potential sub-recipients on the RIEMA website, in addition to sending out email notification to Emergency Managers and other State and Local partners. These opportunities are dependent on grant cycles issued by the Federal Government and will be posted on the RIEMA website as needed.

Generally, the Homeland Security Grant Program (HSGP), Emergency Management and Preparedness Grant Program (EMPG), and, the Nonprofit Security Grant Program (NSGP) will be posted on the RIEMA website with instructions for application contained therein. The Hazardous Materials Emergency Preparedness (HMEP) Program (HMEP) is completed by RIEMA in conjunction with the Local Emergency Preparedness Committee (LEPC) with awards created to support the LEPC efforts.

Applications will be reviewed in the following areas:

- **Relevance to RIEMA's policy priorities (i.e. Grant Justification, Program Work Plans, Threat and Hazard Identification and Risk Assessment (THIRA), (State Preparedness Report, State Homeland Security Strategy) as relevant to the applicable grant program.**
- **Ability to meet award "special conditions" as specified in grant guidance**
- **Ability to achieve project timelines and milestones**
- **Ability to expend grant funds in a timely manner**
- **Timeliness and justification for award extensions and reallocations on previous grant awards**
- **Ability to comply with procurement and contracting requirements**
- **Ability to comply with equipment management and reporting requirements**
- **Ability to participate in mandatory grant management training and procurement training**
- **Required Forms are posted on the RIEMA website.**
- **Other forms may be required as the individual NOFO's warrant**

Grants review also factors in criteria, as deemed necessary, per the NOFO. Applicants that submit applications that, after review, are deemed incomplete or ineligible, will be notified via email and/or letter.

Grant applications that are reviewed and recommended for funding will receive a grant award notification letter from RIEMA. NOTE: Not all awards can be completely funded, RIEMA may contact a

perspective recipient about funding an award for a project if the sub-recipient can complete it with a lower award amount.

Application Denial Process

Applications that are denied will be issued a denial letter including the reason for denial. Applicants have the right to appeal the denial within thirty **(30)** days of receipt of the denial letter. Denied applicants must submit a written request articulating additional detail for further consideration. Applications will remain on file, if an appeal is submitted, a second decision on your application will be provided to you within thirty **(30)** days of your submission.

Grant Award

All grant awards letters issued by RIEMA will include terms and conditions that include compliance requirements, federal regulations, and audit requirements pertinent to the grant award. Each sub-recipient's authorizing agent shall sign compliance documents prior to the spending of any award. Descriptions and templates of these forms can be found in the Required Grant Forms section of this handbook.

- **Grant Assurances Forms**
 - Grant Assurance Conditions and Agreement
 - Single Audit Act of 1996
 - Certification of Lobbying/Drug-Free Workplace
 - Environmental and Historic Preservation Screening Form (if applicable)
- **Grant Progress Report Form**
- **Grant Reimbursement Request Form**
- **Grant Inventory Form**
- **Grant Detailed Budget Worksheet Form**

Sub-recipients receiving awards must sign and return the grant assurances within thirty **(30)** days from the date of the award letter. In the event the sub-recipient needs an extension to accept the award, please submit a "Notice of Intent to Accept Grant Award" to RIEMA's Grants Division to request an extension.

Changes to Award

All change requests to an award, whether it is programmatic or financial, must be submitted to RIEMA by submitting a written narrative and if necessary, a revised budget, signed by the authorizing agent. Changes must be consistent with grant guidelines to be approved. Requests for changes will only be considered if the sub-recipients' reporting requirements are current, and if all terms and conditions have been met at the time of the change request. Transferring of funds between allocations will only be authorized by RIEMA and will require the submittal of Grant Detailed Budget Worksheet Form for grant files.

Examples of Change Requests:

- Change of address
- Changes in award period of performance (extension requests) should be received no later than thirty (30) calendar days, depending upon grant specific guidance, prior to the end date of the award
- Changes in project scope
- Changes in project detail
- Changes in budget
- Changes in work plan
- Changes in grant justification
- Changes that increase or decrease the total cost of the project
- Change in, or temporary absence of, the project manager, chief financial officer, or signatory official
- Release of special conditions, if required

Restrictions on Changes to Award

- The original grant award budget may not be changed in the first ninety (90) days of the award.
- Changes may be made, subsequent to the initial ninety-day award period until ninety days prior to close out.
- Grant budgets may not be changed ninety (90) days prior to the end of the grant.

Basic Federal Grant Conditions

All sub-recipients must follow the basic federal grant conditions outlined below:

Audit Requirement of Federal Fund (2 CFR §200.501)

These requirements apply to non-profit organization, institution of higher education, and local governments, as a whole, when they, or one of their departments, receives federal funds. Any non-profit organization, institution of higher education, or local government receiving more than \$750,000 in federal funds from all sources within a 12-month period must have a single audit performed on the use of the funds. Each sub-recipient shall sign assurances to abide by this requirement.

Transparency Act Reporting of Federal Funds

The Federal Funding Accountability and Transparency Act (FFATA) requires RIEMA to report specific sub-recipient award information for each award greater than \$25,000 with federal funds received after October 1, 2010. Prior to receiving funds, each sub-recipient will be solicited for information, when necessary, to supply RIEMA with the proper information necessary to meet this requirement.

Cost Principles for Federal Grants to State and Local Governments (2 CFR §200.400 - .475)

These requirements apply only to state and local government sub-recipients. These regulations list and define general categories of costs that are both allowable and unallowable.

Nondiscrimination Requirements

Any recipient of federal funds must comply with 28 CFR Part 42 along with their subcontractors, all statutorily-imposed nondiscrimination requirements such as civil rights requirements, reporting of adverse finding of discrimination, equal opportunity program requirements, which may also include, but not limited to:

- Omnibus Crime Control and Safe Streets Act of 1968;
- Victims of Crime Act;

- Juvenile Justice and Delinquency Prevention Act of 2002;
- Civil Rights Act of 1964;
- Rehabilitation Act of 1973;
- Americans with Disabilities Act of 1990;
- Education Amendments of 1972;
- Age Discrimination Act of 1975;
- Ex. Order 13279 (equal protection of the laws for faith-based and community organizations);
- 28 C.F.R. pt. 38 (U.S. Department of Justice Equal Treatment for Faith-Based Organizations)

Administrative Guidelines

The following are basic administrative conditions that apply to all federal grants:

Grants and Cooperative Agreements with State and Local Governments (2 CFR §200.201)

This regulation establishes consistency and uniformity among Federal agencies in the management of grants and cooperative agreements with state, local, and federally recognized Indian tribal governments.

Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations (2 CFR §200.100 - .345)

This regulation establishes administrative requirements for Federal grants and agreements awarded to institutions of higher education, hospitals, and other non-profit organizations. Federal Agencies may apply provisions to commercial organizations.

Additional Cost Guidelines

The following are basic federal cost guidelines:

Cost Principles for Educational Institutions (2 CFR §200.400 - .475)

This regulation establishes principles for determining costs applicable to grants, contracts, and other agreements with educational institutions identified in the Grant Assurances Form.

Cost Principles for Non-Profit Organizations (2 CFR §200.400 - .475)

This regulation establishes principles for determining costs of grants, contracts, and other agreements with non-profit organizations identified in the **Grant Assurances Form**. A list of nonprofit organizations that are exempt from these principles can be found at **2 CFR §200 - Appendix VIII to Part 200**.

Special Conditions

Sub-recipients with special conditions on their awards are prohibited from expending any funds until those identified conditions are approved by RIEMA. Typical special conditions may be, but are not limited to, NIMS compliance, Environmental and Historic Preservation (EHP) review and attendance at grant award kick-off, rollout meetings and trainings. Failure to comply with any and/or all special conditions may result in de-obligation of grant funding.

Grant Compliance

All allocated funding must be associated with a RIEMA programmatic investment justification (IJ) or work plan to facilitate goals and objectives, unless otherwise stated by the Executive Director. The conditions outlined in this handbook are to enable sub-recipients to abide by state, local and federal

grant administrative requirements.

Penalties for Non-Compliance

Non-compliance may inhibit RIEMA's mission and may result in potential penalties for funding. Typical examples of non-compliance are:

- Unwillingness or inability to attain project goals
- Unwillingness or inability to adhere to special conditions of the grant award
- Failure or inability to adhere to grant guidelines and federal compliance requirements
- Improper purchasing procedures for contracts and procurements
- Inability to submit reliable and/or timely reports

While not limited to the reasons listed above, awards may be wholly or partly suspended, or reimbursements and award modifications may be withheld. RIEMA may also withhold authority to proceed to the next phase of a project, require additional or more detailed financial reports, institute additional project monitoring, and/or establish additional prior approvals. RIEMA will notify the sub-recipient in writing of the decision(s) stating the reason(s) for penalty of non-compliance. The sub-recipient must respond with a corrective action plan or a written statement justifying compliance within thirty (30) days of receipt of notification.

Pre-award costs are not permitted - All activity must take place during the original period of performance, unless an extension is previously approved, this includes fiscal close out for sub recipients.

Termination for Cause or Convenience

If there is a failure to respond in correcting non-compliance issues under the terms of the grant award, the award may be reduced or terminated without compensation. RIEMA may reimburse the sub-recipient only for acceptable work or deliverables, and allowable costs incurred through the date of reduction or termination. Any equipment purchased under a terminated grant may revert to the awarding federal agency. A project which is prematurely terminated will be subject to the same requirements regarding audit, recordkeeping, and submission of reports as a project which runs for the duration of the project period.

Grant Extensions

Sub-recipients seeking a grant extension on a period of performance **must** submit an extension request a minimum of ninety (90) days prior to the grant end date (depending upon grant specific guidance), a written narrative, and a revised budget (if necessary) signed by the authorizing agent. Sub-recipients must adhere to Attachment D of FEMA's Information Bulletin 379 (Guidance to State Administrative Agencies to Expenditure of Certain DHS/FEMA Grant Funding). Information Bulletin 379 can be found on the RIEMA website. In response to a written extension request, the Director (or Grants Manager) will provide a letter advising the sub-recipient of the approved extension or denial.

Extensions on awards are reviewed on a case by case basis and there is no guarantee of an extension approval. **Extension requests submitted within the first or last ninety (90) days of award will not be considered.** If an extension is granted it will only be for up to ninety days, and no second extensions will be given.

Recordkeeping Requirements

Grant financial and administrative records shall be maintained by sub-recipients for a period of no less than three **(3)** years following the date of the closure/audit of the grant award. Personnel and payroll records for all individuals reimbursed under the award must be maintained. Equipment records shall be maintained for a period of three **(3)** years following the final disposition, replacement, or transfer of the equipment.

Sub-recipients shall keep separate records of different federal fiscal periods separately, identified, and maintained so that backup documentation may be readily located. Sub-recipients are also obligated to protect records adequately against fire or other damage. When records are stored away from the sub-recipient's principal office, a written index of the location of records stored should be on hand and available.

Grant Reporting

Sub-recipients will submit a Grant Progress Report Form to RIEMA each quarter. Forms can be found in the Required Grant Forms section of this handbook, as well as on the RIEMA website <http://www.riema.ri.gov/>. Reports must be signed by an authorized agent or delegated representative of the sub-recipient to be considered complete.

Quarterly reports are due, cyclically, no later than:

April 15th	Reporting period January 1 – March 31
July 15th	Reporting period April 1 – June 30
October 15th	Reporting period July 1 – September 30
January 15th	Reporting period October 1 – December 31

Quarterly reports are required regardless of whether expenditures are incurred.

The **Grant Progress Report Form** details the status of the project, compares actual accomplishments to the objectives established for the reporting period in the project timeline, reports reasons for deviation, and provides justification for timeline adjustment requests. In filling out the form, sub-recipients should include any significant events or activities that occurred during the reporting quarter. This form will also outline the status of the funds, show encumbrances, and receipts of program income, cash or in-kind contributions to the project, regardless of whether a local match is required.

Final reports for the Grant Progress Report Form are due the quarter post completion, as they are part of the closeout protocols outlined in this handbook in the Closeout section. The Grant Inventory Form is due with the final reports upon closeout. Further information on this form can be found in Equipment Control (Appendix A).

All exercise purchases must include an After Action Report/Improvement Plan (AAR) and follow Homeland Security Exercise and Evaluation Program (HSEEP) guidelines. All AAR's must be submitted to

the Grants Division and Exercise Division within thirty **(30)** days after the conclusion of an exercise.

Reimbursements

Reimbursement of expenditures are to be submitted on a **quarterly basis** according to grant guidance. RIEMA will not conduct advanced drawdowns of grants and funds must always be dispersed properly in a timely manner.

Reimbursements should be submitted using the Grant Reimbursement Form and be substantiated by the Grant Progress Report Form, upon their submission each quarter. Reimbursement will be based upon authorized and allowable expenditures, as outlined in this handbook, and be consistent with grant justifications, work plans, project narratives, project budget details, and grant guidance. Payments may be withheld pending correction of deficiencies, or for the lack of supporting documentation. Sub-recipients will be sent a written notice outlining any unallowable cost or denial of reimbursement that has been submitted, if the sub-recipient fails to provide the requested documentation within fifteen (15) calendar days of the original request for reimbursement, the reimbursement will be returned with no action. Expenditures must be accompanied with supporting documentation (e.g. copies of invoices, receipts, signed timesheets with name/wage/hours, cost allocations, training certificates, etc.). Sub-recipients are required to follow at a minimum, the Rhode Island State Purchasing Laws as outlined in Rhode Island General Law Title 37 Chapter 2 for all procurements and contracts.

Proof of Payment for Reimbursement

Acceptable proof of payment is outlined as below:

- Payments made by cash will be by Invoice/receipt paid in full, or documents a complete cash transaction (e.g. change provided back, amount still due \$0.00, etc.
- Payments made by check will be invoice/receipt (with the check number on it), Copy of check before payment, copy of cancelled check or copy of automated transaction ledger showing outlay of funds or copy of bank statement.
- Payments made by credit card will be by Invoice/receipt, copy of credit card statement with the charge.

Procurement

Procurements will comply with sub-recipient procurement policies and procedures, and at a minimum, conform to Rhode Island State Purchasing Laws pursuant to Title 37 Chapter 2. Sub-recipients are also required to abide by Federal law and the standards identified in the Procurement Standards sections of *2 CFR Part 200; Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Below is extracted information from the State Purchasing Law.

- For general procurements from **\$500 to \$2,500** per transaction, a state agency official may obtain three (3) telephone quotes. Each potential vendor must be provided a written copy of quote either by regular mail, e-mail, or fax.
- For general procurements from **\$2,500 to \$5,000** per transaction (\$10,000 for construction) at least three (3) written quotes should be obtained through normal mail, personal delivery, e-mail,

fax or web quote. Must demonstrate, by memorandum of record, that at least one Minority Business Enterprise (MBE) was considered to the extent practical.

- For general procurements from **\$5,000 to \$10,000** per transaction an invitation is required to Bid Process or covered under Master Price Agreement (MPA).
- **\$10,000 or Greater** - All of the above is required along with pre-approval by RIEMA. Submit all documentation from each step in the bid process to RIEMA for pre-approval.

Each sub-recipient is required to attend a date for milestone scheduling and a state procurement training session before the acceptance of any award, unless otherwise approved.

The milestones include all project activities and interim steps needed to implement the project. The schedule should include milestones for the planning, development, construction, evaluation and reporting of the project's implementation. The milestone dates are only projected dates based on an anticipated grant award. Those dates may change depending on the timing of the grant award.

Further procurement information can be found on the RIEMA website <http://www.riema.ri.gov/>. Additional information about required documentation that shall accompany a reimbursement request is listed below:

- **Personnel Costs:** Payroll reports must be signed and certified by the Chief Financial Officer or authorized representative. Payroll reports must include the employee name, position, coded allocation to the project and amount paid. Staff may not self-certify their own time and wages. The sub-recipient must retain and file all supporting payroll records, including time and attendance records, signed by the employee and supervisor and copies of warrants as per federal recordkeeping requirements.
- **Contracts:** All sole-source procurements, single vendor response to a competitive bid, and contracts over \$100,000 require RIEMA pre-approval prior to implementation. Failure to obtain pre-approval will result in denial of reimbursement request. Final, signed copies of all contracts are required with all requested reimbursements.
- **Program Income and Local Match:** Program income may be used to supplement project costs, reduce project costs, or may be refunded to the federal government, and must be used for allowable program costs and be expended prior to requests for reimbursement. Local matching funds must clearly support the source, the amount, and be documented and filed. Further detail on policy and procedures can be found in **2 CFR §200.306** and **Appendix C** of this document.
- **Equipment:** Allowable equipment categories are listed on the web-based Authorized Equipment List (AEL) and on the RIEMA website. Supporting documentation is required with reimbursement requests and should be filed as backup for the Grant Inventory Form. Further details on this policy can be found in **2 CFR §200.313** and Appendix A of this document. Sub-recipients must follow state and local procurement procedures, which are listed below.
- **Travel:** All sub-recipient travel must be in the sub-recipient's grant application(s) or in an approved change request. Reimbursement for travel shall be calculated, in accordance with the sub-recipient's local travel policy, and may not exceed the state per diem rate. Further details on this policy can be found in the Travel Policy section of this handbook.
- **Training:** All sub-recipient training must be in the sub-recipient's grant application(s) or in an approved change request prior to registering or participating in training opportunities. Training

reimbursements must be accompanied by the Grant Reimbursement Request Form signed by the authorizing agent or financial agent, which details all overtime and backfill expenditures. Supporting documentation for this reimbursement must also include training certificates, signed timesheets with name/wage /hours and agendas for the trainees.

- **Overtime and Backfill:** All overtime and backfill must be documented in the sub-recipient's grant application(s) or in an approved change request prior to incurring expenses. All personnel costs are subject to the funding restrictions identified by the PRICE Act (Public Law 110-412).
- **Exercise:** All exercises which are grant funded require submission of an After-Action Report (AAR) within thirty (30) days after conclusion of the exercise.
- **Food and Beverages:** Per cost principle allowances, food and/or beverage expenses provided by sub-recipients may be allowable costs if related to a grant-funded exercise, training, or conference and is allowable in grant guidance. At a minimum, sub-recipients must conform to the State's meal allowance policy. All food and beverage costs must be preapproved by RIEMA. **(2 CFR §200.407)**

Maintenance and Sustainment:

Preparedness grant funds may be used to purchase maintenance contracts or agreements, warranty coverage, licenses and user fees. These contracts may exceed the period of performance if they are purchased incidental to the original purchase of the system or equipment as long as the original purchase of the system or equipment is consistent with that which is typically provided for, or available through, these types of agreements, warranties, or contracts.

When purchasing a stand-alone warranty or extending an existing maintenance contract on an already-owned piece of equipment system, coverage purchased may not exceed the period of performance of the award used to purchase the maintenance agreement or warranty. As with warranties and maintenance agreements, this extends to licenses and user fees as well.

Special Note: This only applies to items that were purchased using DHS funds. Items previously purchased where the sub-recipient has started to assume maintenance costs cannot supplant the purchase of these warranties.

Unallowable Expenses: Alcohol or bar charges, laundry charges, VISA or passport charges, tips, phone calls, personal hygiene items, in-room movies, magazines, personal transportation, travel insurance, credit card fees, lodging costs associated with violation of the lodging facility's policies, lodging in excess of federal or state per diem as applicable. **(2 CFR §200.410)**

Additional costs not allowable

The items listed below are the more common items that may be procured but are unallowable. The listing does not reflect all unallowable costs. Questions about items not included in this list should be directed to RIEMA:

- (1) Costs of entertainment, including amusement, diversion, and social activities, and any costs directly associated with those costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).
- (2) Costs incurred to influence (directly or indirectly) legislative action on any matter pending

- before Congress, a State legislature, or a legislative body of a political subdivision of a State.
- (3) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the Federal Government where the contractor is found liable or had pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of a false certification).
 - (4) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance those payments in accordance with applicable provisions of the Federal Acquisition Regulation.
 - (5) Costs of membership in any social, dining, or country club or organization.
 - (6) Costs of alcoholic beverages.
 - (7) Contributions or donations, regardless of the recipient.
 - (8) Costs of advertising designed to promote the contractor or its products.
 - (9) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.
 - (10) Costs for travel by commercial aircraft that exceed the amount of the standard commercial fare.
 - (11) Costs of commercial insurance that protects against the costs of the contractor for correction of the contractor's own defects in materials or workmanship.
 - (12) Costs of severance pay paid by the contractor to foreign nationals employed by the contractor under a service contract performed outside the United States, to the extent that the amount of severance pay paid in any case exceeds the amount paid in the industry involved under the customary or prevailing practice for firms in that industry providing similar services in the United States, as determined under the Federal Acquisition Regulation.
 - (13) Costs of severance pay paid by the contractor to a foreign national employed by the contractor under a service contract performed in a foreign country if the termination of the employment of the foreign national is the result of the closing of, or the curtailment of activities at, a Federal Government facility in that country at the request of the government of that country.
 - (14) Costs incurred by a contractor or subcontractor, or personal service 1 contractor in connection with any criminal, civil, or administrative proceeding commenced by the Federal Government or a State, to the extent provided in section 4310 of this title.
 - (15) Ammunition, firearms, and, weaponized equipment. This includes ammunition and/or weapons storage systems.

Note: All equipment purchased must be: On the Authorized Equipment List (AEL) as published by the Department of Homeland Security. Special care must be used in equipment purchases on the AEL as grant funding may not always allow certain items to be purchased using certain grant programs; some items require specific licenses, and/or plans for rotation after a certain amount of shelf life time, and, some items require preapprovals in place prior to purchase, to include Environmental and Historic Preservation.

Management and Administration (M&A)

Generally, M&A expenses are permitted in the Homeland Security Grant Program, and the Nonprofit Security Grant Program. Sub-recipients may not use M&A in awards that do not expressly apportion M&A costs.

Travel Policy

All travel must be in sub-recipient's grant application or in an approved change request prior to expenditures. For requests including conferences and travel, sub-recipients must conform, at a minimum, to the State travel policy. This policy can be found on the State of Rhode Island Department of Administration, Office of Accounts and Control website, and on RIEMA's website (policy A-46 refers to in state travel and policy A-22 refers to out-of-state travel). The travel must be directly related to the approved grant award or it will be disallowed. Reimbursement for travel will be awarded based on the supporting documentation provided; however, reimbursement will not exceed the state per diem rate. If lodging costs exceed the maximum lodging rate, per the state policy, approval from RIEMA must be obtained prior to the commencement of travel for reimbursement to be considered.

Contracts

Any contract a sub-recipient enters into will comply with local, state, and federal government contracting regulations. When sub-recipients use contractors, they are encouraged to use small, minority, women-owned or disadvantaged business concerns and contractors to the extent practical. All contracts must be noted in the original application. Contract deliverables must meet the intent of the grant application and grant requirements. Justification is required for compensation applicable to individual consultant services, which must be reasonable and consistent with the amount paid for similar services in the marketplace. Sub-recipients must file detailed invoices, time sheets, and progress reports for all consultant expenditures.

Salary Costs – further defined

Salary costs: When a grant award includes salary costs, the following procedures and policies must be in place and are required:

- Supervision – Responsibilities of personnel designated to supervise time and effort reporting should include:
- Certifying that time and effort recorded is accurate and allowable and submitted in a timely fashion
- Confirming proper alignment with cost objectives
- Preventing resources from being exhausted prior to the end of the funding period
- Ensuring certification does not take place before the end of the specified period
- Internal Control – Incorporate policies and procedures that include methodologies and tools for measuring, documenting, and reporting time and effort expended on Federal awards
- Communication – A robust, compliant system should include organizational charts delineating responsible personnel, as well as process flows and job aids to communicate the system effectively to staff, leadership, and auditors

Note: An individual may not pay him/herself; this includes self-certification for time and effort reporting as work on a specific grant program. The awarded entity must have the above-mentioned policies in place and in practice, to include training, in order to receive reimbursement for salary paid from grant.

RIEMA may request copies of the policies and other related material prior to grant award, or, at any time after the award, to include the period after final closeout.

Publications

Publications created with funding specific to the Department of Homeland Security, must prominently contain the following statement: “This document was prepared under a grant from the Federal Emergency Management Agency (FEMA)’s Grant Programs Directorate, U.S. Department of Homeland Security and the Rhode Island Emergency Management Agency. Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of FEMA’s Grant Programs Directorate, the U.S. Department of Homeland Security or the State of Rhode Island.”

Environmental and Historical Preservation Policy

Federal environmental and historic preservation laws and Executive Orders provide the basis and direction for the implementation of federal environmental and historic preservation review requirements for FEMA funded projects. These laws and executive orders are aimed at protecting our nation’s water, air, coastal, wildlife, land, agricultural, historical and cultural resources, as well as minimizing potential adverse effects to children, low-income, and minority populations.

Activities that may trigger environmental and historic review include, but are not limited to, debris removal; emergency protective measures; repair to pre-disaster conditions; equipment installation; modification, expansion, and mitigation; new construction and ground disturbance. Failure to comply with these laws could result in project delays and denial of funding. Sub-recipients must fill out the sub section of the Grant Assurances Form, FEMA’s Environmental and Historic Preservation Screening Form, before beginning any construction or altering any building. This form can be found in this document or on the RIEMA website <http://www.riema.ri.gov/>. The form must then be sent to RIEMA, who requests approval from FEMA.

Equipment Control

The Sub-Recipient Grant Management Handbook outlines protocols through the Equipment Control (Appendix A) to gather information as outlined in the State’s Fixed Asset Control Tracking System (FACTS) manual. The Sub-Recipient Grant Management Handbook also includes a **Grant Inventory Form**, which includes the source of funding for tracking purposes.

The sub-recipient shall maintain an effective equipment management system. This system should include safeguards to prevent loss, damage or theft; maintenance procedures to keep equipment in good condition; and disposition procedures.

The sub-recipient shall display the following on all equipment **purchased with funds provided by the U.S. Department of Homeland Security** with a value of **\$5,000 or more**. Equipment purchased with said grant funds may not be assigned or transferred to other entities or organizations without the expressed approval in writing from RIEMA, prior to the jurisdiction’s encumbrance or expenditure for that equipment. Management of equipment shall be in accordance with State laws and procedures as

outlined in **2 CFR §200.313**, which is located on the Electronic Code of Federal Regulations website.

The Grants Division will forward a copy of all sub-recipients' Grant Inventory Forms to the RIEMA Logistics Manager for tracking and review. If the recipient demobilizes equipment, or has a surplus item, the Grants Division will forward this information to RIEMA Logistics to update the RIEMA inventory database. If sub-recipients fail to submit an inventory list, this may result in de-obligation of grant funding.

For more information concerning equipment disposal, visit the RIEMA website at:

<http://www.riema.ri.gov/>

Programmatic Monitoring Policy

RIEMA is required to monitor all grants (Public Assistance, EMPG, SHSP, NSGP, HMEP, etc.) for compliance and accuracy. Periodic monitoring is in place to ensure that program goals, objectives, timelines, budgets and other related program criteria are being met. This may include desk or field audits. RIEMA will complete a monitoring visit for each sub-recipient annually (at a minimum) to review and conduct analysis of sub-recipient's financial, programmatic and administrative policies and procedures such as, accounting for receipts and expenditures, cash management, maintaining adequate financial records, means of allocating and tracking costs, contracting and procurement policies and records, payroll records and means of allocating staff costs, equipment management system(s), progress of project activities, etc. The Programmatic Monitoring (Appendix B) goes into further detail and is also available for reference on RIEMA's website: **<http://www.riema.ri.gov/>**.

Match and Cost Sharing Policy

RIEMA's matching and cost sharing policy has been developed in accordance with the federal regulations governing matching and cost sharing for emergency management programs (**2 CFR §200.306**). These policies and procedures are for the administration of Federal award programs administered by RIEMA, in conjunction with the provisions of the Office of Management and Budget applicable to grants. The Match and Cost Sharing (Appendix C) is also available for reference on our website. RIEMA templates have been provided in the appendix for sub-recipient reference.

Match Requirements

Match or cost sharing is required for certain federal grant programs. Matching funds are non-federal funds or services, provided by the sub-recipient, to cover costs budgeted in the grant. Required match will be outlined in the federal grant guidance for *Cost Sharing or Matching* (**2 CFR §200.306**).

Types of Match

Cash Match (hard-match) includes non-federal cash spent for project related costs, according to the program guidance. Allowable cash match must only include those costs which are compliant with *Cost Principles for State, Local, and Indian Tribal Governments* (**2 CFR §200.400 - .475**), *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments* (**2 CFR §200.201**).

In-kind Match (soft-match) includes, but is not limited to, the valuation of in-kind services. In-kind is the value of something received or provided that does not have a cost associated with it.

For example, if in-kind match (other than cash payments) is permitted, then the value of donated services could be used to comply with the match requirement. Also, third party in-kind contributions may count toward satisfying match requirements provided the grantee receiving the contributions expends them as allowable costs in compliance with *Cost Principles for State, Local, and Indian Tribal Governments (2 CFR §200.400 - .475)*, *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (2 CFR §200.201)*

All salary expenses paid to local Emergency Management Directors through the Emergency Management Performance Grant (EMPG) must be matched with cash. In-kind and third-party match will not be accepted. The cash match must be demonstrated in a budget document furnished by the city or town and be contained in a line item or similar reference that clearly delineates the emergency management program for the city or town.

Personnel receiving salary payment from the EMPG program must complete the following training programs consistent with the NIMS National Standard Curriculum Development Guide:

- NIMS Training includes **Independent Study (IS)** courses: IS-100, IS-200, IS-700, IS-800; **and**
 - the **FEMA Professional Development Series (PDS)**
 - (or)
 - the **Emergency Management Professionals Program (EMPP) Basic Academy**

Sub-Recipients must also complete the NIMS Data Collection Tool by November 30th each year.

Covered Technology

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

- i. 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;
- ii. 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
- iii. 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.

Definitions

Per section 889(f)(2)-(3) of the FY 2019 NDAA, 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

Closeout

Grant Close Out must be completed and submitted by the recipient (RIEMA) no later than (90) days after the approved period of performance has ended. **The following documentation must be submitted by the sub-recipient:**

- Grant Progress Report: This form will be marked close out and will entail a final progress summary and financial expenses.
- Grant Reimbursement Request Form: Sub-recipients must submit all reimbursement requests by the end of award period. Expenditures must have been incurred with the approved Period of Performance.
- Grant Inventory Form: This report is required for any equipment purchased with a single per unit cost in excess of \$5,000. Inventory reports are required with a close out request.

Upon completion of the closeout process, RIEMA will send a Closeout/de-obligation letter to sub-grantees, advising the grant is closed and/or de-obligating any unexpended funds.