



STATE OF TEXAS
STATE ADMINISTRATIVE PLAN
INDIVIDUAL AND HOUSEHOLDS PROGRAM
(DIRECT HOUSING ASSISTANCE)

Section 408 of the Stafford Act
Catalog of Federal Domestic Assistance Number 97.048

TEXAS GENERAL LAND OFFICE

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MISSION

On August 25, 2017, the President declared major disaster DR-4332 for the State pursuant to his authority under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.). The declaration authorized the Federal Emergency Management Agency (“FEMA”) to provide financial assistance and direct services under Section 408 of the Stafford Act to individuals and households who ‘as a direct result of a major disaster, have necessary expenses and serious needs in which the individuals and households are unable to meet such expenses or needs through other means’. To efficiently meet the needs of the citizens of Texas, the State of Texas General Land Office (“State” or “GLO”) and FEMA entered into an Intergovernmental Service Agreement (“IGSA”) on September 22, 2017, that outlines the policies through which Direct Housing Assistance under Section 408 of the Stafford Act will be implemented. These Direct Housing Assistance Programs, as outlined later in this document, include Direct Lease, Multi-Family Lease and Repair, Recreational Vehicles, Manufactured Housing Units, and Permanent Housing Construction Repairs. These programs will serve individuals and households who lack available housing resources and are unable to make use of FEMA financial assistance as a result of damage caused by Hurricane Harvey.

This Administrative Plan includes State policies and procedures that ensure the delivery of assistance to eligible disaster survivors, provides details on State monitoring, tracking and reporting responsibilities, and explains the financial and federal awards management roles and responsibilities of the State.

I. STATE ADMINISTRATIVE PLAN DEVELOPMENT

As required by Section IX (E) of the IGSA, the State ‘must submit an administrative plan and include procedures for sub-recipient administrative cost amounts or percentage determination, pass through, closeout, and audit. The State will submit this initial administrative cost funding request/invoice before any administrative fees for Direct Housing Programs can be disbursed’. This Administrative Plan provides a description of Texas’ procedures for implementing Direct Housing Assistance. The purpose of this document is to outline the roles, responsibilities, processes, and procedures for State administration of FEMA Direct Housing Assistance Programs. All implementation procedures will be in compliance with applicable Federal statutes, regulations, executive orders and FEMA policies as well as applicable State statutes, regulations and procedures.

The roles, responsibilities, processes, and procedures contained herein should not, in any way, be considered conclusive and definitive as this program is evolving and necessary changes to ensure efficiency are predicted in the future. Any changes to the subject matter outlined in this document shall be published to all COGs and/or local entities for distribution and contain clear statements of how any changes shall impact that particular COG and/or local entity.

- 1. Authorities and References.** It should be noted that this is not an exhaustive list of Federal or State statutes and regulations with which the State must comply; however, compliance with the following is mandated:

A. Federal

- i. 42 U.S.C. 5121 et seq., Robert T. Stafford Act;
- ii. 44 C.F.R. §§ 206.110 – 206.118, Federal Assistance to Individuals and Households;
- iii. Individuals and Household Program Unified Guidance (IHPUG), FP 104-009-3, Federal Emergency Management Agency, September 30, 201642 U.S.C. 5151, Nondiscrimination in Disaster Assistance;
- iv. 42 U.S.C. 5154a, Insurance, Prohibited Flood Disaster Assistance;

- v. 42 U.S.C. 5155, Duplication of Benefits;
- vi. 42 U.S.C. 5156, Standards and Reviews;
- vii. 42 U.S.C. 5174, Individual and Households Program;
- viii. 42 U.S.C. 5157, Criminal and Civil Penalties;
- ix. 42 U.S.C. 5161, Audits and Investigations;
- x. 2 U.S.C. 5189a, Appeals of Assistance Decisions;
- xi. 2 CFR 200, Uniform Requirements, Cost Principles, and Audit Requirements;
- xii. 44 CFR 9, Floodplain Management;
- xiii. 44 CFR 61, Insurance Coverage and Rates;
- xiv. 44 CFR 206, Federal Disaster Assistance for Disasters Declared on or after November 23, 1988;
- xv. 24 C.F.R. Part 3280, Manufactured Home Procedural and Enforcement Regulations;
- xvi. The Privacy Act of 1974 (Privacy Act), as amended, 5 U.S.C. § 552a
- xvii. PL 93-234, Flood Disaster Protection Act of 1973;
- xviii. PL 103-325, National Flood Insurance Reform Act 1994, Section 521, Non-waiver of Flood Purchase Requirement for Receipts of Federal Disaster Assistance;
- xix. PL 103-325, National Flood Insurance Reform Act 1994, Section 582, Prohibited Flood Disaster Assistance;
- xx. PL 104-193, Title IV of the Personal Responsibility and Work (v) Opportunity Reconciliation Act of 1996;
- xxi. Executive Order 11988, Floodplain Management; and
- xxii. Executive Order 11990, Protection of Wetlands.

B. State

- i. Texas Disaster Act of 1975, as amended;
- ii. Governor Greg Abbott's Disaster Declaration dated August 23, 2017, as amended and extended;

- iii.. Intergovernmental Service Agreement (IGSA) between the Federal Emergency Management Agency and the State of Texas General Land Office, signed September 22, 2017;
- iv. State of Texas Emergency Management Plan, as revised;
- v. Executive Order of the Governor of Texas, (RP-1);
- vi. Texas Administrative Code;
- vii. Texas Government Code; and
- viii. All other appropriate laws and regulations that impact the delivery of disaster assistance.

2. Definitions and Program Descriptions

A. Definitions

- i. The State of Texas General Land Office (“State”) has been designated by the Governor as the responsible state agency for managing the FEMA Direct Housing Assistance Program. The State, for the purposes of this administration plan, is a pass-through entity with monitoring and oversight capabilities.
- ii. Federal Emergency Management Agency (“FEMA”): The Federal agency responsible for coordinating disaster recovery efforts.
- iii. Council of Governments (“COG”): A political subdivision of the State of Texas, as authorized under Chapter 391 of the Texas Local Government Code, comprising a group of counties or other local governmental units. May also be referred to as a Sub-recipient.
- iv. Local Entity: Any county, city, or municipality that is not being directly represented by a COG. May also be referred to as a Sub-recipient.
- v. Intergovernmental Services Agreement (“IGSA”): The formal legal document executed by and between the State of Texas General Land Office and the Federal Emergency Management Agency that establishes the understandings, commitments, terms, and conditions for assistance associated State administration of Section 408 Direct Housing Assistance Programs.

- vi. Joint Field Office (“JFO”): A temporary facility established in a Presidentially declared disaster area to serve as the field headquarters for FEMA and other federal and state personnel to serve as the focal point for federal disaster operation, direction, coordination, and information dissemination.
- vii. Governor Authorized Representative.
 - a. The Texas Disaster Act of 1975 delegates the responsibility for emergency management planning and coordination to the Texas Department of Public Safety, Texas Division of Emergency Management (“TDEM”). TDEM is responsible for developing and maintaining the State of Texas Emergency Management Plan which assigns emergency management roles and responsibilities to all state agencies.
 - b. TDEM is the entity designated by the governor to administer and supervise disaster recovery operations in Texas. As such, the governor's authorized representative (“GAR”) and the state coordinating officer (“SCO”) are TDEM officials.
 - c. TDEM will assign a person as State Individual and Household Program (IHP) coordinator to work closely with the Texas Health and Human Services Commission (“HHSC”) to ensure the needs of the disaster survivors are met within guidelines. HHSC will provide TDEM with the Status Report (FF 76-28) on a weekly basis or as required. FEMA will be asked to provide the Daily Individual Assistance Activity report for TDEM.
- viii. State Coordinating Officer (“SCO”): The person designated by the Governor to coordinate State and local disaster assistance efforts with the Federal government.
- ix. Federal Coordinating Officer (“FCO”): The person designated by the President to coordinate the Federal government disaster assistance efforts with State and local entities.

- x. Regional Administrator: The chief official of the Federal Emergency Management Agency Regional Office, FEMA Region VI.
- xi. FEMA Contracting Officer (“CO”): The FEMA Contracting Officer is the only Government official authorized to make modifications to the IGSA.
- xii. Contracting Officer’s Representative (“COR”): The designated representative of the FEMA Contracting Officer to perform functions under the IGSA such as review or inspection and acceptance of services. The COR cannot sign documents, such as Agreement modifications, that require the signature of the FEMA Contracting Officer.
- xiii. Federal Award is the federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity.
- xiv. Allowable Administrative Costs are any direct and indirect costs, administrative expenses, and any other expenses not directly chargeable to a specific project that are reasonably incurred by the State and municipalities in administering and managing this mission.
- xv. Indirect Costs are costs that are incurred by the State and municipalities for a common or joint purpose benefiting more than one cost objective that are not readily assignable to the cost objectives specifically benefited
- xvi. Recipient is a state that carries out a Federal award directly from the Federal government to carry out an activity.
- xvii. Sub-Recipient means a non-Federal entity that receives a sub-award from a pass-through entity to carry out part of a Federal program, but does not include an individual that is a beneficiary of such program.
- xviii. U.S. Code of Federal Regulations (“CFR”): The codification of general and permanent rules and regulations (administrative law) published in the Federal Register by the executive departments and agencies of the federal government of the United States.

B. Program Descriptions

- i. **Direct Lease.** Enables the State and/or COG to lease a property that typically would not be available to the public to provide temporary housing to eligible applicants who are unable to make use of financial temporary housing assistance due to a lack of available housing resources.
- ii. **Multi-Family Lease and Repair Program (MLRP).** Allows the State and/or COG to repair or improve existing multi-family housing in order to increase the supply of temporary housing available to eligible applicants.
- iii. **Recreational Vehicles (RV).** The State and/or COG may coordinate the provision of Recreational Vehicles to eligible applicants to provide temporary housing to those who are unable to make use of financial temporary housing assistance due to lack of available housing resources.
- iv. **Manufactured Housing Units (MHU).** The State and/or COG may coordinate the provision of Manufactured Housing Units to eligible applicants to provide temporary housing to those who are unable to make use of financial temporary housing assistance due to lack of available housing resources.
- v. **Permanent Housing Construction (PHC).** Also known as Direct Assistance for Limited Home Repair, this program permits the State and/or COG to provide permanent home repairs to homes with significant damages when alternative housing.

3. Responsibilities and Organization

A. Responsibilities and Organization

i. *State Agency.*

The Governor has designated the State of Texas General Land Office, as the lead state agency responsible for managing and administering any of the Direct Housing Assistance Programs provided for in the IGSA. These duties may be

delegated down to a particular COG and/or local entity under continuing State oversight and may include, but are not limited to, the following:

- a. Conducting kickoff meetings with each COG and/or local entity in an effort to gauge capacities and formulate a strategy for offering specifically tailored technical assistance;
 - b. Establishing contact with eligible applicants, per FEMA referral, to determine the best housing solution available for that applicant;
 - c. Monitoring COGs and/or local entities and their usage of federal funds by conducting quarterly reviews, site inspections, and audits as required to ensure program compliance;
 - d. Reviewing and certifying project completion information;
 - e. Determining budget and staffing requirements necessary for proper program implementation to include the utilization of available FEMA funds.
- ii. ***COG and/or Local Entities.*** The State may delegate particular duties down to the COG and/or local entity level, while maintaining continued oversight for compliance with all applicable rules and regulations, these duties may include the following:
- a. Establishing contact with eligible applicants, per FEMA referral, to determine the best housing solution available for that applicant;
 - b. General responsive communication for inquiries from applicants regarding the process of the program in which they are participating;
 - c. Determining budget and staffing requirements, including the need for various forms of technical assistance, necessary for program implementation; and
 - d. Procurement of materials and services required for program implementation.

II. ADMINISTRATIVE PLAN PROGRAM REQUIREMENTS

1. Assignment of Staff.

- A. Management and Program Staff.** The State is responsible for administering, in coordination with FEMA and COGs and/or local entities, all funds provided under

the specified forms of Direct Housing Assistance outlined in the IGSA. Staffing may include a combination of full-time positions, contractors, and temporary employees. The State government shall appoint:

- i. Governor's Authorized Representative (GAR), and
- ii. State Coordinating Officer (SCO).

B. Administrative Support Staff. Because staffing requirements vary depending on the magnitude, type, and extent of the disaster, the following personnel may be used to assist the State, the GAR, the SCO, or a COG and/or local entity in meeting program and grant administrative requirements. These types of positions may include, but are not limited to, the following titles and their corresponding duties:

- i. Applicant Liaisons or Casework Specialists: provides services as the primary point of contact for all matters that require coordination between the administering agency and the applicant.
- ii. Program Specialists: provides expertise and assistance during all levels of program implementation.
- iii. Accounting Specialists: responsible for managing various forms of accounting data.
- iv. Technical Specialists: an expert in computer, electronic, and/or software applications who aid in troubleshooting and related problems about technology-based products and services.
- v. Resource Coordinators: works to address issues raised as programs are implemented and coordinates available resources to activity problem solve.
- vi. Subject Matter Experts: domain experts who are the authority in a specific area or topic.
- vii. Grant Administration Experts – responsible for providing financial and administrative guidance and support services to designated subrecipients in areas such as project development, implementation, and monitoring.
- viii. Other administrative personnel as required.

C. Staffing Plan. The State recognizes that the augmentation of staff for the provision of Direct Housing Assistance will be required; however, the level of expansion at the State level shall widely depend upon the individual capabilities of each COG and/or local entity. It shall be the responsibility of the State, after determining COG and/or local entity capacity and capabilities, to augment staff in a manner that ensures any deficiency in capacity at the COG and/or local entity level is provided for in an adequate manner.

- i. Staffing Sources: the State, COG, or local entity shall abide by all applicable federal hiring rules and regulations, unless otherwise altered by legal means, to post positions for, interview, and subsequently fill all staffing positions.

2. Administrative Costs

Administrative costs are defined as any direct or indirect costs, and any other expenses not directly chargeable to a specific project that are reasonably incurred by the State and COG and/or local entity for a common or joint purpose benefiting more than one cost objective that are not readily assignable to the cost objectives specifically benefitted. Administrative costs are not intended to cover direct costs of managing specific projects because these costs generally are eligible as a part of the cost accounting for each project and are invoice directly. Administrative costs shall be actual costs, capped at 6% (six percent) of the final program costs.

The following sections outline how the allocated percentage is to be distributed among the State and the COGs and/or local entities.

A. Sub Recipient Cost Amounts

COGS and/or local entities shall be responsible for submitting invoices to the State per the terms and conditions outlined in the sub-recipient agreement. The State shall be responsible for the following:

- Monitoring program reports;
- Review and reconciliation of sub-recipient invoices, and
- Submitting requests for payment to FEMA.

The State, in estimating the administrative costs at the COG and/or local entity level, has extrapolated the figures listed below while operating under the following assumptions:

1. The total estimated contract ceiling price under the IGSA is \$1,079,152,080;
2. The total administrative cost for the COGs is capped at 2% of the total contract price, which amounts to \$20,317,351;
3. In order to determine the pro rata share of the total administrative cost allowance for each COG, the State has utilized Individual Assistance applicant totals as published by FEMA on October 4, 2017 which presented a total of 853,891 applicants; and

4. The figures presented are based on the total number of estimated applicants and are subject to change as the process develops.

Council of Government	Number of Applicants	Percentage of Total Applicants and Dollar Amount
Coastal Bend	82,234	9.6%; \$1,950,465.69
Houston-Galveston	623,465	73.03%; \$14,837,761.44
Capital Area	1,578	0.18%; \$36,571.23
Golden Crescent	30,416	3.56%; \$723,297.69
Southeast Texas	103,499	12.11%; \$2,460,431.21
Deep East Texas	12,375	1.44%; \$292,569.85
Alamo Area	324	0.04%; \$8,126.94

COGs and local entities, after entering into the subrecipient agreement with GLO, may develop and submit administrative plans and cost proposals. The proposals will, at a minimum, provide staffing plans, dedicated resource requirements, methods for cost accounting direct and indirect administrative costs, and projected costs not-to-exceed the dollar amount coinciding with the latest local level per-applicant projection.

Upon review and approval of the administrative plan by GLO and FEMA, a COG or local entity may be provided 25% of its projected administrative cost estimate, for which it will utilize solely for actual administrative costs. On a bi-weekly basis, COGs may invoice administrative costs in accordance with the invoicing procedures detailed in the IGSA and/or subrecipient agreement. Costs which utilize the 25% up-front payment must still be invoiced and will reflect the draw down upon the initial funding provided.

GLO will ensure finalized applicant numbers are correctly apportioned between COG and local entities to prevent double counting for the calculation of final administrative cost caps.

B. State of Texas Cost Amounts

The State, in estimating administrative costs at the state level, has extrapolated the figures listed below while operating under the following assumptions:

1. The total estimated contract ceiling price for under the IGSA is \$1,079,152,080;
2. The total administrative cost for the State is estimated at 4% of the total estimated contract ceiling price, which amounts to \$40,766,729;
3. The figures presented are not final and are subject to change as program administration process develops.
4. The State will submit a funding request for additional administrative costs beyond the initial 25% disbursement, upon showing of need and a revised administration plan, in accordance with the terms of the IGSA.

The following chart presents the overall estimated administrative costs for the State:

Staffing and Fringe Benefits	\$ 21,626,688
Operations	6,655,561
Outsourcing (Accounting, Audit, and General Services)	12,484,480
2% Passthrough to COGS	20,317,351
Total Administration	\$ 61,084,080

A more detailed breakdown of the overall estimated administrative costs for the State can be found in the attachments that follow.

General Land Office and Veterans' Land Board
Short-Term Housing Program
(Estimated Costs as of 10/11/17)

ATTACHMENT A

CDR Business Plan - Proposed Staffing of Additional 40 be used for FEMA Immediate Hiring; 50 in Phase 2

SUMMARY

	Phase 1	Phase 2	Total
Salaries See Attached Position Detail	\$3,780,864	\$4,726,100	\$8,506,964
Agency Payroll Contribution Agency payroll contribution costs 1.5% of salary cost	\$56,713	\$70,892	\$127,604
Travel Assumes current avg per GLO employee of \$1,072	\$42,880	\$53,600	\$96,480
Computer Set-up Desktop/monitor/hardware/software \$1,954 per employee	\$78,160	\$97,700	\$175,860
Telephone Set-up DIR setup fee/annual fee \$247 per employee	\$9,880	\$12,350	\$22,230
Training registration/supplies Assumes \$500 per employee	\$20,000	\$25,000	\$45,000
Vehicle Rental & Fuel 2 vehicle rentals at \$650 per month (650 x 12 x 2 = 15,600) Fuel for 2 vehicles at 625 per month (625 x 12 x 2 = 15,000)	\$30,600	\$76,500	\$107,100
Building Lease Cost	\$725,000	\$775,000	\$1,500,000
Other Operating - Incidentals	\$20,000	\$25,000	\$45,000
TOTAL Annual Estimate*	\$4,764,097	\$5,862,142	\$10,626,238
Fringe Benefits (31%)	\$1,172,068	\$1,465,091	\$2,637,159

Attachment A: Proposed staffing cost breakdown, subject to change.

General Land Office and Veterans' Land Board
Short-Term Housing Program
(Estimated Costs as of 10/11/17)

ATTACHMENT B

CDR Business Plan - Proposed Staffing of Additional 40 be used for FEMA Immediate Hiring; 50 in Phase 2
Position Detail

TOTAL FTEs REQUESTED: 40.00 \$3,780,864

Job Class	Job Class Title	Salary Group	Salary			Current Positions	FTE Request	Salary Rate per Position	Total Salary Request
			Minimum	Midpoint	Maximum				
1622	Director III	B28	83,991	113,022	142,052	1.00	1.00	\$142,052	\$142,052
1621	Director II	B27	76,356	102,747	129,137	2.00	2.00	\$129,137	\$258,274
0158	Administrative Assistant V	A17	36,976	47,688	58,399	2.00	2.00	\$58,399	\$116,798
0162	Executive Assistant II	B19	42,244	55,602	68,960	1.00	1.00	\$68,960	\$68,960
0608	Research Specialist V	B23	55,184	72,789	90,393	1.00	1.00	\$90,393	\$90,393
2655	Environmental Protection Specialist V	B24	59,004	77,862	96,720	1.00	1.00	\$96,720	\$96,720
1044	System Analyst III	B20	45,158	59,473	73,788	1.00	1.00	\$73,788	\$73,788
1824	Marketing Specialist III	B19	42,244	55,602	68,960	1.00	1.00	\$68,960	\$68,960
1048	Auditor IV	B21	48,278	63,616	78,953	1.00	1.00	\$78,953	\$78,953
1050	Auditor V	B23	55,184	72,789	90,393	1.00	1.00	\$90,393	\$90,393
1550	Information Technology Security Analy	B25	63,104	83,298	103,491	1.00	1.00	\$103,491	\$103,491
1921	Grant Coordinator III	B22	51,614	68,047	84,479	7.00	7.00	\$84,479	\$591,353
1923	Grant Coordinator IV	B24	59,004	77,862	96,720	2.00	2.00	\$96,720	\$193,440
1574	Program Specialist IV	B20	45,158	59,473	73,788	3.00	3.00	\$73,788	\$221,364
1868	Management Analyst V	B26	69,415	93,406	117,397	2.00	2.00	\$117,397	\$234,794
3503	Attorney III (OGC)	B23	55,184	72,789	90,393	1.00	1.00	\$90,393	\$90,393
3505	Attorney V (OGC)	B27	76,356	102,747	129,137	1.00	1.00	\$129,137	\$129,137
1894	Government Relations Specialist III	B27	76,356	102,747	129,137	2.00	2.00	\$129,137	\$258,274
1834	Information Specialist V	B23	55,184	72,789	90,393	2.00	2.00	\$90,393	\$180,786
1561	Project Manager IV	B26	69,415	93,406	117,397	2.00	2.00	\$117,397	\$234,794
1326	Inspector V	B21	48,278	63,616	78,953	2.00	2.00	\$78,953	\$157,906
520	Planner V	B25	63,104	83,298	103,491	1.00	1.00	\$103,491	\$103,491
654	Data Analyst V	B26	69,415	93,406	117,397	1.00	1.00	\$117,397	\$117,397
3683	Compliance Analyst IV	B21	48,278	63,616	78,953	1.00	1.00	\$78,953	\$78,953

Attachment B: Proposed initial staffing, subject to change.

3. Financial Requirements

The State abides by state purchase and payment policies as identified at <https://fm.x.cpa.state.tx.us/fm/pubs/payment/index.php>.

A. Audit Requirements

i. ***State Procedures for CFR Compliance.*** The State audit requirements will be in accordance with Chapter 2 of the U.S. Code of Federal Regulations, Part 200 (2 CFR 200, Subpart F) and any applicable state or federal audit requirements. Per the IGSA, the first update to the administrative plan will include procedures for close-out and audit actions.

ii. ***State Audit Requirements.*** The State requires local governments, agencies and most other entities that expend \$750,000 or more in total federal awards to have an audit conducted in accordance with the Uniform Grant Guidance (UGG; federal recipients).

- a. Point of Contact for conduction single audits: The Statewide Single Audit is conducted annually for the State of Texas (State Auditor’s Office – SAO). It ensures that the State is in compliance with (1) the Single Audit Act Amendments of 1996 and Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and (2) state statute requiring that an audited CAFR be provided to the Governor (Texas Government Code, Section 403.013(c)).
- b. Pursuant to Texas Gov’t Code Chapter 2262, the COG and/or local entity agrees that all relevant records relating to the administration of any programs pursuant to the IGSA and any work product produced, including the records of any Subcontractors, shall be subject to Administrative and Audit Regulations. The COG and/or local entity agrees that all relevant records related to the administration of any programs pursuant to the IGSA shall be subject at any reasonable time

to inspection, investigation, examination, audit, and copying at any location where such records may be found, with or without notice by the State of Texas Auditor's Office, the Texas General Land Office, any contracted examiners, the Texas Attorney General's Office, or other governmental entity with necessary legal authority. In addition, FEMA, the Comptroller General, the General Accounting Office, the Office of Inspector General, or any authorized representative of the U.S. Government shall also have this right of inspection.

- c. In addition, FEMA, the Comptroller General, the General Accounting Office, the Office of Inspector General, or any authorized representative of the U.S. Government shall also have this right of inspection.
- d. The State reserves the right to perform periodic on-site monitoring of the COG and/or local entity's performances under the terms of any agreement entered into for the purpose of administering the housing programs pursuant to the IGSA. After each monitoring visit, the State shall provide the COG and/or local entity with a written report of its findings. If the monitoring note reports deficiencies in the COG and/or local entity's performances, the monitoring report shall include requirements for the timely correction of such deficiencies by the COG and/or local entity. Failure by the COG and/or local entity to take the action specified in the monitoring report may cause for suspension or termination of any standing contractual agreements.
- e. The COG and/or local entity, upon gaining approval from the State, may conduct an annual financial and compliance audit of funds received and performances rendered.
- f. The State shall have the right, at any time, to perform or to instruct the performance of, an annual program and/or fiscal audit, or to conduct a special or targeted audit of any aspect of the operation of the COG and/or local entity, using an auditor of the State's choosing.

B. Federal Audits.

- i. The Department of Homeland Security Office of Inspector General (OIG) may audit, at their discretion, the State and any COGs and/or local entities. The State and any COGs and/or local entities will adhere to all requirements and responsibilities for reporting, tracking, resolution, and closure of audit findings, observations, and recommendations, as appropriate. The State and any COGS and/or local entities will ensure appropriate corrective actions are developed and implemented to resolve and complete audit findings and recommendations in accordance with established guidelines and requirements.
- ii. General Accounting Office (GAO) Audits. The GAO provides auditing, evaluation, and investigative services for the United States Congress. It is the supreme audit institution of the federal government of the United States. The agency exists to support the Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people. Given the magnitude of the damage caused by Hurricane Harvey and the complexity and significant amount of resources required for response and recovery efforts, the GAO will be a constant presence during this collective effort. The State and any COGS and/or local entities will ensure appropriate corrective actions are developed and implemented to resolve and complete audit findings and recommendations in accordance with established guidelines and requirements.

C. Invoicing for FEMA Payment.

- i. Standard Forms 1034 and 1035 are required invoice templates for submitting to FEMA for payment. Each invoice submitted to FEMA shall contain the following information:
 - a. The date of invoice submissions;
 - b. Invoice date and number;
 - c. Agreement number;
 - d. Amount and Detail of the Services provided and work completed;
 - e. Breakdown of the political subdivisions at which services were provided;
 - f. Breakdown by service and associated Contract Line Item Number (“CLIN”);
 - g. Itemized listing of all other charges;

- h. Supporting documentation; and
 - i. Name, title, and phone number of person to notify in the event of a defective invoice.
- ii. Invoicing to FEMA.** The State may submit requests for payment from FEMA on Mondays, on an as-needed basis for approved costs by the State. FEMA shall review the request and remit payment within 10 (ten) business days of receipt. FEMA will approve an invoice or return an invoice to the State for correction within 14 (fourteen) business days.
- iii. Invoicing to State.** Each COG and/or local entity will submit documentation to support eligible expenses incurred in the completion of program activities. The State shall review and either reject or approve sub-recipient invoices in accordance with the Prompt Payment Law (Texas Government Code, Chapter 2251, Payment for Goods and Services), and/or the Governor’s emergency declaration. All approved invoices and supporting documentation shall be forwarded to FEMA in compliance with (ii).

C. Procurement.

The State is operating under Chapter 418 of the Texas Government Code in conjunction with Governor Greg Abbott’s Disaster Declaration dated August 23, 2017, as amended and extended, and Governor Greg Abbott’s letter dated September 26, 2017. The State is also operating with the procurement requirements located at 2 CFR Part 200 and Texas Government Code Chapter 2155, Purchasing: General Rules and Procedures. A COG and/or Local Entity shall comply with the procurement requirements listed at 2 CFR 200.318 – 2 CFR 200.326.

D. Reporting Suspected Fraud, False Claims, and Related Crimes.

Any indication of criminal activity will be referred to the Inspector General, FEMA, immediately after it is discovered or reported. Referrals will be made in accordance with the following instructions:

- i. The FACO will notify the FCO within twenty working days when a case of suspected fraud is discovered. Referrals will be made in accordance with the following instructions:
 - Call the Disaster Fraud Helpline at (866) 720-5721
 - FAX the Disaster Fraud Helpline at (225) 334-4707
 - E-Mail: disaster@leo.gov
 - Write: DHS OIG Houston, 1800 West Loop, Suite 300, Houston, TX 77027

- Or submit an OIG Electronic Investigative Referral Submission Form:
<http://www.oig.dhs.gov/hotline/hotline.php>
- Please use one of the other reporting methods if you cannot open this form.

You may request confidentiality or you may register complaints anonymously.

- ii. Within twenty working days of the date of the FACO's notification of suspected fraud, the Federal Coordinating Officer (FCO) will refer the matter to the FEMA Inspector General. An information copy of this correspondence will be provided to the FEMA Regional Administrator.
- iii. The FCO will maintain all documentation pertinent to the referral for use by investigators assigned to the case.
- iv. The Inspector General will notify the FCO or the disaster recovery manager regarding whether the case will be investigated. An information copy of this correspondence will be sent to the FEMA Regional Administrator.
- v. The FEMA Inspector General will be responsible for liaison with state and local law enforcement authorities. The contact point for such liaison is:

DHS OIG Houston
1800 West Loop South, Suite 300
Houston, TX 770207
- vi. The State of Texas contact for the FEMA Office of Inspector General (OIG) will be the HHSC OIG office.
- vii. If fraudulent funds are recovered through a court settlement, the funds will be sent to the FACO, ESP unit, and forwarded to HHSC Fiscal division for accounting and appropriate disbursement to state and federal funding sources.

E. Privacy and Confidentiality

- i. The State will safeguard the privacy of applicants and the confidentiality of information in accordance with 44 CFR Part 6, 44 CFR 206.110(j), and

the Privacy Act of 1974. All records are considered federal (FEMA) records subject to Federal Privacy Act rules. The State will also comply with requirements in the TAC Title 1, Part 10, Chapter 202, regarding privacy & confidentiality, when not specified in the regulations cited above.

- a. The State will only collect and use information that is relevant and necessary to carry out the Direct Housing Assistance Programs. The State will only permit the sharing of information with State and local officials that have an authorized need to know such information.
 - b. The State shall use information collected in accordance with this document only for the purpose for which it was collected, including, but not limited to, aiding in the execution of, and ensuring the prevention of duplication of benefits from, the State's Community Development Block Grant Disaster Recovery ("CDBG-DR") program.
 - c. The State will ensure that all State staff understand their responsibilities in safeguarding PII by completing DHS web-based privacy awareness training course.
- ii. In most cases, applicant case files are stored electronically in HOMES and no paper file will be kept. However, any applicant files kept in paper form (e.g. recoupment, hearing, or fraud cases) will be filed in appropriate file folders for each applicant and stored in lockable metal file cabinets.
 - iii. File cabinets will be stored in a secured facility with controlled access. Access to applicant files will be limited to State and COG and/or local entity staff having a valid need to have the file in their possession. Electronic file access in HOMES is controlled by passwords. Fraud case files are sent to both the Texas OIG and sent overnight to the FEMA OIG as hard copies. The FEMA Inspector General will be responsible for liaison with state and local law enforcement authorities.
 - iv. The State will not disclose an applicant's record except in response to:

- a. A release signed by the applicant specifying the purpose for the release, to whom the release is to be made, and that the applicant authorizes the release.
- b. To agencies or organizations which require it to make eligibility decisions for assistance programs.
- c. To prevent duplication of benefits.
- d. To Texas State agencies responsible for audit or program review.
- e. To FEMA or the General Accounting Office for the purpose of conducting audits or program reviews.

F. Recovery of Funds from Applicants

- i. *Delinquent Debt Collection.* FEMA will hold the State accountable for any overpayment, or any breach of this Agreement that results in a debt owed to the federal government. FEMA shall apply interest, penalties, and administrative costs to a delinquent debt owed to the federal government by the State pursuant to the Debt Collection Improvement Act of 1982, as amended.

G. Data Breach

- i. In the event of a data breach, unauthorized exposure, release, or misuse of applicant PII shared under the provisions of the IGSA, in either physical or electronic format, the State will immediately report the incident to the FEMA Privacy Officer at (202) 212-5100 or FEMA-Privacy@fema.dhs.gov. The State will also provide support and assistance to FEMA in responding to or mitigating any data breaches.

- ii. The State will comply with the requirements presented in TAC Title 1, Part 10, Chapter 202, regarding privacy and confidentiality, when not specified in the regulations cited above.

H. Retention of Records. All Agreement and financial records including, but not limited to, supporting documents, statistical records, and other records, pertinent contracts, or subordinate agreements under this Agreement shall be retained by the State for three (3) years after the expiration of the Agreement for purposes of federal examinations and audit. If any litigation, claim, negotiation, audit, or other action involving the records is initiated before the expiration of the three (3) year period, the records must be retained until completion of the action and resolution of all issues which arise from it or until the end of the regular three (3) year period, whichever is later.

4. Communication Plan

The State and COGs and/or local entities, through a strategy of active and engaging communication, will strive to provide each citizen it serves with the highest level of professional service. To achieve this goal, the following communication standards have been designed to specifically serve individuals and households who are displaced from their pre-disaster residences or whose primary residence has been rendered uninhabitable due to damage caused by Hurricane Harvey.

The State and COGs and/or local entity communication teams shall make every effort to ensure that communication methods are tailored to the specific needs of each applicant by establishing local call centers within each impacted region. This includes establishing with each applicant primary and secondary contact information, changing contact information when necessary, and developing a plan for tracking applicant communications to ensure compliance with both IGSA requirements and the standards of the State.

The establishment of call centers near each impacted region will allow for greater visibility and local oversight of communications while maintaining the administrative responsibilities by the State. Direct communication capacity will be established quickly and shall be provided

throughout the entire short-term housing process. Templates and call scripts shall be developed to ensure some level of consistency for each call center with regular updates as necessary.

As applicants are provided with short-term housing solutions the State and COGs and/or local entities will ensure that additional outbound contacts are made to help guide these applicants to long-term housing solutions and recovery. The State will use FEMA's re-certification process as a model to determine the frequency and timing of communications with applicants. Additional procedures will be established by the State as needed for applicant complaints that may warrant increased oversight, intervention, and additional support to the COGs and/or local entities.

A. Primary Objectives

The State, through the implementation of this communication plan, shall strive to achieve the following primary objectives at every step of the program process:

- Initiate contact with each applicant to ensure that issues that arise at any stage of the process are resolved in a way the individual fully comprehends;
- Inform each applicant of every major performance standard milestone, as outlined in the IGSA, to ensure that the individual has a firm understanding of the next step in the process; and
- Interface with each applicant throughout the implementation of the entire program to ensure that all inquiries are sufficiently addressed.

B. Performance Standards

The State's communications team shall take the following actions as they correlate with the performance standards specifically outline in the IGSA:

- Initial contact shall be established with each applicant within 10 (ten) days of referral from FEMA;
- If the State determines any changes to the applicant's FEMA eligibility determination or housing solution is warranted, the applicant shall be informed of the substance of those changes and the reasoning behind them;

- Inform each applicant of their final eligibility determination and housing solution as approved by FEMA;
- Inform each applicant of the status of their short-term housing solution during any interim period between final eligibility and completion of the short-term housing solution;
- Interface with each applicant to ensure that they are aware of and fully understand their specific housing solution and the applicable timelines for each;
- Interface with each applicant to conduct continued assistance verifications within 30 (thirty) days of providing the applicant with temporary housing for submission to FEMA;
- Support each applicant to ensure progress from short-term housing solution to a permanent housing solution, using FEMA's recertification process as a model; and
- Ensure that each applicant is made aware of any future efforts to extend the program and the potential implications that extension may have on the applicant.

C. Methodology and Processes

In order to achieve the items listed in the preceding sections, the State communications team shall be creative and innovative in its methods for communicating with Hurricane Harvey victims. By increasing staff and establishing local call centers, the State will have the capacity to provide the oversight and outreach necessary to successfully execute each of the programs outlined in the IGSA. The State recognizes that applicants are busy trying to restore their lives in the wake of disaster, making repairs, working long hours and replacing what was lost. The State understands that the people we will serve with these programs are in uniquely difficult situations where standard forms of communication may not be the best option; therefore, the communications team will make every effort to effectively use the following methods of communications: telephone, email, United States Postal Service, targeted social media, and other plausible means of communication.

Specialized communications strategies shall be utilized for each program, and the State recognizes that applicants come from diverse backgrounds that will necessitate additional considerations and strategies. As best practices are developed, communications strategies shall be updated to provide up-to-date information in the best manner possible.