

INSTRUCTIONS FOR DOCUMENTATION, CONTRACTING, PROCUREMENT, AND COMPLETION OF QUARTERLY FINANCIAL PROGRESS REPORTS

Grantees are required to submit quarterly Financial Progress Reports and supporting documentation for expenditures in accordance with their project budget detail and project scope of work. Progress reports compare actual expenditures to the project budget detail for the reporting period. Any significant cost deviations from the approved budget detail and subsequent impact on the project, etc. shall be reported in the Narrative (or Performance) Progress Report. The Narrative (or Performance) Progress Report must support the expenditures and financial activity in the Financial Progress Report. The information on this form will be used by the Division of Homeland Security and Emergency Management (DHS&EM) to monitor grantee cash flow and encumbrances, grantee performance, project implementation, and compliance with OMB Circulars A-21, A-87, A-102, A-110, A-122, A-133, the "Common Rule..." the Code of Federal Regulations (CFR) 44, to ensure proper use of federal funds. **Quarterly Progress Reports are required whether or not expenditures are incurred.**

1. **Date Due.** Reports are due on a quarterly basis for the performance period of the grant as listed below. Refer to the obligating award document regarding "Reimbursements" and "Penalties for Non-Compliance" regarding delinquent reports.

<u>Reporting Period:</u>	<u>Due No Later Than:</u>
January 1 – March 31	April 20
April 1 – June 30	July 20
July 1 – September 30	October 20
October 1 – December 31	January 20

The Final Financial Progress Report for any multi-year grant is due 45 days following the close of the grant period.

2. **Submission.** Submit the report with original signatures to the address below. The report and/ or supplemental documentation may be faxed or sent electronically. If all signatures and supporting documentation are included in the faxed or electronic submission, original copies do not need to be sent.

Division of Homeland Security and Emergency Management (DHS&EM)
Attention: State Administrative Agency (SAA), Point of Contact (POC)
PO Box 5750
JBER, AK 99505-5750

General Telephones
Phone: (800) 478-2337
Phone: (907) 428-7000
FAX: (907) 428-7009

3. **Grant Administration and Project Management:** Grant information along with DHS&EM points of contacts is available by visiting our website at <http://ready.alaska.gov/grants.htm>.

4. **Form and Execution.** Grantees shall use this form as a face sheet. Use one form per report per grant program and check the appropriate box. Include an expenditure summary page of the attached supporting documentation, which can be in the form of a Word document, a table, a spreadsheet, or a report generated by the jurisdiction's accounting software. The Quarterly Financial Progress Report shall be signed by the project manager and the chief financial officer (CFO) designated on the obligating award document. Signatures of two separate individuals are required. Immediately advise DHS&EM of any changes to the signatory officials listed on the grant award. Personnel changes in signatory authority may require a grant award amendment.

This quarterly Financial Progress Report form only allows you to enter data where needed. When the form is opened, the cursor defaults to section one of the form. Fill out section one. When completed, press the tab key to move the cursor to the next section for completion. Continue to use the tab key to forward through the form. To use your cursor, place it in a desired section, left click on your mouse and enter the required information. If needed, this form can be e-mailed or faxed by contacting DHS&EM at the address or phone the number mentioned above. This form is available on our website at: <http://ready.alaska.gov/grants.htm>.

5. **Reporting Requirements.** The reporting requirements are designed to provide the DHS&EM with sufficient information to monitor project implementation and ensure proper use of federal funds. Accounting systems must allocate costs to the project activities. Expenditures must be summarized, correspond with the project budget detail, scope of the project, or work plan attached to the award, and be supported with source documentation as described in #6 as appropriate. Financial reports shall show receipts of program income and cash or in-kind contributions to the project, whether or not a local match is required. Program income is gross income earned during the performance period that is a direct result from project activities and directly related to the goals and objectives of the project. Encumbered funds are those which have been obligated through a purchase order, contract, etc. for which equipment or services have not been delivered or paid. CCP reports shall follow its specific grant program guidelines regarding program income. Records shall be maintained for three years from the date of grant closeout.

6. **Documentation. Note:** Not all categories listed are allowable expenditures under all grant programs. Refer to specific grant program guidelines.

A. Contracts for Professional Services/Consultants

- (a) Requires pre-approval of contracts \$100,000 or greater, all sole source contracts for any amount, and single vendor response to a competitive bid. *Pre-approval can be requested for any contracts to ensure compliance with State and Federal procurement and contract guidelines, and that required federal clauses are incorporated. Costs can be denied if contracts are not compliant, or cannot be brought into compliance.*
- (b) Identification of Federal Fund source required in all contracts.
- (c) Federally funded procurements prohibit local preference policies, and require free and open competition.
- (d) Federal: No contingency allowance is allowed in sub-recipient contracts.
- (e) Requires compliance with AS 39.52 Ethics Act regarding conflicts of interest.
- (f) Evidence of allocation to program activities and grant, **or** certification by CFO.
- (g) In compliance with the OMB Circular A-102 *Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, contract clauses must include provisions for:
 - Remedies, sanctions and penalties for non-performance.
 - Termination clause for cause and convenience for contracts in excess of \$10,000.
 - *Equal Employment Opportunity* compliance; assurance affirmative action steps have been taken for opportunities to contract with small and minority firms, women’s business enterprise, and labor surplus area firms.
 - Patents, copyrights, etc.
 - Contractor compliance with *Non-Procurement Debarment and Suspension, Executive Order 12549* for contracts under grants that equal or exceed \$25,000.
 - Reporting requirements and milestones and/or supporting documentation required for contract payment.
 - Certification that federal funds supporting this contract will not be used in lobbying activities.
 - Assurance contractor shall comply with all applicable State and Federal statues and regulations.
 - Access to the contractor’s books, documents, papers, and records specific to the contract; and
 - Retention of records by the contractor for three years after final payment.
- (h) If no local procurement procedures are in place, the State of Alaska procurement procedures must be followed, provided the procurements conform to applicable Federal law (*Procurement Standards Sections of 28 CFR Parts 66 and 70, and OMB Circular A-102*).

Goods, Services, Professional Services *
Levels of Documentation Requirements

*Unless local procurement methods are more restrictive,
 State procurement guidelines listed below must be followed.*

Amount	Documentation Required
P card up to \$2500	Secure 1 quote
< \$5000	Self-assure reasonable and adequate competition
\$5000 - \$25,000	Certification that 3 verbal or written quotes were secured
\$25,000 - \$50,000	Submit summary of 3 (minimum) written quotes
> \$50,000	Submit documentation of Request for Proposal process
>\$100,000	DHS&EM pre-approval required
All sole source and single vendor response to competitive bid	DHS&EM pre-approval required

* *All Professional Services procurement quotes must be obtained in writing*

- \$5K to \$25K – Certification: Statement that either three verbal or written quotes were secured and signed by Signatory Officials. This can be accomplished by including the statement within the narrative report form.
- \$25K to \$50K – Summary: Brief description of the procurement method and policies used by the local jurisdiction. Include a description of the methods of securing informal quotes (phone vendors and record verbal quotes, written (fax) solicitations, sourcing from General Services approved vendor lists, Internet and catalog price comparisons); list of vendors and quotes, a description of the vendor award/selection criteria, and finally why the vendor was selected.

- \$50K or Greater – Summary information from above along with documentation. Include Invitation to Bid or Request for Proposal documents, copy/affidavit proof of published advertisements and solicitations, copy of any submitted Proposals/Vendor Bids, summary of selection process, and copy of contract (should include project budget, including time and effort costs and travel costs, and timelines and remedies). *Documents can be submitted for review and approval of compliance with Federal requirements in advance if desired.*
- \$100K or Greater – All of the above is required along with pre-approval by DHS&EM. Submit all documentation for each step in the bid process to DHS&EM for pre-approval.

B. Food and Beverage Expenses

Eligible expenses if:

- Provided at exercise sessions, meetings or conferences as allowable under the appropriate *Financial Guide* guidelines.
- Cost is considered reasonable.
- Subject of a work-related event supported with an agenda listing speakers and times.
- Participation by all participants is mandatory.
- Not directly related to amusement and/or social events (no alcohol allowed).
- Requires several hours of work activity before and after the event. No stand-alone working meals allowed.

C. Match Requirements, (Block “G”):

- Match is restricted to the same use of funds and compliance requirements as are expenditures reimbursed by federal funds.
- Cash match and in-kind contributions/match must be used for allowable costs in compliance with federal regulations and grant program guidance.
- Federal funds cannot be used to match other Federal funds. State and local funds can match federal funds.
- Matching funds and contributions must be in addition to and supplement funds that would otherwise be available for the grant project activity.
- Documentation for matching funds is the same as for reimbursable expenditures.

D. Office Expense and Support Services

- Invoice, copy of contract (if applicable). Can be supported by purchase order, etc.
- Purpose of use in support of project.
- Method of allocating cost to project or program activities and grant.
- Administrative support: Refer to personnel costs.

E. Personnel Costs (especially relevant Homeland Security grants for Training, Exercise and Planning costs)

- Time and attendance records of employee with name, position, title, hours worked, and supervisor’s signature. No employee may certify his/her own timesheet. Timesheets required with certified payroll report if requesting reimbursement for overtime.
- Wage rates: salary, straight time and overtime, if applicable, especially if requesting reimbursement for overtime and backfill. Required with certified payroll report if requesting reimbursement for overtime.
- Fringe benefit calculation (actual or formula/percentage of wages).
- For multiple employees involved in training and/or exercise, especially overtime and backfill costs: Summary spreadsheet of attached timesheets listing employee name, name of employee for whom backfilled if applicable, date worked, hours worked, rate of pay distinguished by straight time and/or overtime, total wages, fringe benefit cost. **For overtime hours, only FICA, Unemployment, and Workers Compensation are reimbursable.**
- Method of allocating and tracking employee personnel costs to the project (e.g. account code) and the grant program.
- Or** Certified Payroll Report signed by the chief financial officer (CFO) which captures the above required information, certifies the accounting system maintains detailed records that support the project’s time and effort expenditures, and for which the jurisdiction maintains an audit trail.
- Copy of relevant section of the Collective Bargaining Agreement, if applicable (e.g. meal allowance, mileage, shift differential).
- Direct costs related to Management and Administration (M&A) and implementation of the award, documenting direct personnel and office expense and support services. No indirect costs are allowed by DHS&EM.** Reference definition below, indirect costs are defined as:

Indirect costs are costs of an organization that are not readily assignable to a particular project, but are necessary to the operation of the organization and the performance of the project. The cost of operating and maintaining facilities, depreciation, and administrative salaries are examples of the types of costs that are usually treated as indirect.

F. Procurement of Property and Equipment – Non-expendable items with useful life greater than one year, individual item cost \$5,000.00 or greater.

- (a) Invoice and a copy of contract if applicable (see level of documentation below). The following is not required, but can be provided to support invoice/contracts: purchase orders, warrants or paid receipts, delivery receipts, etc.
- (b) Evidence of allocation to program activities and grant, **or** certification by CFO.
- (c) Notification to vendors/bidders of federal fund source for all procurements under the grant.
- (d) Requires pre-approval of procurements \$100,000 or greater and all sole source contracts, and single vendor response to a competitive bid for any amount. *Pre-approval can be requested for any contracts to ensure compliance with State and Federal procurement and contract guidelines, and that required federal clauses are incorporated. Costs can be denied if contracts are not compliant, or cannot be brought into compliance.*
- (f) Local procurement procedures will be used provided they comply with State and Federal procurement regulations. If no local procurement procedures are in place, the State of Alaska procurement procedures must be followed, provided the procurements conform to applicable Federal law (*Procurement Standards Sections of 28 CFR Parts 66 and 70, and OMB Circular A-102*).
- (g) In compliance with the OMB Circular A-102 *Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, procurement requirements include:
 - Federally funded procurements prohibit local preference policies, and require free and open competition.
 - Records sufficient to detail the history of the procurement:
 - Rationale for the method of procurement.
 - Selection of contract type.
 - Method of conducting technical evaluations of the proposals received and for selecting or rejecting contractor.
 - Basis for the contract price through independent estimates or performing a cost analysis.
 - Protest procedures.
 - *Equal Employment Opportunity* compliance; assurance affirmative action steps have been taken for opportunities to procure goods and services through small and minority firms, women's business enterprise, and labor surplus area firms.
 - Prohibition from doing business with any vendor/contractor that has been debarred or suspended. Requires bidder's certification for contracts over \$25,000 that the vendor/contractor is not prohibited from working on federally-assisted projects.
- (h) Retention of records by the contractor for three years after final payment.

G. Program Income [Receipts], (Block "H"):

- (a) Project income generated as a direct result of a grant funded project.
- (b) Project income (cash) must be used in accordance with grant program guidelines, and must be expended prior to additional draw downs or requests for reimbursement.
- (c) Project income must supplement (equally increase the project budget and allocate increased funds for additional activities), or reduce project costs (equally offset the project budget requirements), or shall be refunded to DHS&EM (if budgeted project costs are offset, then the grant award amount is equally reduced).
- (d) Must be documented as to source, amount, and purpose.
- (e) If outside sources donate (match) services, supplies, equipment, etc., the value of the donation is considered a program income in-kind match. The value must be reported, but does not affect the amount of the award.

H. Project Deliverables

- (a) Attach copies of project deliverables, such as emergency operations plans (EOP), response plans, assessments, program or training course development, printed outreach materials such as posters, brochures, pamphlets, surveys, etc. Electronic copies are preferred.
- (b) Required to submit a publication and distribution plan to DHS&EM before materials developed under the award are commercially published or distributed, and paid for with federal funds.
 - The plan will include a description of the materials, the rationale for commercial publication and distribution, the criteria to be used in the selection of a publisher, and, to assure reasonable competition, the identification of firms that will be approached.

- All equipment or materials produced publicizing or resulting from award activities shall contain an acknowledgement of the federal and state awarding agency funding assistance. If the federal awarding agency is the U.S. Department of Homeland Security, all materials shall prominently contain the following statement:

This Document was prepared under a grant from the U.S. Department of Homeland Security and the Alaska Division of Homeland Security and Emergency Management. 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 the U.S. Department of Homeland Security or the State of Alaska.

- (c) Signs on vehicles/equipment require acknowledgement of the funding source, and pre-approval for appropriate use of logos, etc.

I. Property Management Records.

- (a) Property and equipment with per unit cost of \$5000 or more and a usable life of one year or more.
- (b) Mileage records may be requested at any time for documentation of vehicle use, if procured with federal funds.
- (c) Property and equipment procured under a federal grant shall be individually tracked and inventoried annually, and a report submitted annually by June 20 to DHS&EM until the property/equipment is disposed.
- (d) Sample report with required information available on-line at <http://ready.alaska.gov/grants.htm>.
- (e) Records must be maintained for three years after property or equipment is disposed, transferred or replaced.

J. Supplies – Expendable items consumed during the project period.

- (a) Invoice required. Can be supported by purchase order, delivery receipt, copy of warrant or paid check, credit card statement, etc.
- (b) Purpose or use to support project.
- (c) Method of allocating cost to project or program activities and grant.

K. Travel

- (a) **Requires DHS&EM pre-approval** if not previously specified (named and stated explicitly and in detail) in the grant application or project Scope of Work. Listed on the Project Budget Detail of the award demonstrates allocation of funds, not pre-approval or authorization.
- (b) Basis of computation by unit cost (Individual Airfare + \$ Lodging + \$ Meal Allowance + \$ Other x Number of people traveling).
- (c) Summary spreadsheet of group travel, listed by name of traveler, dates, and expenses (such as airfare, lodging, per diem, etc.)
- (d) Copy of relevant section of the Collective Bargaining Agreement, if applicable (mileage, shift differential, meal allowance, etc.)
- (e) Purpose of travel as it relates to program activities, and location. Include:
 - Copy of conference or training registration form and event brochure.
 - If attending a meeting, submit copy of agenda and meeting minutes.
- (f) Copy of local (or DHS&EM, if applicable) Travel Authorization and receipts for all expenses except meals.
- (g) Follow State travel guidelines for lodging and M&E costs for in-state travel.
- (h) Follow General Services Administration (GSA), Domestic Per Diem Rate travel guidelines for lodging and M&E costs for out-of-state travel. For in-state and contractor's travel in Alaska follow the GSA Overseas (OCONUS) per diem rates for all travel funded by federal grant funds.
- (i) **Not allowed: 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.**

7. Definitions of project elements on the Quarterly Financial Progress Report. See HSGP grant guidance for further information.

- **Equipment.** Allowable equipment are listed on the Authorized Equipment List (AEL) (located at <https://www.rkb.us/>) and specifically listed on the project budget detail as awarded.
- **Training.** Training programs and classes relating to chemical, biological, radiological, nuclear, explosive (CBRNE) terrorism and cyber security and all-hazards that enhance the capabilities of emergency preparedness and response personnel. Volunteer citizen participation shall be encouraged and coordinated through local Citizen Corps Councils.

- Exercise. Must be terrorism or all-hazards related based on the State Homeland Security Strategy (SHSS), managed and executed in accordance with the Homeland Security Exercise and Evaluation Program (HSEEP). Volunteer citizen participation shall be encouraged and coordinated through local Citizen Corps Councils.
- Planning. Planning, design and development, operational implementation and evaluation of terrorism and all-hazards plans, programs and projects to prevent, protect, respond to and recover from terrorism attacks, major disasters or emergencies. This includes **non-supplanting** personal services.
- Management and Administration (M&A). Homeland Security grants 2005 and prior: Not to exceed 2.5 percent of the grant award. 2006 and 2007 Homeland Security grants: Not to exceed 3 percent. **Non-supplanting** personal services for staff or contractors, travel, office supplies, meeting related expenses, etc. in specific support of management and implementation of HSGP and the SHSS. Indirect costs are not allowed by DHS&EM.