

Summer Public Assistance Webinar Series:

# Reimbursement, Closeout, and Life After FEMA

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# Opening Remarks

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# Reminder: The Public Assistance Process

- **Communities** work with FEMA to identify work that is eligible for reimbursement under the PA program
- **FEMA** obligates funding for this purpose
- **States** are responsible for disbursing this obligated funding
  - Small projects can be reimbursed based on **estimates**
  - Large projects and management costs are reimbursed based on **actual costs**
    - For disasters declared in FY24 (including Tropical Storm Helene): \$1,037,000 or more
    - For disasters declared in FY25 (now through the end of September): \$1,062,900 or more



# FEMA vs State Systems

- After your projects are obligated, you will transition from managing them in Grants Portal to managing them in EMGrantsPro
- **Grants Portal** is FEMA's system, in which you:
  - Submit documentation
  - Respond to RFIs
  - Track progress to obligation



# FEMA vs State Systems

- **EMGrantsPro** is the state's system, in which you:
  - Sign agreements
  - Submit quarterly reports
  - Request time extensions
  - Request Scope of Work Changes
  - Submit reimbursement requests and related documentation
  - Request closeout





# Requirements After Obligation

- Complete a funding agreement between your community and the state
- Perform approved work (for “work not yet complete” or “estimated costs” projects)
- Submit quarterly reports (for large projects)
  - Project completion status
  - Cost status
  - Timeline changes



# The Reimbursement Process - Small Projects

- Remember: small projects can be reimbursed based on estimates, not actual costs
- Whether or not work has been completed, you do not need to submit a reimbursement request for a small project.
- The state will process payments for small projects automatically
- These payments can be tracked in EMGrantsPro



## The Reimbursement Process - Large Projects

- Remember: large projects must be reimbursed based on *actual costs*, even if obligated based on estimates
- Management costs projects are always paid based on *actual costs* regardless of whether they meet the large project dollar threshold
- You can submit reimbursement requests as you go, OR at the end of project work





# The Reimbursement Process - Large Projects

- Reimbursement Requests must be broken out into expenses
- Submit documentation for each expense
- Each reimbursement request will be processed as its own payable by the state team (trackable in EMGrantsPro)



# The Reimbursement Process - Large Projects

- New documentation may be required for reimbursement that wasn't required for obligation, particularly for estimated cost projects
- This may include:
  - Detailed procurement documentation
  - *Actual* costs documentation, including proof of payment
  - Complete documentation for force account labor, materials, and equipment (where FEMA accepted a representative sample)



# Project Reconciliation and Closeout

- Once project work and reimbursement are complete, you will request that each project be closed
- Closeout validates that:
  - All incurred costs are associated with the approved scope
  - You completed all work in compliance with relevant agreements and policies
  - All payments were proper, and final incurred costs align with total payments





# Project Reconciliation and Closeout

- There are several layers of closeout:
  - Project
  - Account (one community in one disaster)
  - Disaster
- The closeout process is different for small and large projects



# The Closeout Process - Large Projects

- States must submit closeout information to FEMA within 180 days of the completion of work (or the date of obligation, for actual costs / work completed projects)
- You can request that your large project be closed (and track closeout progress) via EMGrantsPro
- You will complete a Final Inspection Report (FIR) that validates your final costs and the completion of the approved scope of work.





# The Closeout Process - Large Projects

- Documentation required for large project closeout includes:
  - Final Inspection Report (FIR)
  - Documentation to support claimed costs (should be provided as part of reimbursement request process)
  - Documentation showing that you complied with any environmental or historic preservation terms and conditions, if applicable to your project
  - Photos of the completed work (required for permanent work projects)



# The Closeout Process - Large Projects

- Before closing the project, FEMA will:
  - Confirm that there are no outstanding appeals, audits, or arbitration cases
  - Validate documentation of work completion (for estimated cost projects)
  - Adjust project to reflect final costs:
    - Obligate any additional funding, for cost overruns
    - Deobligate any unspent funding, for cost underruns





# The Closeout Process - Small Projects

- Remember: small projects are obligated based on estimates – we do not need to provide documentation of actual costs
- To close a small project, you will submit a small project completion certification, confirming that:
  - You completed the approved SOW
  - The state has issued all payments
- Small project completion certifications are due within 90 days of the completion of your last small project
- Small project closeout can also be tracked via EMGrantsPro



# Net Small Project Overrun Appeal Requests

- If the combined **actual** costs of **all** your small projects exceeds the **total** obligated amount for small projects, you can request additional funding from FEMA
- This is called a Net Small Project Overrun (NSPO) appeal requests
- This is requested through the **appeal process**
- NSPO appeals must be requested within 60 days of the work completion date of the last small project (or 60 days from the obligation of the last small project, if they aren't all obligated by the last work completion deadline)



# The Closeout Process - Management Costs

- Remember:
  - Management costs are reimbursed based on actual costs, regardless of project size
  - The total maximum allowed amount for management costs is equal to 5% of the total cost of all other projects
- Management costs projects will be closed through the same process as a large project
- Generally, you will close management costs projects **last**





# Account and Disaster Closeout

- Account Closeout: Once all of your projects have been completed and closed, the state will request that FEMA close your subrecipient account (for your community, for this disaster)
- Disaster Closeout: Once all subrecipient accounts have been closed for a disaster, the state will request that FEMA close the disaster.



# Life After FEMA: Insurance Requirements

- If you receive PA funding to repair, replace, reconstruct, or construct an insurable facility (or its contents), vehicle, or piece of equipment, you **must obtain and maintain insurance to protect the facility against future losses from the hazard that caused the damage**
- This insurance must be maintained for the anticipated life of the work or the facility (whichever is shorter)
- Exceptions:
  - Eligible costs are \$5,000 or less
  - Insurance is not reasonably available
  - Insurance is not necessary to protect against future losses to the property



## Life After FEMA: Document Retention Requirements

- Communities must maintain **all source documentation for each project for three years** following the submission of your final closeout request or small project completion certification
- States must keep all financial and program documentation for three years after it submits its disaster closeout request
- There are many exceptions requiring longer retention, including real property, expensive equipment, audits, and litigation
- Luckily, EMGrantsPro does some of this work for you
- **Best practice: Keep Everything Forever If You Can**





## Reimbursement and Closeout Resources:

- [NCEM Reimbursement Request Training Webinar](#)
- [EMGrantsPro - State reporting, reimbursement, and closeout portal](#)
- [Small and large project thresholds by year](#)
- [FEMA Public Assistance Program and Policy Guide](#)



**What questions or concerns do you have about reimbursement, closeout, and other post-obligation requirements?**



# Contact Information

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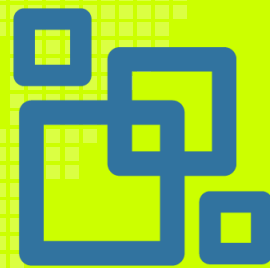
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