

# Proposal for Comprehensive Disaster Recovery, Financial and Grant Management Support, and Pre-Disaster Cost Recovery Planning Services

Land of Sky Regional Council

April 5, 2017



Building a better  
working world



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April 5, 2017

**Re: Request for Proposals for Comprehensive Disaster Recovery, Financial and Grant Management Support, and Pre-Disaster Cost Recovery Planning Services**

Dear Mr. Hembree:

Ernst & Young (EY) is pleased to submit this response to your Request for Proposals (RFP) to provide Comprehensive Disaster Recovery, Financial and Grant Management Support, and Pre-Disaster Cost Recovery Planning Services to the Land of Sky Regional Council ("the Council") as a result of existing, open disaster recovery efforts, as well as future disasters.

We believe EY is well qualified to provide these services to the Council. In response to the RFP, you will find enclosed our qualifications, experiences and approach to achieve the project objectives. This response highlights the advantages of using EY to assist the Council in conducting these services, including:

- ▶ We are presently assisting numerous municipalities, counties, and states with all aspects of their Federal Emergency Management Agency (FEMA), U.S. Department of Housing and Urban Development (HUD) and insurance recovery including: FEMA public assistance, project worksheet development, scope of work development, damage assessments, all categories of FEMA public assistance recovery, mitigation, 428 alternative grant funding procedures, HUD Community Development Block Grant Disaster Recovery (CDBG-DR), insurance, time extension requests, reimbursement requests, appeals, reconciliation with other sources of recovery, audits and closeout.
- ▶ We bring an intimate understanding of the FEMA process, requirements and key de-obligation issues due to our embedded former DHS OIG personnel. Integrated within our team is a vast array of former FEMA officials who bring a wealth of disaster management and FEMA experience.
- ▶ Our team includes:
  - ✓ A former Chief Financial Officer of FEMA and Assistant Department of Homeland Security (DHS) Inspector General for Emergency Management and Oversight
  - ✓ A former Inspector General of the Department of Homeland Security
  - ✓ A former State Director of Emergency Management
  - ✓ A former U.S. Department of Housing and Urban Development (HUD) Assistant Inspector General
  - ✓ Two former State Administrative Agents (SAA) and Governor's Authorized Representatives (GAR)
  - ✓ A former senior staff for the U.S. House of Representatives with lead responsibility for oversight of federal disaster programs
  - ✓ Certified Public Accountants and other forensic accountants with vast knowledge and experience assisting grantees and subrecipients with grant administration and monitoring of FEMA PA and other disaster funding
- ▶ We are currently assisting a public utility authority, which is one of the largest single subrecipients in New York, with all aspects of their financial recovery as a result of Hurricane Sandy, including FEMA public

assistance, 406 mitigation, property insurance, the development of hazard mitigation (HMGP), and FEMA 428 alternative grant funding assistance.

- ▶ We are currently assisting the City of Jacksonville with all aspects of its financial recovery as a result of Hurricane Matthew, including FEMA public assistance, 406 mitigation, insurance for property damage and business interruption, Hazard Mitigation Grant Program (FEMA Section 404), and FEMA Section 428 alternative grant funding assistance. In addition, we are assisting with grant closeout for Tropical Storms Fay/Debby and Hurricanes Francis/Jeanne.
- ▶ We bring a current and fresh perspective from working with our clients on many of the high-profile issues following Hurricane Matthew, Hurricane Sandy and the May 2015 severe storms and floods in Texas. Our team members have extensive experience with the requirements of the FEMA Public Assistance (PA) Program, 44 CFR, the Stafford Act, and the Public Assistance Alternative Procedures for both debris removal and permanent repairs authorized by the Sandy Recovery Improvement Act and codified in section 428 of the Stafford Act (also known as "Section 428 Alternative Procedures").
- ▶ We have assisted subrecipients of FEMA PA funding with financial recovery, oversight, and programmatic areas, including grants management, accounting, insurance, internal controls, program assessments, documentation requirements, closeout, appeals, and a variety of other services.
- ▶ We have a broad background and experience to draw from having managed disaster recovery work in 40+ states and all FEMA regions, including Region IV, and we bring direct experience with the full range of disaster funding from FEMA, HUD, insurance, and various other federal sources.
- ▶ We have professionals who drafted and oversaw the drafting of numerous provisions of the Stafford Act and its implementing regulations (44 CFR), as well as FEMA manuals and guidance documents, including those regarding Public Assistance. These professionals have conducted oversight and investigations of FEMA programs, including the Public Assistance programs and appeals.
- ▶ Our team's extensive knowledge and understanding of the complete disaster recovery and long term recovery process gives the Council an advantage in maintaining a successful recovery and grant management program.
- ▶ We understand the unique and diversified qualities of the jurisdictions within the Council and appreciate how important it is to preserve, protect, and recover from the impact of future disasters which may affect the infrastructure, quality of life, tourism, and natural features of the area.

Ernst & Young LLP is a member of the American Institute of Certified Public Accountants ("AICPA"), and therefore, all services provided by Ernst & Young LLP and its affiliates are subject to the independence and professional conduct rules of the AICPA. This response is based on our current level of understanding of the Council's needs and, consequently, it is not intended to be an offer, and a binding agreement between us shall exist only upon execution of a mutually acceptable contract.

If you have additional questions or need more information, please contact me at 1-202-327-8719 or [bradley.nichols@ey.com](mailto:bradley.nichols@ey.com). Thank you for the opportunity to provide our qualifications to serve the Council.

Yours sincerely,



Bradley Nichols  
Partner

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Ernst & Young LLP (the "US firm") is submitting this proposal response to the Land of Sky Regional Council for Comprehensive Disaster Recovery, Financial and Grant Management Support, and Pre-Disaster Cost Recovery Planning Services. Information in these materials relating to our approach, methodologies or pricing is confidential and proprietary to Ernst & Young LLP and/or EY.

# Qualifications of the Firm

It is critical that recipients of federal disaster funds spend those dollars appropriately as the Department of Homeland Security (DHS) Office of Inspector General (OIG) and other Federal Offices of Inspector General will continue to scrutinize compliance and project eligibility issues.

Failure to comply with applicable laws and regulations can result in sizable refunds and increased scrutiny by oversight organizations. We have worked on dozens of presidentially declared disasters to assist grantees and subrecipients to properly account for disaster relief funds, comply with applicable requirements, and obtain reimbursement for response and recovery projects. Along with this experience, EY brings a wealth of Federal Emergency Management Agency (FEMA), and Department of Housing and Urban Development (HUD) institutional knowledge to assist grantees and subrecipients in expediting their disaster recovery process.

***“It’s not just how much you get on the front end; it’s also what you are able to document and keep on the back end.”***

We have assisted clients with recovering **more than \$18 billion of funding** from FEMA, HUD, and insurance as a result of damage from some of the largest recent disasters, including:

<i>Hurricane Matthew</i>	<i>Severe Flooding in Texas</i>
<i>Hurricane Sandy</i>	<i>Severe Flooding in South Carolina</i>
<i>Hurricane Irene</i>	<i>Winter Storm Nemo</i>
<i>Hurricane Isaac</i>	<i>Midwest Tornado</i>
<i>Hurricane Katrina</i>	<i>Hurricane Ike</i>
<i>Hurricane Ivan</i>	<i>Hurricane Wilma</i>
<i>Hurricane Charley</i>	<i>Hurricane Francis</i>
<i>Hurricane Jeanne</i>	

As a result, we understand the key issues and areas of interest to provide assistance to the Council with recovery from existing, open disasters, as well as future disasters.

## Why EY?

- ▶ We bring the right knowledge and experience to assist the Council to meet state and Federal requirements and identify and correct issues that could potentially affect funding. Our team includes a former Chief Financial Officer of FEMA and Assistant Department of Homeland Security (DHS) Inspector General for Emergency Management and Oversight, a former Inspector General of the DHS, a former State Director of Emergency Management, a former senior staff for the U.S. House of Representatives, Committee on Transportation and Infrastructure, with lead responsibility for oversight of federal disaster programs, and other former FEMA executives who all bring a vast understanding of how to navigate the recovery process and work with local, state, federal and private sector partners. These professionals have also acted as State Administrative Agent and Governor’s Authorized Representative for multiple disaster declarations.
- ▶ We bring a current and fresh perspective from working with our clients on many of the high-profile issues related to recent catastrophic disasters including Hurricane Matthew, Hurricane Sandy and the May 2015 severe storms and floods in Texas, including: preparing necessary documentation for recipients of Federal funds to comply with Federal laws and regulations, including the Stafford Act, Post-Katrina Reform Act, Federal Code of Regulations (44 CFR), the Federal Acquisition Regulation (FAR), FEMA policies and procedures, all categories of Public Assistance, including 428 Alternative Procedures recently adopted under the Sandy Recovery Improvement Act of 2013, Housing and Urban Development (HUD) program and the Federal Highway Administration (FHWA) program.

▶ We are presently assisting multiple municipalities in Florida with all aspects of their FEMA recovery from Hurricane Matthew including: public assistance, project worksheets, scope of work development, damage assessments, all categories of FEMA public assistance (PA) recovery, 404 Hazard Mitigation Grant Program (HMPG) and 406 mitigation, time extension requests, reimbursement requests, and reconciliation with other sources of recovery. Additionally, we are working to assist clients with recovery through the 428 Alternative Procedures for Debris Removal program.

▶ Our team is currently assisting a public utility authority, which is one of the largest single subrecipients in New York, with all aspects of their financial recovery as a result of Hurricane Sandy, including FEMA public assistance, 406 mitigation, property insurance, the development of hazard mitigation (HMGP), and FEMA 428 alternative grant funding assistance. This involves working closely with FEMA and NY Division of Homeland Security & Emergency Services to assist the client with initial PW development, detailed damage descriptions (DDD) and scope of work, review, gathering and tracking of all storm related cost documentation, filing extensions and appeals for various Project Worksheets and cost categories, and assisting to gather the necessary supporting documentation for the client's A-133 audit. Additionally, work includes providing assistance related to FEMA procurement compliance for all work associated with the subrecipient's 406 mitigation. We also assisted the client with recovery of CDBG-DR funding.

▶ Our team is currently working with the State of Texas to assist numerous subrecipients with recovery from historic flooding in more than 80 counties following heavy rains and tornadic activity resulting in major flooding and damage to buildings, utilities and infrastructure (roads, bridges, culverts, etc.). This work involves attending site inspections to assist with initial damage assessments, assistance with PW development, and providing guidance to the grantee and its subrecipients regarding FEMA PA program options (improved projects, alternative projects, Section 406 Hazard Mitigation, Section 428 Public Assistance Alternative Procedures Pilot Program), eligibility requirements, Federal procurement requirements and FEMA funding requirements through project closeout.

▶ Our team is assisting a large subrecipient with the administration of HUD CDBG-DR grant payments made to individuals impacted by Superstorm Sandy, Hurricane Irene and Tropical Storm Lee. Work includes assisting with the creation of policies and procedures, and developing the process for recovering funds associated with overpayments or ineligible payments to individuals and businesses.

▶ Our team's extensive knowledge and understanding of the FEMA PA process gives you an advantage in maintaining a successful disaster recovery program. Several of our team members, while with the DHS OIG, have managed and issued multiple comprehensive assessments related to various aspects of FEMA's PA programs, including appeals, debris removal, and the overall FEMA PA program. A sample of the reports issued by our team members include:

- ✓ DHS OIG report titled "Assessment of FEMA's Public Assistance Program Policies and Procedures" issued on December 8, 2009.
- ✓ DHS OIG report titled "Opportunities to Improve FEMA's Disaster Closeout Process" issued in January 2010.

**EY key differentiators:**

- ▶ Dedicated emergency management and disaster recovery practice
- ▶ ***End-to-end financial recovery solution:*** includes grant management, financial management, long term recovery, program assessments, risk management, financial and performance monitoring, documentation review and organization, disaster closeout, audit resolution and appeals
- ▶ Extensive hands-on experience in PW preparation, site inspections, detailed damaged descriptions (DDD), cost documentation review, project extension requests, appeals, mitigation proposals, closeout and audits
- ▶ Inside out perspective: deep knowledge of Federal disaster grants from inception to closeout from our executive experience at FEMA and DHS OIG
- ▶ Relevant experience: we have worked in more than 40 states and all FEMA regions including Region IV
- ▶ Deep experience of state and local policy implications when working with federal grants; executive experience acting as a SAA and GAR, representing the interest of the State
- ▶ Experience with FEMA 428 Alternative Procedures, including assisting one of the current largest applicants for this program

- ✓ DHS OIG report titled "FEMA's Oversight and Management of Debris Removal Operations" issued in February 2011.
  - ✓ DHS OIG report titled "Opportunities to Improve FEMA's Public Assistance Appeals Process" issued in March 2011.
- We have a team of senior level individuals that have taught numerous seminars directly related to FEMA procurement regulations and funding. These seminars focus on senior level public safety officials allowing the decision makers to understand the cost associated with "old response habits" and talking to the Return on Investment (ROI) of correcting these habits. Below is a list of recent seminars led by our team:

Seminar Name	Seminar Date & Location	Description
California Hospital Association Disaster Preparedness Conference	September 28-30, 2016 Sacramento, CA	EY spoke on disaster financial grants management for hospitals. EY will facilitate meetings with various hospital emergency managers.
Illinois Emergency Management Agency Annual Training Summit	September 8-11, 2016 Springfield, IL	State and local emergency managers and staff participate annually in a training summit. EY presented, "Averting A Second Disaster: Leading Financial Oversight Practices Following a Disaster" topic.
Maryland Governor's Grants Conference	November 9, 2016 Hyattsville, MD	EY spoke on pre and post-awards grants requirements for FEMA and DHS.
International Association of Emergency Managers (IAEM) entitled "Expanding the Spectrum of Emergency Management."	November 13-18, 2016 Las Vegas, NV	EY presented, "Trends in Emergency Management: Financial Oversight Practices Following Disasters" at the annual meeting of local emergency managers including City, County, university, hospital and private sector emergency management professionals from around the world.
CA Transit Association Fall Conference and Expo	November 20, 2016 Pasadena, CA	EY spoke at the annual meeting of CA transit and transportation agencies. Panel topics included, "Trends in Emergency Management: Financial Oversight Practices Following Disasters and Preparing to Manage the Crisis and Consequences of a Cyber/Data Security Attack."
The National Hurricane Conference	March 21-24, 2016 Orlando, FL	EY spoke at the 2016 National Hurricane Conference on, "Averting a Second Disaster: Leading Financial Oversight Practices Following Disasters - Latest Trends in Disaster Financial Oversight."

Seminar Name	Seminar Date & Location	Description
Texas Emergency Management Conference	April 5-8, 2016 San Antonio, TX	The 2016 Texas Emergency Management Conference was hosted by the Texas Division of Emergency Management (TDEM). The conference attracts around 3,000 elected officials, first responders, emergency managers, and decision makers from across Texas.
National Emergency Management Association (NEMA) Stateside Associates	April 3-7, 2016 Alexandria, VA	NEMA's two national forums provide opportunities to discuss national and regional emergency management strategies with other emergency management professionals from around the country and with experts in the field. EY was a conference sponsor and has an exhibit space.
The National Emergency Managers Association	June 1, 2016	EY conducted webinar based training for new State Directors of Emergency Management on grants and audits for federal disaster grant programs.
Association of State Floodplain Managers Annual Conference	June 23, 2016 Grand Rapids, MI	EY presented at this annual meeting of state flood plain managers "Averting a Second Disaster: Leading Financial Oversight Practices in Mitigation & Disaster Grant Programs."

- ▶ We have professionals who drafted and oversaw the drafting of numerous Stafford Act provisions, related laws and its implementing regulations (44 CFR), including those on the Public Assistance, Individual Assistance and Hazard Mitigation Grant Programs. These professionals also drafted the most recent authorization of the Pre-Disaster Mitigation Program and conducted oversight and investigations of FEMA programs, including the Public Assistance program, the Individual Assistance program, and the Hazard Mitigation Grant Program. Our team includes former senior program attorneys at FEMA who have decades of experience providing advice to and working with the Public Assistance and Individual Assistance programs.
- ▶ Our team includes experienced disaster professionals who have worked side by side with FEMA, state and local emergency management officials before, during and after disasters.



## The EY Advantage

Council's Request	EY Advantage
<b>FEMA Public Assistance Advisory Services</b>	<ul style="list-style-type: none"> <li>▶ Our team combines former FEMA, DHS, and DHS OIG senior executives with forensic accountants, finance professionals, construction managers, engineers and former insurance adjusters experienced in working with subrecipients through the financial recovery process.</li> <li>▶ Our staff have extensive hands-on experience with all aspects of the FEMA PA process through assisting multiple subrecipients with PW development, detailed damage descriptions (DDD) and scope of work, review, gathering and tracking of all storm related cost documentation, filing extensions and appeals, and project closeout.</li> <li>▶ We bring a current and fresh perspective from working with our clients on many of the high-profile issues related to recent catastrophic disasters including Hurricane Matthew, Hurricane Sandy and the May 2015 severe storms and floods in Texas.</li> <li>▶ We have worked on dozens of presidentially declared disasters to assist grantees and subrecipients to properly account for disaster relief funds, comply with applicable requirements, and obtain reimbursement for response and recovery projects.</li> </ul>
<b>FEMA 404 and 406 Hazard Mitigation Expertise</b>	<ul style="list-style-type: none"> <li>▶ We have assisted multiple subrecipients with FEMA 404 and 406 mitigation, including assisting in discussions with the state and FEMA, drafting white papers to detail the need and scope of mitigation being sought, drafting and submitting Hazard Mitigation Grant Program (HMGP) proposals, responding to additional Requests for Information (RFIs) from FEMA and the state, reviewing procurement documentation associated with mitigation work, and organizing and submitting supporting documentation for the mitigation funding.</li> <li>▶ Our team members have direct experience with FEMA 428 Alternative Procedures including assisting one of the current largest applicants for 406 mitigation through this program.</li> </ul>
<b>Financial and Grant Management Support</b>	<ul style="list-style-type: none"> <li>▶ Our professionals provide clients with decades of FEMA, HUD and insurance claims experience along with established processes, methodologies and technology to assist organizations in managing the financial function of large disaster recovery and mitigation programs, provide necessary management support, and assemble claims efficiently to assist in achieving their recovery goals.</li> <li>▶ We combine our experience in financial recovery with our deep knowledge of grant programs to assist our clients in identifying the available financial recovery and mitigation options, and support our clients in applying for and using recovery and mitigation funding, with a constant eye on complying with the associated requirements.</li> </ul>
<b>Information Technology, Data Management and Reporting Support</b>	<ul style="list-style-type: none"> <li>▶ EY will utilize various reporting &amp; data tools to assist with project management, delivery of services and maintaining consistent quality across the team. These tools will help to organize documentation, track progress and provide ongoing reporting in an organized and efficient manner.</li> <li>▶ EY is well equipped to manage large volumes of data. We organize and maintain documents on a web-based tool in a manner that is consistent with the FEMA PW structure and cost categories or other funding source categories, in order to make the review process as efficient as possible.</li> </ul>

Council's Request	EY Advantage
<b>HUD Community Development Block Group Disaster Recovery (CDBG-DR) Support Services</b>	<ul style="list-style-type: none"> <li>▶ Our team includes a Former Assistant Inspector General in HUD's Office of Inspector General.</li> <li>▶ We have assisted multiple subrecipients with recovery of FEMA non-federal share match amounts through CDBG-DR. Therefore, we understand the process, the reconciliation, and the documentation needed to assist the Council with potential CDBG-DR recovery.</li> <li>▶ We assisted a large subrecipient with the administration of HUD CDBG-DR grant payments made to individuals impacted by Superstorm Sandy, Hurricane Irene and Tropical Storm Lee.</li> </ul>
<b>Pre-Disaster Cost Recovery Plan Development</b>	<ul style="list-style-type: none"> <li>▶ One of our key team members, as former Senior Counsel to the Emergency Management Subcommittee, drafted the authorization for the Emergency Management Performance Grant Program (EMPG), the nation's primary all hazards preparedness program, and most recent authorization of the Pre-Disaster Mitigation Program.</li> </ul>
<b>Long-Term Disaster Recovery and Redevelopment Planning</b>	<ul style="list-style-type: none"> <li>▶ EY staff members oversaw the development of the first long term recovery plan for the State of Maryland. These team members led an integrated team from local, state and Federal agencies, private sector and VOAD (Voluntary Organizations Active in Disaster) representatives that collaborated to develop a plan to help the residents and communities of Maryland recover successfully and efficiently, reducing long term impacts and increasing resilience.</li> <li>▶ EY has direct experience in recent National Preparedness initiatives, which allows us to understand that a long term recovery plan should encompass the community's permanent recovery needs, overall coordination at the local and state level, achievement of regulatory requirements for the impacted local government, and a description of available programs and resources that may apply throughout the recovery process for local agencies and organizations.</li> </ul>

## Our firm

As the earliest of our founding firms, Arthur Young was founded in 1894 and began doing business in 1989 under the name of Ernst & Young following the merger of Ernst & Whinney and Arthur Young. Globally, our 190,000 people in 150 countries operate under common professional, ethical and independence standards. This uniformity promotes consistent performance aligned, worldwide, with our Firm's practices and standards, methodologies and policies. Our infrastructure is supported by industry experience, clearly articulated engagement roles and leading methodologies.

EY is recognized as a leading firm providing services to more than 2,500 not-for-profit and governmental entities. EY serves some of the most complex and prestigious public sector organizations in the world. We have conducted audits for half of the states in the US who have audits of their activities performed by independent auditors. EY has extensive experience advising public and private sector clients on the development and testing of internal controls and internal audit procedures.

**EY has been providing FEMA Public Assistance and other disaster recovery and grant management services to public sector entities, at all levels of government, for the last 20 years.** We have assisted clients with all aspects of the FEMA claims process, including preparation, compliance, grants monitoring, hazard mitigation, and risk assessments. We have assisted with grant submissions to HUD, FEMA, National Flood Insurance Program (NFIP), and commercial insurance and have assisted clients with recovering more than \$18 billion of funding from FEMA, HUD, and insurance as a result of damage from some of the largest recent disasters. Our team has conducted hundreds of compliance reviews of FEMA grants, including reviews of internal controls and accounting systems used by States and subgrantees. In addition, our experienced staff have conducted FEMA grant administration and program reviews of almost every state.

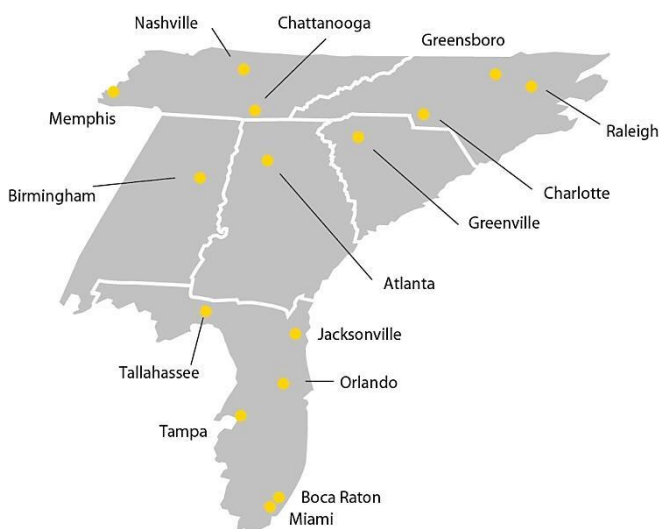
## Local presence

EY's Southeast Region, headquartered in Atlanta, consists of 22 offices and more than 2,100 professionals, including 250 partners. It includes offices in Florida, Alabama, Georgia, South Carolina, North Carolina, Tennessee and Puerto Rico, as well as locations in the Caribbean.

EY has offices in Charlotte, Greensboro and Raleigh employing nearly 1,000 personnel. Professionals in these offices provide advisory, assurance, tax and transaction services to leading organizations across the State of North Carolina. EY maintains a significant local presence combined with national capabilities to provide scalable resources to support North Carolina not-for-profit, governmental, and corporate entities in disaster recovery.

Our longstanding commitment to North Carolina in both the private and public sectors means that you will receive the attentive and individualized service characteristics of a local firm supported by our extensive experience and qualifications.

We understand the unique and diversified qualities of the jurisdictions within the Council and appreciate how important it is to preserve, protect, and recover from the impact of future disasters which may affect the infrastructure, quality of life, tourism, and natural features of the area.



## Our practice

EY's Insurance & Federal Claims Services (IFCS) practice is a group of professionals dedicated to assisting governmental, nonprofit and corporate entities to expedite financial recovery and mitigation efforts after catastrophic loss through **FEMA, HUD**, other federal **disaster grant programs** and **insurance claims**. We combine our experience in financial recovery with our deep knowledge of grant programs to assist our clients in identifying the available financial recovery and mitigation options. We use this experience to support our clients in applying for and using recovery and mitigation funding, with a constant eye on complying with the associated legal, regulatory and programmatic requirements.

We offer experienced disaster management and claims professionals who are adept at assisting organizations to recover quickly by applying proven methodologies in disaster management. We have assisted clients with recovery from FEMA, HUD, insurance and other grant sources following a disaster and we understand how these and other sources of funding interplay with one another.

Our professionals provide clients with decades of FEMA, HUD and insurance claims experience along with established processes, methodologies and technology to assist organizations in managing the financial function of large disaster recovery and mitigation programs, and assemble claims efficiently to assist in **achieving their recovery goals**. We provide our clients the right perspective and experience in the insurance recovery and review process so that proceeds are received from the appropriate funding sources and all FEMA and insurance requirements are met.

Our team includes former DHS, FEMA, HUD and DHS OIG senior executives, a former State Director of Emergency Management, forensic accountants, finance professionals and former insurance adjusters experienced in working with grantees and subrecipients through the financial recovery process.

From the initial kickoff meeting until the project closeout, our focus is on the end goal: assisting applicants not only to identify eligible costs on the front end, but also to assist in retaining those funds through closeout and any subsequent reviews or audits.

## Extensive disaster recovery knowledge and understanding

The Comprehensive Disaster Recovery, Financial and Grant Management Support, and Pre-Disaster Cost Recovery Planning services will require extensive understanding of the Stafford Act, 44 CFR, federal acquisition regulations, FEMA guidelines, OMB Circulars (2 CFR), and a myriad of other emergency management laws, as well as practical experience in related disaster programs administered by FEMA, HUD and other agencies. It will require intimate knowledge of local disaster recovery activities unique to North Carolina, requirements imposed by FEMA, and federal laws and regulations governing the receipt and disbursement of disaster funds. In addition, the project will require extensive knowledge in the following areas, where EY can assist:

### Knowledge we bring to the Council

- Stafford Act
- 44 CFR
- OMB Circulars A-21, A-87, A-102, A-110, A-122, A-133 (all now incorporated in 2 CFR part 200)
- Sandy Recovery Improvement Act of 2013 including Alternative Procedures for debris removal and permanent work
- Grants Management, Financial Management, Internal Controls
- FEMA & HUD policies, practices and guidelines
- Federal & State Cash Management
- Insurance Claims Recovery
- Engineering technical assistance
- Disaster programs administered by FEMA, e.g., Public Assistance, including debris removal, Individual Assistance, Hazard Mitigation & NFIP
- Other Federal and State laws, regulations and guidelines
- Generally Accepted Government Auditing Standards (Yellow Book)
- Federal Acquisition Regulations
- E-grants management systems (MB-3), EMMIE, NEMIS
- Cost Estimating Format and RS Means
- Single Audits in accordance with OMB Circular A-133

Our team has conducted hundreds of reviews of FEMA grants, including reviews of internal controls and accounting systems used by states and subrecipients. In addition, our experienced staff have conducted FEMA grant administration and program reviews of almost every State. These reviews included PW accounting, scope of work review, alternate projects, improved projects, emergency protective measures, debris removal, State and subgrant drawdown activity, the systems used to account for disaster funding, Section 324 Management Costs and Direct Administrative Costs, appeals and project closeout. Therefore, our staff have the knowledge and experience to assist the Council to meet State and Federal requirements, and identify and correct issues that could potentially affect funding.

While other firms have experience in one or a couple of these areas, EY has extensive experience in all of these areas. Our deep knowledge of all available disaster funding programs will allow us to help you identify the best recovery and rebuilding options, apply for and use recovery funding, and comply with the myriad of legal and regulatory requirements. We will use our experience with disaster management programs and thorough understanding of the roles of each organization under the National Response and Recovery frameworks and the Stafford Act, coupled with our financial and insurance industry experience, to successfully assist the Council to achieve its disaster program and long term recovery goals.

## Focus on oversight issues and compliance

It is critical that recipients of federal disaster funds spend those dollars appropriately as the DHS Office of Inspector General (OIG) and other Federal Offices of Inspector General will continue to scrutinize compliance and project eligibility issues.

On February 1, 2017, Inspector General John Roth testified before the Committee on Oversight and Government Reform and stated *"Although FEMA provides grant management funding to grantees, FEMA has not held them accountable for managing subgrantees, and states and other grantees have not done well in guiding and managing subgrantees. This means the entire layer of oversight intended to monitor the billions of dollars awarded by FEMA in disaster assistance grants is ineffective, inefficient, and vulnerable to fraud, waste, and abuse...FEMA has not sufficiently held grant recipients financially accountable for improperly spending disaster relief funds.... it is critically important that FEMA officials examine regulations, policies, and procedures and assess the need for more robust changes throughout all grant programs...FEMA needs to improve its oversight of state grantees and proactively engage with states to improve management and guidance of subgrantees."*

Our extensive knowledge and understanding of the FEMA PA process and numerous years of oversight of the disaster recovery program gives you an advantage in maintaining a successful disaster recovery program without de-obligation. Failure to comply with applicable laws and regulations can result in sizable refunds and increased scrutiny by oversight organizations. We have worked on dozens of presidentially declared disasters to assist grantees and subgrantees to properly account for disaster relief funds, comply with applicable requirements, and obtain reimbursement for response and recovery projects. Along with this experience, EY brings a wealth of FEMA institutional knowledge to the process to assist the Council in expediting its disaster recovery process and retain funding.

## Construction advisory skills

The EY team combines not only deep programmatic federal disaster funding knowledge and financial/accounting acumen, but also brings technical backgrounds to deal with highly technical engineering and construction related issues.

EY's Construction and Real Estate Advisory Services (CREAS) team is the largest integrated real estate and construction practice of any professional services firm worldwide. We routinely provide advisory services across the capital project lifecycle on behalf of owners, developers, contractors, lenders, insurers and users. Our clients have included many major public sector owners, including numerous state, city, and local agencies and authorities, for whom we have successfully supported the effective and efficient oversight, control and monitoring of large-scale, complex capital programs and construction initiatives involving grant funding.

The CREAS team includes engineers, architects and certified project managers with practical industry experience in design, construction management, project management and project controls. The staff have extensive experience working on programs and projects with a wide variety of scope, including commercial buildings, institutional buildings, roads, bridges, utilities, transportation infrastructure and drainage.

We can utilize the qualifications and subject matter resources from CREAS as needed, such as for assistance associated with site inspections and damage assessments.

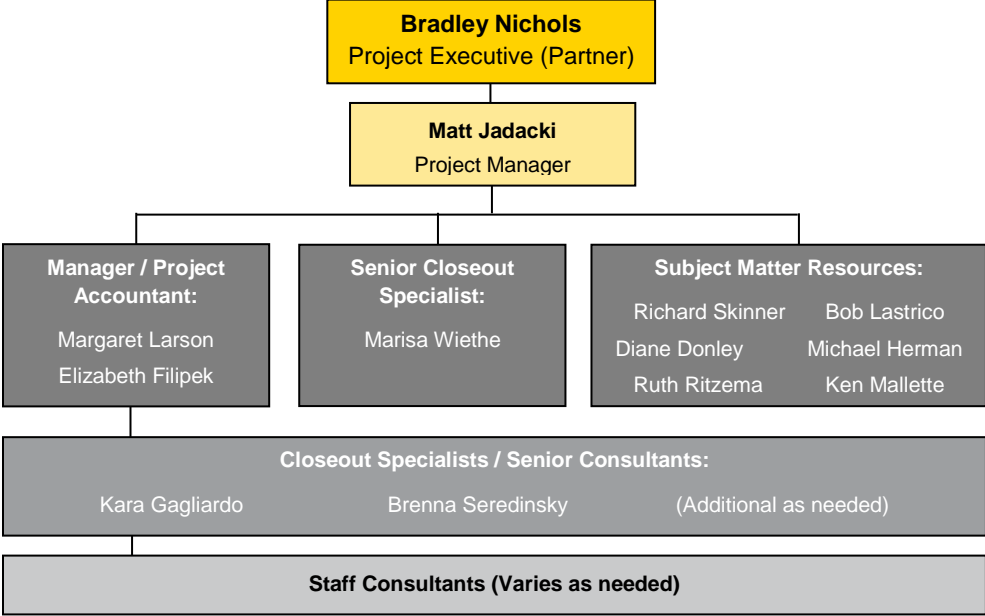
### Common OIG audit findings:

- Poor contracting practices
- Unsupported costs
- Poor project accounting
- Duplication of benefits
- Excessive equipment charges
- Excessive labor and fringe benefit charges
- Unrelated project charges

# Qualifications of Staff

## Organizational Chart

The following organizational chart lists key team members that will be providing services to the Council.



## Leadership / Subject matter experience

### Matt Jadacki - Former Assistant IG for Emergency Management Oversight with the DHS

Matt has more than 30 years of experience in Federal grants management and FEMA project management. In his most recent position prior to joining EY, he was the Assistant Inspector General for Emergency Management Oversight with the DHS. He was responsible for providing aggressive and ongoing audit and oversight efforts designed to confirm that disaster relief funds were spent appropriately, while identifying fraud, waste and abuse early. He has managed compliance and performance audits of disaster funds in almost every State and FEMA region. Matt also managed dozens of comprehensive studies of Federal, state and local disaster preparedness programs and assessments of DHS Incident Planning and Catastrophic planning. The office focus was weighted heavily toward prevention, including reviewing internal controls and monitoring and advising DHS and FEMA officials on grants, contracts and loans.

Along with his oversight role at FEMA and DHS OIG, he was also the Chief Financial Officer at FEMA and the National Weather Service. As the CFO at FEMA, he was responsible for all grants management activities in the Agency. While working for FEMA and the DHS OIG, he conducted hundreds of grant audits at the State and local level, and conducted comprehensive reviews of FEMA’s grants management operations within the Agency.

Matt also served as the Special Inspector General for Gulf Coast Hurricane Recovery in the aftermath of Hurricane Katrina. In that capacity, he was responsible for coordinating and reporting on the receipt and expenditure of over \$100 billion in Federal aid for Hurricane Katrina recovery operations. He was instrumental in establishing the Hurricane Katrina Fraud Task force, composed of Federal, State and local law enforcement officials focused on preventing fraud, waste and abuse of disaster relief funds.

Matt has successfully managed disaster operations throughout the United States, including Hurricane Sandy, Hurricane Katrina, the Northridge Earthquake, Midwest flooding, Hurricane Andrew and the September 11, 2001

terrorist events. He has provided expert testimony before both Houses of Congress more than 30 times on a number of disaster management issues.

**Richard (Rick) Skinner - Former Inspector General of DHS**

Richard served as the Assistant Inspector General for Audits and Deputy Inspector General at FEMA between 1991 and 2003, and as the Inspector General of DHS between 2004 and 2011. During his time as IG of DHS, he coordinated the OIG community's oversight of Hurricane Katrina. He brings more than 42 years of extensive experience in identifying vulnerabilities in government programs and management support operations, and facilitating excellence in government by recommending needed performance and management improvements. He is a subject matter resource on Federal, State, and local government and private sector financial management, grants management, acquisition management and IT management, as well as homeland security, emergency management, inspector general, audit/inspection and law enforcement matters.

In his more recent experience, Richard served as the Vice-Chairman of the Recovery and Transparency Board (RATB). The RATB was created to oversee nearly \$800 billion in Recovery Act funds to prevent fraud, waste, and abuse, and to foster transparency and accountability by providing the public with accurate, user-friendly information. Also, Richard served as the chair of the Board's Accountability Committee. The Accountability Committee created the forensic analytic tool used by the Board to screen and identify high risk subgrants, and to assist OIG audits and investigations of recovery fund recipients.

**Robert (Bob) Lastrico - Former Audit Manager, Western District, FEMA OIG and Director, Western Regional Office of Emergency Management Oversight, DHS OIG**

As Audit Manager, Western District, FEMA OIG and Director, Western Regional Office of Emergency Management Oversight, DHS OIG, Bob managed audits of DHS and FEMA programs and operations, disaster response activities, and FEMA grantees/sub-grantees throughout the Western United States and Pacific U.S. Territories.

As part of his federal audit responsibilities, Bob worked closely with FEMA Region IX and California OES, as well as subgrantees in planning and executing audits including participating in entrance and exit conferences, discussing audit recommendations, and resolving any issues as they arose. Bob was actively involved in significant ongoing audits and often met with senior subgrantee officials to provide perspective on the audit process and to provide those officials with ways to mitigate the impact of the OIG's recommendations. Bob has reviewed hundreds of first and second level appeals that related to the audits performed by his staff so as to determine the proper objective and scope of the audit.

During his 11-year tenure with FEMA OIG and DHS OIG, Bob:

- ▶ Issued hundreds of reports that discussed whether or not State agencies, local jurisdictions, and eligible non-profit organizations expended and accounted for FEMA public assistance grant funding according to federal rules and regulations.
- ▶ Issued numerous reports on State management of FEMA public assistance, hazard mitigation, and fire management assistance grants.
- ▶ Issued a major program audit entitled "Assessment of FEMA's Public Assistance Program Policies and Procedures" (Report # OIG-10-26, dated 12/08/2009).
- ▶ Managed teams of auditors deployed with FEMA response and recovery personnel following major disasters to provide oversight and advice during the early stages of disaster response and during applicant briefings (e.g., DR 1498, Southern California Wildfires).

Bob's area of focus consists of auditing and reviewing appeals for FEMA public assistance grants. In addition, he has extensive experience in the areas of reviewing federal response to disasters, the economy and efficiency of federal programs, federal regulations governing local government eligibility for assistance, as well as expending and accounting for federal grant funds.

**Michael (Mike) Herman - Former Legislative and Regulatory Counsel at FEMA and Senior Counsel for the US House of Representatives, Committee on Transportation and Infrastructure, Emergency Management Subcommittee**

Michael brings more than two decades of experience to the team working closely with emergency managers at the Federal, State, and local levels. Michael is the former Legislative and Regulatory Counsel at FEMA and Senior



Counsel for the US House of Representatives, Committee on Transportation and Infrastructure, and Emergency Management Subcommittee. Michael drafted and oversaw the drafting of numerous emergency management laws, regulations and policies.

As Senior Counsel to the Emergency Management Subcommittee, Michael also drafted the authorization for the Emergency Management Performance Grant Program (EMPG), the nation's primary all hazards preparedness program, and most recent authorization of the Pre-Disaster Mitigation Program. He also served as staff for the Conference Committee on the Implementing Recommendations of the 9/11 Commission Act of 2007 where he negotiated and drafted provisions related to a number of preparedness programs including the Urban Areas Security Initiative (UASI) program. He conducted oversight and investigations of FEMA programs and plans including an investigation and assessment of the National Response Framework which resulted in a Congressional hearing where he served as Counsel.

During his tenure at FEMA, Michael was deployed to disasters around the nation (including as a member of FEMA's National Emergency Response Teams, FEMA ERT-N (now Incident Management Assistance Teams (IMAT)) and provided advice to Federal, State and local officials implementing FEMA's programs, as well as participating in national level exercises. He also managed FEMA's field attorneys who were deployed in the field to disasters nationwide. Finally, Michael served as the lead attorney for the disaster declaration unit where he reviewed numerous preliminary damage assessments from states across the country.

#### **Diane Donley - Former Deputy Chief of Staff in FEMA's Office of Chief Counsel**

Diane brings a substantial amount of experience in providing policy and programmatic guidance to FEMA. She has worked on disasters across the country including pre-deploying to disasters with the FEMA ERT-N (now Incident Management Assistance Teams (IMAT)). During her time at FEMA she was Senior Attorney providing advice on the Individual Assistance program for over four years. She played a key role in the development of the Individual Assistance program regulations and policies including those for Other Needs Assistance. Diane reviewed all of the major plans, frameworks and preparedness documents for the Office of Chief Counsel. She also provided legal advice to the National Disaster Medical System during its tenure with FEMA.

For many years her duties also involved assuring that FEMA's multi-billion dollar assignments to other Federal agencies properly filled gaps identified by states during disaster response and recovery. In 2010 and 2011, Diane directed a team and prepared and edited the first-ever Disaster Operations Legal Reference, a 600-page compendium used by field-deployed attorneys, those in the FEMA regional offices and at FEMA headquarters. As a part of this process, she drafted provisions on Direct Administrative Costs (DAC) and Management Costs and is thoroughly knowledgeable on DAC procedures and Category Z Project Worksheets. She also oversaw the reconciliation of the chapter on Public Assistance.

#### **Kenneth (Ken) Mallette - Former Executive Director of the Maryland Emergency Management Agency**

In his former role, Ken Mallette was selected as the Executive Director of the Maryland Emergency Management Agency and was appointed as the Maryland State Administrative Agent (SAA) for all DHS grants. He was Governor O'Malley's Authorized Representative (GAR) for all funding decisions related to federally declared disasters and was the Governor's senior advisor related to all disaster management issues in Maryland.

Ken is a recognized public and private sector leader in homeland security and crisis/emergency management. Ken served as a Vice President of a national consulting firm that worked with senior government leaders at the state and local level.

#### **Ruth Ritzema - Former Assistant Inspector General in HUD's Office of Inspector General**

Ruth has more than 26 years of experience working with the oversight of government programs with the Inspectors General community, including the last 16 years in which she was responsible for disaster recovery fraud, waste and abuse investigations with HUD's Office of Inspector General.

Ruth worked in numerous leadership positions with the HUD-OIG. She was the Special Agent in Charge of the New York/New Jersey region, where her office was located in the World Trade Center. After the attacks of 9/11, she directly managed every aspect of her office's oversight and investigation responsibility of the billions of dollars of HUD's CDBG-DR money coordinating closely with local and federal law enforcement agencies. She was one of the



original members of the Department of Justice's Southern District of New York Working Group on disaster-related fraud and worked closely with New York State and New York City agencies to combat fraud, waste and abuse in the HUD programs. She subsequently met with the 9/11 Commission and numerous congressional committees to discuss disaster grant oversight and testified to Congress on disaster fraud.

In the immediate aftermath of Hurricane Katrina, Ruth was sent to Baton Rouge, where she assisted the Louisiana Southern and Middle District's U.S. Attorney's Offices in coordinating their response, which resulted in the creation of the Hurricane Katrina Fraud Task Force and the National Center for Disaster Fraud. She met with state and local officials to discuss fraud, waste and abuse issues of disaster funds and oversaw or participated in many training sessions on grant oversight of the Gulf Coast hurricanes. She worked with the Department of Justice to promulgate a new law, 18 USC 1040 (fraud in connection with major disaster or emergency benefits), and testified to the U.S. Sentencing Commission regarding enhanced criminal penalties for frauds involving disaster funds.

Prior to joining EY, Ruth was the Assistant Inspector General in charge of all HUD-OIG investigations nationally. Ruth worked with numerous states and cities with their response to disasters, including the Midwest flooding, California wildfires and Midwest tornadoes. She led efforts with the Offices of Inspectors General in coordinating technical assistance, education and training for the States of New York and New Jersey and the City of New York in their response to Hurricane Sandy.

## Our team

The following section contains an overview of the experience of the key individuals selected to serve you. The individuals will be involved in the engagement to varying degrees as needed for the required services.

Team member	Experience
<p><b>Matt Jadacki</b> Project Manager</p>	<p>Matt brings more than 33 years of public service as a senior executive with the Federal government. The past 20 years were devoted to FEMA and disaster-related activities. He has managed compliance and performance audits of emergency management programs in almost every State and FEMA region. Matt has worked on dozens of major disasters, including Hurricanes Sandy, Katrina and Andrew, the Northridge earthquake, the Columbia shuttle crash and the Midwest floods. During his tenure at the Department of Homeland Security Office of Inspector General, Matt managed several comprehensive projects which performed assessments of numerous emergency management programs.</p>
<p><b>Bradley (BJ) Nichols</b> Partner Project Executive</p>	<p>BJ has assisted dozens of clients with the preparation, presentation and resolution of their FEMA and insurance claims resulting from catastrophic hurricanes, tornadoes, earthquakes, fires, floods and other catastrophes. He has assisted numerous subrecipients and grantees with their successful FEMA and disaster recovery funds as a result of numerous disasters and, most recently, Hurricane Matthew. BJ has assisted clients with the appeals process related to various PW cost categories and has worked with FEMA to complete the requested extension and appeals. He also has experience training clients on the requirements of the FEMA Public Assistance Program, 44 CFR, the Stafford Act, and Section 428 of the Sandy Recovery Improvement Act.</p>
<p><b>Richard (Rick) Skinner</b> First Senate confirmed Inspector General of the Department of Homeland Security Subject Matter Resource</p>	<p>Rick has extensive experience in identifying vulnerabilities in government programs and management support operations and facilitating excellence in government by recommending needed performance and management improvements. As the first Senate confirmed Inspector General of the DHS, Rick was responsible for conducting, coordinating, and supervising all audits and inspections of departmental programs and operations, as well as all criminal and civil investigations involving departmental employees; detecting and preventing fraud, waste, and abuse; and promoting economy, effectiveness, and efficiency within the department. Additionally, Rick led the DHS OIG community's oversight of the Federal government's response to Hurricane Katrina, which exceeded \$100 billion in grants, contracts, and loans.</p>

Team member	Experience
<p><b>Robert (Bob) Lastrico</b> Subject Matter Resource</p>	<p>Bob has over 38 years of public service experience with the Federal Government, with the last 11 years directly related to FEMA and disaster-related activities. He managed compliance and performance audits of disaster funds primarily in the Western United States and Pacific, and in most of FEMA's ten regional offices.</p> <p>Bob has issued 150+ audit reports while working as Director of the Western Regional Office of Emergency Management Oversight for DHS OIG and specifically has worked on more than eight California disasters including but not limited to: Loma Prieta Earthquake, Northridge Earthquake, two 1995 Severe Winter Storms, Flooding, Landslides, Mud Flows, 1997 and 1998 Severe Storm and Flooding, 2003 Wildfires, and Paso Robles Earthquake.</p>
<p><b>Michael (Mike) Herman</b> Subject Matter Resource</p>	<p>Mike brings extensive experience in providing policy, programmatic and strategic analysis and guidance to government agencies, non-profit organizations, trade associations and businesses on emergency management programs. In addition to leading the Legislative Regulatory and Policy Team in FEMA's Office of General Counsel, Mike provided legal counsel to program officials throughout the Agency on all phases of emergency management. He also served as Senior Counsel for the US House of Representatives, Committee on Transportation and Infrastructure, Emergency Management Subcommittee where he drafted legislation, conducted investigations and oversight and served as counsel for hearings on emergency management plans, programs and practices.</p>
<p><b>Diane Donley</b> Subject Matter Resource</p>	<p>Diane has substantial experience in providing policy and programmatic guidance to FEMA as well as planning strategic approaches to fulfill FEMA grant requirements on all of FEMA's disaster programs including Individual Assistance, Public Assistance and the Hazard Mitigation Grant Program. As the Deputy Chief of Staff in FEMA's Office of Chief Counsel, she directed a team of five attorneys and prepared and edited the first ever Disaster Operations Legal Reference, a 600-page compendium explaining all of FEMA's policies, laws and regulations.</p>
<p><b>Ken Mallette</b> Subject Matter Resource</p>	<p>As the Executive Director of the Maryland Emergency Management Agency, Ken was a senior public safety advisor to the Governor and coordinated the state's preparation, response and recovery efforts. In this role, Ken was the Governor's Authorized Representative (GAR), State Coordinating Officer (SCO), and State Administrative Agent (SAA) of all DHS/FEMA grants. Ken has extensive experience advising and assisting clients on issues related to disaster preparedness, response, and recovery services.</p>
<p><b>Ruth Ritzema</b> Subject Matter Resource</p>	<p>Ruth brings 26 years of experience in the federal government, the majority at HUD as Assistant Inspector General directing and leading enforcement objectives in combating waste, fraud, abuse. She has experience in federal disaster grant oversight reaching back as far as 9/11.</p>
<p><b>Marisa Wiethe</b> Senior Closeout Specialist</p>	<p>Marisa has significant experience assisting subrecipients and corporations with complex FEMA, CDBG-DR and insurance claims. Marisa has assisted subrecipients of FEMA and CDBG-DR funding with financial recovery, 406 and 404 mitigation, oversight, insurance, disaster closeout, documentation requirements, appeals, and a wide range of other services. She has assisted clients with closeout from multiple disasters and assisted with supporting A-133 audits.</p>
<p><b>Margaret Larson</b> Manager</p>	<p>Margaret brings over 15 years of emergency management experience at both the federal and state levels. She provides technical expertise in emergency, crisis management and public safety including preparedness, response, recovery and mitigation. Margaret was responsible for coordinating the nation-wide preparedness, response and recovery activities for Feeding America and its 200 member food banks.</p> <p>Margaret assisted numerous food banks in the State of California with their disaster programs, including the Santa Barbara Food Bank following the 2009 Jesusita Fire, and the Community Food Bank of the Central Valley based in Fresno as part of drought assistance.</p>

Team member	Experience
<b>Elizabeth Filipek</b> Project Accountant	Elizabeth has extensive experience assisting subrecipients, grantees, and corporations with FEMA funding including recipients of Public Assistance and Homeland Security Grant Program funding, CDBR-DR, and insurance funding. She has assisted clients in a variety of industries through their disaster recovery and management of the insurance claim process. Her recent experience includes assisting clients with some of the largest insurable and public assistance losses resulting from Superstorm Sandy and Hurricane Katrina.
<b>Kara Gagliardo</b> Closeout Specialist	Kara has assisted clients with their recovery and closeout of FEMA public assistance, including 406 and 404 funding, Community Development Block Grant Disaster funding and the preparation, presentation, and settlement of property insurance claims.
<b>Brenna Seredinsky</b> Closeout Specialist	Brenna has assisted clients with their FEMA public assistance, including 406 and 404 funding, Community Development Block Grant Disaster funding, and the preparation, presentation, and settlement of property insurance claims. She also has assisted clients with closeout of FEMA PA grants.

See Appendix A for full resumes. Additional resources will be used to fill all positions requested by the Council, as needed.

## Key staff experience and qualifications

The following section contains years of experience and qualifications of the key individuals selected to serve you. The individuals for this engagement will vary as needed for the required services.

Team Member	Relevant Certification	Education	Relevant Years of Experience	Areas of Technical Experience & Knowledge				
				Former FEMA/ HUD/State Senior Executive	FEMA PA Program	HUD CDBG-DR	Insurance Claims	Training on FEMA PA, Stafford Act,
Matthew Jadacki	CPA, CGFM	BS	33	❖	❖	❖	❖	❖
Bradley (BJ) Nichols	CPA, CFE	MBA	19		❖	❖	❖	❖
Richard (Rick) Skinner		MPA	43	❖	❖	❖		❖
Robert (Bob) Lastrico	CGFM, CHS IV	BS	38	❖	❖	❖		❖
Michael Herman		JD	25	❖	❖	❖		❖
Diane Donley		JD	30	❖	❖			❖
Ken Mallette		MA	36	❖	❖	❖		❖
Ruth Ritzema		MPA	26	❖		❖		
Marisa Wiethe	CFE	MA	7		❖	❖	❖	❖
Margaret Larson		BS	15	❖	❖			
Elizabeth Filipek	CPA, CFE	MA	6		❖	❖	❖	
Kara Gagliardo	CPA	MSA	3		❖	❖	❖	
Brenna Seredinsky	CPA, CFE	BS	3		❖	❖	❖	

# Past Performance References

## References

EY has assisted various state and local agencies with emergency management, appeals, closeout, and other disaster financial recovery assistance. The following is a selection of prior experience of similar scope performed by members of our proposed engagement team for the Council:

Client name	Reference Contact	Contract Date	Description of services
Long Island Power Authority	Kenneth Kane Director of Finance 333 Earle Ovington Boulevard Uniondale, NY 11553 +1 516-719-9880 kkane@lipower.org	March 2013 - Current	Assisting LIPA with all aspects of their financial recovery as a result of Hurricane Sandy, including FEMA public assistance, 406 mitigation, property insurance, the development of hazard mitigation (HMGP), and FEMA 428 alternative grant funding assistance.
City of Jacksonville	Steven Woodard Director - Emergency Preparedness Division 515 N. Julia Street, 4th Floor Jacksonville, Florida 32202 +1 904-255-3123 swoodard@coj.net	October 2016 - Current	Assisting the City of Jacksonville with all aspects of its financial recovery as a result of Hurricane Matthew, including FEMA public assistance, 406 mitigation, insurance for property damage and business interruption, Hazard Mitigation Grant Program (FEMA Section 404), and FEMA Section 428 alternative grant funding assistance. In addition, we are assisting with grant closeout for Tropical Storms Fay/Debby and Hurricanes Francis/Jeanne.
New York City School Construction Authority	Marianne Egri Vice President of Finance 30-30 Thomson Avenue Long Island City, NY 11101 +1 718-482-8012 megri@nycsca.org	December 2012 - Current	Assisting the New York City School Construction Authority with all aspects of FEMA recovery for 77 damaged school facilities as a result of Hurricane Sandy, including Public Assistance, hazard mitigation grant assistance and alternative grant funding assistance. Also, assisting SCA with ensuring compliance with FEMA regulations, as well as assisting with informational requests from the NYC Mayor's Office and NYC Office of Management and Budget.
Department of Emergency Management, State of Texas	Steve Cottle Section Administrator, Grant Processing Texas Div. of Emergency Management P. O. Box 4087 Austin, TX 78773 +1 512-424-2488 stephen.cottle@dps.texas.gov	November 2012 - Current	Assisting the State of Texas with disaster recovery from Spring 2015 historic flooding in more than 80 counties following heavy rains and tornadic activity resulting in major flooding and damage to buildings, utilities and infrastructure. Also, assisting the State of Texas with the compliance review for the closeout of FEMA claims resulting from various past natural disasters, specifically Hurricane Ike.

## Prior select experience

EY is currently assisting various state and local agencies with FEMA, insurance and other disaster financial recovery assistance. The following is a selection of contracts of similar size and scope performed by members of our proposed engagement team for the Council.

- ▶ Assisting multiple Florida entities with all aspects of their recovery from Hurricane Matthew including FEMA public assistance and property insurance claims. Assistance includes public assistance, project worksheets, scope of work development, damage assessments, all categories of FEMA public assistance recovery, mitigation, time extension requests, reimbursement requests, and reconciliation with other sources of recovery.
- ▶ Assisting a public utility authority, who is one of the largest single subgrantees in New York, with all aspects of their financial recovery as a result of Hurricane Sandy and NEMO (snow), including FEMA public assistance, 406 mitigation, property insurance, the development of hazard mitigation (HMGP) and FEMA 428 alternative grant funding assistance. This work involves working closely with FEMA to assist the client with the preparation of Project Worksheets (90-91) for various FEMA PA cost categories, including specifically Category B, filing extensions and appeals, and assisting the client to gather the necessary supporting documentation for its A-133 audit. Additionally, work includes assisting LIPA with their FEMA procurement compliance related to all work associated with their 406 mitigation.
- ▶ Working with a grantee to assist numerous subrecipients with recovery from historic flooding in more than 80 counties following heavy rains and tornadic activity resulting in major flooding and damage to buildings, utilities and infrastructure (roads, bridges, culverts, etc.). This work involves attending site inspections to assist with initial damage assessments, assistance with PW development, and providing guidance to the grantee and its subrecipients regarding FEMA PA program options (improved projects, alternative projects, Section 406 Hazard Mitigation, Section 428 PA Alternative Procedures Pilot Program), eligibility requirements, Federal procurement requirements and FEMA funding requirements through project closeout.
- ▶ Assisting a city agency responsible for managing the design, construction and renovation of school facilities in one of the largest cities in the United States with their FEMA claim from Hurricane Sandy. Over 50 of their buildings sustained damage resulting in significant costs for emergency and permanent work. We have assisted this applicant with all aspects of the FEMA claims process.
- ▶ Assisting the largest system of public schools in the United States with their FEMA and Federal recoveries after Hurricane Sandy damaged approximately 70 schools. We have assisted this applicant with all aspects of the FEMA claims process and complying with applicable federal laws and regulations.
- ▶ Assisting a large health facility with their FEMA and insurance claim assembly as a result of an F5 tornado. We are assisting the applicant with their public assistance, insurance, and alternate funding financial recovery.
- ▶ Assisting a large Gulf Coast grantee with the compliance review for the closeout of FEMA claims resulting from various past natural disasters, specifically Hurricane Ike. Work includes performing reviews of the FEMA grants provided to numerous subrecipients for compliance with FEMA rules and regulations which includes the review of the procurement of contracts, supporting documentation, force account labor, materials and equipment, application of insurance proceeds and sample testing of transactions for the substantiation of costs. The subrecipients consist of a variety of county, city and municipal governments and FEMA eligible not-for-profit entities, including utility districts, metropolitan transit authority, and parks and wildlife applicants with extensive coastal infrastructure damage.
- ▶ Assisting a grantee to serve as the gatekeeper monitor for all federal Sandy recovery funds, including FEMA, HUD, SBA and FTA. This work involves performing comprehensive risk assessments of subrecipient projects to provide analyses for the state to assign integrity monitors for each applicant. The analyses include a review of procurement policies, contracts, A-133 results, internal controls, and other areas. This assists the grantee to identify and mitigate issues before they occur, and reduce the risk of potential future de-obligations.

# Technical Approach

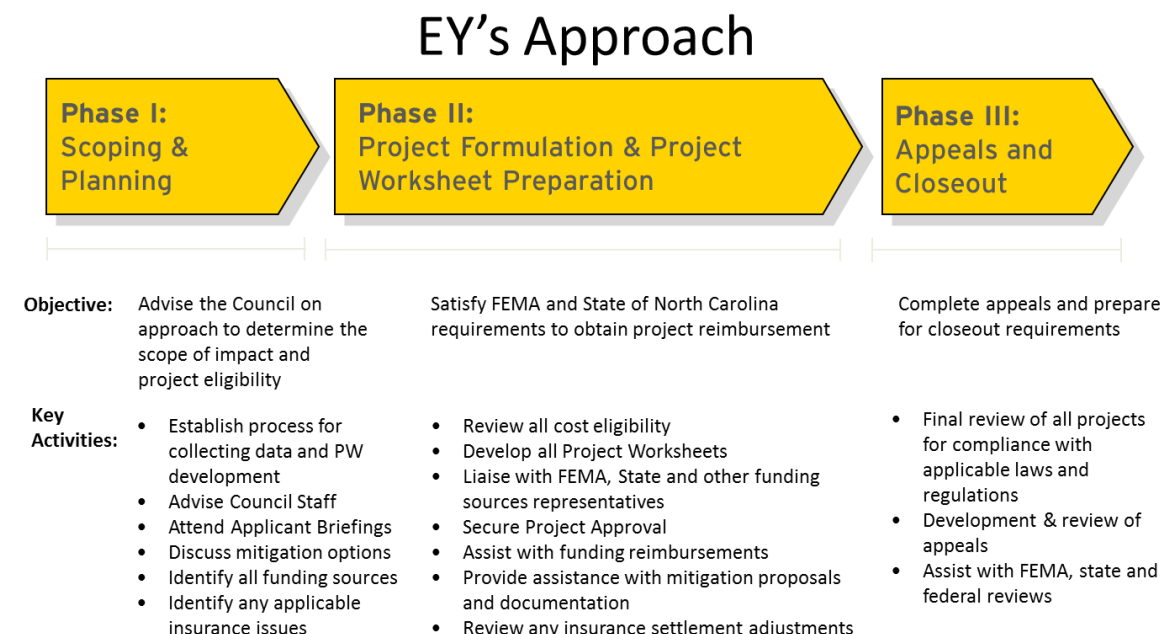
## Field-proven approach

The methods that EY employs to assist applicants are designed to enhance the level of communication, documentation and proof of loss throughout the reimbursement process to (1) better prepare our clients to enter the closeout process, (2) mitigate the risk of losing funding that the Federal awarding agencies have already paid or obligated and (3) planning for long term recovery. We assist our clients throughout the process to meet Federal requirements, including: preparing PWs; accounting for and reconciling project costs; attending and participating in site visits and inspections; assisting with the development of detailed damaged descriptions and scopes of work; determining whether work was conducted according to the terms and conditions of the grant; and confirming that the required documentation is included in the project file. EY also assists clients in identifying and correcting issues that could potentially lower the risk of de-obligations, including identification of ineligible costs or questioned costs (e.g., costs lacking supporting documentation) and out of scope work.

We have a unique perspective in the development and management of disaster recovery projects. With experience reviewing and offering recommendations for improvement at all levels of government relative to the claims and reimbursement process, our practice has the right capabilities to assist the Council. We have a field-proven approach to collect, organize, and analyze data, and develop and maintain tracking systems. This approach is carried out and tracked for each individual project from initial development to project completion and closeout.

For disasters with substantial damage and destruction to the community's social, physical and economic infrastructure, the recovery process could be lengthy and very expensive. When a community's infrastructure has been severely impacted and must be reconstructed, community recovery (short and long-term) entails community redevelopment or revitalization. It presents opportunities to restructure the devastated community or region and simultaneously make it more disaster resistant and/or resilient. Our approach will assist the Council in identifying and maintaining their long term recovery goals in addition to immediate recovery needs.

Our team's overall approach is to start with what will be needed at closeout and work back to make sure that all of the required information is collected and a "clear path to eligibility" is identified. We have recently assisted several other applicants with their FEMA recovery process and suggest an approach similar to the diagram below for the Council:



## Phase I: Scoping and Planning

We like to begin with an all-hands kickoff meeting that includes all the major stakeholders and as many of the key client contacts in the various departments as possible. The purpose of this meeting is to introduce the team and begin to forge the relationships which will be so important to completing a successful recovery.

### **We can:**

- ▶ Work with the Council to understand costs that are eligible for reimbursement, whether via FEMA, insurance, HUD or from other sources of funding
- ▶ Attend applicant briefings and kickoff meetings and provide additional guidance so the applicant is fully aware of eligibility and funding requirements
- ▶ Attend site visits with FEMA and State representatives, as necessary
- ▶ Review procurement procedures for compliance with federal, state and local procurement regulations
- ▶ Provide guidance with all document reporting requirements mandated by FEMA, HUD, FTA and North Carolina
- ▶ Establish a database and tracking system for all disaster grants (or review the current system if already in place); the system will track the status of each grant and cross reference to supporting files and documentation
- ▶ Assess the current existing plans, policies and procedures and assist with the development of new procedures and provide training, as needed to the Council and staff

Key features of EY's approach that focus on the delivery of high-quality services:

- ▶ An emphasis on your end-to-end disaster recovery process. Based on our working understanding of your current processes and knowledge of the existing technology, we will be able to quickly identify potential risk areas associated with particular operations and processes, as well as to communicate and develop client service objectives so you receive the benefits you expect.
- ▶ A project-based focus that allows us to quickly identify significant projects, high-risk areas and bottlenecks and bring the right resources to assist. This will be achieved by encouraging consideration of operations and environmental aspects in deciding "what could go wrong," and by focusing attention on known areas of risk as identified by the OIG, GAO and other oversight entities. Our team's experience on both sides of the table gives us a unique perspective on the types of issues that can cause delays, and unique perspectives on how to remediate them.
- ▶ A risk assessment process that provides the basis for planning the necessary steps to hold risk in each area to an acceptable level. This enables us to plan our effort to be responsive to the likelihood of problematic issues, and to plan increased oversight that directly relates to your particular situation. An effective risk management process will help to minimize the likelihood of future de-obligations.
- ▶ Once we have an understanding of the current process and issues, obstacles, roadblocks and specific bottlenecks that the Council may be facing with its recovery, we will identify and analyze leading practices, including the use of IT solutions and staff augmentation to help achieve your recovery goals.
- ▶ We will develop a protocol for periodic reporting, including "flash reports" on key indicators of performance that will enable managers to monitor progress on important tasks, confirm that processes are working and meeting expectations, highlight problems at an early stage, identify strengths and weaknesses, target areas for improvement, and recognize improvements when they occur.

At the completion of Phase I, we will complete a detailed work plan that addresses not only timing but also staffing needs.



## Phase II: Project Formulation & Project Worksheet Preparation

Once the various areas of loss, activity and grants have been identified, we will work with the identified leaders at the Council to begin the process of gathering and reviewing supporting documentation, contracts, and discussing specific issues and concerns. Documentation can be gathered using a web-based tool that allows multiple parties to post documents to their specific area while also allowing our team and management to have access to each area to monitor progress and resolve issues. As the various Federal and State grant and assistance programs begin to take form, specific project plans, meetings and needs are also identified so that each program receives the unique form of support, oversight and assistance required to expedite and maximize recovery.

Based on our experiences with past presidentially declared disasters, we work to proactively anticipate, assess, document, mitigate and monitor issues. Issues are monitored through an issues risk matrix and provided to the duly designated representatives when identified. Once we identify issues, we will work with the Council to develop mitigation strategies specific to each task in order to implement and monitor the mitigation procedures.

Compliance with federal acquisition regulations, historic and environmental regulations, direct administrative cost rules and regulations, and alternative/improved project rules and regulations are just a few examples of key challenges that must be addressed early in the process, so as not to subject future funding to undue risk of denial.

We assist clients to achieve cash advances during this phase, including from FEMA and insurance. For example, FEMA's Public Assistance program anticipates that state and local agencies may need funds quickly in the aftermath of a disaster. FEMA has several programs to allow for funding beyond the types of advance funding provided under other Federal grant programs. These include Immediate Needs Funding (INF) and expedited payments. INF is a long standing FEMA procedure that provides for funding for urgent emergency work that is complete and requires funding within 60 days. Expedited payments were added to the Stafford Act by Congress in 2006 and require payment of 50% of the estimated costs for debris removal within 90 days.

### **We can:**

- ▶ Coordinate development of Project Worksheets and versions as required by North Carolina and FEMA, including scope changes, appeals, and assistance with all FEMA PA Categories
- ▶ Assist the Council in responding to FEMA document requests and questions
- ▶ Assist the Council in obtaining and tracking funding, including obtaining advance payments on project worksheets or insurance claims
- ▶ Provide technical support on documentation and compliance requirements, including environmental issues, historical preservation issues, insurance issues and strategic approaches to Section 404 and 406 hazard mitigation grants
- ▶ Provide strategic assistance to address unique needs that are not satisfied by routine disaster assistance programs and assist with FEMA reimbursement for Alternate and Improved Projects
- ▶ Work with and provide oversight to departments as needed to assist them through the process
- ▶ Prepare the Council personnel for meetings and attend meetings as needed with FEMA, State and other funding agencies
- ▶ Attend periodic status meetings with the Council and provide a weekly flash report that summarizes recent accomplishments, project worksheet summary and funding tracker, outstanding document requests/issues and key deadlines and deliverables

The primary goal of this phase is to prepare and document claims for submission to FEMA, HUD, or other disaster grant funding sources, review and provide guidance on all available insurance adjustments, and provide assistance and guidance as needed related to mitigation proposals and efforts.



## Phase III: Appeals and Closeout

Federal, State and local government budgets are tight. Federal oversight over the receipt and disbursement of disaster recovery funding are significant and increasing. Another challenge is that grant recipients must account for the Federal disaster funding on a project by project basis. More importantly, the State and subrecipients are required to establish controls and processes to account for these funds. EY's staff have conducted hundreds of reviews of FEMA grants, including reviews of internal controls and accounting systems used by both the State and subrecipients. In addition, our experienced staff conducted FEMA grant administration and program reviews of almost every State. These reviews included PW accounting, State and subrecipient drawdown activity, the systems used to account for the disaster funding, and project closeout.

We can assist with the closeout process by helping the Council gather and provide the documentation necessary to meet Federal requirements and compliance with grant terms and conditions.

Grant Monitoring	Compliance Review	Close Out / A-133 Review
<ul style="list-style-type: none"> <li>▶ Gather and review grant support and documentation</li> <li>▶ Provide technical assistance</li> <li>▶ Assess critical needs</li> <li>▶ Review progress reporting</li> <li>▶ Identify high risk projects for increased monitoring</li> <li>▶ Provide training to responsible staff</li> </ul>	<p>Review projects for:</p> <ul style="list-style-type: none"> <li>▶ Compliance with laws and regulations</li> <li>▶ Project accounting requirements</li> <li>▶ Cost eligibility and allowability</li> <li>▶ Improper payments</li> <li>▶ Fraud waste and abuse</li> <li>▶ Other considerations such as insurance allocations</li> </ul>	<ul style="list-style-type: none"> <li>▶ Facilitate close-out process</li> <li>▶ Prepare for FEMA and IG review and audit</li> <li>▶ Support any A-133 reviews</li> <li>▶ Identify and analyze FEMA related findings</li> <li>▶ Provide input for management decisions on findings</li> <li>▶ Follow-up on finding resolution</li> </ul>

We can assist the Council with closeout and FEMA cost recovery processes, including appeals, special requests for information, arbitration, audit assistance, mitigation, and a variety of related activities. Finally, we will help the Council prepare for audits and resolving audit findings, including preparation of supporting documentation, resolution of compliance and eligibility issues and development of corrective action plans.

### We can:

- ▶ Review appropriate and sufficient documentation and justification for project extensions
- ▶ Review documentation for project changes, including improved or alternate projects to verify compliance with regulations
- ▶ Review compliance with contracting requirements, including specific review of the tracking and support for labor and equipment hours, which is an area of high risk for ineligible costs
- ▶ Review compliance with procurement regulations around full and open competition for contractors performing disaster recovery work for the Council
- ▶ Identify procedures to detect improper payments, out-of- scope expenses, improper contracts, and other grant payments that could result in refunds or de-obligations
- ▶ Review documentation for the appropriate application of insurance proceeds to reduce grant funding
- ▶ Report on each project with recommended remedial actions, where needed

## Long Term Recovery and Planning

Throughout our three-phase approach, EY will begin to gather the information needed to assist the Council in identifying and developing a long term recovery plan. Long term recovery planning will engage the whole community, including government, for profit, non-profit and the community itself in disaster recovery preparedness. Inclusive planning can involve a wide array of entities, such as social services agencies, Council services and agencies, the transportation sector, building officials from planning and codes, private companies, the local Chamber of Commerce, and a range of philanthropic, non-profit and faith-based organizations. With whole community planning for long term recovery conducted up front, the Council will be better able to identify any critical shortfalls in advance: staffing shortages, availability to shelter and return to permanent housing, bed counts and tracking for its medical facilities, communication gaps, and even management of volunteers and donations. Furthermore, the planning effort opens dialogue regarding shortfalls in continuity of operations and business continuity planning, allowing planning assumptions to be based on realistic expectations.

## Project risk mitigation

EY can assist the Council in an early identification of potential issues in order to mitigate long-term risks that could leave the Council exposed down the road. Our team includes former OIG officials that are able to quickly identify exposures and design steps in the process to address and reduce exposures to an acceptable level. Here are two brief examples of risk mitigation programs that we can implement early to benefit the Council over the life of the disaster.

### Procurement and Contract Management/Monitoring Support

It is often the first step in the recovery process - procuring services, equipment and materials - that exposes subgrantees to grant de-obligation risk. Even when a subgrantee follows all local purchasing guidelines, this does not preclude the subgrantee from exposure since federal and state procurement rules must also be considered, and the most restrictive of the federal, state or local rules must be followed.

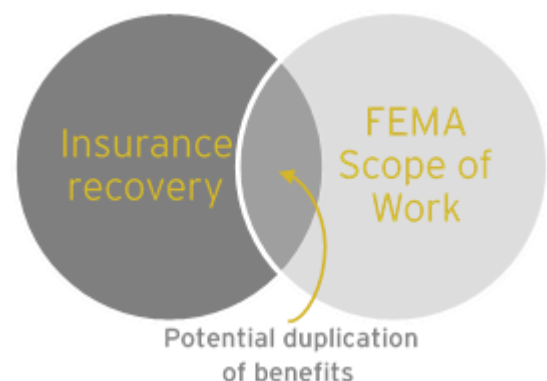
In order to understand and mitigate this risk, EY will lead a kick-off educational session with the Council's representatives to ensure individuals are properly informed of constraints to their normal procurement process. From this meeting, we will work with the Council to develop a procurement decision tree for the Council to use as a reference guide going forward. This will help the Council to control costs through a one-time educational process; however, we will always be available to assist the Council in evaluating grey-areas and exceptions on an as-needed basis.

### Time Keeping for Full-Time Employees

Another common risk for both direct administrative costs and force account labor pertains to the Council's ability to record and track time spent by project for full-time employees working on disaster related activities that are FEMA eligible. FEMA policies require specific documentation for time; however, most organizations do not have policies and procedures in place to track this time for full-time employees. EY will assist the Council to ensure proper measurement and tracking of time to maximize capture of all time and effort put into approved/obligated recovery projects.

## Insurance and other funding support

EY's IFCS practice is dedicated to assisting clients with insurance claim recovery and recovery and management of Federal disaster funding programs. We have a unique combination of the knowledge the Council needs in order to review insurance recoveries received and reconcile proceeds with FEMA estimated project costs to get the most out of the funding sources available to the Council.



### *Review of Documentation*

In order to understand the scope of costs, the available insurance recovery, the actual insurance proceeds received and the FEMA scope of work, EY anticipates the following documentation will need to be reviewed, but not limited to:

- ▶ PWs for work associated with anticipated insurance proceed estimates
- ▶ The Council's insurance policies
- ▶ The Council's documentation submitted in support of insurance recovery
- ▶ Insurance Proof of loss from the Council's Insurance Carrier and any other documentation to support recovery amounts
- ▶ Supporting documentation for total costs incurred associated with PWs under review

### *Reconciliation between Insurance & FEMA*

Once we have reviewed the available supporting documentation, we will then work to reconcile the amount of insurance proceeds received with the corresponding scope of work in the PWs. This process involves identifying the following three areas of recovery:

1. Insurance recovery for items that are part of the FEMA PW scope of work
2. Insurance recovery for items outside of the FEMA PW scope of work
3. Costs for items that are part of the FEMA PW scope of work that fall outside of the insurance recovery

Once we have identified the amounts for each of the three buckets listed above, we will then work with the Council and FEMA to update the amounts for actual insurance proceeds received related to each PW; therefore, removing potential duplication of benefits.

As stated previously, in order to prevent any future de-obligations, the Council must not have any duplication of benefits and must provide the necessary supporting documentation to FEMA. We will assist the Council with the following:

- ▶ Work with FEMA to update the estimated anticipated insurance proceeds to the actual insurance proceeds received associated with the PW scope of work
- ▶ Gather the necessary documentation to support actual insurance proceeds received and assist the State to include the support with the PW files
- ▶ Gather the necessary documentation to support any costs outside of insurance recovery to support funding from FEMA and assist the Council to include the support with the PW files

As a result of our assessment, if any issues or items for discussion are identified, we will provide notice to the Council as they are identified in order to quickly mitigate and resolve issues to assist the Council in an efficient closeout process.

The key to successfully delivering these services is to provide to the State, FEMA, and any oversight agencies a well-organized and meticulously documented package which includes logical summaries and the appropriate supporting documentation available to support the costs incurred.

## **Hazard mitigation support**

EY's defined mitigation process allows us to meet and exceed 44 CRF 201 regulations (local mitigation planning) and provide final mitigation plans for submission. Throughout the process, we also reference the guidelines provided in the Disaster Mitigation Act of 2000, Local Mitigation Plan Review Guide (2011), and the Local Hazard Mitigation Planning Handbook (2013).

Under Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the HMGP program helps communities implement hazard mitigation measures following a Presidential major disaster declaration. As with the PA program, the HMGP offers grant funding to states, territories, federally-recognized tribes, local

communities, and private non-profit organizations. The program enables mitigation measures to be implemented during the immediate recovery from a disaster.

EY provides program management and technical support related to the FEMA Hazard Mitigation Grant Program (HMGP), including but not limited to applicant outreach and education; reviewing letters of intent (LOI); determining potential eligibility of requested projects; assisting potential applicants to develop project applications; reviewing applications; conducting environmental and historical reviews; performing benefit-cost analysis; and providing overall grants management of applications and approved projects.

## Additional considerations

- ▶ FEMA may require subgrantees to purchase insurance to remain eligible for future federal disaster grants. Our team includes insurance risk professionals and adjusters that can assist the Council in identifying and quantifying risks and exposures so the Council can make informed decisions for future insurance requirements.
- ▶ FEMA's share may be limited to 75% or 90% if authorized by the President. Our team has significant experience identifying other funding sources to help the Council meet its local match, including HUD (CDBG-DR) funding, grants from other Federal and State agencies, contributions and volunteer work.

## 2 CFR 200 compliance

One important change from previous disasters is the implementation of the "Super Circular" (2 CFR Part 200) by the Office of Management and Budget (OMB). The Super Circular replaces FEMA grants management and procurement rules that were found in 44 CFR Part 13 and codifies many of the relevant OMB Circulars (e.g. OMB Circular A-87).

EY has significant experience with supporting subgrantees in transitioning to and complying with the Super Circular. This includes reviewing procurements as well as procurement policies and procedures for compliance with Federal requirements and developing "crosswalks" and other tools to both educate and implement 2 CFR Part 200. These tools and experiences will assist the Council with documenting compliance for eligible cost reimbursement from FEMA and other relevant agencies.

EY's methodology is to assist subgrantees to collect, preserve, and maintain documentation from the beginning to allow them to be ready for closeout and to respond to any Office of Inspector General (OIG) audits or reviews.

## Engagement Tools

EY will utilize various tools to assist with project management and delivery of services and maintain consistent quality across the team. These include procurement worksheets, cost analysis summaries, status and tracking sheets, and summary observations matrices to assist with maintaining our high standard of verification and quality.

1. Procurement worksheets are created based on the research and understanding of procurement related guidance and requirements for each subrecipient. These worksheets are designed to assist in the analysis of procurement files and record observations. Examples of areas evaluated include, but are not limited to:
  - ✓ **Scope/Statement of Work** - Is a clear scope of work identified in the RFP and does it align with grant objectives?
  - ✓ **RFPs** - Does the RFP in any way unfairly limit competition?
  - ✓ **Cost Estimates** - Have cost estimates been adequately prepared prior to the issuance of the RFP?
  - ✓ **Proposals** - Have all RFP responses been collected and maintained?

- ✓ **Proposal evaluations** - Are all proposals being evaluated in the manner outlined in the RFP and are all evaluation records properly interpreted in decisions to award?
  - ✓ **Contracts** - Do contracts contain relevant clauses required by the guidelines?
2. Cost analysis summaries are created based on both relevant grant requirements and conditions outlined in the relevant contracts, if contracts are required and entered into for the associated goods/services. Separate specification templates are prepared for each type of cost and possibly each vendor if external vendors are hired and if separate contractual requirements exist for each vendor.

A cost analysis is completed for each cost recording document (i.e. invoices, payroll, etc.). The cost analysis contains a summary document where observations are recorded. The summary is supported by worksheets designed to calculate any variances between what the cost amount should be and the actual invoice. For example, checklists associated with subrecipient employees would include worksheets preset with straight-time and overtime pay rates for the employees. Data from timesheets and payroll records would then be input to calculate any variances. The checklist summary would then be populated with a description at a summary level of any variances.

3. Trackers will be created for procurement documents and accounting records. The purpose of these trackers is to maintain a list of all documents to be analyzed and track the status of the analysis and what steps are required to complete the analysis.

EY will provide these tools to the Council for approval prior to utilization and will work with the Council to modify them in order to take into account your unique issues and concerns.

## Sample Reporting Products

### FEMA Recovery Estimate Analysis

Due to our confidentiality with our clients, included below is a sample reporting product based on our reporting to other clients to whom we have provided disaster recovery project management services. This comprehensive FEMA Recovery Estimate Analysis (or "Recovery Estimate") is a tool we have maintained which is used to categorize expense estimates and identify areas of recovery. Once the various cost categories have been identified and initial PWs have been issued to reflect related site sheets, the Recovery Estimate is used to track all expenses as they are identified through invoices, payroll and other A/P mechanisms.

The first summary schedule (1) in the file indicates totals for each FEMA recovery category and PW. The first level of sub-schedules present totals by PW site sheets (2, 3). The remaining schedules contain details for each of the site sheets. For example, Schedule 3B lists all the invoices associated with the security site sheets in the Category B PWs. In some instances, we source additional detailed external analysis files. The Recovery Estimate not only allows us to capture costs for recovery, but also track whether or not the supporting documents have been provided and reviewed (See Schedule 3B). It allows us to provide ongoing reporting to both the client and FEMA in an organized and efficient manner. If funding is anticipated from HUD or other sources, the Recovery Estimate can be tailored, as needed, for those agencies.

In addition to providing the most up to date cost estimates, the Recovery Estimate allows us to track the amount of costs reviewed by FEMA and the funding received in connection with these costs. Our reports would reference all the amounts in the summary schedules and contain the relevant supporting schedules. For the sake of brevity, we have provided a select number of demonstrative schedules with this proposal.

City of XYZ  
 Flooding  
 Date of Loss: June 2013

FEMA Recovery  
 Summary

PW	Schedule Reference	Estimated Amount	FEMA Reviewed Amount	Funding Received To Date
Category A: Debris Removal - PW 0001	2	\$ 7,247,023.99	\$ 6,139,073.58	\$ 2,500,325.35
Category B: Emergency Protective Measures - PW 0002 & PW 0003	3	5,387,968.99	4,077,640.06	1,376,896.23
Category D: Water Control Facilities - PW 0004	X	6,875,435.36	5,467,453.24	1,189,156.56
Category F: Utilities - PW 0005	X	3,467,821.38	2,467,876.65	987,235.75
<b>Total</b>		<b>\$ 22,978,249.72</b>	<b>\$ 18,152,043.53</b>	<b>\$ 6,053,613.89</b>

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City of XYZ  
 Flooding  
 Date of Loss: June 2013

Category A: Debris Removal - PW 0001  
 Site Sheet Summary

Site Sheet	Schedule Reference	Estimated Amount	FEMA Reviewed Amount
Contractors	X	\$ 5,252,596.35	\$ 4,467,883.67
Security	X	298,400.25	298,400.25
Rental Equipment	X	1,523,594.16	1,200,356.43
Safety	X	172,433.23	172,433.23
Direct Administrative Costs	X	TBD	TBD
<b>Total</b>		<b>\$ 7,247,023.99</b>	<b>\$ 6,139,073.58</b>

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City of XYZ  
 Flooding  
 Date of Loss: June 2013

Category B: Emergency Protective Measures - PW 0002 & PW 0003  
 Site Sheet Summary

Site Sheet	Schedule Reference	Estimated Amount	FEMA Reviewed Amount
Emergency Operations Center	3A	\$ 2,631,352.86	\$ 2,242,145.81
Safety	3B	801,093.79	536,827.17
Crew Meals	X	154,398.23	97,634.34
Environmental Cleanup	X	225,687.24	225,687.24
Materials	X	1,575,436.87	975,345.50
Direct Administrative Costs	X	TBD	TBD
<b>Total</b>		<b>\$ 5,387,968.99</b>	<b>\$ 4,077,640.06</b>

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City of XYZ  
 Flooding  
 Date of Loss: June 2013

Category B: Emergency Protective Measures - PW 0002 & PW 0003  
 Emergency Operations Center  
 Summary

Cost Description	Schedule Reference	Estimated Amount	FEMA Reviewed Amount
Force Account Labor	3A-1	\$ 1,723,747.15	\$ 1,481,776.09
Force Account Loadings	3A-2	907,605.71	760,369.72
<b>Total</b>		<b>\$ 2,631,352.86</b>	<b>\$ 2,242,145.81</b>

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City of XYZ  
Flooding  
Date of Loss: June 2013

**Category B: Emergency Protective Measures - PW 0002 & PW 0003**  
**Emergency Operations Center**  
**Force Account Labor**

Description	PW 0002 Estimated Amount (A)	PW 0003 Estimated Amount (A)	Total Estimated Amount	PW 0002 FEMA Reviewed Amount	PW 0003 FEMA Reviewed Amount	Total FEMA Reviewed Amount
Regular Time Pay	\$ 423,854.82	\$ 203,405.22	\$ 627,260.04	\$ 354,600.12	\$ 154,099.35	\$ 508,699.47
Overtime Pay	825,432.24	157,643.14	983,075.38	765,989.35	95,356.76	861,346.11
Premium Time Pay	107,843.23	5,568.50	113,411.73	106,432.16	5,298.35	111,730.51
<b>Total</b>	<b>\$ 1,357,130.29</b>	<b>\$ 366,616.86</b>	<b>\$ 1,723,747.15</b>	<b>\$ 1,227,021.63</b>	<b>\$ 254,754.46</b>	<b>\$ 1,481,776.09</b>

**Note:**

(A) Source: City of XYZ\_Flooding Payroll Schedule.xlsx.

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City of XYZ  
Flooding  
Date of Loss: June 2013

**Category B: Emergency Protective Measures - PW 0002 & PW 0003**  
**Emergency Operations Center**  
**Force Account Loadings**

Description	PW 0002 Payroll Amount (A)	PW 0003 Payroll Amount (A)	Burden Rate (B)	PW 0002 Estimated Amount	PW 0003 Estimated Amount	Total Estimated Amount	PW 0002 FEMA Reviewed Amount	PW 0003 FEMA Reviewed Amount	Total FEMA Reviewed Amount
Regular Time	\$ 423,854.82	\$ 203,405.22	94.00%	\$ 398,423.53	\$ 191,200.91	\$ 589,624.44	\$ 333,324.11	\$ 144,853.39	\$ 478,177.50
Overtime	825,432.24	157,643.14	29.00%	239,375.35	45,716.51	285,091.86	222,136.91	27,653.46	249,790.37
Premium Time	107,843.23	5,568.50	29.00%	31,274.54	1,614.87	32,889.41	30,865.33	1,536.52	32,401.85
<b>Total</b>				<b>\$ 669,073.42</b>	<b>\$ 238,532.29</b>	<b>\$ 907,605.71</b>	<b>\$ 586,326.35</b>	<b>\$ 174,043.37</b>	<b>\$ 760,369.72</b>

**Notes:**(A) Source: City of XYZ\_Flooding Payroll Schedule.xlsx.  
(B) Source: Burden Rates by Type.xlsx.

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City of XYZ  
Flooding  
Date of Loss: June 2013

Category B: Emergency Protective Measures - PW 0002 & PW 0003  
Safety  
Summary

Vendor	Invoice Number	Invoice Total	PW 0002 Estimated Amount	PW 0003 Estimated Amount	Total Estimated Amount	PW 0002 FEMA Reviewed Amount	PW 0003 FEMA Reviewed Amount	Total FEMA Reviewed Amount	Missing Documents	Reviewed	Date Provided to FEMA	Comments
ABCD Safety Associates	12345	\$ 476,798.12	\$ 476,798.12	\$ -	\$ 476,798.12	\$ 476,798.12	\$ -	\$ 476,798.12	N	Y	7/15/2013	
ABCD Safety Associates	12346	325,897.36	201,234.36	55,000.00	256,234.36	-	-	-	N	N		See Notes A and B.
ABCD Safety Associates	12347	20,086.75	19,254.26	-	19,254.26	19,254.26	-	19,254.26	N	Y	7/23/2013	See Note A.
ABCD Safety Associates	12348	15,543.25	9,800.00	3,500.22	13,300.22	9,800.38	3,500.22	13,300.60	N	Y	7/25/2013	See Note A.
Joe Brothers' Safety	1249A95	22,456.14	-	22,456.14	22,456.14	-	15,624.00	15,624.00	N	Y	7/6/2013	See Note C.
Joe Brothers' Safety	1249A96	2,567.22	2,567.22	-	2,567.22	-	-	2,567.22	N	Y	7/12/2013	
Joe Brothers' Safety	1249A97	1,200.50	1,200.50	-	1,200.50	-	-	-	Y	N		See Note B.
AB & Co. Safety Associates	5677	1,512.53	1,512.53	-	1,512.53	1,512.53	-	1,512.53	N	Y	7/20/2013	
AB & Co. Safety Associates	5678	5,430.26	5,430.26	-	5,430.26	5,430.26	-	5,430.26	N	Y	7/22/2013	
AB & Co. Safety Associates	5679	2,340.18	-	2,340.18	2,340.18	-	2,340.18	-	N	Y	7/23/2013	
<b>Total</b>		<b>\$ 873,832.31</b>	<b>\$ 717,797.25</b>	<b>\$ 83,296.54</b>	<b>\$ 801,093.79</b>	<b>\$ 515,362.77</b>	<b>\$ 21,464.40</b>	<b>\$ 536,827.17</b>				

## Notes:

- (A) Upon further review, the estimated amount is lower than the invoiced amount as certain expenses were deemed not event related.  
 (B) The expense has not yet been reviewed by FEMA.  
 (C) FEMA reviewed amount is lower than estimate amount as FEMA disallowed certain hours charged as overtime.

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## Closeout Workbook

EY has developed an electronic Closeout Workbook that allows us to capture the supporting documentation of project expenditures for compliance with Federal regulations and grant requirements as well as the summation of observations according to severity. EY will provide this summary of factual observations, including potential compliance issues and risks for de-obligation of FEMA grant funds, as well as recommendations to improve the Council's FEMA grant compliance program in order to identify and mitigate issues before they occur and reduce the risk of potential future de-obligations. Some example summaries are provided below. This electronic workbook is the closeout repository allowing the Council to have a detailed electronic record of the analysis performed.

SUMMARY OF FINDINGS			
Subgrantee: XXX	PW XX XX		Funded at: 100 %
DR XX XX	CAT A	FEMA Approved: \$10,600,000.00	Claimed Amount: \$10,670,000.00
PW Scope: Debris Removal			
Finding & Description	Federal Regulation	Unsubstantiated Cost Amount	
<p><b>A) Debris Monitoring Costs</b>            The category A costs on this PW were limited to debris monitoring costs. The subgrantee contracted XYZ Co. to provide debris monitoring services.</p> <p>The analysis of debris monitoring costs traced a sample of \$1,670,000 in invoice costs to timesheets. A difference of 103.50 hours totaling \$5,500 was observed.</p>	<p>2 CFR 225, Appendix A, section C.1 (j) - Costs be adequately documented to be allowable under a Federal award.</p> <p>44 CFR 13.20(a)(2) - Subgrantees have fiscal controls and accounting procedures that permit the tracing of funds to a level of expenditure adequate to establish that such funds are not used in violation of applicable statutes.</p> <p>44 CFR 13.20(b)(6) - Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.</p>	\$5,500.00	

SUMMARY OF FINDINGS		
Subgrantee: XXX		Funded at: 90 %
DR XX XX PW XX CAT E	FEMA Approved: \$61,600.00	Claimed Amount: \$84,000.00
PW Scope: Repair and Replace damages sustained at school gym		
Finding & Description	Federal Regulation	Unsubstantiated Cost Amount
<p><b>A) Contract</b> The subgrantee paid XYZ Co. for the replacement of fencing at the baseball and softball fields, tennis courts and water plant.</p> <p>The subgrantee did not provide sufficient evidence to demonstrate that it followed Federal procurement procedures when bidding this contract. In addition, the subgrantee provided documentation that was able to account for some of the costs claimed (\$13,000) but not all, such as additional labor and A32nd overhead fees which were claimed on the P.4 (\$24,000).</p>	<p><b>44 CFR 13.36(b)(1)</b> - Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurement conform to applicable Federal law.</p> <p><b>44 CFR 13.36(c)(1)</b> - All procurement transactions will be conducted in a manner providing full and open competition consistent with the standards of section 13.36.</p> <p><b>44 CFR 13.36(f)</b> - Subgrantees must perform a cost or price analysis in connection with every procurement action including contract modifications.</p> <p><b>44 CFR 13.36(d)(1)</b> - Obtain price or rate quotations from an adequate number of qualified sources if the subgrantee uses small purchase procedures.</p> <p><b>44 CFR 13.36(b)(2)</b> - Subgrantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.</p> <p><b>44 CFR 13.20(a)(2)</b> - Subgrantees have fiscal controls and accounting procedures that permit the tracing of funds at a level of expenditure adequate to establish that such funds are not used in violation of applicable statutes.</p> <p><b>2 CFR 225, Appendix A, section C.1(j)</b> - Costs be adequately documented to be allowable under a Federal award.</p>	<p><b>\$38,000.00</b></p>

## Information technology & data management

Information is at the core of the recovery process, and it faces challenges throughout the lifecycle. From recurring turnover of FEMA personnel to retention periods that can stretch out over more than a decade, the federal disaster grants can produce onerous documentation protocol. To facilitate the process EY will use web-hosted software (“EY Delivers”) that can share documents among all stakeholders. This secure data-hosting site will maintain a current and accurate record and document trail for all projects to facilitate the frequent Federal and State personnel changes. It also enhances version control when multiple parties are involved by requiring individuals to “check out” the document for the duration of the time they are using it thus preventing other users from modifying temporarily. This site can also safely retain documents through close-out. While we will assist the Council to maintain the required hard copy documentation through close-out, this will serve as a centralized solution for maintaining electronic copies.

EY currently manages and administers large-scale disaster recovery programs and issue complexity and changes that arise during program implementation and project execution phases. The success of EY’s management and administration oversight lies within the following key factors:

- ✓ Providing focus on goals, objectives, and critical success factors.
- ✓ Ensuring fiduciary responsibility.
- ✓ Managing timelines and dependencies across multiple projects and programs.
- ✓ Facilitating greater senior executive involvement.
- ✓ Enabling aggressive management of cost.
- ✓ Tracking and monitoring deliverable realization.
- ✓ Monitoring and mitigating risk.

From a document management perspective, we organize and maintain documents on a web-based tool to correspond with the Recovery Estimate schedule. All invoices and contractual documents are filed by site sheet and FEMA recovery category. PWs and other FEMA documentation, correspondence, analyses and other documents are also filed appropriately.

# Sample Data Management Tool

The screenshot shows the EY Document Management Tool interface. At the top left is the EY logo with the tagline "Building a better working world". Below the logo are navigation tabs for "Home" and "Projects". A "Library Tools" menu is open, showing options like "Browse", "Documents", and "Library". A toolbar contains various actions such as "New Document", "Upload Document", "New Folder", "Edit Document", "Check Out", "Check In", "View Properties", "E-mail a Link", "Download a Copy", "Workflows", "Publish", "Send For Review", "Apply Sign-Off", "Mark Complete", "Create New", "I Like It", "Tags & Notes", and "Submit To ASK".

The main content area displays a breadcrumb trail: "IFCS Demo > Shared Documents > Document Library". A search bar is set to "All Sites". Below this is a table of documents:

Type	Doc ID	Name	WP Indicator	Paper Profile	Client Accessible	Third Party Accessible	Include in Archive	Status	Health	Priority	Due Date	Checked Out To
Folder		Admin and Project Management										
Folder		Analysis										
Folder		Correspondence										
Folder		Cost Estimate Supporting Documentation										
Folder		Document Requests										
Folder		PWs and Other FEMA Documentation										

On the left side, there are navigation menus for "Eng. & Project Management" (including Shared Documents, Tasks, Risks/Issues, Assumptions, Dependencies, Decisions, Action Items, Change Requests, Engagement Dashboard, Engagement Details), "Project Server Beta" (Project Plan Summary, Project Plan), and "Eng. & Project Admin" (Resources).

This screenshot shows the same EY Document Management Tool interface, but with the breadcrumb trail updated to "IFCS Demo > Shared Documents > Cost Estimate Supporting Documentation > Document Library". The search bar remains "All Sites". The table of documents is as follows:

Type	Doc ID	Name	WP Indicator	Paper Profile	Client Accessible	Third Party Accessible	Include in Archive	Status	Health	Priority	Due Date	Checked Out To
Folder		Debris Removal										
Folder		Emergency Protective Measures										
Folder		Utilities										
Folder		Water Control Facilities										

The left-side navigation menus are identical to the first screenshot.

## Proposed schedule to begin the project

Following a confirmation from the Council to proceed, we propose the following schedule to begin the project:

Activity	Timeline
All-hands kick off meeting with Council representatives to discuss the FEMA Program Assistance Approach	2 - 3 days
Develop data management tool and process and discuss with Council staff	2 - 3 days
Discuss and identify projects for 404 and 406 mitigation	7 - 14 days
Begin to gather and review documentation for completeness	30 - 45 days
Summarize costs incurred to present initial loss estimate	30 - 45 days
Discuss and provide guidance to Council staff on FEMA, Insurance and HUD requirements	Ongoing
Begin to work with Council, State and FEMA to draft PWs	Ongoing
Discuss all available funding options with the Council, such as CDBG-DR	Ongoing
Attend site visits with FEMA and State	As needed

Following an initial kickoff meeting with the Council and key representatives, we will work with the Council to complete a detailed work plan that addresses not only timing of deliverables but also staffing needs. Additionally, as documentation is received and more information is gained, a more detailed schedule of activities can be prepared and presented to the Council.

## Project Management and Quality Assurance

### Our management approach

EY's management approach is different from our competitors. With EY, you get a team approach which includes a tailored set of consistent professionals with the right knowledge, experience, training, and background to address your issues. Our team members have prior experience working together on other disaster management, insurance claims and public sector engagements. As a result, we work as a balanced, multidisciplinary team to perform a seamless, efficient, and cost-effective engagement. Other firm's may "ship you a couple random bodies" with little training, no oversight or guidance, no consistency, low quality expectations, for an unrealistic budget, resulting in inefficiency, rework, and an endless change order process.

When you engage EY, we will assign a tailored engagement team that includes:

- ▶ Engaged leadership from senior engagement team members who actively supervise, participate and troubleshoot throughout the life of the project, as needed. Our leaders prefer to roll their sleeves up with their teams to deliver the quality of work the Council deserves.
- ▶ Relevant subject matter resources who are involved in the delivery of the project and responsible for oversight and guidance throughout the project.
- ▶ Trained professionals who are used to working together in professional settings alongside State, agency,

and FEMA personnel.

- ▶ An expectation of quality and value added service from the top to the bottom of the team.

Our team includes a process of continuous monitoring to achieve the goals and objectives envisioned by the Council. Maintaining positive relationships among officials and managing expectations are critical for the successful delivery of services. EY will provide a dedicated team of multi-disciplined professionals to manage and oversee all aspects of the services needed by the Council for the comprehensive disaster recovery, financial and grant management support, and pre-disaster cost recovery planning services that includes:

- ▶ Establish reporting protocols with the Council and provide, at the outset of the engagement, a detailed work plan in order to meet critical deadlines.
- ▶ Work closely with the Council to deliver ongoing, open communication, offer weekly status updates, and establish a means for identifying and quickly addressing critical issues.
- ▶ Develop standard and ad hoc reporting processes on all project related activities. Reports will include weekly progress, current efforts, completion, scheduling and monitoring.
- ▶ Develop a quality control plan that details management of services including how work is staffed, how work will be accepted/issued, and what procedures will be followed to ensure services are performed in a timely, high quality manner.
- ▶ Monitor and track EY's time and activities on a project by project basis to be able to account for Federal provisions for direct administrative, indirect and project management costs for submissions.
- ▶ Track and submit all time by project and with sufficient description of each task.
- ▶ Prepare a Gantt chart in Microsoft Project Manager for each grant project. Once completed, the chart will be maintained monthly and include milestones for the project including significant tasks, required procurement activities, decision points, milestone dates for intermediate and the final deliverable and reimbursement/billing dates.
- ▶ Assist in managing the life cycle requirements for recovery projects. These requirements include, but are not limited to, identifying and controlling on-going costs related to the project.
- ▶ Support additional Project Management reviews including in person/telephonic project reviews and quality assurance inspections of deliverables on a monthly or as required basis.

## Strong communication and coordination

EY has developed a contract management program that has been successfully used to manage projects. We recognize that good communication and coordination are vital for a strong relationship and we will go to extra lengths to fulfill your expectations. Our ability to bring resources responsive to your business issues and needs is directly related to how well we listen.

Our team commits to continuous and open communication with you so that we can quickly identify and resolve any matters as they arise. Continuous communication means:

- ▶ Meeting and accelerating your requirement deadlines
- ▶ Being accessible at short notice for face-to-face meetings
- ▶ Providing answers to your questions immediately
- ▶ Providing the right resources for your specific issues
- ▶ Talking openly and frankly to short circuit any potential problems
- ▶ Planning through proactive discussion of emerging issues that may affect you before they are enacted

Through this process we learn how you prefer to communicate. Our approach helps our clients obtain maximum value from their relationship with us.

## Performance management

The use of performance metrics and related tools to monitor progress is a vital tool for building transparency and accountability of operations and helping management gauge and assess compliance with contract requirements, identify and correct potential problems, and obtain continuous feedback on performance. In collaboration with the Council, we will define the scope of work and methodology, and develop a project plan with specific activities, milestones, performance benchmarks, metrics and tools, including dashboards, and deliverables.

We will develop a protocol for periodic reporting, including “flash reports” on key indicators of performance that will enable managers to monitor progress on important deliverables, confirm that processes are working and meeting expectations, highlight problems at an early stage, identify strengths and weaknesses, target areas for improvement and recognize improvements when they occur.

### “Flash Reports”

- Monitor progress
- Confirm financial processes are working and meeting expectations
- Highlight problems
- Identify strengths & weaknesses
- Target areas for improvement
- Recognize improvements

## Quality control approach

At EY, quality is central to our strategy and to the promise we make to our clients - to deliver seamless, consistent and high-quality service worldwide. What this means to the Council is that we will define with the Council not only precise needs but also how we can deliver services to create a superior experience for the Council and thereby lay the foundation for a trusted objective relationship.

Our team employs a diligent self-inspection process and detailed review of all work performed. Every task is rigorously reviewed at multiple levels before discussions are held or submission is made to the Council. For example, when a team member prepares a documentation review, another team member will perform a detailed review of the entire work. The third level detailed review may also be performed, as necessary based on the complexity of the analysis. The Project Manager/Partner will perform a high level review to determine whether the work has met the requirements and objectives of the task and will review for potential issues that may need to be communicated. Senior subject matter resources with relevant and appropriate FEMA and HUD experience will be utilized as necessary throughout the work and review.

Our quality control plan will be prepared according to the Council’s expectations. In the first week of the engagement, we will meet with the Council to confirm our understanding of quality standards, requirements, metrics and expectations. Based on our experiences with past Presidential declared disasters and working with public sector clients, we will proactively anticipate, assess, document, mitigate, and monitor task risks or issues. Our staff is trained and has an expectation placed by EY management to identify and raise issues if and when they occur. If issues cannot be addresses at the staff level, they are raised to the Project Manager for resolution and will be communicated with the Council.

We are committed to quality in all aspects of our client relationships. Along with substantial investments in technology, knowledge enablers and learning resources for our professionals, the quality controls and safeguards we have established enable us to deliver the high quality services that are valued by our clients. We understand that our reputation for objectivity, independence, trust, and integrity rests on the quality of the services we deliver.

To facilitate our leadership team with quality delivery on this engagement, we will assign an engagement quality review executive. This executive will have the necessary experience and background related to project management, program design, training and implementation, and performance measures. The engagement quality review executive’s role is to provide an independent perspective to the engagement to challenge and support our efforts to identify potential risks to engagement success. Very importantly, that person will meet with the Council periodically to maintain a clear understanding of your needs, to understand your assessment of how our team is performing and help facilitate any necessary adjustments to our service delivery approach.

# Compliance with Local, State and Federal Requirements

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To our knowledge, EY is in compliance with all Local, State and Federal requirements and we are prepared to work with the Council to comply with these requirements.



# Insurance

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EY will work with the Council to provide the jurisdictions with certificates of insurance prior to commencement of any work pursuant to a contract. As evidence of the insurance coverages required, EY will work with the Council to provide insurance certificates prior to commencement of any work pursuant to a contract.



# CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)  
09/19/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Aon Risk Services Central, Inc. Philadelphia PA Office One Liberty Place 1650 Market Street Suite 1000 Philadelphia PA 19103 USA	<b>CONTACT NAME:</b> PHONE (A/C. No. Ext): (215) 255-2000      FAX (A/C. No.): (215) 255-1893		
	<b>E-MAIL ADDRESS:</b>		
<b>INSURED</b> Ernst & Young LLP Attn.: Kathleen Sabia-Cahill 200 Plaza Drive Secaucus NJ 07094-3699 USA	<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
	INSURER A: Allianz Underwriters Insurance Company		36420
	INSURER B: Pacific Indemnity Co		20346
	INSURER C: American Casualty Co. of Reading PA		20427
	INSURER D: Transportation Insurance Co.		20494
	INSURER E:		

Holder Identifier :

**COVERAGES**      **CERTIFICATE NUMBER: 570063642682**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. **Limits shown are as requested**

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Prod-Comp Op Incl in Genl Agg <input checked="" type="checkbox"/> Host Liquor GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ART 2006651 General Liability	03/01/2016	06/01/2017	EACH OCCURRENCE	\$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$1,000,000
							MED EXP (Any one person)	\$10,000
							PERSONAL & ADV INJURY	\$1,000,000
							GENERAL AGGREGATE	\$2,000,000
							PRODUCTS - COMP/OP AGG	\$2,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			73184332 Automobile - Business	03/01/2016	06/01/2017	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION			ART 2006651 Excess Umbrella	03/01/2016	06/01/2017	EACH OCCURRENCE	\$5,000,000
							AGGREGATE	\$5,000,000
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC 5085005712 Workers' Compensation (A) WC 5085005810 workers' compensation (CA)	08/01/2016	08/01/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH	
							E.L. EACH ACCIDENT	\$1,000,000
							E.L. DISEASE-EA EMPLOYEE	\$1,000,000
							E.L. DISEASE-POLICY LIMIT	\$1,000,000

Certificate No : 570063642682

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

<b>CERTIFICATE HOLDER</b>	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Central, Inc.</i>
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ACORD 25 (2016/03)

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# Cost Proposal

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One advantage of working with our team is that the team members have prior experience working together as a team on other disaster management and public sector engagements. As a result, we work as a balanced, multidisciplinary team to perform a seamless, efficient, and cost-effective engagement.

The cost bid proposal on the next page contains EY's proposed hourly rates for proposed staff levels. The rates offered to the Council as part of this response have been discounted up to 30% off of EY's approved GSA rates which are already at a significant discount from our standard rates.

Should the costs as proposed not meet the Council's expectations, we would be delighted to meet with the Council and gain a further understanding of the anticipated scope and services by staff level and come to an agreement on adjusted rates. We look forward to arriving at a mutually agreeable fee estimate for providing Comprehensive Disaster Recovery, Financial and Grant Management Support, and Pre-Disaster Cost Recovery Planning services to the Council.

The proposed hourly rates below include three additional positions. The additional positions include the following descriptions:

Manager - This position will have a minimum of 5 years of experience and will provide assistance with managing day to day completion of activities.

Senior Consultant - This position will have a minimum of 2 years of experience and will provide day to day support of all activities.

Staff Consultant - This position will provide day to day support of all activities, as needed.

**COST PROPOSAL FORM**

The hourly labor rates shall include all applicable overhead and profit. All non-labor related other than direct costs, including travel and lodging, will be billed to the jurisdictions at cost without mark-up.

<u>POSITIONS</u>	<u>HOURLY RATES</u>
Project Executive	\$ <u>298</u>
Subject Matter Expert	\$ <u>279</u>
Project Manager	\$ <u>298</u>
Project Accountant	\$ <u>253</u>
Senior Closeout Specialist	\$ <u>279</u>
Closeout Specialist	\$ <u>186</u>
Other: <u>Manager</u>	\$ <u>253</u>
Other: <u>Senior Consultant</u>	\$ <u>186</u>
Other: <u>Staff Consultant</u>	\$ <u>133</u>
Other: _____	\$ _____

OTHER REQUIRED POSITIONS

Proposer may include other positions, with hourly rates and attach a job description and required years of experience for each position.

# Appendix A: Resumes

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## Matthew (Matt) Jadacki, CPA, CGFM

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### *Executive Director, Project Manager*

matt.jadacki@ey.com

Matt joined EY after 30 years of public service as a senior executive with the Federal government, with the last 20 years directly related to FEMA and disaster program-related activities. He has managed compliance and performance audits of disaster funds in almost every State and FEMA region. Matt also managed dozens of comprehensive studies of Federal, state and local disaster preparedness programs and assessments of DHS Incident Planning and Catastrophic planning.

Matt has worked on dozens of major disasters including Hurricane Sandy, Hurricane Katrina, the Northridge Earthquake, the Columbia Space Shuttle crash, Midwest floods, and Hurricane Andrew. His reports identified hundreds of millions in ineligible and disallowed expenses and non-compliance with laws and regulations, including significant violations of Federal procurement regulations, internal control weaknesses, and related project accounting issues.

Matt held several senior financial and emergency management positions in the Federal government. He was Chief Financial Officer/Chief Administration Officer for the National Weather Service, a component of the National Oceanic and Atmospheric Administration of the U.S. Department of Commerce. Matt spent 15 years in FEMA in various senior level positions, including Chief Financial Officer and Audit Director for the Office of Inspector General.

#### Experience

- ▶ Program Manager for State of New Jersey risk assessment and integrity monitoring contract.
- ▶ Program Manager for State of Texas compliance evaluation review of disaster related programs.
- ▶ Assisting a large utility in their recovery and mitigation programs in the aftermath of Superstorm Sandy. Additionally, assisting a large medical complex in recovery and mitigation in the aftermath of a devastating tornado.
- ▶ At DHS during Katrina, Matt assisted with overseeing work to ensure that agency internal controls were in place to prevent fraud, waste, and abuse; ensure the IG investigative activities were coordinated with the DoJ's Hurricane Katrina Fraud Task Force; and ensure the IG community was executing its hurricane relief oversight efforts in a coordinated fashion.
- ▶ Matt served as the Chief Financial Officer of FEMA responsible for all FEMA disaster funding (\$8.8 billion) associated with the 9/11 terrorist attacks.

#### Education, certifications, and memberships

- ▶ Certified Public Accountant (CPA)
- ▶ Bachelor of Science in Business Management from the University of Maryland
- ▶ Certified Government Financial Manager (CGFM)
- ▶ Association of Government Accountants





## Bradley (BJ) Nichols, CPA, CFE, CFF

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*Partner, Project Executive*

bradley.nichols@ey.com

Bradley is a Partner in Ernst & Young LLP's Insurance & Federal Claims Services practice. The focus of Bradley's practice is complex insurance claims and federal disaster grant management.

Bradley has assisted clients with the preparation, presentation, and settlement of their claims resulting from catastrophic hurricanes, tornadoes, earthquakes, fires, and floods, as well as product recall and other catastrophes. His experience in the above areas includes states, local governments/authorities, and public and private companies in numerous industries.

In addition, Bradley is a frequent speaker and has published articles on complex business interruption and property damage claims. He also has experience training clients on the requirements of the FEMA Public Assistance Program, 44 CFR, the Stafford Act, and Section 428 of the Sandy Recovery Improvement Act.

### Experience

- ▶ Following federally declared disasters, Bradley has assisted grantees and subrecipients of Federal Emergency Management Agency (FEMA) and Community Development Block Grant Disaster Relief (CDBG-DR) funding with financial, oversight and programmatic areas, including grants management, accounting, insurance, internal controls, program assessments, disaster closeout, documentation requirements, audit resolution, appeals, and a wide range of other services. He has a strong working knowledge of the Stafford Act, relevant section of 44 CFR for FEMA, 24 CFR for CDBG-DR, and 2 CFR part 200 (formerly A-87).
- ▶ Assisting a subrecipient located in New York with all aspects of their financial recovery as a result of Hurricane Sandy including FEMA public assistance, property insurance, the development of hazard mitigation grant (404 and 406) and CDBG-DR funding, and Alternative grant funding assistance.
- ▶ Assisting a grantee with oversight of all federal grant funding following Super Storm Sandy.
- ▶ Assisting a large subrecipient with their HUD CDBG-DR grant payments made to individuals impacted by Superstorm Sandy, Hurricane Irene and Tropical Storm Lee. The work includes assisting with the creation of policies and procedures related to recovering funds associated with overpayments to eligible individuals due to a change in the amount of their grant award and payments made to ineligible individuals and the process to recover the funding.
- ▶ Assisted a large health facility with their FEMA and property claim assembly as a result of an F5 tornado; assisting the applicant with their public assistance, hazard mitigation, and alternate funding identification and assessment.

### Education and certifications

- ▶ Certified Public Accountant (CPA)
- ▶ MBA, Babson College (Summa Cum Laude)
- ▶ BA, Luther College (Cum Laude)
- ▶ Certified Fraud Examiner (CFE)



## Richard (Rick) Skinner

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### *Subject Matter Resource*

richard.skinner@ey.com

Richard is an accomplished leader, with more than 42 years of extensive experience in identifying vulnerabilities in government programs and management support operations and facilitating excellence in government by recommending needed performance and management improvements. He is a subject matter resource on federal, state, and local government and private sector financial management, grants management, acquisition management, and IT management, as well as homeland security, emergency management, inspector general, audit/inspection, and law enforcement matters.

Richard served as the first Senate-confirmed Inspector General of the Department of Homeland Security. He provided oversight of all 30 components within the department, which had more than 130,000 employees and an annual operating budget of \$40 billion dollars. He managed the DHS OIG's annual budget of \$135 million and 670 employees and was responsible for conducting, coordinating, and supervising all audits and inspections of departmental programs and operations, as well as all criminal and civil investigations involving departmental employees; detecting and preventing fraud, waste and abuse; and promoting economy, effectiveness and efficiency within the department. Richard led the DHS OIG community's oversight of the federal government's response to Hurricane Katrina, which exceeded \$100 billion in grants, contracts and loans. In addition, he served as the Vice-Chairman of the Recovery and Transparency Board, which provided oversight of more than \$700 billion in grants, contracts, and loans to state and local governments.

### Experience

- ▶ During his time with the Department of Homeland Security (Hurricane Katrina), Richard oversaw the work to confirm that agency internal controls were in place to prevent fraud, waste, and abuse; confirm the IG investigative activities were coordinated with the Department of Justice's Hurricane Katrina Fraud Task Force; confirm agency stewardship plans for hurricane relief activities were in place and operating as intended; and ensure the IG community was executing its hurricane relief oversight efforts in a coordinated fashion so its resources were utilized efficiently and effectively.
- ▶ Richard was responsible for all FEMA disaster funding (\$8.8 billion) associated with the 9/11 terrorist attacks.
- ▶ With the Department of Homeland Security – FEMA (Hurricane Ike), Richard was responsible for overseeing and conducting real-time reviews and inspections of FEMA's Hurricane Ike response and recovery efforts.
- ▶ Currently, Rick is assisting a large public agency with federal disaster assistance programs, including recovery and mitigation, as a result of Hurricane Sandy.

### Education and certifications

- ▶ Bachelor of Science, Fairmont State College, Fairmont, West Virginia
- ▶ Master of Public Administration, George Washington University, Washington, DC



## Robert (Bob) Lastrico, CGFM, CHS IV

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### *Subject Matter Resource*

robert.lastrico@ey.com

Bob has 38 years of public service with the Federal Government, with 11 years directly related to FEMA and disaster-related activities. He managed compliance and performance audits of disaster funds primarily in the Western United States and Pacific, and in most of FEMA's 10 regional offices.

Bob has worked on dozens of major disasters, including earthquakes, floods, tornados, severe winter storms, and wildfires. As Western District Audit Manager for the Federal Emergency Management Agency (FEMA) Office of Inspector General (OIG) and more recently as the Director, Western Regional Office of Emergency Management Oversight for the Department of Homeland Security (DHS) OIG, Bob issued hundreds of reports identifying hundreds of millions of dollars in ineligible and disallowed expenses and noncompliance with laws and regulations, including significant violations of Federal procurement regulations, internal control weaknesses and project accounting issues. Bob's FEMA experience includes managing audits of FEMA public assistance and hazard mitigation grants, a major program review of FEMA's Public Assistance Program, and several Homeland Security Grant Program and Urban Area Security Initiative audits.

Bob has held several audit positions in the Federal Government, and has spent 26 of his 38 years in leadership positions such as Branch Head, Auditor in Charge, Division Director, District Audit Manager, and Regional Director.

#### Experience

- ▶ Audit Manager, Foxx & Co. CPAs 2012-2013
- ▶ Financial Management Specialist, FEMA Finance Center - WEST, 2011-2012
- ▶ Director, Western Regional Office of Emergency Management Oversight, DHS OIG, 2003-2010
- ▶ Audit Manager, Western District, FEMA OIG, 1999-2003
- ▶ Auditor in Charge, U.S. Department of Transportation OIG, 1996-1999
- ▶ Division Director, Naval Audit Office San Francisco Bay Area, 1987-1996

#### Education and certifications

- ▶ Bachelor of Science (Accounting), San Diego State University
- ▶ Certified Government Financial Manager (CGFM)
- ▶ Level IV Certification in Homeland Security (CHS IV) offered by the American Board for Certification in Homeland Security



## Michael (Mike) Herman

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*Senior Manager, Subject Matter Resource*

michael.herman@ey.com

Prior to his tenure at EY, Michael had more than 20 years of experience working with state, local and Federal emergency management officials and programs. He is the former Legislative and Regulatory Counsel at FEMA and Senior Counsel for the US House of Representatives, Committee on Transportation and Infrastructure, Emergency Management Subcommittee.

### Experience

- ▶ Michael is currently assisting a number of public agencies in New York with the recovery from Hurricane Sandy, including one of the largest applicants for assistance under the Alternative Procedures program.
- ▶ Michael is currently assisting a subrecipient in the Midwest in developing public assistance projects and responding to a DHS OIG audit in the aftermath of a flood.
- ▶ Michael provided advice and support to the Florida Division of Emergency Management, in response to an audit by the Department of Homeland Security Office of Inspector General for a FEMA grant for activities after Hurricane Ivan and successfully responded to all findings in the audit.
- ▶ Michael served as the Senior Counsel for the United States House of Representatives, Committee on Transportation and Infrastructure - Emergency Management Subcommittee, where he drafted legislation, provided oversight and conducted investigations of FEMA's programs including the Public Assistance program, the Individual Assistance program, and the Hazard Mitigation Grant Program.
- ▶ Michael conducted oversight and investigations of FEMA programs and plans including an investigation and assessment of the National Response Framework which resulted in a Congressional hearing where he served as Counsel.
- ▶ Michael led the Legislative Regulatory and Policy Team in FEMA's Office of General Counsel, and also provided legal counsel to senior program officials, including FEMA's disaster, mitigation and flood insurance programs, Urban Search and Rescue Program (US&R) and the Disaster Declaration Unit.
- ▶ Earlier in his career, Michael served as the Policy Advisor and Special Assistant for Emergency Management to the Governor of New Jersey, where he provided advice and guidance to the Governor and other senior state officials on emergency management and disaster programs and presided over emergency exercises for the State's nuclear power facilities.

### Education and certifications

- ▶ Bachelor of Arts in Political Science, Rutgers University
- ▶ Master of Arts in Political Science/Public Policy, Rutgers University
- ▶ Juris Doctorate, Rutgers University School of Law



## Diane Donley

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### *Subject Matter Resource*

diane.donley@ey.com

Diane has a substantial amount of experience in providing policy and programmatic guidance to FEMA. She has worked on disasters across the country including pre-deploying to disasters with the FEMA ERT-N (now Incident Management Assistance Teams (IMAT)). During her time at FEMA, she was the Senior Attorney providing advice on the Individual Assistance program for over four years. She played a key role in the development of the Individual Assistance program regulations and policies including those for Other Needs Assistance. As the Deputy Chief of Staff for Legal Policy in the Office of Chief Counsel, Diane also directed a team and prepared and edited the first-ever Disaster Operations Legal Reference (“DOLR”), a 600-page compendium used by field-deployed attorneys, those in the FEMA regional offices and at FEMA headquarters. The DOLR's purpose is to assist all FEMA employees, including senior-level officials, in operating at a disaster or emergency by providing detailed legal information about the laws, regulations and policies governing FEMA's actions, including the Public Assistance program and the Hazard Mitigation Grant Program. As a part of this process, she drafted provisions on Direct Administrative Costs (DAC) and Management Costs and is thoroughly knowledgeable on DAC procedures and Category Z Project Worksheets. She also oversaw the reconciliation of the chapter on Public Assistance.

#### Experience

- ▶ Her prior experience includes acting as the Deputy Associate Chief Counsel for Protection and National Preparedness (PNP) in the Office of Chief Counsel at FEMA where she was in charge of legal matters related to the Department of Homeland Security's annual \$1 billion-\$2 billion preparedness grants.
- ▶ Diane's experience also includes being the lead attorney as a member of one of two national emergency response teams deployed to Louisiana for Hurricane Katrina. She has extensive experience and knowledge providing legal advice to senior-level officials during a disaster, including the initiation of the Public Assistance program during Hurricane Katrina.

#### Education and certifications

- ▶ J.D., Catholic University, Columbus School of Law
- ▶ Master of Urban and Regional Planning, George Washington University
- ▶ B.A. in History, Wellesley College



## Kenneth (Ken) Mallette

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*Senior Manager, Subject Matter Resource*

ken.mallette@ey.com

Ken is a Senior Manager in Ernst & Young LLP's Insurance & Federal Claims Services practice. Ken assists and advises clients on issues related to disaster preparedness, response, and recovery services.

### Experience

- ▶ Ken is a former Executive Director of the Maryland Emergency Management Agency. In this role he formed close working relationships with local, state, regional, federal and private sector stakeholders and collaborated on issues relating to emergency preparedness and the protection of our homeland. Ken served on the Governor's Emergency Management Advisory Council (GMAC), which provides strategic guidance on public safety policy issues for the State of Maryland.
- ▶ Ken held roles as Chairperson for the Maryland State Emergency Response Commission (SERC), UASI National Capital Region (NCR) Senior Policy Group member, National Emergency Management Association (NEMA) Cyber Security Committee Co-Chairman, Governor's Authorized Representative (GAR) and State Coordinating Officer for federally declared disasters.
- ▶ Ken was a member of the National Homeland Security Consortium. He represented NEMA on the national SAFECOMM committee and co-chaired the Response of Recovery Committee for NEMA. Finally, Ken was a member of the FEMA Region III Regional Advisory Council and executive board member of the All Hazards Consortium.
- ▶ He was assigned as the Governor's State Coordinating Officer for six federally declared disasters including Super Storm Sandy. He was asked by Governor O'Malley to coordinate Maryland's response to the Ebola outbreak in 2014. Ken retired as a Captain from the NJ State Police after 25 years of dedicated service.

### Education and certifications

- ▶ JFK School of Public Policy and Public Health, Harvard University
- ▶ Naval Post Graduate School, Monterey, CA
- ▶ FBI National Academy, 213<sup>th</sup> class
- ▶ Seton Hall University, MA
- ▶ Benedictine College, BA



## Ruth Ritzema, CFE

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*Senior Manager, Subject Matter Resource*

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Ruth is a Senior Manager in Ernst & Young LLP's Insurance & Federal Claims Services practice. She has over 26 years of experience in directing enforcement efforts combating fraud, waste, abuse and corruption in government programs. Prior to joining EY, she served as the Assistant Inspector General for Investigations at the U.S. Department of Housing and Urban Development (HUD), where she oversaw more than 3,000 criminal and civil cases that involved up to multi-billion dollar frauds in areas such as mortgage fraud, public corruption, bid-rigging, product substitution, internal affairs, equity skimming, bank fraud and disaster assistance-related fraud.

Ruth has worked with the U.S. Congress and Department of Justice on legislative remedies to reduce fraud, resulting in changes in seven statutes and the creation of a new statute, 18 USC 1040, focused on disaster frauds. She has testified before Congress on various topics regarding internal controls and protecting disaster funds.

Previously, Ruth served as HUD's Acting Assistant Inspector General for the Office of Management and Policy. In this role, she was responsible for planning, overseeing and implementing management activities for the 750 employees of the OIG and managing a \$125 million annual budget. Ruth was also the Deputy Assistant Inspector General for all field operations for the Investigations Division and Special Agent in Charge of HUD's New York/New Jersey regional office for nine years.

Before joining HUD, Ruth had a 10-year career as a Special Agent with the U.S. Internal Revenue Service. She also served as a Counterintelligence Agent in the U.S. Army, Reserves and National Guard.

### Experience

- ▶ Coordinated and provided guidance on numerous HUD Community Development Block Grant Fund (CDBG) projects involving disaster relief; including the World Trade Center after 9/11, Gulf Coast State Hurricanes, California wild fires, Midwest floods, and Sandy affected States.
- ▶ Oversaw hundreds of investigations involving fraud, waste and abuse on matters involving CDBG-DR.
- ▶ Provided technical assistance to Grantees in developing internal controls in the aftermath of Hurricane Sandy.
- ▶ Testified to the US Congress on lessons learned after 9/11 regarding fraud, waste and abuse of the disaster fraud programs.
- ▶ Testified to the US Sentencing Commission regarding fraud vulnerabilities and laws related to government disaster funding.
- ▶ Provided training to monitors, government entities, law enforcement and others on how to identify fraud, waste and abuse in government disaster funding.

### Education and certifications

- ▶ Fellowship in Public Policy, Harvard University, JFK School of Public Policy
- ▶ Master of Public Administration, Inspection and Oversight, John Jay College, City University of New York



## Marisa Wiethe, CFE

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*Senior Manager, Senior Closeout Specialist*

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Marisa is a Senior Manager in EY's Insurance and Federal Claims Services practice. The focus of Marisa's practice is complex insurance claims and federal disaster grant management.

Marisa has assisted clients with their FEMA public assistance, including 406 and 404 funding, and Community Development Block Grant Disaster funding and the preparation, presentation, and settlement of property damage and business interruption insurance claims.

### Experience

- ▶ Assisted a subrecipient located in New York with all aspects of their financial recovery as a result of Hurricane Sandy, including FEMA public assistance, property insurance, the development of hazard mitigation grant (404 and 406) and CDBG-DR funding, and Alternative grant funding assistance.
- ▶ Assisted a large health facility with their FEMA and property claim assembly as a result of an F5 tornado; assisting the applicant with their public assistance, hazard mitigation, and alternate funding identification and assessment.
- ▶ Assisted a large subrecipient with their HUD CDBG-DR grant payments made to individuals impacted by Superstorm Sandy, Hurricane Irene and Tropical Storm Lee. The work includes assisting with the creation of policies and procedures related to recovering funds associated with overpayments to eligible individuals due to a change in the amount of their grant award and payments made to ineligible individuals and the process to recover the funding.

### Education and certifications

- ▶ Bachelor of Science in Accounting and Marketing, Cum Laude, Wheeling Jesuit University
- ▶ Master of Accounting, Miami University's Farmer School of Business
- ▶ Certified Fraud Examiner (CFE)





## Margaret Larson

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### *Manager*

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Margaret is a Manager in Ernst & Young LLP's Insurance & Federal Claims Services practice. She brings over 15 years of emergency management experience, including service at both the federal and state levels. She served as a program director for consulting in the private sector where she provided technical expertise in emergency, crisis management and public safety including preparedness, response, recovery and mitigation. Her responsibilities included developing and implementing strategic plans to support the needs of clients in the non-profit, private, federal, state and local government sectors.

Before entering the private sector, Margaret worked for Feeding America, the nation's largest hunger relief organization, where she was responsible for coordinating the nation-wide preparedness, response and recovery activities for the national non-profit and its 200 member food banks. Her role included developing training and exercises, business continuity planning, disaster response and recovery, technical assistance and information sharing to support the food bank network.

Prior to holding this position, Larson was named the Washington, D.C. Director for the State of Illinois. She began working for the State of Illinois as the Director of the Washington Office of the Homeland Security Market Development Bureau of the Illinois Department of Commerce and Economic Development.

Margaret served in a variety of senior positions at FEMA including Executive Officer of the Response Division, Special Assistant to the Deputy Director, and prior to that, served in the Office of Congressional and Legislative Affairs.

### Experience

- ▶ Assisted numerous food banks in the State of California with their disaster programs, including the Santa Barbara Food Bank following the 2009 Jesusita Fire, and the Community Food Bank of the Central Valley based in Fresno as part of drought assistance.
- ▶ Responsible for the Bureau of the Illinois Department of Commerce and Economic Development's outreach and activities with the private sector in the Washington metropolitan area, national associations, federal agencies and Congress.
- ▶ In the Office of Congressional and Legislative Affairs she handled domestic preparedness, national security and defense related programs, the U.S Fire Administration and all preparedness, training and exercise programs.
- ▶ Worked as a legislative assistant to Senator Sam Nunn from 1991-1996.

### Education and certifications

- ▶ B.A. in Political Science and History, Newcomb College of Tulane University



## Elizabeth Filipek, CPA, CFE

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### *Manager, Project Accountant*

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Elizabeth is a Manager in EY's Insurance & Federal Claims Services (IFCS) practice. The focus of Elizabeth's practice is complex insurance claims and dispute-related services. She has experience in forensic accounting investigations in addition to fraud, risk, and compliance assessments.

Over the past several years she has assisted grantees and subrecipients of Community Development Block Grant Disaster Relief (CDBG-DR) and Federal Emergency Management Agency (FEMA) grant funding, including recipients of Homeland Security Grant Program (HSGP) funding.

#### Experience

- ▶ Developed and administered an objective statewide, comprehensive, third-party risk assessment and gap analysis of preparedness and response capabilities on behalf of a State Division of Emergency Management. The assessment provided the state with a tool to make critical funding decisions regarding prioritization of projects to address gaps, vulnerabilities, and emerging threats throughout the state.
- ▶ Conducted risk assessments on behalf of a State Department of Treasury with the specific focus of preventing fraud, waste and abuse of federal grant funding. The risk assessments were used to aid integrity monitors appointed to oversee contract procurement of outside agencies with their monitoring and oversight activities.
- ▶ Assisted clients in a variety of industries through their disaster recovery and management of the insurance claim process. Her recent experience includes assisting clients with some of the largest insurable and public assistance losses resulting from Superstorm Sandy and Hurricane Katrina.

#### Education and certifications

- ▶ Bachelor of Business Administration in Accountancy, University of Notre Dame
- ▶ Master of Science in Accountancy, University of Notre Dame
- ▶ Certified Public Accountant (CPA)
- ▶ Certified Fraud Examiner (CFE)

# Kara Gagliardo, CPA

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## *Senior Consultant, Closeout Specialist*

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Kara is a Senior in EY's Insurance and Federal Claims Services practice. The focus of Kara's practice is complex insurance claims and federal disaster grant management.

Kara has assisted clients with their FEMA public assistance, including 406 and 404 funding, and Community Development Block Grant Disaster funding, and the preparation, presentation, and settlement of property damage, extra expense, and business interruption insurance claims. Specifically, she has provided claim assistance in the utilities, manufacturing, and financial services industries.

### Experience

- ▶ Assisted a subrecipient located in New York with all aspects of their financial recovery as a result of Hurricane Sandy, including FEMA public assistance, property insurance, the development of hazard mitigation grant (404 and 406) and CDBG-DR funding, and Alternative grant funding assistance.
- ▶ Assisted a specialty packing company in the preparation of its business interruption, extra expense and property damage insurance claim after a flood severely damaged one of its key manufacturing facilities.
- ▶ Assisted in the preparation of two insurance claims resulting from Hurricane Sandy. The two claims included a property claim of \$40MM and a financial instrument claim of \$25MM.

### Education and certifications

- ▶ Master of Science in Forensic Accounting, University at Albany
- ▶ Bachelor of Science in Accounting, Summa Cum Laude, University at Albany
- ▶ Certified Public Accountant (CPA)

# Brenna Seredinsky, CPA, CFE

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## *Senior Consultant, Closeout Specialist*

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Brenna is a Senior in Ernst & Young's Insurance and Federal Claims Service Practice with experience in a variety of areas, including power and utilities, financial services, and healthcare.

Brenna has experience managing both interns and staff and working under strict deadlines for high visibility clients. Since Brenna joined Ernst & Young, she has worked on a variety of different projects across multiple and diverse industries.

Brenna has assisted clients with their FEMA Public Assistance, including 406 and 404 funding, Community Development Block Grant Disaster funding and the preparation, presentation, and settlement of property insurance claims.

### Experience

- ▶ Assisted a large subrecipient located in New York with all aspects of their financial recovery as a result of Hurricane Sandy, including FEMA public assistance, property insurance, the development of hazard mitigation grant (404 and 406) and CDBG-DR funding, and Alternative grant funding assistance. This entailed work paper and spreadsheet development, examination of supporting documentation for subrecipient expenditures, and determination of appropriate costs for Project Worksheets (PWs). Brenna was instrumental in driving the process of securing funding for the subrecipient for costs incurred related to emergency protective measures.
- ▶ Assisted in preparing a Public Assistance Grant summary for an A-133 award analysis for a non-profit healthcare organization damaged by severe weather in 2011. Analysis included a review of Project Worksheet award amounts.
- ▶ Assisted in the preparation and quality control of large insurance claims for a US post-trade financial services company, a US automotive company, an international mining organization, and an international consumer products company.

### Education and certifications

- ▶ B.S.B.A. Accounting - West Virginia University
- ▶ Certified Public Accountant (CPA)
- ▶ Certified Fraud Examiner (CFE)

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