



Office of State Budget & Management – Disaster Recovery Section

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Setting Up A Long-Term Disaster Recovery Program

**N.C. Emergency Management Association-Spring Conference
March 28, 2023
(Break Out Session)**

Presenters: Durwin Jones, Director & General Counsel
Kristin Moyle, Assistant Director
John Donachie, Operations Manager (Raleigh Office)

Outline-Setting Up A Long-Term Disaster Recovery Program:

- ❖ History of OSBM-DR Managed Disaster Recovery Programs
- ❖ Identifying Unmet Needs
- ❖ Use of the SERDRF
- ❖ Use of Damage Assessments
- ❖ Types of State Disaster Recovery Legislation
- ❖ Capabilities and Capacities
- ❖ Collaboration with Partners
- ❖ Triaging Applications and Projects
- ❖ Grant Management
- ❖ Accounting & Auditing

What is OSBM – DR?

The Disaster Recovery Section of the N.C. Office of State Budget & Management - (OSBM-DR) was established in August 2018 to provide program and grant management support to N.C. Emergency Management for implementing State Disaster Recovery Acts for Hurricane Matthew and, in September, Hurricane Florence. The OSBM-DR team currently consists of 14 employees specializing in project management, construction, planning, legal, and finance.

What has OSBM-DR done and is doing?

- ❖ OSBM-DR manages over \$192 million in state funds and has assisted nearly 2,000 families.
- ❖ OSBM-DR serves mostly low- to moderate-income homeowners focusing on those living in unsafe, unsanitary housing that presents urgent safety or health risk.
- ❖ OSBM-DR goals are designed to process applications and deliver projects as quickly as possible in compliance with applicable laws and fund management policies.

Disaster Category	Homes* Completed	Homes 80% Complete	Homes In Process	Total Homes
Matthew DRA Projects	164	3	6	173
Florence DRA Projects	741	4	2	747
Hurricane Dorian Projects	13	0	0	13
Earthquake DRA Projects	299	35	38	351
TS Fred DRA Projects	369	0	331	700
Total DRA Projects	1586	42	377	1998

History of OSBM-DR Managed Disaster Recovery Programs

Projects Update as of March 3, 2023

DISASTER CATERGORY	ALLOCATION	TOTAL PAYMENTS	OBLIGATED	UNSPENT BALANCE	% EXPENSED	% OBLIGATED	% UNSPENT	% EXPENSED & OBLIGATED
MATTHEW DRA PROJECTS	\$27,200,000.00	\$20,090,123.55	\$4,167,298.42	\$2,942,578.03	73.86%	15.32%	10.82%	89.18%*
2021-180 DIRECTED GRANTS	\$40,350,000.00	\$26,092,295.64	\$14,257,704.36	\$0.00	64.66%	35.34%	0.00%	100%
FLORENCE DRA PROJECTS	\$23,000,000.00	\$18,602,269.36	\$2,079,073.64	\$2,318,657.00	80.88%	9.04%	10.08%	89.92%*
2019-224 DIRECTED GRANTS	\$28,168,000.00	\$21,177,141.19	\$6,990,858.81	\$0.00	75.18%	24.82%	0.00%	100%
HURRICANE DORIAN PROJECTS	\$1,029,173.60	\$923,860.83	\$105,312.77	\$0.00	89.77%	10.23%	0.00%	100%
EARTHQUAKE DRA PROJECTS	\$24,000,000.00	\$18,941,004.19	\$4,872,797.81	\$186,198.00	78.92%	20.30%	0.78%	99.12%
FRED DRA PROJECTS	\$49,000,000.00	\$18,675,944.78	\$13,314,798.75	\$17,009,256.47	38.11%	27.17%	34.71%	65.28%
TOTAL	\$192,747,173.60	\$124,502,639.54	\$45,787,844.56	\$22,456,689.50	64.59%	23.76%	11.65%	88.35%

*OSBM-Dr and DPS are in process of reconciling Hurricane Matthew (was 98%) and Hurricane Florence (was 93%) Fund Accounts.

History of OSBM-DR Managed Disaster Recovery Programs



Directed Disaster Recovery, Mitigation & Resiliency Grants Update as of March 27, 2023

Session Law 2019-224 Grants

Recipient	Allocation	Paid to Date	Balance
Town of Fair Bluff (Various Disaster Projects including New Uptown Commercial Building)	\$6,000,000	\$3,684,306.09	\$2,315,693.91
Town of Princeville (Various Disaster Projects including infrastructure at 53-acre site)	\$6,000,000	\$3,684,306.09	\$2,315,693.91
Town of Mount Olive (Wastewater Treatment Plant Repairs and Renovation)	\$5,500,000	\$5,431,957.06	\$68,042.94
Sampson County (New Emergency Management Center)	\$3,500,000	\$3,500,000	\$0
Carteret County (Bogue Sound Land Acquisition for Conservation Project)	\$3,300,000	\$3,300,000	\$0
City of Greensboro (Tornado Recovery)	\$1,000,000	\$417,945.25	\$582,054.75
Town of Elm City (Various Disaster Recovery Projects)	\$1,000,000	\$1,000,000	\$0
Jones County (Courthouse Repairs)	\$500,000	\$500,000	\$0
Pender County (Courthouse Repairs)	\$500,000	\$500,000	\$0
Bladen County Dike/Dam (Engineering and Planning for Kelly Dike Repairs)	\$300,000	\$266,704	\$33,296
Town of Bladenboro (Demolition of Town Owned Buildings)	\$200,000	\$175,045	\$24,955
Town of Morehead City (Dredging)	\$68,000	\$68,000	\$0
Subtotal (SL2019-224 Grants)	\$27,868,000	\$22,528,263.49	\$5,339,736.51

Session Law 2021-180 Grants

Recipient	Allocation	Paid to Date	Balance
Golden LEAF Foundation	\$25,000,000	\$25,000,000	\$0
NC Insurance Underwriting Agency (Program for Roof Repairs)	\$7,000,000	\$19,786.00	\$6,980,214.00
NC Association of Regional Councils of Government (Program for Disaster Recovery Capacity Building)	\$6,000,000.00	\$229,551.35	\$5,770,448.65
Habitat for Humanity of NC : Home Repairs	\$2,000,000	\$1,057,128.06	\$942,871.94
Wayne American Legion VFW Post#011 (Facility Repairs and Improvements)	\$350,000	\$57,059.00	\$292,941.00
Subtotal (SL2021-180 Grants)	\$40,350,000	\$26,363,524.00	\$13,986,476.00
TOTAL NCGA DIRECTED GRANTS	\$68,218,000	\$48,891,787.49	\$19,326,212.51

STATUS OF HURRICANES MATTHEW AND FLORENCE RECOVERY PROGRAMS:

- The State’s hurricane recovery programs assist families whose residential projects do not qualify for federal funds under FEMA HMGP or HUD CDBG-DR programs.
- In April 2019, the State Hurricane Florence Program used funds for “Critical and Pressing Need” projects that focused on families living in unsafe housing, or families whose FEMA temporary housing in travel trailers or MHUs ended. This Program was set a year before the federal HUD CDBG-DR Hurricane Florence Grant was set up in June 2020, and had completed more than 300 projects by Dec. 2020.
- 922 Residential Projects have been Completed to date in both Programs.
- 1039 applicants applied to these Programs.
- 89.5% of applicants approved (929 out of 1039).
- 99.25% of approved applicants fully or partially funded (922 out of 929).
 - 7 Active Projects to close within 60 days.
- Projects were completed in 20 counties.



WESTERN NC EARTHQUAKE RECOVERY STATUS

Earthquake Recovery Program: Four (4) counties designated for assistance:

Alleghany
Surry
Wilkes
Ashe

OSBM-DR provided grants to government and nonprofit agencies:

Alleghany County
Alleghany County Schools
Alleghany JAMS
Surry County
Town of Sparta
Town of Elkin
VFW

- \$24 million legislative appropriation for recovery program
- 82% of eligible projects have been fully funded or received partial/scheduled payment (308 out of 378 applications)
- 279 Complete Projects – full payment made
 - 266 Alleghany County
 - 3 Ashe County
 - 7 Surry County
 - 3 Wilkes County

EQ Project Examples



EQ Project Examples



EQ Completed Projects



Tropical Storm Fred Recovery Update

Tropical Storm Fred

August 2021



- ★ Haywood Co. Historic Courthouse, M-F 9:00 a.m. – 5:00 p.m.
215 N. Main Street Waynesville, NC 28786
- ▲ Yancey Co. Emergency Management, open twice a month, please call our office for dates
15 East Blvd Burnsville, NC 28714
- McDowell Co. Emergency Services, open twice a month, please call our office for dates
129 Barnes Rd Marion, NC 28752

Tropical Storm Fred Project Examples



Tropical Storm Fred Recovery Update

As of March 16, 2023

Applications Received: 831 (705 eligible)

Projects Completed: 374

Active Projects: 331

TS Fred



TS Fred



OSBM DR Tropical Storm Fred Recovery Program Overview



Tropical Storm Fred Stats

	Approved	Completed	In Review	Intake - Awaiting Docs	Submitted	Duplicate	Ineligible	Withdrawn	Grand Total
Avery	-	-	-	-	-	-	1	1	2
Buncombe	15	65	11	21	-	6	7	3	128
Haywood	62	138	30	51	2	1	38	35	357
Henderson	1	3	-	-	-	-	-	-	4
Madison	8	22	5	9	-	3	3	-	50
McDowell	5	42	20	7	-	3	4	2	83
Mitchell	2	-	2	2	-	-	1	-	7
Rutherford	1	-	1	1	-	-	-	-	3
Transylvania	2	24	4	3	-	-	2	-	35
Watauga	-	4	-	-	-	-	-	-	4
Yancey	15	76	13	37	1	6	4	6	158
Total	111	374	86	131	3	19	60	47	831





Tropical Storm Fred Project Examples



Tropical Storm Fred Project Examples



Tropical Storm Fred Project Examples



Tropical Storm Fred Project Examples



Tropical Storm Fred Project Examples



LESSONS LEARNED

1. There is no “one size fits all” long-term recovery program and the recovery program should be customized to address the needs of the impacted communities.
2. Pre-planning will save time on implementing short-term and long-term recovery programs.
 - NCEM has published the 2020 North Carolina Disaster Recovery Framework and units of local government should use it in developing their recovery plans and they should customize their plans to meet the needs of their communities taking into account past disasters, recovery experiences, and known hazardous areas.
 - Pre-planning may include considerations of the OSBM-DR’s lessons learned in this presentation, but these lessons learned should be considered as a supplement to the disaster recovery guides, manuals, toolkits, publications, webinars provided by FEMA, HUD, NCEM, and VOADs.
3. Successfully implementation of long-term recovery programs will be dependent on collaboration, coordination, communication, capability, and capacity.



Identifying and Defining Unmet Recovery Needs & Role of Damage Assessments and State Appropriations for Disaster Recovery

Damage Assessments - The Scope of Long-Term Disaster Recovery Programs are Determined by the Preliminary Damage Assessments that Are Provided to the Governor, through NCEM, for Making the Disaster Declaration and Classification of the Disaster under the Emergency Management Act in Section 19.21(b) (1) – (3) of Chapter 166A of the N.C. General Statutes (Types I (e.g., Sparta Earthquake), II, and III (Hurricanes Matthew and Florence)).

Budget & Legislation Preparation - OSBM usually receives a N.C. Department of Public Safety (DPS) preliminary damage assessment as a starting point to provide financial management support. OSBM then begins to identify potential sources of funds to pay for disaster recovery, and OSBM prepares budget requests, and/or proposed legislation to the N.C. General Assembly (NCGA) or federal government/Congress to address unmet recovery needs.

Lesson Learned – The Long-Term Recovery Programs authorized by the General Assembly are limited to the “unmet” recovery needs that were identified by the units of local government and State agencies. The failure to identify unmet needs during the preliminary damage assessment phase usually delays the recovery efforts for those needs because subsequent legislative action is usually required to amend the original recovery act or appropriations absent flexibility to the implement state agency on establishing the recovery programs (e.g., Earthquake Recovery (flexible) versus Tropical Storm Fred (restrictive)). The capacity, capability, and pre-planning of the local units of government play important roles in this process by first identifying the recovery needs and collaboration and communication must occur between the local government and state agencies to avoid delaying recovery efforts.

Use of State Emergency Response & Disaster Recovery Fund (SERDRF)

§ 166A-19.42. **State Emergency Response and Disaster Relief Fund.** ... (b) Use of Funds. – The Governor may spend funds from the Fund for the following purposes:

(3) **To provide relief and assistance in accordance with G.S. 166A-19.41 from the effects of an emergency.**

The Type of Disaster will determine the authorized uses of SERDRF in G.S. Sec. 166A-19.41 and the Governor, through OSBM, is responsible for disbursements of these funds.

Lessons Learned – OSBM-DR will typically deploy SERDRF funds prior to the General Assembly passing a recovery act or appropriation subject to the Disaster Type. The primary uses of SERDRF with respect to long-term disaster recovery efforts have been to provide: short term housing options; procurement of travel trailers for local governments in the impacted areas; procurement of manufactured housing units or modular homes; engineering services, damage assessments that are not typically done by NCEM and FEMA (e.g., Tropical Storm Fred-engineering firms were used to identify and prioritize private roads or bridge projects); and any other immediate recovery needs not covered by FEMA Public Assistance Program. The deployment of these funds to local units of government have been through grants or through OSBM-DR procurements.

The successful and rapid deployment of SERDRF is dependent on communication, collaboration, coordination, capacity, and capability.

Recovery Programs, Recovery Projects, and Recovery Legislation

- ❖ “Recovery Programs” are typically defined by the enabling legislation and/or budget appropriations. A state agency is usually designated to receive the appropriations and it is directed to use funds for specific purposes or make allocations to specific entities.
 - The major federal recovery programs are HUD Community Development Block Grant-Disaster Recovery Program; FEMA Public Assistance, Individual Assistance, Hazard Mitigation, and Building Resilient Infrastructure and Communities (BRIC) Competitive Grant Programs.
 - State Recovery Programs are usually described by the types of projects the appropriated funds may be used for in the specified counties (e.g., Hurricane Matthew for reconstructions, buyouts, elevations not covered by FEMA HMGP, or Tropical Storm Fred-private roads and bridges). Absent legislative language to the contrary, the implementing state agency usually has broad discretion in how to implement DRA programs.
- ❖ “Recovery Projects” are the construction projects, temporary housing, or other legislative recovery goal to be accomplished by a recovery program.
- ❖ Disaster Recovery Legislation may come in the form of recovery acts, budget appropriations/special provisions, or directed grants for disaster recovery.

Communication, Collaboration, Coordination, Capability & Capacity

There is no one size fits all approach to setting up long-term disaster recovery programs and directed grants at the local government level or county level. OSBM-DR has customized its grants to during initial set-up or while in progress.

OSBM-DR has worked with its partners to set up the following types of recovery programs and directed grants:

- **State-Centric Delivery** is when the municipality and/or county has requested OSBM-DR to be primarily responsible for all project delivery, grant management, and accounting. This usually occurs when the unit of local government does not have staff or experienced staff to deliver the recovery projects from start to finish including procurement and accounting.
- **Unit of Local Government (ULG) Centric Delivery**-ULG has the staff and experience in managing recovery programs and can manage projects from start to finish, and have the financial ability to pay for projects and seek reimbursements.
- **ULG-Contractor/VOAD/Long-Term Recovery Group Delivery (LTRG)**-ULG chooses to implement the recovery program through a consultant, contractor, VOAD, and/or LTRG, which is responsible for delivering the projects including application intake, case management, temporary housing, procurement, construction, and accounting services for the ULG.
- **Hybrid-State/ULG Delivery** is when OSBM-DR and ULG (or ULG's delegated manager-VOAD or LTRG) develop and implement a plan that allocations task, responsibilities, management and financing to deliver the recovery projects. OSBM-DR has done a wide-range of hybrid programs, projects, and directed grant projects using a hybrid method of delivery.

Communication, Collaboration, Coordination, Capability & Capacity

- ❖ **The success in implementing any long-term recovery program is first dependent on communication, collaboration, and coordination.**
- ❖ **No Entity Can Do It Alone!**
- ❖ The recovery programs and directed grants that have progressed the fastest with fewest problems have been the grants where OSBM-DR and its partners had open communications, collaborated on how to address the recovery needs and project delivery (i.e., who was going to manage the programs and project delivery), and coordination on the execution of the programs and project delivery from start to finish (application intake, eligibility determination (including duplication of benefits) procurement, engineering, construction management, grant management, accounting, and auditing (if required or requested)).
- ❖ You know your communities better than we do, which is why OSBM-DR makes every effort to communicate, collaborate, and coordinate with the impacted units of local government. Otherwise, recovery efforts will be delayed because it will take more time for OSBM-DR to gather the information, conduct site visits, make contact with local resources, and obtain data through FEMA.

Within the first 3 months of setting up a long-term recovery program, OSBM-DR will work with the ULGs in trying to accomplish the following objectives:

- a. Meet with counties identified in the State or federal disaster declaration:
 - i. If OSBM-DR is limited housing recovery, we will start with IA designated counties followed by PA counties (Lesson Learned from TS Fred-the implementing agency should make preliminary contact with all impacted counties within the first two weeks, because the PA designated counties may have significant housing damage that may not have been included in the preliminary State and FEMA damage assessments).
 - ii. If housing and public buildings, like EQ recovery, we will try to meet with all IA and PA counties starting with the most impacted county.
 - iii. We will work NCEM and FEMA on executing a FEMA Information Sharing Access Agreement to get access to limited FEMA registration data.
 - iv. OSBM-DR tries to have an open and honest conversation about the ULG's capacity and capabilities of administrating the recovery program, ability to deliver the recovery projects including contract administration and construction management, and financial ability to fund the projects.
 - v. The end goal is to develop a clear scope of work for the program and/or grant agreement with a proposed budget for the program(s)/grant(s).
- b. Meet with municipalities in the most impacted counties starting with most impacted municipalities.
- c. Meet with counties adjacent to most impacted counties.

Communication, Collaboration, Coordination, Capability & Capacity

- d. Identify possible locations for offices in most impacted counties.
- e. Set up a webpage with contact information and application forms.
- f. Determine staffing needs for office to implement the recovery program, if counties do not have staff capacity.
- g. Set up meeting with local VOADs, nonprofits, local builders, and/or MHU/modular home suppliers.
- h. Check local MLS listings for home for sale, apartments to rent to explore short term housing options or land available for purchase to relocate homes.
- i. Set up community meetings after General Assembly passed a recovery act or appropriation.

OSBM-DR encourages ULGs and/or grantees to provide an accurate and honest assessment of the grantee's capacity and capabilities or lack thereof **during the negotiation of the grant award's scope of work**. An honest assessment allows the parties to include in the grant's scope of work provisions that will allow the UGL and grantee to build capacity and capabilities, if that is a desired recovery goal desired, and it allows parties to develop a program and grant agreement using a hybrid approach to make sure the recovery program can be set up quickly, logistics are properly assigned, and to make sure the UGL/grantee can meet all the legislative and administrative requires applicable to the use of State funds.

WARNING: The grants and recovery programs that have been the slowest to launch, slowest to progress, and have created more financial and accounting issues have been: grantees that did not have capacity and capability; grantees that did not know how manage the work of their consultants and contractors (i.e., ULG has a fire and forget mindset); grantees mistakenly assuming that the state agency is responsible for policing the grantee's contractors or that the State agency will performing the grantee's accounting and reporting; grantees that want administrative/management costs but don't submit budgets on how it will use such funds or grantees that have received administrative/management costs but use those funds for other purposes; grantees who request frequent amendments to programs and projects; grantees that have some level of mistrust with administrating State agency (real or imaginary); or any other issue, problem, or conflict that hinders communication, collaboration, and coordination prior to program set up or during program delivery/project implementation.

TRIAGE OF APPLICATIONS

SL 2021-180 Provisions

1. “[NC Emergency Management] shall develop criteria and an application process to select private roads and bridges eligible for repair or replacement consistent with this subsection.”
2. “[NC Emergency Management] shall prioritize applications for the repair and replacement of private roads or bridges that provide the sole option for ingress and egress for (i) emergency services to a residential property that is occupied by the owner for more than six months of the calendar year, (ii) multiple residential homes, or (iii) recreation or commercial facilities.”
3. “The Governor shall also ensure that funds allocated in this section are expended in a manner that does not adversely affect any person's or entity's eligibility for federal funds that are made available, or that are anticipated to be made available, as a result of natural disasters. The Governor shall also, to the extent practicable, avoid using State funds to cover costs that will be, or likely will be, covered by federal funds.”

TRIAGE OF BRC APPLICATIONS

1. Emergency/Highest Priority
 - a. Non-operational, completely destroyed bridge/road/culvert providing sole option for ingress and egress for:
 - i. emergency services to a residential property that is occupied by the owner for more than six months of the calendar year;
 - ii. multiple residential homes;
 - iii. recreation or commercial facilities.
 - b. Non-operational, severely destroyed bridge/road/culvert providing sole option for ingress and egress for:
 - i. emergency services to a residential property that is occupied by the owner for more than six months of the calendar year;
 - ii. multiple residential homes;
 - iii. recreation or commercial facilities.
2. Priority
 - a. Operational, but only for pedestrian use, bridge/road/culvert providing sole option for ingress and egress for:
 - i. emergency services to a residential property that is occupied by the owner for more than six months of the calendar year;
 - ii. multiple residential homes;
 - iii. recreation or commercial facilities.
 - a. Operational, with major damage, bridge/road/culvert providing sole option for ingress and egress for:
 - i. emergency services to a residential property that is occupied by the owner for more than six months of the calendar year;
 - ii. multiple residential homes;
 - iii. recreation or commercial facilities.
3. Lower Priority
 - a. Operational, with minor damage, bridge/road/culvert providing sole option for ingress and egress for:
 - i. emergency services to a residential property that is occupied by the owner for more than six months of the calendar year;
 - ii. multiple residential homes;
 - iii. recreation or commercial facilities.
 - b. All other bridges/roads/culverts.

BRC Triage



BRC Triage



TRIAGE OF HOME CONSTRUCTION APPLICATIONS

SL 2021-180 Provisions

1. \$20,000,000 for home reconstructions that are not eligible for federal assistance through the Hazard Mitigation Grant Program.
2. The Governor shall also ensure that funds allocated in this section are expended in a manner that does not adversely affect any person's or entity's eligibility for federal funds that are made available, or that are anticipated to be made available, as a result of natural disasters. The Governor shall also, to the extent practicable, avoid using State funds to cover costs that will be, or likely will be, covered by federal funds.

Home Reconstruction Triage



Home Reconstruction Triage



TRIAGE OF HOME CONSTRUCTION APPLICATIONS

1. Emergency/Highest Priority
 - a. Applicants with lowest area median income (AMI), as defined by U.S. Department of Housing and Urban Development;
 - b. Applicants continuing to occupy damaged home where continued occupancy thereof creates a threat to life safety;
 - c. Applicants without alternative housing options.

Home Repair Triage – Roof Replacement



TRIAGE OF HOME REPAIR APPLICATIONS

SL 2021-180 Provisions

1. \$3,000,000 for home repairs and reimbursements that are not eligible for federal disaster assistance programs.
2. The Governor shall also ensure that funds allocated in this section are expended in a manner that does not adversely affect any person's or entity's eligibility for federal funds that are made available, or that are anticipated to be made available, as a result of natural disasters. The Governor shall also, to the extent practicable, avoid using State funds to cover costs that will be, or likely will be, covered by federal funds.
3. Emergency/Highest Priority
 - a. Applicants with lowest area median income (AMI), as defined by U.S. Department of Housing and Urban Development;
 - b. Applicants continuing to occupy damaged home where continued occupancy thereof creates a threat to life safety;
 - c. Repairs to roof and/or home exterior where storm damage creates a threat to life and safety of occupants;
 - d. Repairs to home heating sources in winter/cold months;
 - e. Repairs to air conditioning sources in summer/warm months.

- ❖ **Lessons Learned:** Grantees must be active participants in the contractors (paid or volunteer) that are hired or engaged to deliver recovery projects and the administering state agency must provide support that is needed for the grantee to successfully deliver the programs and projects in a timely manner and as close to the original program budgets.
- ❖ If there is effective communication, collaboration, coordination, capability and capacity between the UGL/grantee and the administering state agency on the front end of program development, then grant management and accounting during project delivery is usually less stressful, fewer problems, less conflict and, hopefully, the employees implementing the programs and projects will witness the impacts of their hard work through the families they have helped recover from one the worse events in their lives.
- ❖ Finally, auditing should be viewed as a useful tool in improving program performance and developing sound financial and accounting policies and management. A **Lesson Learned** in preparing your recovery programs and projects for good audit findings is to get things right when the recovery program is set up by doing the following:

- ❖ Discuss how the programs and projects will be financed prior to executing grant agreements. **The State agency and ULG/Grantee need to know how everything will be paid for and the timing of when the state appropriations will be disbursed to pay for program and project expenses.** Does the ULG/Grantees have the financial resources for a reimbursement grant for the amount of the state appropriation? If the ULG/Grantee does not have sufficient resources, consider making advance payments or vendor direct payments. ULGs should also have single audits filed with the N.C. Local Government Commission that may be reviewed when determining on the best methods on financing the programs and projects subject to the State's own internal controls, policies, and procedures.
- ❖ Under OSBM administrative rules, the grantee must set up a **separate bank account** to deposit advance payments; and its account system must be capable of setting up separate funds, accounts, or cost centers to prevent commingling of state funds with grantee's general operating funds or accounts.
- ❖ An ULG should work on a passing **grant or capital project ordinance** that will help the UGL set up separate accounting and/or general ledger avoid accounting issues and audit findings.
- ❖ The state agency and ULG/Grantee should not hesitate to utilize available resources internally or state agencies that can help both navigate through any accounting and audit issues when developing and implementing recovery programs and projects.

Suggestions, comments and questions?

What can OSBM-DR do to help make your jobs easier?

John Donachie

In his role as operations manager for OSBM, John manages State disaster relief programs for housing recovery and infrastructure repairs throughout North Carolina. John joined OSBM in 2020 he was previously a Senior planner in the Town of Cary with responsibility for the CDBG program. A native of Scotland and a graduate of Glasgow, Glasgow Caledonian and Edinburgh Universities, John was previously Chief Executive and Development Director for a number of UK based non-profit Social Housing organizations responsible for developing large scale affordable housing projects using innovative private-public financing mechanisms.

Presenters Biographies

Durwin Jones is OSBM-DR's **Director** and **General Counsel**. Mr. Jones joined OSBM-DR when it was created in September 2018 serving as its Deputy Director and General Counsel. Mr. Jones also served 11 years as Special Deputy Attorney General and Assistant Attorney General with the N.C. Department of Justice representing the State Construction Office and the Division of Purchase and Contract in the N.C. Department of Administration. Mr. Jones has extensive experience in disaster recovery, construction, government procurement, real estate transactions, commercial transactions, business law, and has practiced law for 30 years in North Carolina and Connecticut.

Kristin Moyle is OSBM-DR's **Assistant Director** overseeing Tropical Storm Fred recovery in the western office. Ms. Moyle has over 20 years of experience working for the State of NC, concentrating on helping the general public navigate state regulations and finding solutions for private landowners and commercial property owners with erosion and sediment control and petroleum contamination issues. Most recently, Ms. Moyle's public service experience is in disaster recovery in western NC for the Tropical Storm Fred Residential Recovery Program, concentrating efforts on safe access to and safe housing assistance to the residents impacted by the Tropical Storm Fred.

John Donachie is the OSBM-DR **Operations Manager** overseeing State disaster relief programs for housing recovery and infrastructure repairs throughout North Carolina. John joined OSBM in 2020 he was previously a Senior planner in the Town of Cary with responsibility for the CDBG program. A native of Scotland and a graduate of Glasgow, Glasgow Caledonian and Edinburgh Universities, John was previously Chief Executive and Development Director for a number of UK based non-profit Social Housing organizations responsible for developing large scale affordable housing projects using innovative private-public financing mechanisms.