

### § 207.3

*Management Costs* means any indirect costs, administrative expenses, and any other expenses not directly chargeable to a specific project that are reasonably incurred by a grantee or subgrantee in administering and managing a PA or HMGP grant award. For HMGP, management cost funding is provided outside of Federal assistance limits defined at §206.432(b) of this chapter.

*Project* refers to a project as defined at §206.201(i) of this chapter for PA or eligible activities as defined at §206.434(d) of this chapter for HMGP.

*Project Worksheet (PW)* refers to FEMA Form 90-91, or any successor form, on which the scope of work and cost estimate for a logical grouping of work required under the PA program as a result of a declared major disaster or emergency is documented.

*Public Assistance (PA)* means the program implemented at part 206, subparts G and H of this chapter.

*Regional Administrator* is the head of a FEMA regional office, or his/her designated representative, appointed under section 507 of the Post-Katrina Emergency Management Reform Act of 2006 (Pub. L. 109-295). The term also refers to Regional Directors as discussed in part 2 of this chapter.

*Stafford Act* refers to the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5121-5206).

*State* is any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

*Subgrantee (alternatively, Subrecipient)* means the government or other legal entity to which a grantee awards a subgrant and which is accountable to the grantee for the use of the funds provided. Subgrantees can be a State agency, local government, private non-profit organization, or Indian tribal government.

[72 FR 57875, Oct. 11, 2007, as amended at 82 FR 44, Jan. 3, 2017]

#### § 207.3 Applicability and eligibility.

Only PA and HMGP grantees with PA and HMGP grants awarded pursuant to major disasters and emergencies de-

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clared by the President on or after November 13, 2007 are eligible to apply to FEMA for management cost funding under this part.

#### § 207.4 Responsibilities.

(a) *General.* This section identifies key responsibilities of FEMA and grantees in carrying out section 324 of the Stafford Act, 42 U.S.C. 5165b. These responsibilities are unique to the administration of this part and are in addition to common Federal Government requirements of grantees and subgrantees, consistent with OMB circulars and other applicable requirements, such as 2 CFR parts 200 and 3002.

(b) *FEMA.* FEMA is responsible for:

(1) Determining the lock-in amount for management costs in accordance with §207.5.

(2) Obligating funds for management costs in accordance with §207.5(b).

(3) Deobligating funds provided for management costs not disbursed in accordance with §207.8(b).

(4) Reviewing management cost rates not later than 3 years after this rule is in effect and periodically thereafter.

(c) *Grantee.* The grantee must:

(1) Administer management cost funds to ensure that PA and HMGP, as applicable, are properly implemented and closed out in accordance with program timeframes and guidance.

(2) Determine the reasonable amount or percentage of management cost funding to be passed through to subgrantees for contributions to their costs for administering PA and HMGP projects and ensure that it provides such funds to subgrantees.

(3) Address procedures for subgrantee management costs amount or percentage determination, pass through, close-out, and audit in the State administrative plan required in §206.207(b) of this chapter for PA and §206.437 of this chapter for HMGP.

[72 FR 57875, Oct. 11, 2007, as amended at 79 FR 76086, Dec. 19, 2014]

#### § 207.5 Determination of management cost funding.

(a) *General.* This section describes how FEMA determines the amount of funds that it will contribute under this part for management costs for PA and/