

## LCB File No. R133-03

### PROPOSED REGULATION OF THE STATE EMERGENCY RESPONSE COMMISSION

#### Notice of Workshop to Solicit Comments on Proposed Regulations

The Nevada State Emergency Response Commission is proposing the adoption of regulations pertaining to chapter 459 of the Nevada Administrative Code. A workshop has been set for **10:00 a.m. on November 18, 2003 at The Orleans Hotel and Casino, Salon C**. The purpose of the workshop is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations:

- Establish an overall company maximum fee of \$7,500.
- If a facility has not paid appropriate fees within 90 days of notice, request will be made to the Office of the Attorney General to initiate legal proceedings.
- When notified of facility overpayment, the SERC will appropriately apply the credit or refund.
- Establish NAC requiring the Local Emergency Planning Committees (LEPCs) have an approved hazardous materials plan approved by the SERC in order to be eligible for funding from the SERC.
- LEPCs must submit applications for grants to SERC, submit training requests to the State Fire Marshal's Office and limit contractor costs to \$450 per day. Allowable and unallowable expenses are listed.
- LEPCs must comply with administrative requirements. Failure will result in the LEPC being ineligible for funding from the SERC.
- Awards of grants will be provided on a reimbursement basis with the ability to request an advance for expenses over \$2,000. Failure to timely submit proper documentation of expenditures may jeopardize future funding.
- Grantees must submit Financial Reports and Annual Progress Reports timely pursuant to policy. Failure will jeopardize future funding from the SERC.
- Grantees must have an approved Project Change Request prior to implementing a change to the original grant. Failure may result in being ineligible for the funding.
- Procedures for delinquent reports will be handled by notifying the LEPC Chair in writing, followed by notification to the County Manager and finally action by the SERC in which the grant will be in jeopardy.
- Each LEPC is required to submit its bylaws and membership lists to the SERC for review for compliance with federal and state laws and regulations.
- The SERC shall appoint LEPCs and shall supervise and coordinate the activities of such committees.
- The SERC shall designate emergency planning districts.

A copy of all materials relating to the proposal may be obtained at the workshop or by contacting the State Emergency Response Commission, 2525 S. Carson Street, Carson City, Nevada, 89711, 775-687-6973 or e-mail at [kkennard@dps.state.nv.us](mailto:kkennard@dps.state.nv.us). A reasonable fee for copying may be charged.

This Notice of Workshop to Solicit Comments on Proposed Regulations has been sent to all persons on the agency's mailing list for administrative regulations and posted at the following locations:

Emergency Reponse Commission - 2525 So. Carson Street - Carson City  
Clark County Government Center - 500 S. Grand Central Parkway - Las Vegas  
Capitol Building B Capitol Complex B Carson City  
Grant Sawyer Building B 555 E. Washington St. B Las Vegas  
Carson City Public Library B 900 N. Roop B Carson City  
Churchill County Library, 5553 S. Maine Street, Fallon  
Clark County Library, 833 Las Vegas Boulevard North, Las Vegas  
Douglas County Library, 1625 Library Lane, Minden, Nevada  
Elko County Library, 720 Court Street, Elko  
Esmeralda County Library, 10 Montezuma Street, Silver Peak  
Eureka Branch Library, 210 South Monroe, Eureka  
Humboldt County Library, 85 East 5<sup>th</sup> Street, Winnemucca  
Lander County Library, Battle Mountain Branch, 625 S. Broad Street, Battle Mountain  
Lincoln County Library, 93 Main Street, Pioche  
Lyon County Library, 20 Nevin Way, Yerington  
Mineral County Library, 234 B Street, Hawthorne  
Tonopah District Library, 167 S. Central, Tonopah  
Pershing County Library, 1125 Central Avenue, Lovelock  
Storey County Library, 95 South R Street, Virginia City  
Washoe County Library, 301 S. Center, Reno  
White Pine County Library, 950 Campton Street, Ely

I, Cheryl Folkers, posted or caused the posting of this agenda on or before October 22, 2003, 9:00 a.m. at the above locations:

We are pleased to make reasonable accommodations for members of the public who are disabled. If special arrangements are necessary, please notify the Commission at 687-6973. 24 hours advance notice is requested.

**LCB File No. R133-03**

**PROPOSED REGULATION OF THE STATE  
EMERGENCY RESPONSE COMMISSION**

**NOTICE OF INTENT TO ACT UPON A REGULATION  
Notice of Hearing for the Adoption of Regulations of the  
State Emergency Response Commission**

The State Emergency Response Commission will hold a public hearing at **9:00 a.m. on November 20, 2003, at the Clark County Government Center, Training Room 3.** The purpose of the hearing is to receive comments from all interested persons regarding the adoption of regulations, which pertain to Chapter 459 of the Nevada Administrative Code.

The following information is provided pursuant to the requirements of NRS 233B.0603:

1. The need for and the purpose of the proposed regulation or amendment.
  - To provide consistency among grants management.
  - To increase the maximum fee collected from facilities who store and/or manufacture hazardous materials.
  
2. Either the terms or the substance of the regulation to be adopted, amended, or repealed, or a description of the subjects and issues involved.
  - Regulations provide accountability in management of grants provided to subgrantees by the State Emergency Response Commission.
  - To increase the maximum fee collected from facilities who store and/or manufacture hazardous materials and grants awarded to subgrantees for planning, training and equipment provided to first responders to prevent, respond and mitigate a hazardous material's incident.
  
3. The estimated economic effect of the regulation on the business, which it is to regulate, and the public:

Adverse effects: No adverse effect of grants management.

  - Pursuant to an already established fee schedule businesses who store and manufacture large quantities of hazardous materials will be charged the increased maximum amount.
  - Beneficial effects: Makes grant management more efficient.
  - Provides additional funds to local government first responders.

Both immediate and long-term effects.

  - Makes grant management more efficient.
  - Provides increase in state funds to local government first responders.
  
4. The estimated cost to the agency for enforcement of the proposed regulation.

None.

5. A description of and citation to any regulations of other state or local governmental agencies, which the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the proposed regulation overlaps or duplicates a federal regulation, the notice must include the name of the regulated federal agency.
  - Federal Superfund Amendment Reauthorization Act: 42 USC Sec. 11001.
6. If the regulation is required pursuant to federal law, a citation and description of the federal law.
  - Not applicable.
7. If the regulation includes provisions which are more stringent than federal regulation that regulates the same activity, a summary of such provisions.
  - Not applicable.
8. Whether the proposed regulation establishes a new fee or increases an existing fee.
  - The regulation will increase an existing maximum fee from \$5,000 to \$7,500.

Persons wishing to comment upon the proposed action of the State Emergency Response Commission may appear at the scheduled public hearing or may address their comments, data, views, or arguments, in written form to the State Emergency Response Commission. Written submissions must be received by the State Emergency Response Commission on or before November 30, 2003. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the State Emergency Response Commission may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be adopted will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation to be adopted will be available at the State Emergency Response Commission, 2525 S. Carson Street, Carson City, Nevada, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulations are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653m and on the Internet at <http://www.leg.state.nv.us>. Copies of this notice and proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

I, Cheryl Folkers, posted or caused the posting of this agenda on or before **October 22, 2003, 9:00 a.m.** at the below locations:

Emergency Response Commission – 2525 So. Carson Street – Carson City  
Clark County Government Center – 500 S. Grand Central Parkway – Las Vegas  
    Capitol Building – Capitol Complex – Carson City  
    Grant Sawyer Building – 555 E. Washington St. – Las Vegas  
    Carson City Public Library – 900 N. Roop – Carson City  
    Churchill County Library, 5553 S. Maine Street, Fallon  
Clark County Library, 833 Las Vegas Boulevard North, Las Vegas  
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Esmeralda County Library, 10 Montezuma Street, Silver Peak  
    Eureka Branch Library, 210 South Monroe, Eureka  
Humboldt County Library, 85 East 5<sup>th</sup> Street, Winnemucca  
Lander County Library, Battle Mountain Branch, 625 S. Broad Street, Battle Mountain  
    Lincoln County Library, 93 Main Street, Pioche  
    Lyon County Library, 20 Nevin Way, Yerington  
    Mineral County Library, 234 B Street, Hawthorne  
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    Storey County Library, 95 South R Street, Virginia City  
    Washoe County Library, 301 S. Center, Reno  
    White Pine County Library, 950 Campton Street, Ely

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**LCB File No. R133-03**

**PROPOSED REGULATION OF THE STATE  
EMERGENCY RESPONSE COMMISSION**

<b>ORIGINATED BY:</b> Mary Lynne Evans <b>REVISED BY:</b> Karen J. Kennard	<b>ORIGINATED DATE:</b> 02/22/00 <b>REVISED DATE:</b> 07/10/03	<b>APPROVED BY:</b> Richard Brenner, Co-Chair Richard Mirgon, Co-Chair
<b>DATE ISSUED:</b> 03/01/00	<b>DATE EFFECTIVE:</b> 03/01/00	<b>SUBJECT:</b> SARA Title III Reimbursement/Credit of Overpayment
<b>PROCESSED BY:</b>	<b>SPECIAL INSTRUCTIONS:</b>	<b>POLICY NO:</b> SERC 4.4e

**PRINCIPLE:**

Pursuant to NRS and NAC, a maximum fee owed by a company has been established. Occasionally, a company overpays these fees assessed pursuant to SARA Title III, Sections 311, 312 and 313. The State Emergency Response Commission will reimburse or credit those facilities.

**POLICY:**

Staff will process reimbursement payments or credit the Nevada Chemical Facility Database (NCFD) account within five days of notification of the overpayment by the State Fire Marshal's Office or by the facility.

**PROCEDURES:**

- A. The SERC receives notification of overpayment by the State Fire Marshal's Office or by the facility.
  - 1. Notification by the State Fire Marshal's Office is made in writing and indicates if the facility is not expected to be a SARA facility in the following year.
  - 2. Notification by the facility is made in writing indicating the overpayment and requesting a reimbursement.
- B. SERC staff indicate receipt of the notification by applying a date stamp.

- C. The Executive Director will designate the procedure to be followed by writing on the notification.
1. Notification by the State Fire Marshal's Office of overpayment by a continuing SARA facility will result in a letter sent to the facility advising of the overpayment and indicating the credit will be applied to the next renewal bill generated from NCFD unless request for reimbursement is made within 30 days.
  2. Notification by the State Fire Marshal's Office of overpayment by a facility which is not expected to be a SARA facility in the next year will result in reimbursement of the overpayment.
  3. Notification by the facility of overpayment and request for refund will result in reimbursement of the overpayment.
- D. Within five working days of the notification, SERC staff will process reimbursement of overpayment as indicated above pursuant to Approval of Expenditures policy. Reference SERC Policy 4.6.

<b>ORIGINATED BY:</b> Mary Lynne Evans		<b>APPROVED BY:</b> Richard Brenner, Co-Chair
<b>REVISED BY:</b> Karen J. Kennard	<b>ORIGINATED DATE:</b> 02/22/00 <b>REVISED DATE:</b> 07/01/03	Richard Mirgon, Co-Chair
<b>DATE ISSUED:</b> 03/01/00	<b>DATE EFFECTIVE:</b> 03/01/00	<b>SUBJECT:</b> Collection of Past due Fees
<b>PROCESSED BY:</b>	<b>SPECIAL INSTRUCTIONS:</b>	<b>POLICY NO:</b> SERC 4.4c

**PRINCIPLE:**

A facility may knowingly or unknowingly be delinquent in payment. It is the responsibility of the State Emergency Response Commission, under P.L. 99-499 and NRS 459.744, to collect past-due facility fees.

**POLICY:**

The State Emergency Response Commission staff will cause for prompt notification to facilities in reference to the late payment of fees due to the SERC.

**PROCEDURES:**

For past due payments on Section 311 & 312 fees through the State Fire Marshal's Office (SFM)

- A. The automated Nevada Chemical Facility Database (NCFD) system will process payments of fees and balances due in a revolving cycle of thirty days. This program also

provides notification of past-due or non-payment of fees. These notices are mailed out to the facilities immediately by the Hazardous Materials Section of the SFM Office.

1. Notices of past-due or non-payments will be brought to the attention of the Executive Director by SFM staff and processed as follows:
  - a. Within five working days of receipt, SERC staff will prepare and mail via certified mail a “past due notice” to the facility(s) involved, clearly stating a deadline for receipt of funds.
  - b. When payment is received by the SFM office, staff will highlight payment of overdue fees on the generated deposit slip form and forward the form to SERC staff.
  - c. SERC staff will confirm payment with existing documents and budget reports.
  - d. If a facility has not paid within 90 days of notice, the SERC Executive Director will make request to the assigned deputy from the Office of the Attorney General to initiate legal proceedings. A copy will be sent to the facility.

For past due payment on Section 313.

1. Past due receivables will be brought to the attention of the Executive Director by staff and processed as follows:
  - a. Within five working days, SERC staff will prepare and mail via certified mail a “past due” notice to the facility(s) involved, clearly stating a deadline for receipt of funds.
  - b. If a facility has not paid within 90 days of notice, the SERC Executive Director will make request to the assigned deputy from the Office of the Attorney General to initiate legal proceedings. A copy will be sent to the facility.

		<b>APPROVED BY:</b> <b>Richard Brenner, Co-Chair</b>  <b>Richard Mirgon, Co-Chair</b>
<b>ORIGINATED BY:</b> <b>Karen J. Kennard</b>	<b>ORIGINATED DATE: 05/01/03</b> <b>REVISED DATE:</b>	
<b>DATE ISSUED: 05/01/03</b>	<b>DATE EFFECTIVE: 05/01/03</b>	<b>SUBJECT:</b> <b>Annual Hazardous Materials</b> <b>Response Plan Review</b>
<b>PROCESSED BY:</b>	<b>SPECIAL INSTRUCTIONS:</b>	<b>POLICY NO: SERC 8.1</b>

**PRINCIPLE:**

The State Emergency Response Commission (SERC) and the Local Emergency Planning Committees (LEPC) are established by the federal Superfund Amendment Reauthorization Act, Title III (SARA Title III), Emergency Planning and Community Right to Know (EPCRA). Pursuant to these laws, the SERC shall supervise and coordinate the activities of the LEPCs. The

SERC reviews the local emergency plans and makes recommendations for revisions to ensure compliance with the National Response Team Guidelines (NRT-1). Among the SERC’s working committees is a Planning and Training Subcommittee which has been designated to review the LEPC plans.

**POLICY:**

The State Emergency Response Commission has appointed a Funding Committee. The Funding Committee has appointed a Planning and Training Subcommittee. This Subcommittee is charged with review of LEPC hazardous materials response plans. The Subcommittee will verify the plan is in compliance with the NRT-1.

Each LEPC must have a hazardous materials response plan in compliance with NRT-1 on file with the SERC office. The LEPC must annually review the plan. Plan review results and/or updates must be filed with the SERC by January 31st of each year. Failure to submit the corrected plan will result in the LEPC being ineligible for any funding from the SERC until the Subcommittee reviews plans in February of the next year.

**PROCEDURES**

- A. During February of each year the Subcommittee will review the plans and updates and notify the LEPC chair of any identified deficiencies.
- B. Within 45 days of notification, the LEPC must bring the plan into compliance and resubmit the corrected plan to the SERC for review by the assigned member(s) of the Subcommittee.

<b>ORIGINATED BY:</b> Karen J. Kennard	<b>ORIGINATED DATE:</b> 7/10/03	<b>APPROVED BY:</b> Richard Brenner, Co-Chair Richard Mirgon, Co-Chair
<b>DATE ISSUED:</b> 7/10/03	<b>DATE EFFECTIVE:</b> 7/10/03	<b>SUBJECT:</b> Grant Application, Grant Awards
<b>PROCESSED BY:</b>	<b>SPECIAL INSTRUCTIONS:</b>	<b>POLICY NO:</b> SERC 8.2

**PRINCIPLE:**

The State Emergency Response Commission awards grants with funds from the federal government and fees collected from facilities within the State of Nevada. Grants are awarded to assist the counties, through the Local Emergency Planning Committees, and other agencies allowed pursuant to NRS 459.735, to conduct planning and training, and identify equipment needs for first responders.

**POLICY:**

A. Applications to apply for grants will be sent to the Local Emergency Planning Committees (LEPCs), or other agencies pursuant to NRS 459.735, allowing at least six weeks for the applications to be returned to SERC for funding consideration. Applications may be submitted requesting appropriate elements as outlined in the application kit.

1. The SERC receives two main revenue sources for funding grants:

a. Fees

Fees collected from fixed facilities provide revenue for SERC grants. Approved expenses include planning, training, equipment, operations and community right to know activities as they relate to hazardous materials.

All training requests must first be made through the State Fire Marshal's Office (SFM). If the SFM declines the training, the request may be included in the SERC grant application.

Any application including consultant/contractor services must include a quote and scope of work from the consultant/contractor. Contract costs are limited to \$450 per day.

Requests for equipment must be made in accordance with the costs on the list attached to the grant application. For equipment not included on the list, the application must include a firm quote for the equipment.

Operation funds are automatically awarded to each LEPC from this revenue source. These funds are to pay the general operation costs of the LEPC as they relate to hazardous materials under SARA Title III, EPCRA, and SERC laws, regulations and policies. Costs must be reasonable and appropriate to the operation of the LEPC and include:

- Postage
- Office supplies
- Telephone charges
- Copying
- Publication costs
- Equipment maintenance
- Meeting costs
- Refreshments\*
- Travel to SERC/LEPC meetings for all LEPC members
- Clerical Assistance
- grant writing

\*Expenses incurred for food and/or beverages provided at LEPC training sessions, LEPC meetings or LEPC conferences are allowed provided they satisfy the following three tests:

1. the costs of the food and/or beverages are considered reasonable
2. the food and /or beverages are provided at a LEPC function
3. the food and/or beverages provided are not related directly to amusement and/or social events (Any event where alcohol is being served is considered a social event and, therefore, costs associated with that event are not allowable.)

b. Federal Grants

Money awarded from federal agencies to SERC provides revenue for SERC subgrants. The SERC may award state or local subgrants for planning and training activities as they relate to hazardous materials and are in compliance with federal and SERC terms and conditions. State agencies, including SERC, which receive subgrants will comply with state purchasing rules and state budgetary authority.

All training requests other than for HazMat Explo must first be made through the SFM. If the SFM declines the training, the request may be included in the HMEP grant application.

Any application including consultant/contractor services must include a quote and scope of work from the consultant/contractor. Contract costs are limited to \$450 per day.

c. Unallowable Expenses

Expenses not related to LEPC functions pursuant to federal and state laws and regulations are not allowed. Unallowable expenses include, but are not limited to, activities relating to homeland security, weapons of mass destruction, terrorism, search and rescue, drug labs, and functions of other agencies. Additionally, finance charges, late fees and taxes are unallowable expenses from grants provided by the SERC.

**PROCEDURES:**

- A. The LEPC must meet to discuss, determine and approve the appropriate funding request. The LEPC will submit an application based on its determined needs for the county as a whole. As determined by the LEPC, the funding request may provide planning, training and equipment to, but not limited to, state and local entities, private companies, non-profit corporations, public utilities owned and operated by political subdivisions of the State and general improvement districts involved in preventing, responding to and mitigating hazardous materials incidents.
- B. Upon receipt of the applications, SERC staff will review to ensure compliance with state and federal terms and conditions.

- C. SERC staff will distribute the applications to the Planning & Training and Funding Committees within ten working days of the application deadline for submittal.
- D. The Planning & Training Subcommittee meet and review the applications to determine appropriateness and eligibility of the request when compared to the level of response. The Planning & Training Subcommittee will make recommendations to the Funding Committee.
- E. The Funding Committee will meet and review the applications to determine appropriateness and eligibility based on the Planning and Training Subcommittee's recommendations. The Committee will also determine the amount of funds to award. The Committee will make recommendations to the SERC.
- F. Funding of the applications will be placed on a SERC agenda for approval. Grants will be awarded based on the applications submitted and the availability of money. If time constraints do not permit review of an application by the Planning and Training Subcommittee and/or the Funding Committee, the SERC may consider an award of any application which has been agendized.
- G. SERC staff will prepare the award documents, obtain the Executive Director's approval and signature, and distribute consistent with the SERC approved amounts and conditions.
- H. Grant awards are signed by the LEPC chair and returned to the SERC for filing.

<b>ORIGINATED BY:</b> Mary Lynne Evans <b>REVISED BY:</b> Karen J. Kennard	<b>ORIGINATED DATE:</b> 04/20/00 <b>REVISED DATE:</b> 07/01/03	<b>APPROVED BY:</b>  Larry W. Bennett, Co-Chair  Karen E. Larson, Co-Chair
<b>DATE ISSUED:</b> 04/20/00	<b>DATE EFFECTIVE:</b> 04/20/00	<b>SUBJECT:</b> Certified Assurances and Grant Eligibility
<b>PROCESSED BY:</b>	<b>SPECIAL INSTRUCTIONS:</b>	<b>POLICY NO:</b> SERC 8.3

**PRINCIPLE:**

The State Emergency Response Commission will invoke all federal and state rules and regulations which are pertinent to grant management. To enforce the laws, regulations and rules, the SERC must be able to demonstrate the grantee is aware.

**POLICY:**

Each grantee is required to submit signed Certified Assurances and Grant Eligibility Certification prior to receiving a grant award.

**PROCEDURES:**

A. The following requirements must be complied with prior to the start of a grant. The Funding Committee will be notified if an applicant is or is not in compliance of the following:

1. **CERTIFIED ASSURANCES:** The grantee must sign and submit the Certified Assurances agreeing to abide by the rules and regulations governing grant funds awarded. This agreement requires the signatures of the Governmental Unit (County Commission, County Manager) and the chairman of the Local Emergency Planning Committee. A grant award will not be forwarded to the grantee until the Certified Assurances are properly signed and submitted.
  
2. **GRANT ELIGIBILITY CERTIFICATION:** The grantee must sign the Grant Eligibility Certification indicating compliance with administrative requirements prior to commencement of the grant. The SERC office will verify each requirement.

<b>ORIGINATED BY:</b> Karen J. Kennard	<b>ORIGINATED DATE:</b> 01/09/03 <b>REVISED DATE:</b>	<b>APPROVED BY:</b> Richard Brenner, Co-Chair  Richard Mirgon, Co-Chair
<b>DATE ISSUED:</b> 07/01/03	<b>DATE EFFECTIVE:</b> 07/01/03	<b>SUBJECT:</b> Funding of Grants
<b>PROCESSED BY:</b>	<b>SPECIAL INSTRUCTIONS:</b>	<b>POLICY NO:</b> SERC 8.5

**PRINCIPLE:**

The State Emergency Response Commission distributes grant funds to the Local Emergency Planning Committees within each of the seventeen counties. For proper grant management, the SERC will provide funds on a reimbursement basis.

**POLICY:**

The State Emergency Response Commission may provide funding to LEPCs on a reimbursement basis. Upon request by the LEPC, advanced funding for expenses over \$2,000 may be made.

**PROCEDURES:**

A. During open grant cycles, applications will be submitted by LEPCs. Applications will be reviewed by the Planning & Training Subcommittee, Funding Committee and approved by the SERC.

B. Grant awards will be prepared, signed by the Executive Director and sent to the LEPC chairs. Signature of the LEPC chair on the grant award finalizes the agreement between the LEPC and the SERC for the grant funding amount and purpose.

C. For the purpose of these procedures, SERC designates quarters based on a fiscal year, July to June, as follows:

1 <sup>st</sup> quarter	July – September
2 <sup>nd</sup> quarter	October – December
3 <sup>rd</sup> quarter	January – March
4 <sup>th</sup> quarter	April – June

D. The following procedures will be implemented to provide the funds to the grantee:

1. Reimbursement:

- a. The LEPC will request reimbursement by completing and submitting a Financial Report form with the appropriate box checked. The submission must include invoices and proof of payment. Requests for reimbursement shall be submitted within 30 days of the expenditure.
- b. If no expenditures have been made, a financial report indicating this is due 30 days after the end of the quarter.
- c. Within 5 working days of receipt, SERC staff will conduct a desk audit of the report and information submitted. Expenses are examined to ensure compliance with federal and/or SERC terms and conditions. Discrepancies or questions will be immediately addressed with the submitting agency. Upon approval of the request, SERC staff will process the report for payment through the state Integrated Financial System within one day.

2. Advanced Funding:

- a. The LEPC may make a request for advanced funding for purchases totaling more than \$2,000. The Financial Report with the appropriate box checked must be submitted with a copy of the purchase order showing the processing date and costs of purchase.
- b. Within 5 working days of receipt, SERC staff will verify the purchase is appropriate to the grant award and process the request for payment through the state Integrated Financial System.
- c. The LEPC will report on expenditure of advanced funds by completing and submitting a Financial Report form with the appropriate box checked. The submission must include invoices and proof of payment. Report of expenditure of advanced funds must be filed within 30 days of the date of the check. Failure to submit timely proof of payment may jeopardize all future funding from the SERC.
- d. If the purchase is not timely completed or the advanced amount was more than the actual purchase price, the unspent funds must be returned to the

SERC within 45 days of the date of the check. Failure to return unexpended funds timely may jeopardize all future funding from the SERC.

<b>ORIGINATED BY:</b> <b>Karen J. Kennard</b>	<b>ORIGINATED DATE:</b> 09/06/02 <b>REVISED DATE:</b>	<b>APPROVED BY:</b> <b>Richard Brenner, Co-Chair</b> <b>Richard Mirgon, Co-Chair</b>
<b>DATE ISSUED:</b> 09/06/02	<b>DATE EFFECTIVE:</b> 09/06/02	<b>SUBJECT:</b> <b>Grantee Reporting</b>
<b>PROCESSED BY:</b>	<b>SPECIAL INSTRUCTIONS:</b>	<b>POLICY NO:</b> SERC 8.6

**PRINCIPLE:**

The State Emergency Response Commission requires proper reporting by grantees to provide integrity to the use of grant funds.

**POLICY:**

- A. Grantees are required to submit proper financial reporting pursuant to SERC policy 8.5.
  - 1. The Financial Report form will be submitted to report expenditures made, to request reimbursement or to request an advance of funds. If no funds are requested, a financial report indicating no expenditures were made is due 30 days after the end of the quarter.
  
- B. Grantees are required to submit annual progress reports on each grant due July 31.
  - 1. An Annual Progress Report will be submitted for each grant on or before July 31. This is a narrative report which relates the progress of the grantee toward obtaining the goals and objectives outlined in the grant applications. Reference SERC Policy 8.8.
  
- C. Failure to submit proper reports pursuant to this policy may jeopardize future funding from the SERC.

**PROCEDURES:**

There are no specific procedures for this policy.

<b>ORIGINATED BY:</b> Karen J. Kennard	<b>ORIGINATED DATE:</b> 7/10/03	<b>APPROVED BY:</b> Richard Brenner, Co-Chair Richard Mirgon, Co-Chair
<b>DATE ISSUED:</b> 7/10/03	<b>DATE EFFECTIVE:</b> 7/10/03	<b>SUBJECT:</b> Grant Project Change Request
<b>PROCESSED BY:</b>	<b>SPECIAL INSTRUCTIONS:</b>	<b>POLICY NO:</b> SERC 8.7

**PRINCIPLE:**

The State Emergency Response Commission awards grants with funds from the Federal Government, fees collected from facilities and other sources of revenue within the State of Nevada. It may become necessary for the grantee and/or subgrantee to request a project change due to change in circumstances.

**POLICY:**

Grants are awarded consistent with the SERC approved amounts and conditions. Expenditures must be made in accordance with the grant award. In the event of changed circumstances, the grantee or subgrantee may submit a change request. The request must be submitted to the SERC under signature of the grantee or subgrantee and include the justification or documentation for the proposed change.

The Executive Director will review change requests for completeness and may approve changes involving personnel. Revisions considered to be 10% or greater and/or significant changes to the scope of the intent of the original grant requires approval by the Chair of the Funding Committee and may require review by the Funding Committee at direction of the Chair. Approvals must be made or Committee review must be scheduled within 5 business days. The grantee or subgrantee will be notified of the resulting action within the next 5 business days.

All project change actions will be ratified by the Funding Committee at its next scheduled meeting. Appeals of the actions by the Executive Director, Funding Committee Chair or the Funding Committee may be made to the SERC.

Implementation of any changes may be made only after approval in writing or on the record at a SERC Commission or Committee meeting.

**PROCEDURES:**

These guidelines will be followed to properly request and justify a project change:

1. Change in project personnel must be made on the Project Change Request form.
2. Change in funding categories must be requested on the Project Change Request form and supported by a written justification as to why the change is needed.

3. Change in the use of funds within the same category or change in goals and/or objectives must be requested in a written justification as to why the change is needed.

<b>ORIGINATED BY:</b> Mary Lynne Evans		<b>APPROVED BY:</b>  Richard Brenner, Co-Chair
<b>REVISED BY:</b> Karen J. Kennard	<b>ORIGINATED DATE:</b> 02/22/00 <b>REVISED DATE:</b> 09/06/02	Richard Mirgon, Co-Chair
<b>DATE ISSUED:</b> 03/01/00	<b>DATE EFFECTIVE:</b> 03/01/00	<b>SUBJECT:</b> Sub-recipient Program Monitoring and Financial Audits
<b>PROCESSED BY:</b>	<b>SPECIAL INSTRUCTIONS:</b>	<b>POLICY NO:</b> SERC 8.8

**PRINCIPLE:**

The State Emergency Response Commission awards grants with funds from the Federal Government, fees collected from facilities and other sources of revenue within the State of Nevada. It is the responsibility of the SERC staff to verify funds are being utilized correctly by a monitoring and auditing expenditures.

**POLICY:**

With the dissemination of monies obtained from fees and federal funding to the Local Emergency Planning Committees, the SERC will invoke all federal and state rules and regulations which are pertinent to grants management. The grantee is monitored both fiscally and programmatically.

The SERC provides grants based on the state fiscal year. Quarters are as follows:

- |                         |                    |
|-------------------------|--------------------|
| 1 <sup>st</sup> quarter | July – September   |
| 2 <sup>nd</sup> quarter | October – December |
| 3 <sup>rd</sup> quarter | January – March    |
| 4 <sup>th</sup> quarter | April – June       |

**PROCEDURES:**

- A. Financial Reports are required from all grantees. The report consists of an accounting of grant expenditures, invoices and proof of payment. Reference SERC Policy 8.5.
- B. Staff will perform a desk audit on the documentation submitted to substantiate the expenditures of the project.
  1. The expenditures will be compared to what was approved in the grant award documents.

2. The mathematics of the claim is verified and noted by initialing and dating the report form.
  3. Expenditures are tracked on the LEPC Grant Awards spreadsheet on the computer at K:\shared\groups\SERC\grants\LEPCgrantawards\FY\*\*.
  4. The Financial Report is filed in the appropriate grant file.
- C. Any discrepancies in the claim will be handled using the following procedures:
1. Staff will contact the LEPC chair and/or the fiscal officer to obtain clarification and resolve the issue. If the issue is not resolved,
  2. The Executive Director will contact the LEPC chair, the fiscal officer and/or the County Manager or a designee to resolve the issue.
  3. If the discrepancy is blatant, the Executive Director will notify the Funding Committee Chair and SERC Co-Chairs and the proper course of action will be determined.
- D. Delinquent quarterly reports will be handled as follows:
1. 30 days past due – the LEPC Chair will be notified in writing.
  2. 45 days past due – the County Manager or a designee will be contacted.
  3. 60 days past due – the Executive Director will make every attempt to resolve or take appropriate action. The SERC will be notified and the grant will be in jeopardy.
- E. Annual Progress Reports on each grant are due July 31 of each year . The Report describes the grant activities performed during the entire project period. Staff review the reports received from the LEPC and verify the activities meet the goals and objectives of the grant. Any discrepancies are discussed with the Executive Director for further action. Further action may require a telephone call or a letter to the LEPC chair and notification to the Funding Committee Chair and the SERC Co-chairs.
- F. Staff will audit and monitor a minimum of 8 sub-grantees per year. This shall include:
1. Program Monitoring:
    - a. An on-site review of the program will be performed. The goals and objectives of the LEPC shall be reviewed to determine if the LEPC is working within the scope of the project.
    - b. Staff will attend a LEPC meeting to observe and provide technical assistance if needed.

- c. A written report of the monitoring trip will be completed, reviewed and approved by the Executive Director, and disseminated as follows:
  - 1) One copy in the project file
  - 2) One copy to the LEPC Chair.
  - 3) One copy to the Funding Committee.

2. Financial Audit:

- a. An on-site audit of the financial record and accounting practices will be performed by the SERC staff. This will include:
  - 1) A visit to the financial office responsible for the public monies which are in that county.
  - 2) Review of the separation of funds.
  - 3) Review how the financial officer/LEPC determines costs applicable to the SERC grant.
- b. A written report of the audit trip will be completed, reviewed and approved by the Executive Director, and disseminated as follows:
  - 1) One copy in the project file.
  - 2) One copy to the LEPC Chair.
  - 3) One copy to the Funding Committee.

G. If necessary, a follow-up documented discussion will be held within 60 days or as otherwise scheduled to ensure compliance and/or implementation of pertinent laws, regulations, rules and recommendations. If compliance and/or implementation has not occurred, the issues will be agendaized at the next SERC meeting for further corrective action.

H. LEPCs receiving federal funds from the SERC are required to submit a copy of the independent Single Audit report to the granting agency. To save duplication, SERC staff will review copies forwarded to the Division of Emergency Management to ensure proper amounts reflected and to determine the effect, if any, findings may have on the administration of grants through this office. Findings, recommendations or concerns will be addressed appropriately with the subgrantee. A memo will be placed in the subgrantee file reflecting the review of the audit report and any subsequent action.

I. The SERC has adopted performance measures prescribing each member attend a minimum of one LEPC meeting per year. When attending the meeting(s), the Commission member is instructed to provide technical assistance and assess any needs which can be provided to the LEPC. Any findings will be submitted to the SERC to be filed in the appropriate LEPC file. Staff will follow up on the recommendations of the Commission member and notify the SERC as appropriate.

<b>ORIGINATED BY:</b> Karen J. Kennard	<b>ORIGINATED DATE:</b> 05/01/03 <b>REVISED DATE:</b>	<b>APPROVED BY:</b> Richard Brenner, Co-Chair  Richard Mirgon, Co-Chair
<b>DATE ISSUED:</b> 05/01/03	<b>DATE EFFECTIVE:</b> 05/01/03	<b>SUBJECT:</b> LEPC Submission of Bylaws and Membership lists
<b>PROCESSED BY:</b>	<b>SPECIAL INSTRUCTIONS:</b>	<b>POLICY NO:</b> SERC 8.9

**PRINCIPLE:**

Pursuant to Federal law, the State Emergency Response Commission shall supervise and coordinate the activities of the Local Emergency Planning Committees (LEPC).

**POLICY:**

Each LEPC shall submit its bylaws and membership list to the State Emergency Response Commission for review by the Bylaws Committee for compliance with federal and state laws and regulations.

**PROCEDURES:**

Annually, in conjunction with the SERC grant cycle, each LEPC shall submit its Bylaws and membership lists.

- A. Current Bylaws and membership lists will be submitted by each LEPC to the Commission with the SERC grant application in April each year.
- B. The SERC Bylaws Committee will review the LEPC Bylaws and membership lists to ensure compliance with federal and state laws and regulations.
- C. The Bylaws Committee will report any deficiencies to the Commission.
- D. The Commission will take appropriate action based on the deficiency to resolve the problem.