



Creating a Productive and Efficient Long-Term Recovery Group

California



Agenda

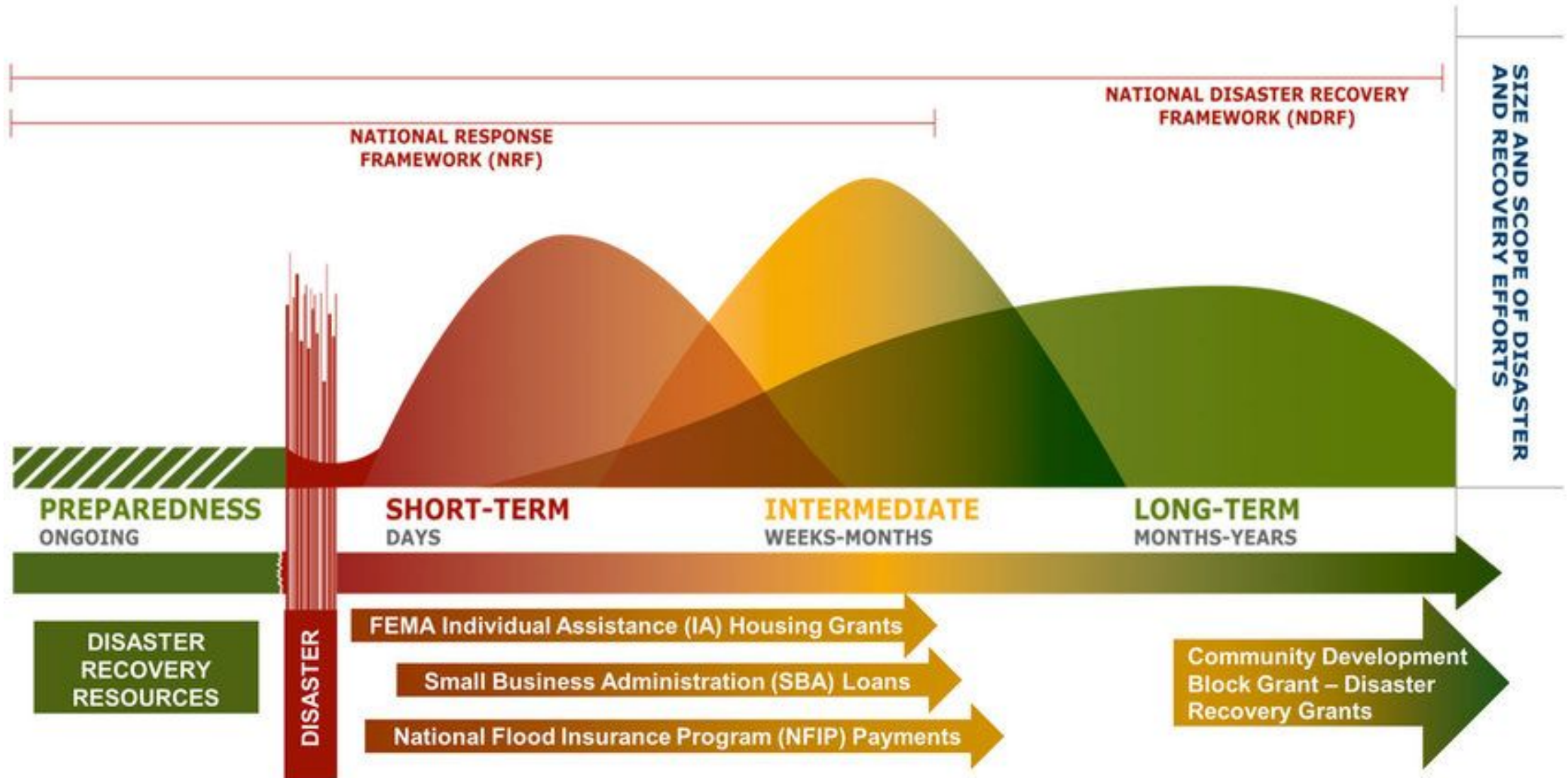
- ▶ Anatomy of a Disaster
- ▶ Building a Recovery Strategy
- ▶ Creating a Long-Term Recovery Group
- ▶ Financing the LTRG
- ▶ Common Pitfalls of the LTRG



Anatomy of a Disaster

Navigating from Response to Recovery

Recovery Continuum



Short Term Response



Timeframe: Day 1 to Day 30

Challenges/Activities

- ▶ Search & Rescue
- ▶ Restoration of critical lifelines
- ▶ Debris removal
- ▶ Sheltering
- ▶ Damage assessments

Resources

- ▶ FEMA PA & IA
- ▶ SBA loans
- ▶ State & local funding
- ▶ Volunteers/VOADS/LTRGS
- ▶ Philanthropic donations

FEMA Mass Care



Mass Care services are typically available leading up to a disaster event. Mass care services include:

- Sheltering
- Feeding
- Distribution of emergency supplies
- Service animals and assistance animals
- Support for individuals with disabilities
- Mass evacuee support
- Reunification services for adults and children

FEMA Public Assistance



FEMA PA reimburses governments & nonprofits for eligible expenses on public facilities or for services that directly benefit the public

Emergency Work (First 6 months)

CAT A: Debris Removal

CAT B: Emergency Protective Measures

- ▶ Prepositioning supplies and equipment
- ▶ Security
- ▶ Medical care and transportation
- ▶ Sheltering
- ▶ Emergency Operations Center costs

Permanent Work (Within 18 months)

CAT C: Roads and bridges

CAT D: Water control facilities

CAT E: Public buildings

CAT F: Public utilities

CAT G: Parks

Short Term Recovery



Timeframe: Day 31 to Day 180

Challenges/Activities

- ▶ Debris removal
- ▶ Temporary housing
- ▶ Maximizing FEMA IA

Resources

- ▶ FEMA PA & IA
- ▶ SBA loans
- ▶ State & local funding
- ▶ Volunteers/VOADS/LTRGS
- ▶ Philanthropic donations

FEMA Individual Assistance



IHP Assistance may include:

- Funds for temporary housing such as rental assistance, or reimbursement for hotel costs
- A temporary housing unit due to a lack of available housing resources
- Funds to support the repair or replacement of owner-occupied primary residence homes, including privately-owned access routes, such as driveways, roads, or bridges
- Funds for repair or replacement of personal property and vehicles, or funds for moving and storage, medical, dental, child care, and funeral expenses

FEMA IA Appeals



- ▶ FEMA awards tend to be woefully inconsistent: survivors can appeal an award within 60 days of receiving their approval or denial letter
- ▶ SBP offers FEMA appeals assistance at no cost to disaster survivors
- ▶ Survivors see a 65.7% increase in their total FEMA award
- ▶ To date, survivors appealing through SBP have been awarded on average \$7,991.83 in additional FEMA funds to support their recovery
- ▶ SBP FEMA Help Hotline - **(800) 276-9511**

SBA Resources



- ▶ **Physical damage loans** – repair and replacement of physical assets damaged in a declared disaster for homeowners
- ▶ **Mitigation assistance** – expanded loan funding to allow for improvements to protect against future disaster damage
- ▶ **Economic Injury Disaster Loans** – loans to cover financial obligations and operating expenses for disaster-impacted businesses

Important Deadlines



- ▶ **FEMA Individual Assistance** Applications **are** typically due 60 days after the declaration
- ▶ **SBA Home and Business Physical Disaster Loan** applications due 60 days after the declaration
- ▶ **SBA Business Economic Injury Disaster Loan** applications are due 9 months after the declaration
- ▶ **FEMA Public Assistance** requests are generally due 30 days after declaration and there is generally an Emergency Work 100% cost-share for 60 days

Intermediate Recovery



Timeframe: Day 180 to Year 1

Challenges/Activities

- ▶ Temporary housing
- ▶ Housing repairs
- ▶ Infrastructure repairs
- ▶ Economic revitalization

Resources

- ▶ FEMA PA
- ▶ State & local funding
- ▶ Volunteers/VOADS/LTRGS
- ▶ Philanthropic donations



Long Term Recovery Groups

A **long-term recovery group (LTRG)** is a cooperative body that is made up of representatives from faith-based, non-profit, government, business and other organizations working within a community to assist individuals and families as they recover from disaster

- ▶ LTRGs are critical for coordinating recovery resources
- ▶ Success hinges on having an active **recovery champion** (single point of coordination)

VOADs



Volunteer Organizations Active in the Disaster (VOAD) are typically the major rebuilding resource that is available during the intermediate recovery phase

- ▶ VOAD coordination is critical for ensuring you avoid duplication of efforts
- ▶ Provide support to the VOADs or they will move quickly to the next disaster

Long Term Recovery



Timeframe: Year 1 to Year 7

Challenges/Activities

- ▶ Housing repairs
- ▶ Infrastructure repairs
- ▶ Economic revitalization
- ▶ Mitigation

Resources

- ▶ HUD CDBG-DR
- ▶ State & local funding
- ▶ Volunteers/VOADS/LTRGS
- ▶ Philanthropic donations



CDBG-DR Challenges

- CDBG-DR Activities must:
 - o Be conducted in a Presidentially-declared county
 - o Have a direct or indirect tie-back to the disaster
 - o Meet a national objective
- CDBG-DR is the federal funding of last resort
- Must account for duplication of benefits
- Each disaster has new and slightly different rules



Building a Recovery Strategy

Communities Helping Communities

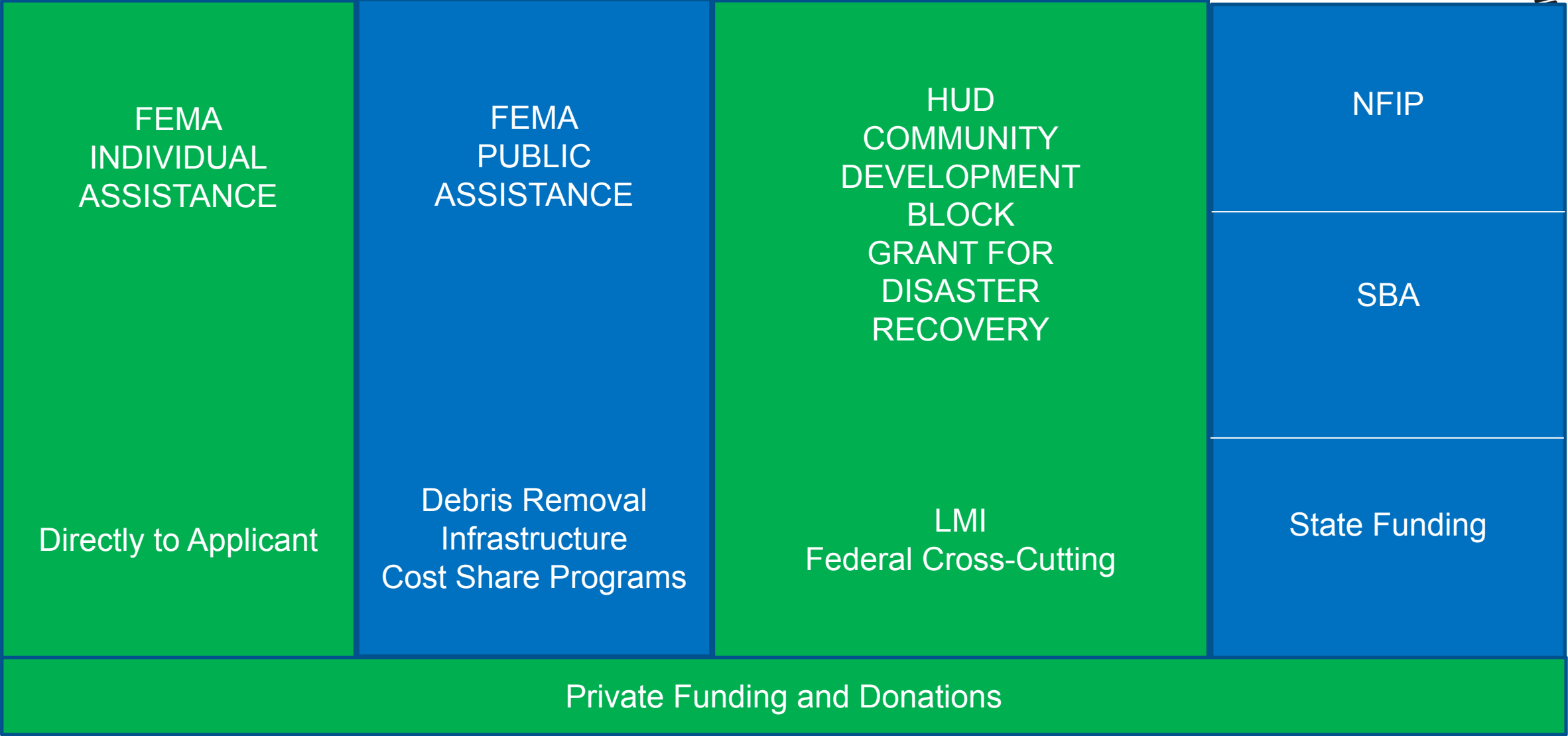
Disaster Recovery Truths



- **Most people will recover themselves**
- **Some folks won't:**
 - Low to Moderate Income
 - Elderly age 65 and older
 - Disabled
 - Children 5 and Under in the home
- **The Two Don'ts of Disaster Recovery:**
 - Don't rebuild the homes of high-income folks
 - Don't reinforce a slumlord



Big Buckets Resourcing a Recovery



Questions?



Do we have a purpose?

Do we have the money?

**Do we have generally good
people?**

What happens if we don't recover?

Question?



Why do so many disaster recoveries fail?

Common Failure Points



We don't use the same terminology

We don't have a process

We are not organized for success

We don't have a good plan or even know the plan we have

Question?



**What do all successful
organizations have in
common?**

Leadership and Management



Outcomes of Leadership

- Purpose
- Motivation
- Direction

Leader provides

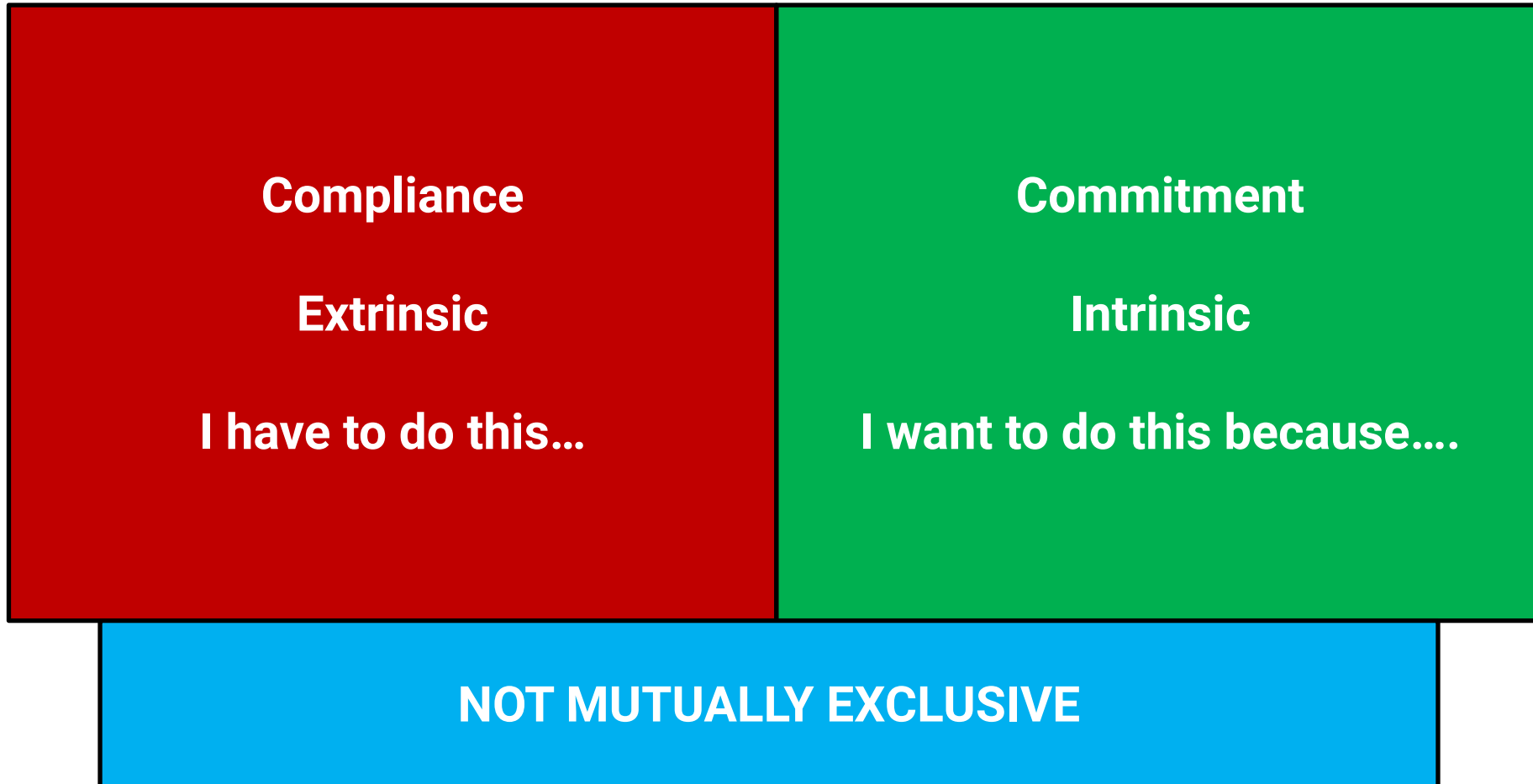
Clarity in Communications
Unity of Efforts

Outcomes of Management

- Effectiveness
- Efficiency

WE LEAD PEOPLE...WE MANAGE THINGS

Culture of Compliance v Culture of Commitment?



Strategy 101



End state- What do we want?

Can we adequately:

- Visualize the end?
- Describe the end?
- Direct us toward the end?

Most recovery efforts struggle due to a lack of strategy

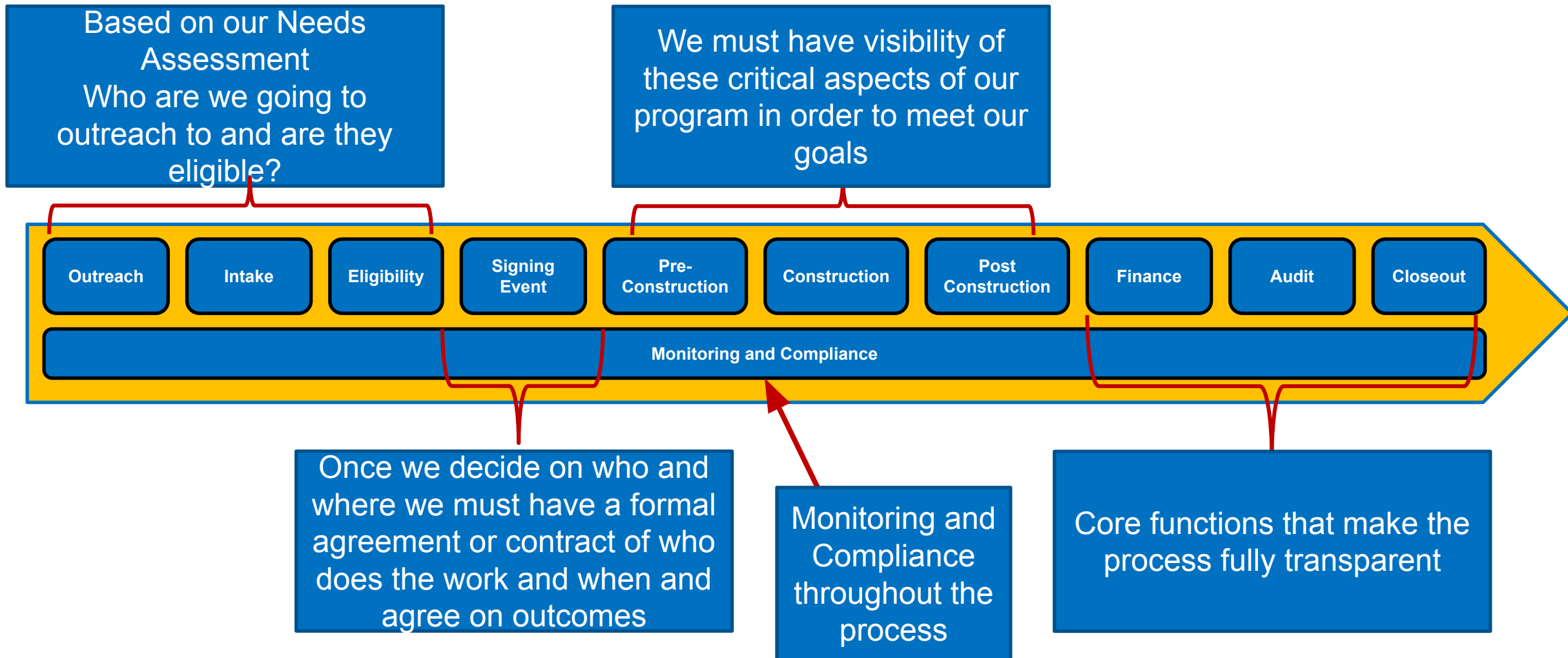
Ways- What are the various ways and methods which allow us to obtain our goal?

- Do they solve the problem?
- Are they feasible, suitable, acceptable?
- Do they provide a cost/benefit?
- Do the methods meet the spirit and intent?
- Are they moral and ethical?

Means- What resources do we have, or can we obtain?

- Money, People, Time

A Standard Process Flow for Disaster Recovery





Questions



Creating a Long-Term Recovery Group

Communities helping Communities

National VOAD Definition



“A long-term recovery group (LTRG) is a cooperative body that is made up of representatives from faith-based, non-profit, government, business, and other organizations working within a community to assist individuals and families as they recover from disaster. LTRGs are as varied in their structure as are the communities in which they work. The personality and operation of each group are unique and reflect local needs, available resources, cultural diversity, leadership style, and community support.”

Key Elements



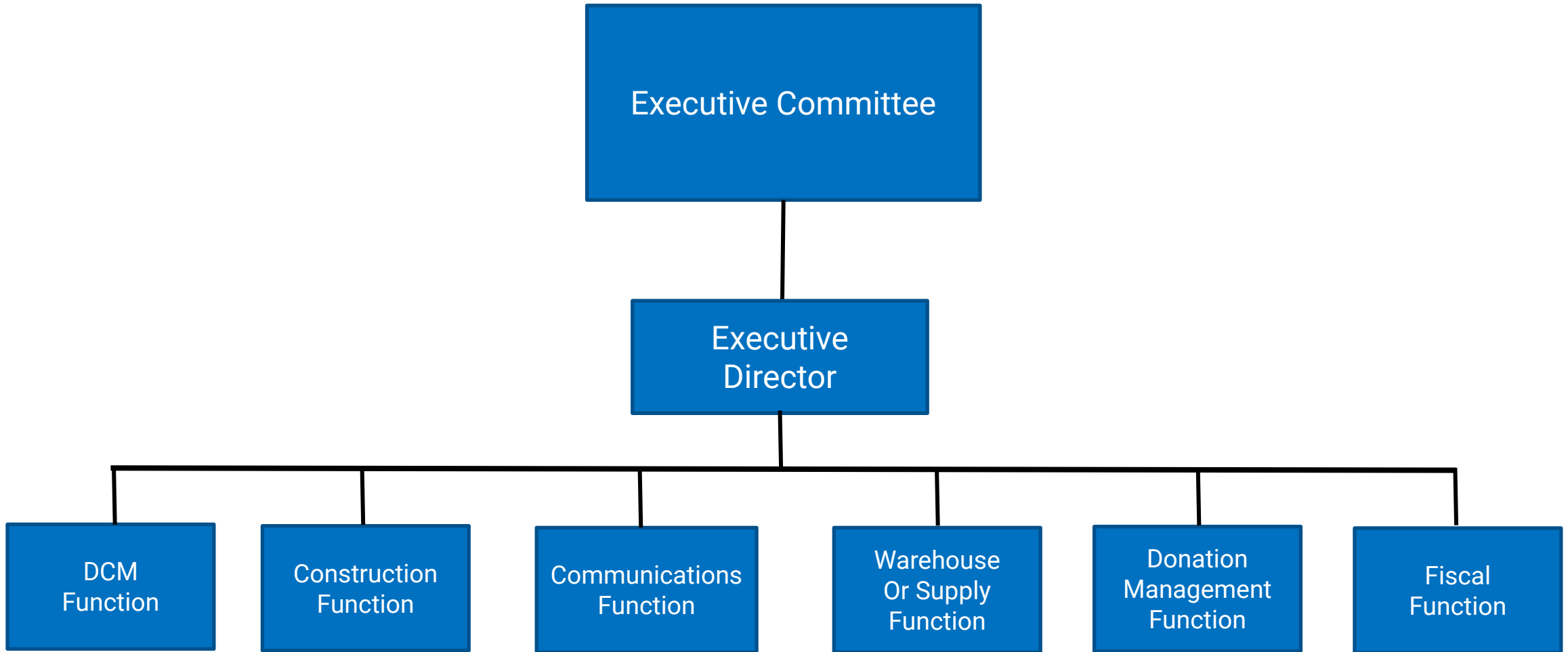
- Cooperative body
- Working to assist individuals and families
- Recover from a disaster

The Big Three Up-Front



- Each LTRG is different and unique because disasters are different and unique and there is no 'right' or 'wrong' way to structure your LTRG
- Must have or become a fiscal agent for 501C3 status as a non-profit organization
- You are responsible to donors for positive outcomes

The Basic Organization





The Executive Committee

- Odd number 3-5-7
- Responsible for:
 - Charter, by-laws, and governing documents
 - Strategy Development
 - Hiring the Executive Director
 - Obtaining Resources
 - Donor outreach
 - Fiscal accountability and auditing
 - Donor outcomes

Executive Committee

Best Practices:

- Don't get into the internal working of the LTRG and micromanage the Executive Director
- Closely monitor fiscal reporting
- Conduct an annual audit



The Executive Director

- Responsible for:

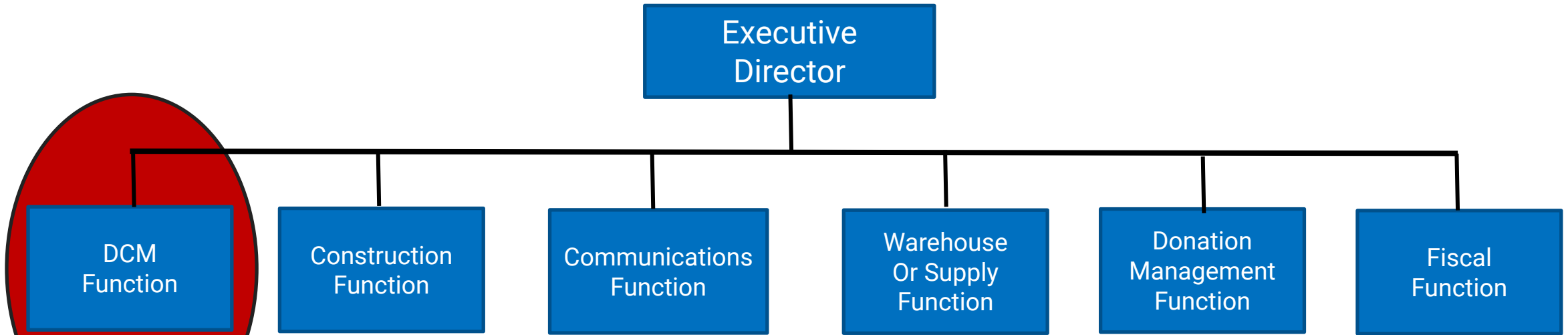
- Strategy Development
- Staffing
- Systems
- Policy
- Day-to-Day Leadership and Management
- Client and Construction Management
- Fiscal accountability
- Coordinating with Elected Officials, Public Administrators, and Emergency Management
- Face of the LTRG



Best Practices:

- Paid Position
- Coordination of staff and volunteers, and keeps Board informed
- Policy driver

Disaster Case Management



- Start the process...good inputs lead to good outcomes
- The most critical function is to first obtain the client
- Listen to the client...‘couch sit and hand hold’
- Help the client ‘help themselves’ with an Individual Recovery Plan
- Deem the client eligible under our policy
- Brief the client case for decision
- Sign the client
- Follow the client through the process
- Close out the process

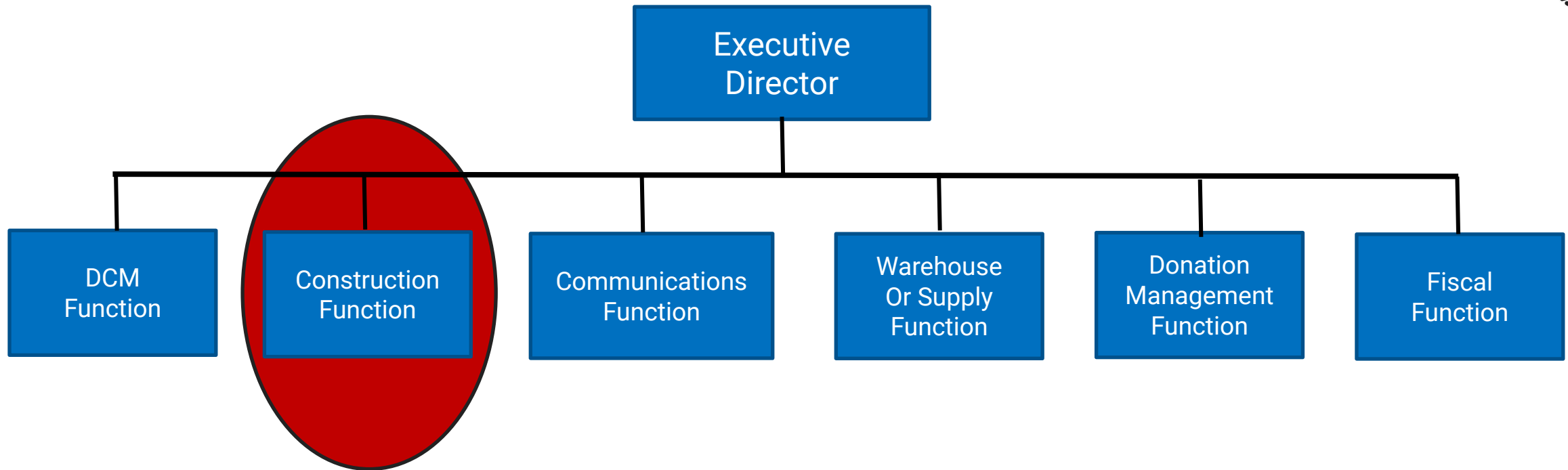
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The IRP is Critical!

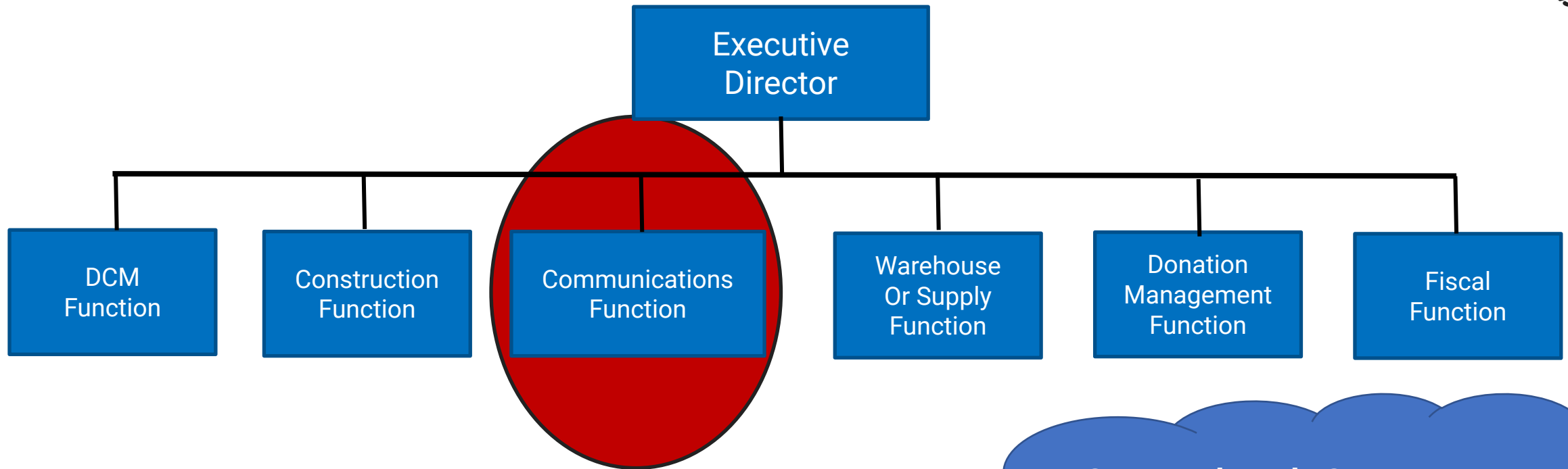
Disaster Case Managers focus on the home

Construction Management



- Coordinates with DCM to receive eligible clients
- Conducts the ECOR: Estimated Cost of Repair
- Coordinates with volunteers and/or contractors to execute the work
- Writes construction contracts as required
- Controls cost and manages change orders
- Monitors construction activity
- Ensures local code compliance...building permits and certificates of occupancy

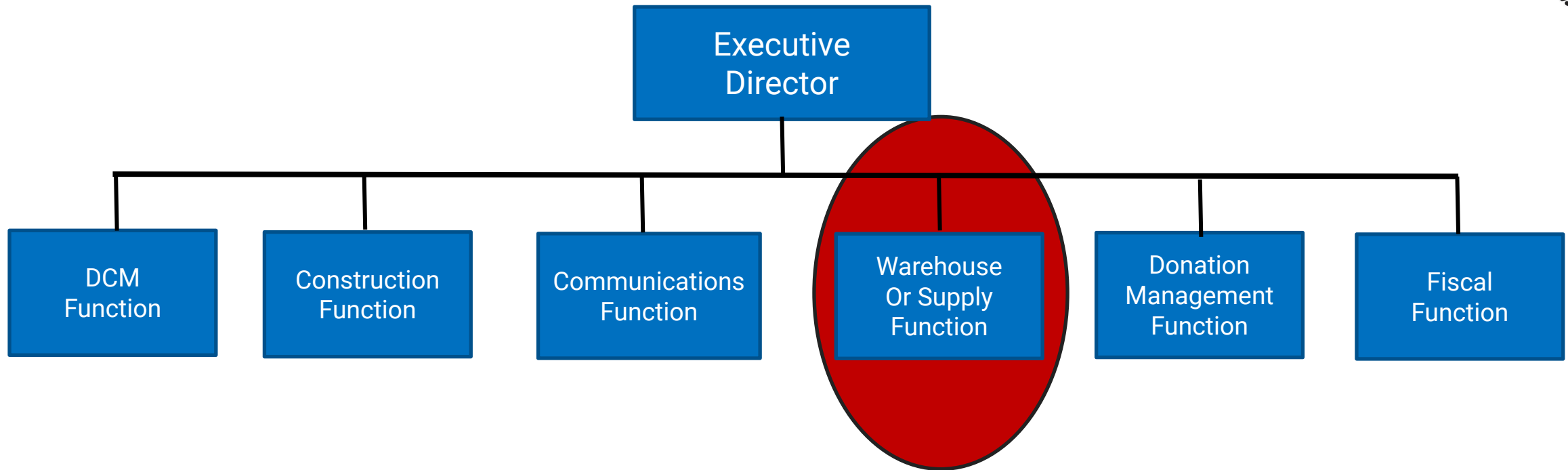
Communications Function



- Coordinates internal and external communications
- Coordinate themes and messages
- Broadcast themes and messages
- Advertises the program
- Broadcast successes

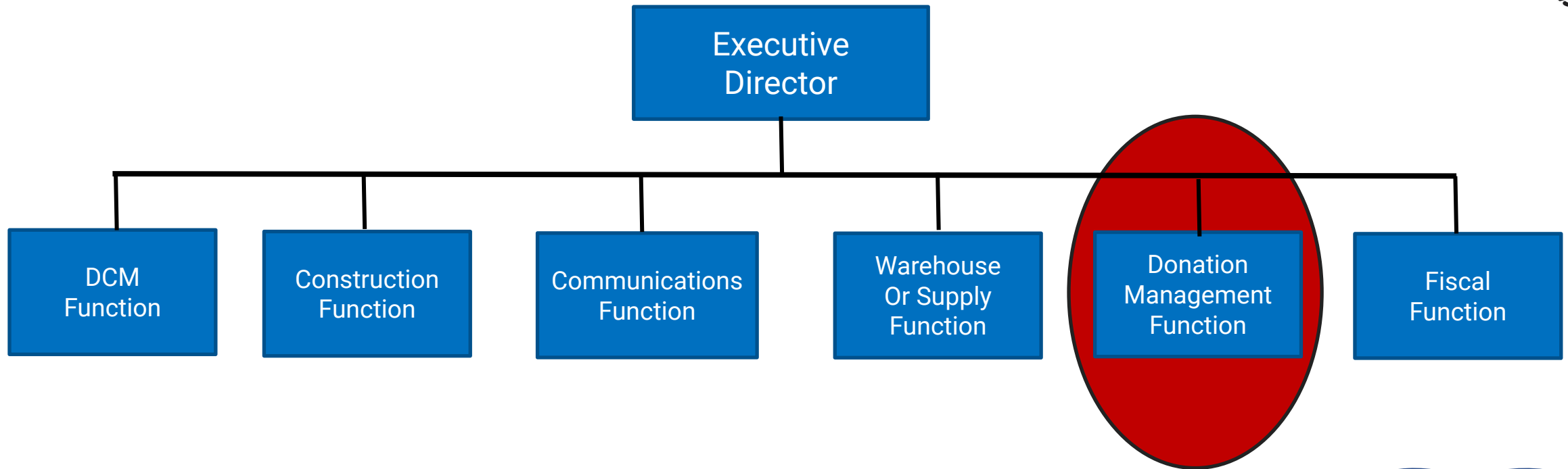
**Success breeds Success...
especially with donors, focus
on storytelling**

Warehouse or Supply Function



- Inventory management
- Donation management
- Be judicious in distributing or disposing of donated goods
- Providing resources in a timely manner
- Coordinate with other relevant agencies to receive and distribute

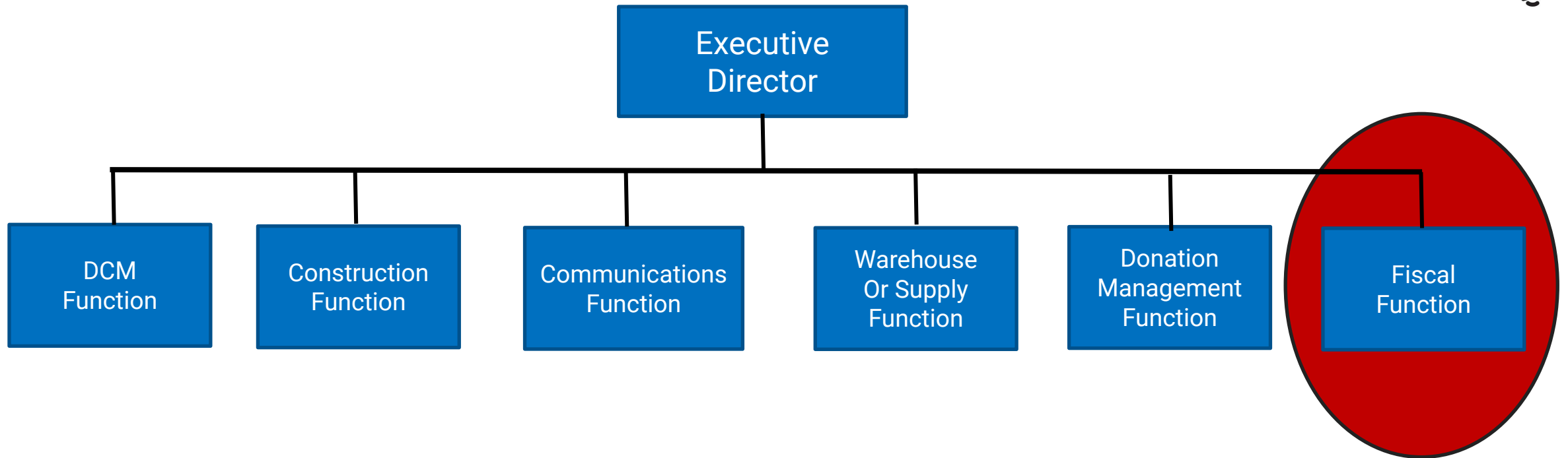
Donation Management Function



- Go get the donations
- Donor management
- Publicize success
- Apply for donations and grants
- Coordinate closely with the fiscal agent



Fiscal Function



- Fiscal Agency requirement for 501C3 status
- Finance and Accounting Function
- Can be internal or have a fiscal agent
- Fiscal Transparency

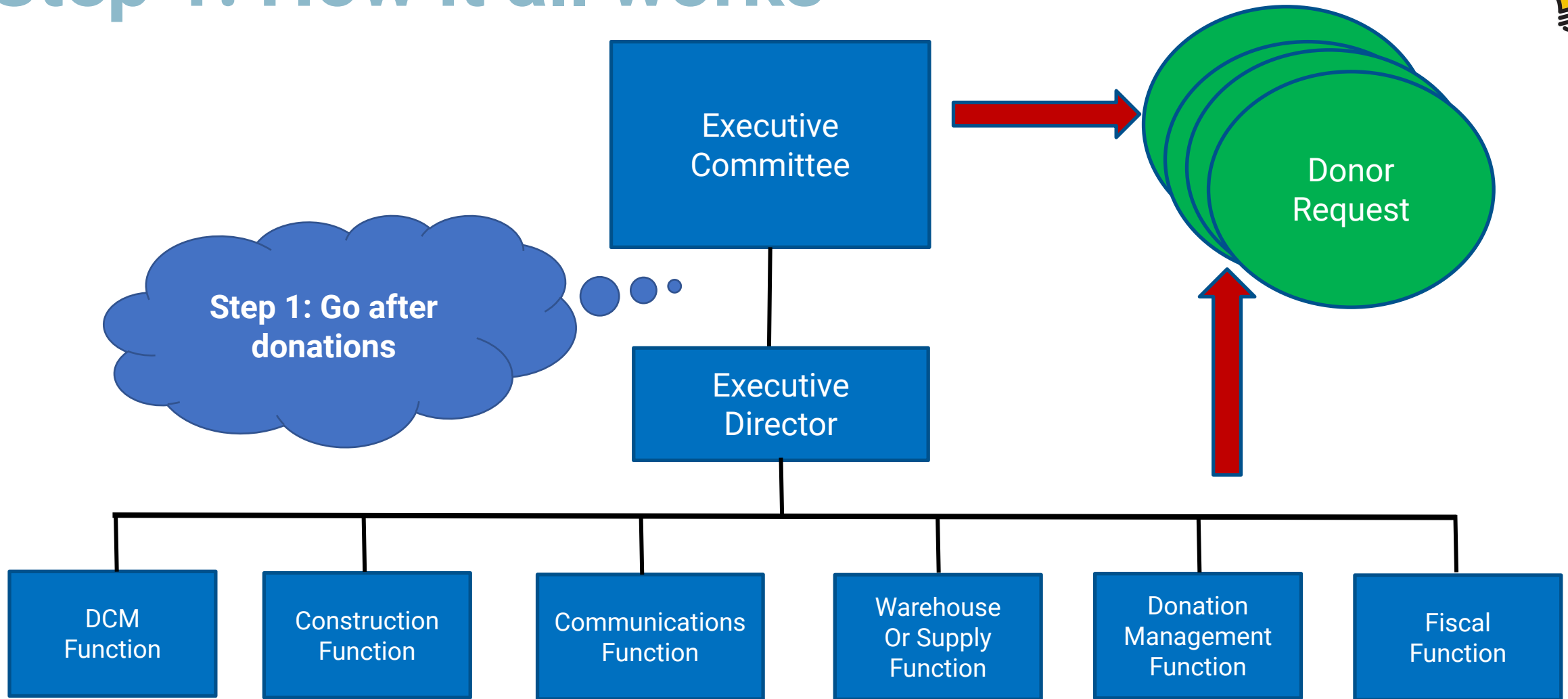


Perfect World

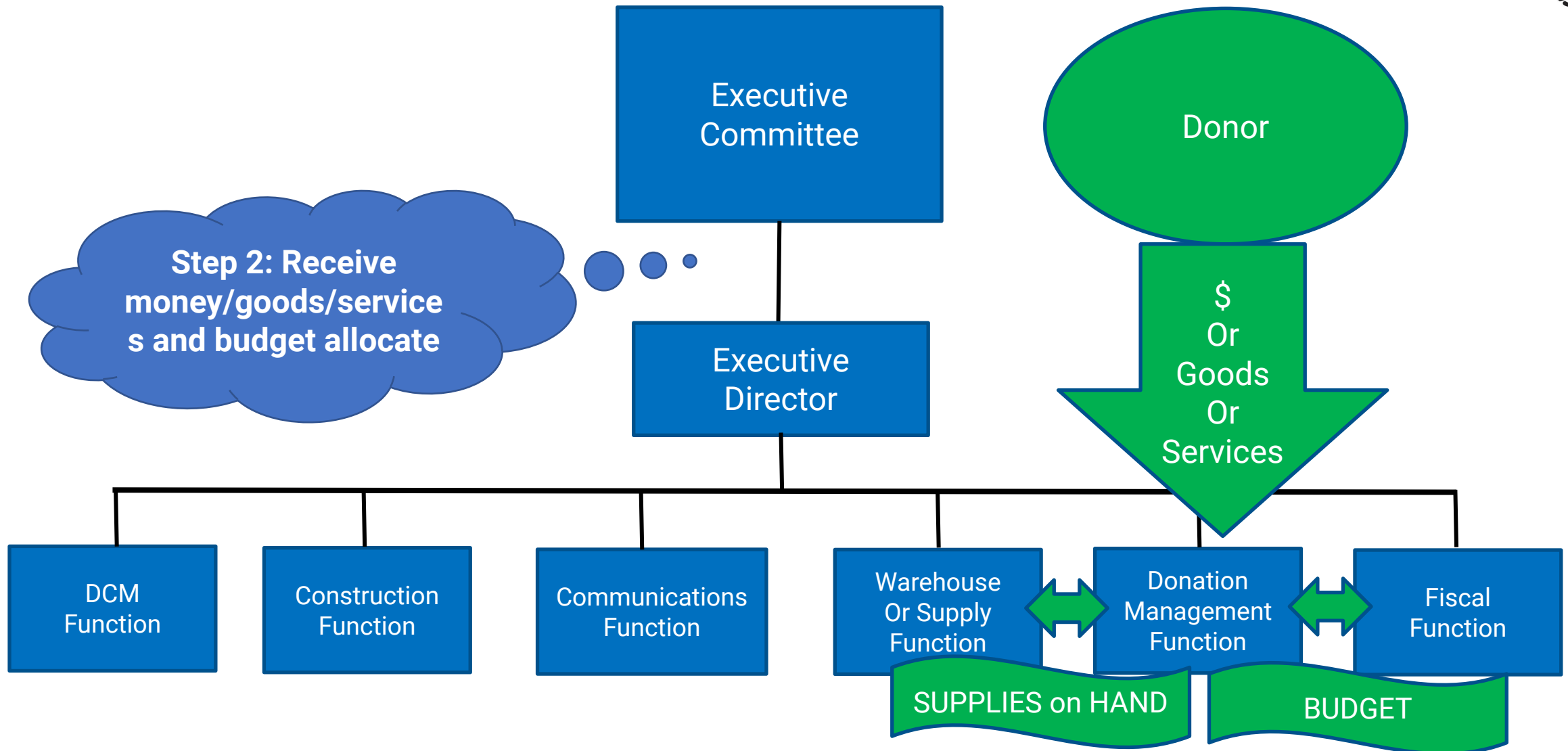


**How it all works
In a perfect world...**

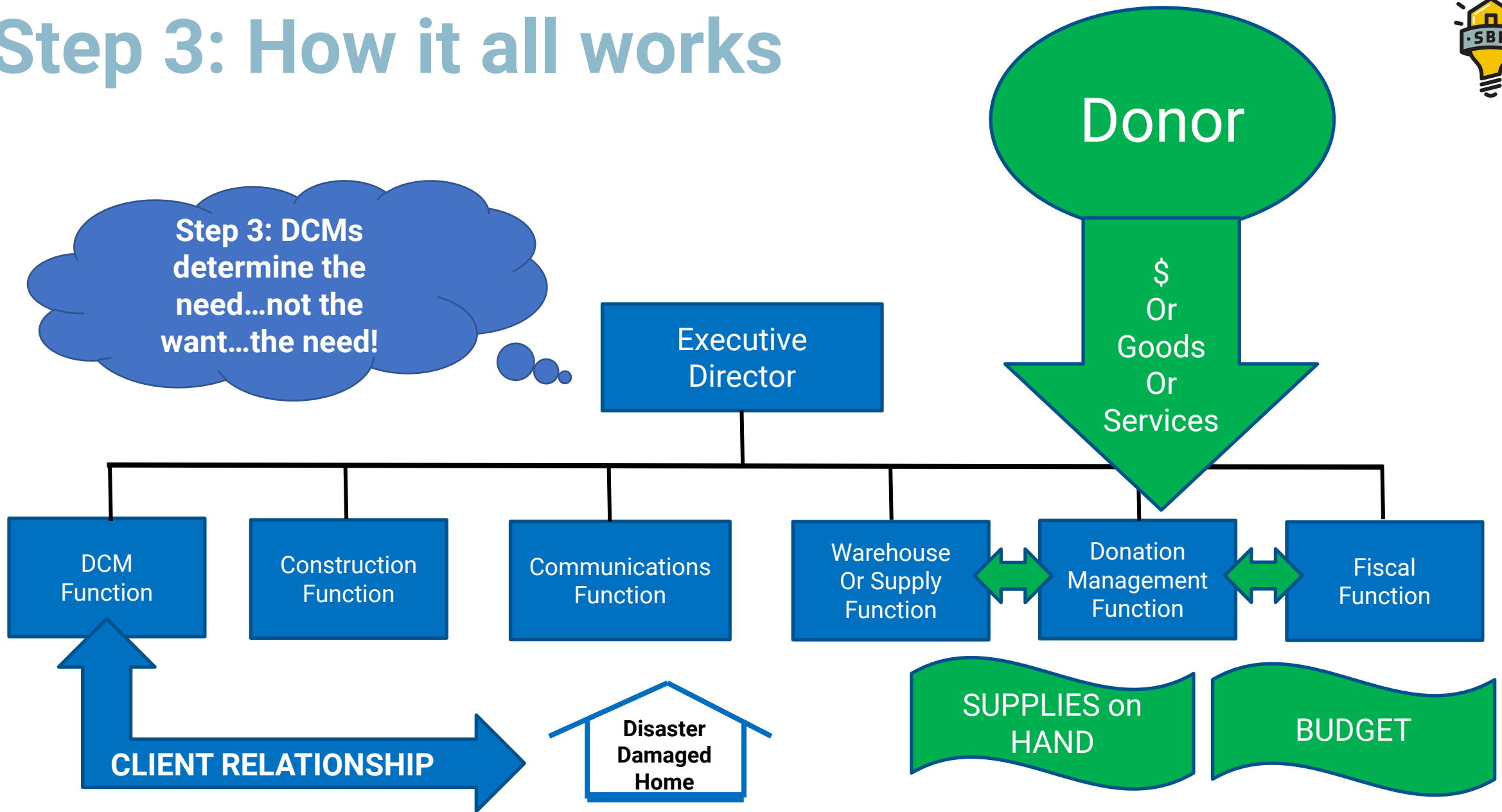
Step 1: How it all works



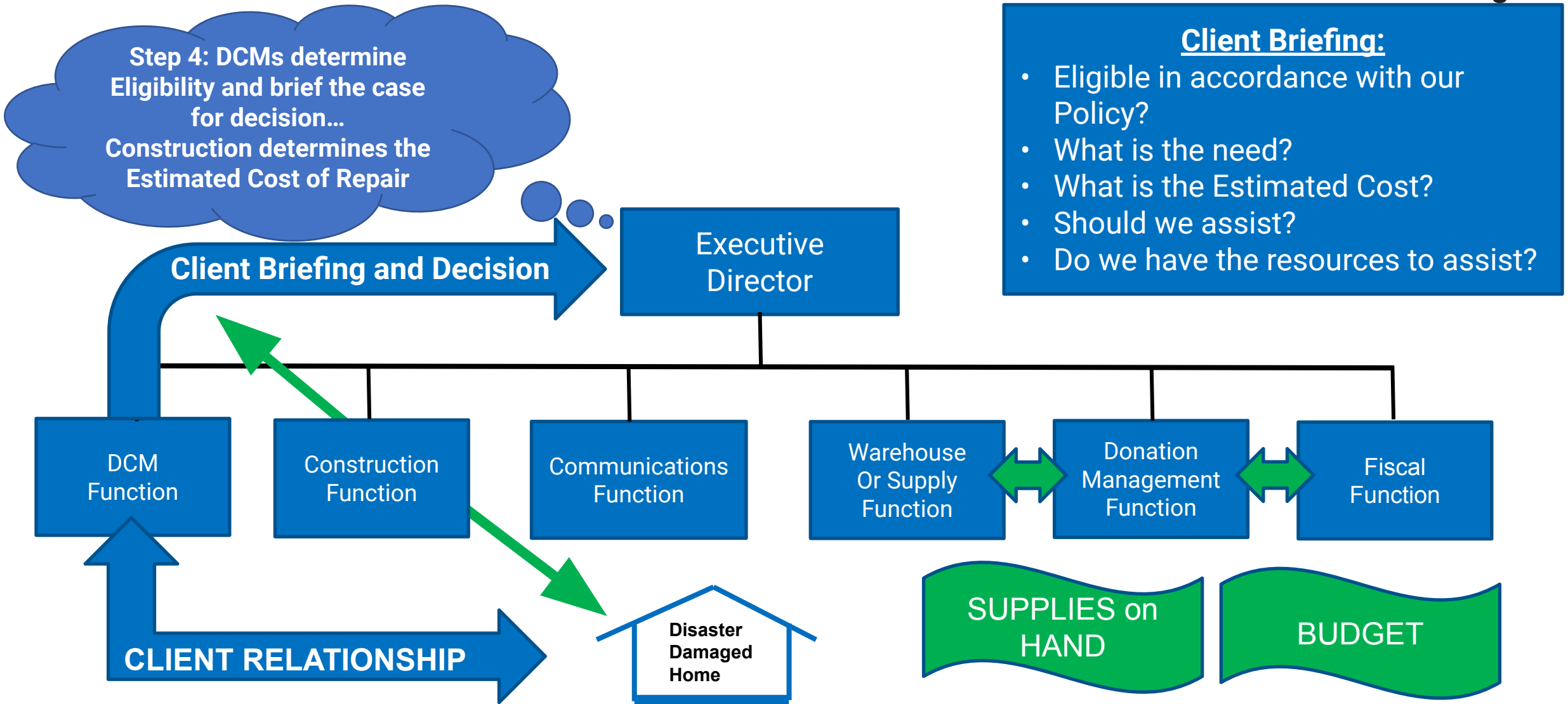
Step 2: How it all works



Step 3: How it all works



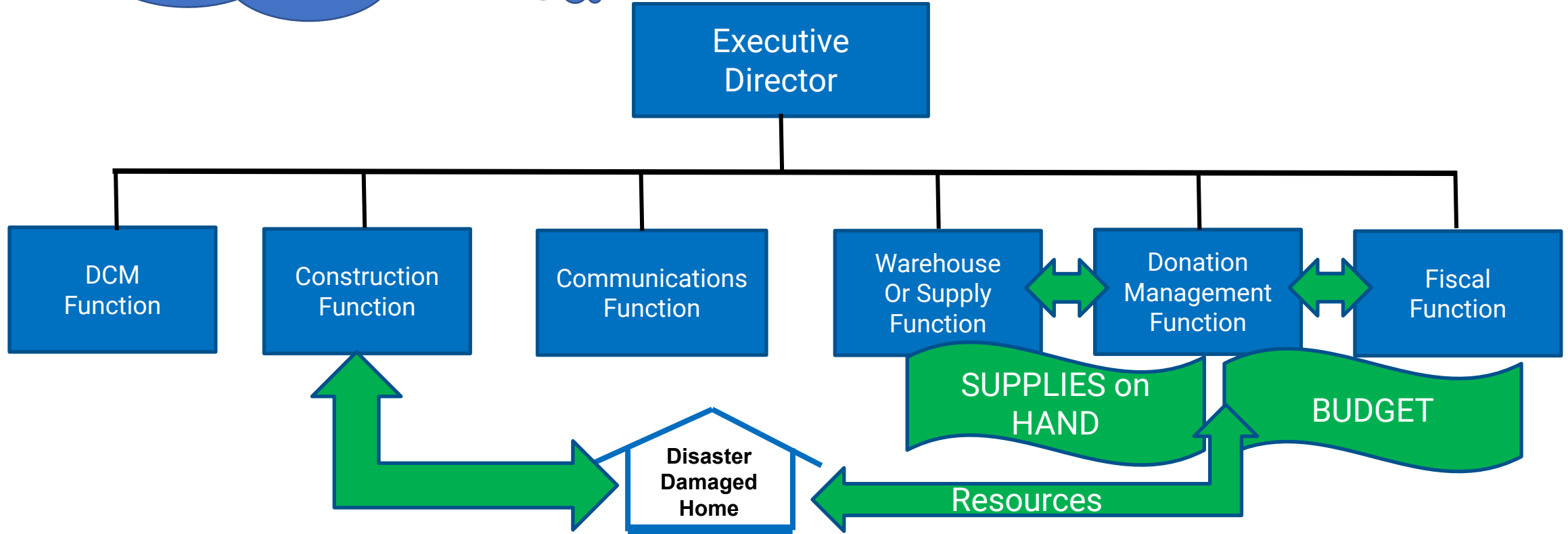
Step 4: How it all works



Step 5: How it all works



Step 5: Construction determines either/or volunteers or contracts for the repair



Step 6: How it all works

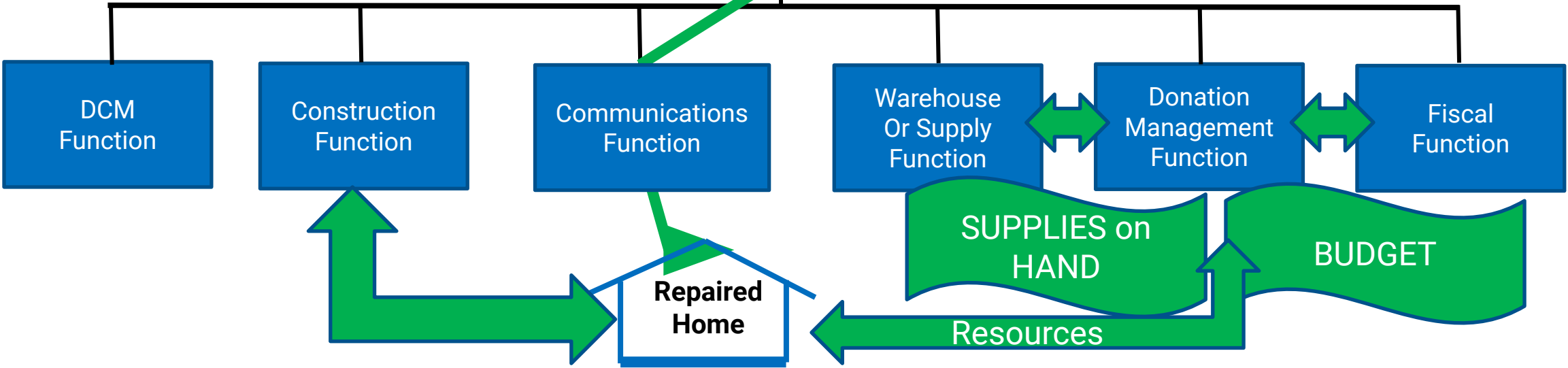


Step 6:
Communications
provide Public and
Donor Feedback

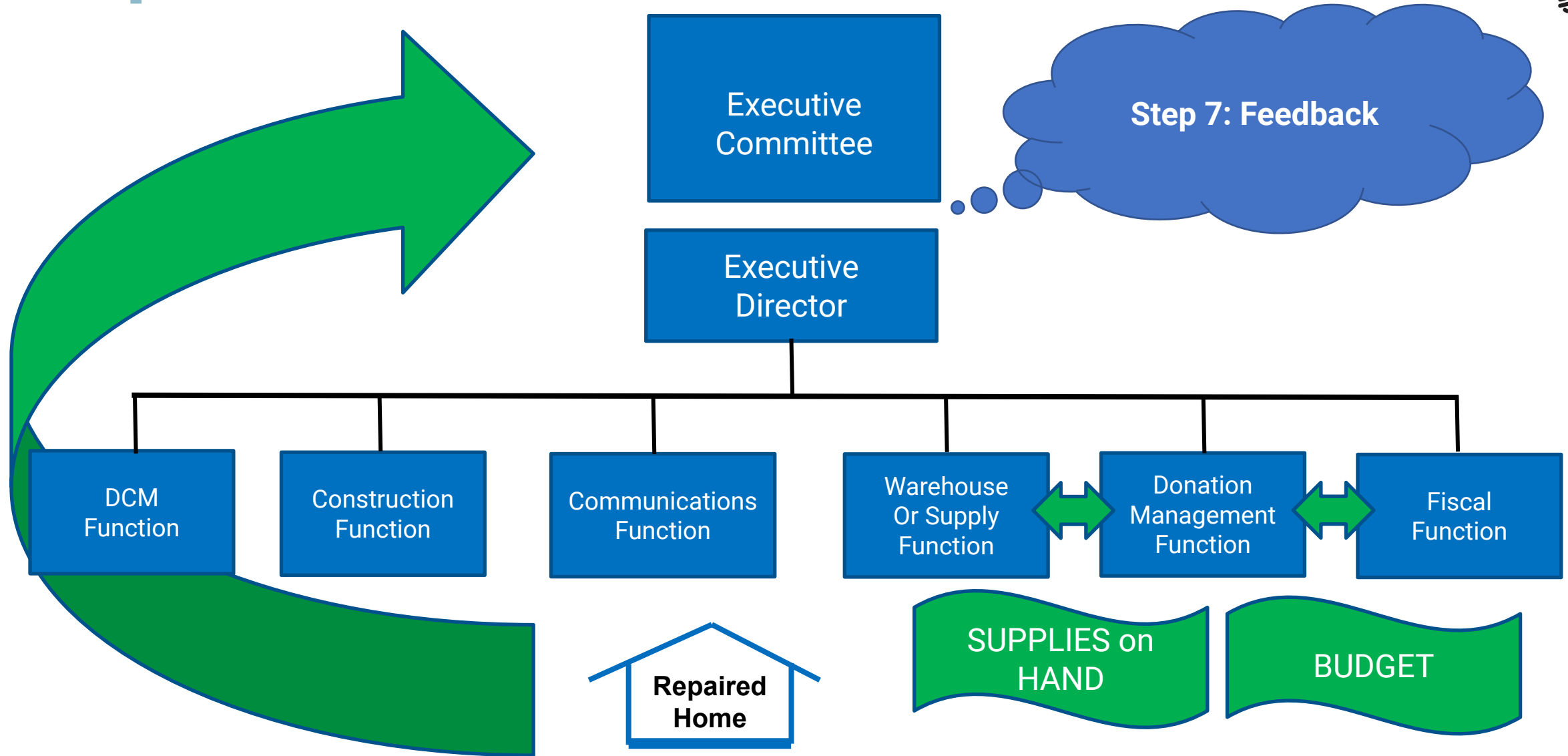
Executive Committee

Executive Director

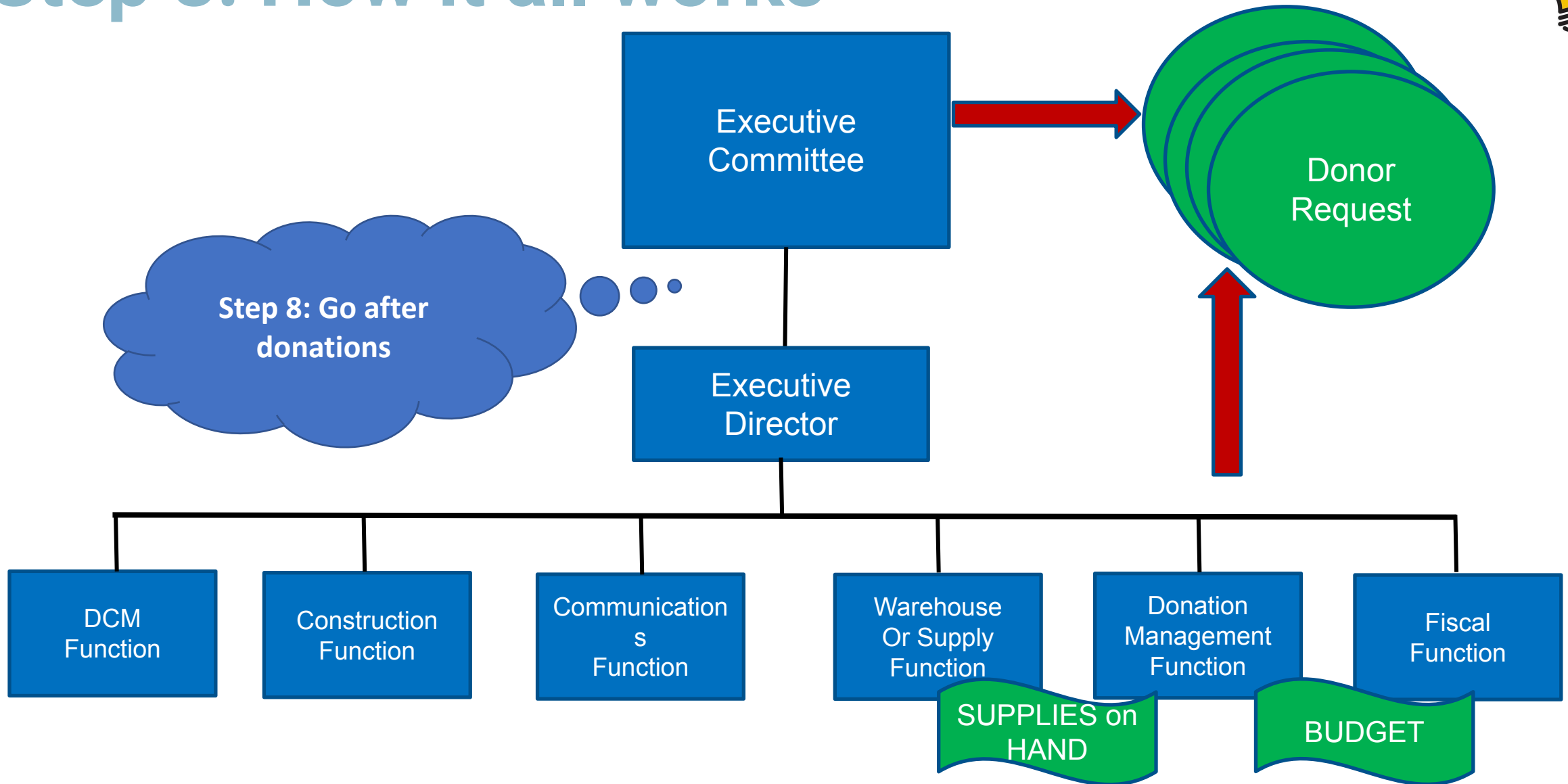
Donor



Step 7: How it all works



Step 8: How it all works





Questions



Break



Financing the LTRG

Funding the recovery

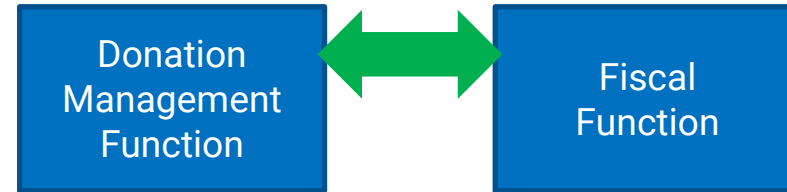
Handling Financial Resources



- LTRGs must operate as a not-for-profit entity in some fashion
- LTRGs can use an existing fiscal agent with 501(c)3 status
- LTRGs will be handling money entrusted to the group by individuals, foundations, and other organizations



The Basic Organization

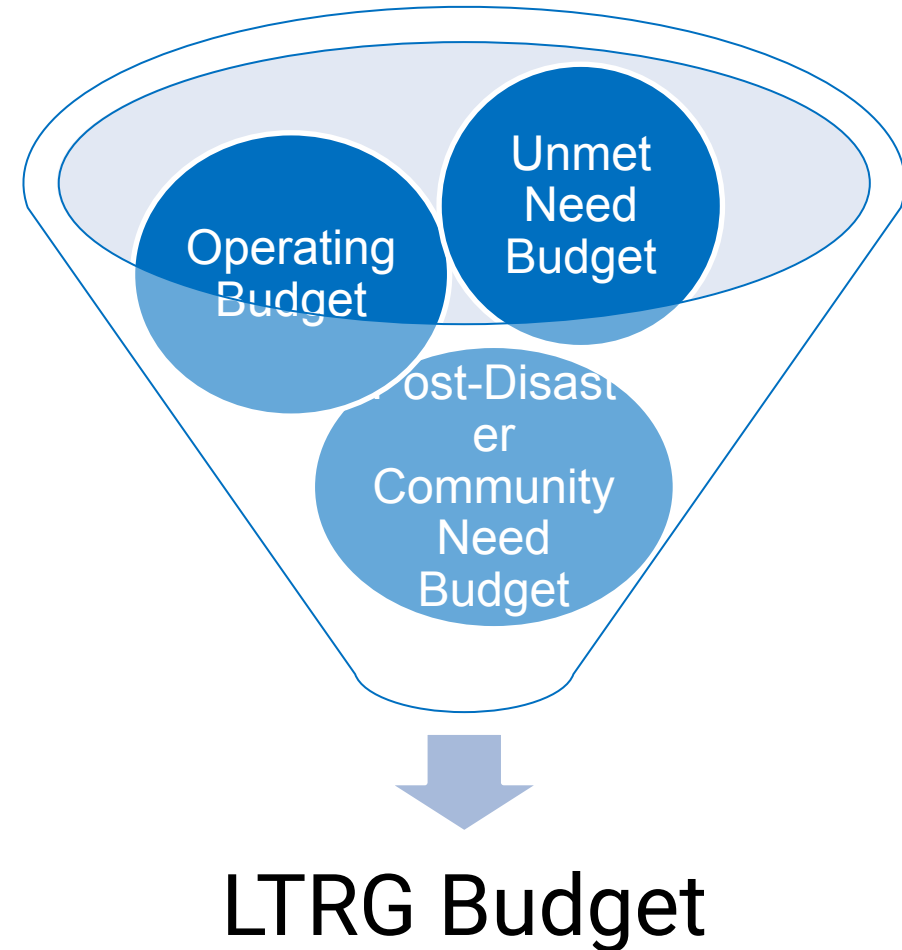


- All LTRGs need funds with which they will operate
- Must acquire resources to meet unmet needs **and** for running the LTRG
- Fiscal function must work with the governing body to set a preliminary budget
 - o This budget will change over time
 - o Micromanage income and expenditures and adapt as needed
 - o Community-wide unmet needs assessment should drive budget

Budget Basics



- Operating
 - Salary + Fringe for Employees
 - Communications Budget
 - IT System of Record
 - Rent/Utilities/Supplies
- Unmet Needs
 - # of Homes Damaged
 - Cost per Home
 - Donated Resources
- Community Need Post-Disaster
 - Mitigation and Preparedness



Operating Budget



- How long do we plan to operate?
- What resources will we need to operate?
 - o Staff (paid or volunteers):
 - Program Director
 - Case Management
 - Construction Coordination
 - Volunteer Coordination
 - o Facilities and IT
- What are our communications needs?
- What resources/funds have we identified so far for operations?
- What is the gap for funding operations for long-term recovery?



Unmet Need Budget



- What were the identified unmet needs of the community?
 - o Housing
 - Homes damaged/destroyed
 - Pre-disaster housing stock
 - Individual disaster assistance received through State funding, SBA, insurance, FEMA
 - o Social Services
 - Legal aide, mental health needs, housing counseling
- What in-kind donations do we have?
- What do we still need to locate to meet needs?
- What amount of additional funding do we need to raise to meet the remaining unmet needs?

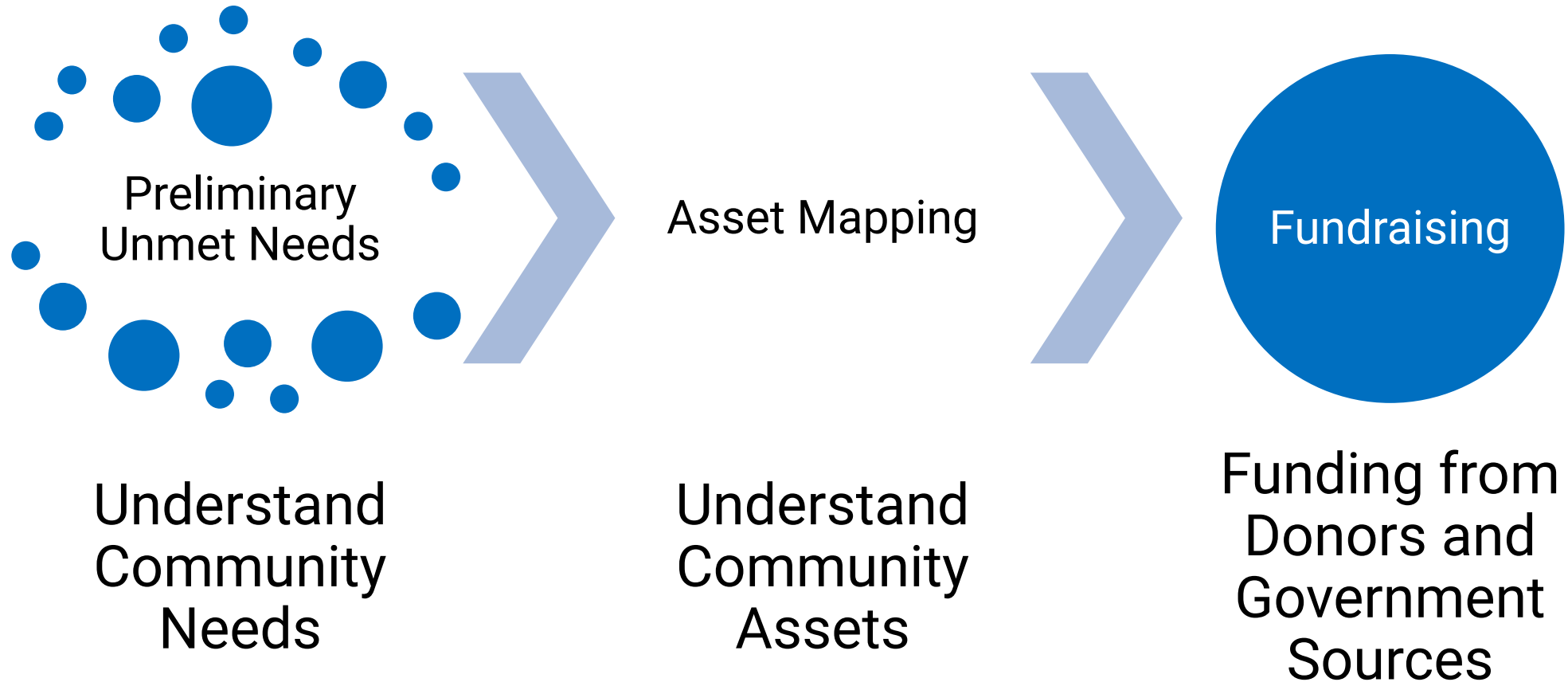
Post-Disaster Community Needs Budget



- Are there projects that the LTRG wants to engage in for the recovery of the community?
 - Preparedness
 - Mitigation support
- What would a budget be for those projects?
- What state/federal/local resources are there for those projects?
- What in-kind resources can be identified for those projects?
- What amount of additional funding do we need to raise for the projects?

Post-Disaster
Community
Needs
Budget

Finding Funds and Other Resources





Asset Mapping

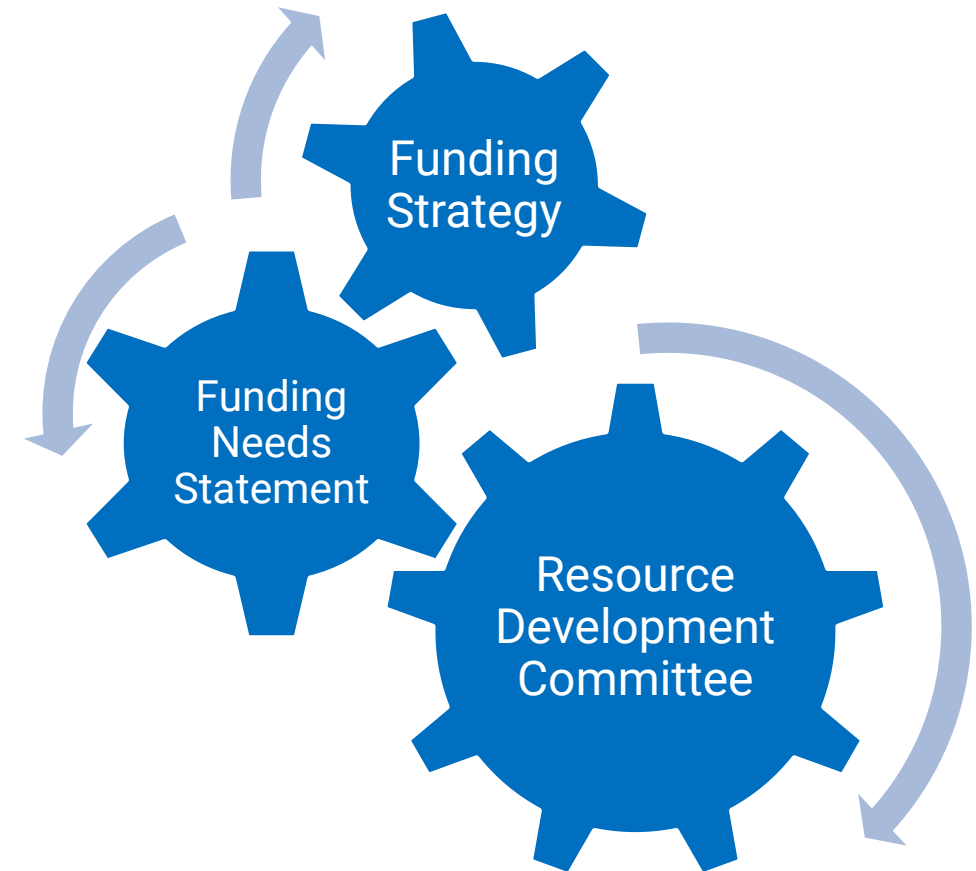
“Asset mapping” is a technique for identifying local resources.

1. Start with what is present within the community:
 - local government, volunteers, referral services, disaster response, and other social service agencies, media outlets, foundations, corporations, large churches, and other religious institutions, etc.
2. Identify individual client capacities and abilities for recovery
3. Promote connections or relationships between individuals and organizations, encouraging them to share resources as they help meet the needs of the community
4. Stress local determination, investment, creativity, and control
5. Create directories of social services, or augment directories that may be maintained by Information and Referral (I&R) agencies within the community

Fundraising



- Identify and account for all funding to date
- Create a gap funding statement to utilize for fundraising
- Set fundraising goals
- Research and identify state/local/federal funding sources
 - Government
 - Non-profit
 - Foundations
 - Faith based
- Develop grant writing capability/strategy and assign tasks



Potential Funding Sources



HUD

- Emergency Solutions Grant (ESG)
- HOME Investment Partnerships Program (HOME)
- Continuum of Care (CoC)
- Making Home Affordable (MHA) Program
- FHA Section 203(k) Home Rehabilitation Loan Program
- Older Adult Home Modification Program (OAHMP)
- Housing Counseling Grants
- Healthy Homes Initiative (HHI)
- Community Development Block Grants
 - Disaster Recovery (CDBG-DR)
 - Mitigation (CDBG-MIT)
 - CARES Act (CDBG-CV)
 - Annual Formula Allocations (CDBG)

USDA

- Rural Dev. Loans/Grants
- Multifamily Housing Direct Loans/Grants
- Mutual Self-Help Housing Technical Assistance
- Community Facilities Direct Loan/Grant Program
- Water and Environmental Programs (WEP)
- Emergency Watershed Protection (EWP) Program

SBA

- Disaster Loan Assistance (Home, Personal, Business, EIDL)

FEMA

- Public Assistance (PA)
- Section 406 Mitigation
- National Flood Insurance Program (NFIP)
- Group Flood Insurance Policies (GFIPs)
- Mitigation Grants (FMA, BRIC, HMGP)
- Individual and Households Program (IA, ONA)

DOE

- State Energy Program (SEP)
- Weatherization Assistance Program (WAP)

FHWA

- Emergency Relief Program
- Surface Transportation Block Grant Program (STBG)
- Transportation Infrastructure Finance and Innovation Act (TIFIA)

EPA

- Clean Water State Revolving Fund
- Drinking Water State Revolving Fund
- Water Infrastructure Finance and Innovation Act (WIFIA)
- Water Infrastructure Improvements for the Nation (WIIN) Act

Financial Controls



Financial controls and systems are one of the first things a new LTRG should consider and implement

- All incoming funds should be independently seen, recorded, banked, and accounted for by two or more persons.
- Someone other than the person who opens mail should compare each incoming check with issued receipts.
- All expenditures should be approved by someone other than the person who signs checks. Someone other than the person who issues checks should do monthly bank reconciliation.
- Require at least two signatures on all checks.
- Checks should never be signed “ahead” by one or more of the signatories

Financial Reporting



Reports

Balance Sheet
(quarterly)

Income Statement
(monthly)

Budget vs. Expenditures
(monthly)

- Balance Sheet should present the LTRG assets and liabilities at least quarterly
- Statement of Income and Expenses should include line item detail of project/program income and expenses
- All reports should compare the current period's fiscal performance and the year-to-date performance to the annual budget.
- Simple analysis of budget variances (i.e. "why did we over- or under-spend in a particular area?") can be helpful in keeping an LTRG on track and in future programmatic decision-making

Audit



- LTRGs should have a financial audit annually
 - Will be required if LTRG is organized as a 501(c)3 or if LTRG expends at least \$750,000 in federal funding
 - LTRGs should recruit a CPA to serve on the board to assist with policy development
 - CPAs can donate audit services or LTRG should procure audit services
- Audit must verify that the LTRG has sufficient internal control
- **In the organizing stage, LTRG should have a review of financial controls and procedures prior to expending funds**

Reports to Donors



Donors are what allows an LTRG to function – reports to donors should tell the story

- Reports will need to include where funding is utilized
 - Number of families assisted
 - Nature of assistance provided
 - Ongoing identification of emerging needs
- Fulfill any donor-mandated requirements
- Monthly, quarterly, and annual reports should be sent to all financial donors



Common Pitfalls In LTRGs

Communities Helping Communities



Common Pitfalls

- LTRGs are critical in the Recovery Process
- Must fill gaps that the Government cannot fill
- Learn from the mistakes of others

We want you to be successful



Common Pitfalls: Policy

- Failure to build and train a common policy
 - Lack of defined eligibility policy
 - Tend to attempt to serve everybody rather than needs-based
- Failure in key policies
 - Fiscal accountability
 - Construction management



Common Pitfalls: Lack of Community Involvement

- LTRGs often consist of the same folks who do everything in the community
- Seek the whole community for success
- A mix of elected leaders, public administrators, emergency managers, non-profits, and business community members
- Recovery impacts us all

Common Pitfalls: Lack of a Defined Leader



- One person as the operational decision maker
- One person to provide the outcomes of:
 - Purpose
 - Motivation
 - Direction
- One person to be the 'face' of the Disaster

Common Pitfalls: Lack of Organization



- Lack of clearly defined roles and responsibilities
 - Internal to the LTRG
 - External to the LTRG
- Assign crystal clear specific duties and responsibilities to partner organizations
 - Clearly defined Teaming Agreements
 - Clearly defined Memorandums of Agreement
- Outline what specific goods and/or services partners will provide

Common Pitfalls: Lack of Fiscal Accountability



- Failure to be transparent with funding
 - Failure of oversight
 - Failure to conduct internal auditing
- Donors want to back financially sound organizations
- Failure in local contracting and contracting transparency



Common Pitfalls: Volunteer Capabilities

- Failure to organize for volunteers
 - Failure to have the worksite prepared for volunteers
 - Failure to have work appropriate for volunteers
- Attempting to use volunteer labor for missions beyond their capabilities
- Failure to train volunteers
- Failure to enforce safety protocols

Common Pitfalls: Construction Management



- Failure to properly scope the repair
 - Inadequate repair estimate
 - Weak contract to repair
- Failure to hold contractors accountable
- Failure in contractual time standards
 - Clients out of home for excessive time periods
 - Increased cost of temporary lodging
- Failure in warranty management

Common Pitfalls: Resident Expectations



- Failure to have the client with 'skin in the game'
 - Weak Signing Agreement with the client
 - Failure to manage expectations
- Failure to obtain a building permit due to unpaid taxes
- Failure to meet internal and client expectations

Common Pitfalls: Material Management



- Failure to manage incoming donations
- Failure to know what you have and don't have
- Failure to disperse or transfer resources in a timely manner...nothing should be held in reserve in a disaster
- Failure to have warehouse and transportation capability



Questions

Stay in touch! Contact Joe Boyes at jboyes@sbpusa.org or Angela Calabro at acalabro@sbpusa.org for more information!