



CIRCULAR

STATE OF NEW JERSEY

DEPARTMENT OF THE TREASURY

NO.: 14-02-OMB	ORIGINATING AGENCY: OFFICE OF MANAGEMENT AND BUDGET	PAGE 1 OF 2
EFFECTIVE DATE: 07-22-13	EXPIRATION DATE: INDEFINITE	
SUBJECT: : GUIDELINES FOR TRACKING DISASTER/EMERGENCY EXPENSES		
ATTENTION: DIRECTORS OF ADMINISTRATION, FISCAL OFFICERS, AND PAYROLL OFFICERS		
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I. PURPOSE

This Circular establishes the statewide policy for tracking and quantifying all expenses directly attributable to federally declared disasters and emergency events.

II. BACKGROUND

In recent years, the frequency of federally declared disasters and emergency events has increased. In addition, the federal and State requirements associated with obtaining federal funding for the response, recovery, and restoration costs associated with such emergencies has increased. For all such disasters, the State alone is the grantee for any potential federal funding. Local governments and private entities eligible for federal funding are sub-grantees of the State. As the grantee, it is the State's responsibility to adhere to all requirements associated with the receipt of such funds. Thus, the State of New Jersey is compelled to abide by all such regulations to ensure any such federal recoveries are valid and will not be subject to subsequent remittance back to the federal government.

This Circular serves to improve access to and the quality of cost data associated with such disasters. Thus enabling the State of New Jersey to better manage the use of such data with regard to federal recoveries as well as the allocation of available State resources.

III. POLICY

It is the State's policy to properly segregate costs incurred as a direct result of federally declared disasters and emergency events from other programmatic or routine operating costs. This will enable better tracking of these costs for potential federal recoveries. Furthermore, it will ensure more timely and accurate reporting of such costs in accordance with applicable open public records, financial disclosure, and federal reporting requirements.

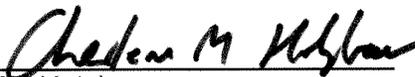
IV. PROCEDURES

A. Non Salary Expenses

1. For each disaster event, OMB will assign, in advance, a specific statewide four character activity code to be used by all agencies on all applicable MACS-E procurement and NJCFS expenditure transactions. The Chief Financial Officer of each agency will be informed of this code for the next declared disaster and any subsequent disasters via this Circular Letter and its revisions.
2. The statewide activity code designated for the costs associated with the next statewide disaster is **0100**.
3. Each agency's Chief Financial Officer will be informed via email communication when the actual use of this code is initiated. In addition, all procurement/fiscal personnel will be informed of the same via the online MACSE/NJCFS message screen.
4. In the event this activity code's usage begins after the establishment of purchase orders associated with such expenses, the agency is required to amend such encumbrances with the proper activity code as soon as reasonably possible via change or cancellation/re-establishment.
5. If the adoption of the four character statewide activity code designated above does not provide for the further breakdown of costs required for agency reporting in support of federal reporting or otherwise, the agency may request that the OMB Accounting Bureau reserve up to two positions of the designated code for internal agency use. Evidence that the use of the four character code exactly as stipulated presents an insurmountable hardship to the agency must be provided to the OMB Accounting Bureau Manager as justification for this request.

B. Salary Expenses

1. Each Department must update its time and leave reporting system to incorporate a unique code to be used for tracking direct labor costs associated with the disaster event.
2. This code must be used for applicable regular work hours and overtime hours.
3. This code must be filed with OMB.



Charlene M. Holzbaaur
Director