



FEMA RECOVERY POLICY

RP9525.16

I. TITLE: **Research-related Equipment and Furnishings**

II. DATE: **MAY - 3 2011**

III. PURPOSE:

Establish the research-related equipment and furnishings associated with disaster-damaged private nonprofit (PNP) or public facilities that are eligible for reimbursement under the Federal Emergency Management Agency's (FEMA) Public Assistance Program.

IV. SCOPE AND AUDIENCE:

The policy is applicable to all major disasters declared on or after the date of publication of this policy. It is intended for personnel involved in the administration of the Public Assistance Program, including applicants.

V. AUTHORITY:

Section 406, **Repair, Restoration, and Replacement of Damaged Facilities**, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), 42 U.S.C. 5172, 44 Code of Federal Regulations (CFR) §206.222, **Applicant eligibility**, 44 CFR §206.223, **General work eligibility**, 44 CFR §206.226, **Restoration of damaged facilities**, Section 311, **Insurance**, of the Stafford Act, 42 U.S.C. 5154, 44 CFR §206.250, **General**, 44 CFR §206.252, **Insurance requirements for facilities damaged by flood**, and 44 CFR §206.253, **Insurance requirements for facilities damaged by disasters other than flood**.

VI. BACKGROUND:

A. Title 44 CFR §206.226(h), **Restoration of Damaged Facilities: Equipment and furnishings** states, "[i]f equipment and furnishings are damaged beyond repair, comparable items are eligible as replacement items," and 44 CFR §206.226(i), **Restoration of Damaged Facilities: Library books and publications**, states, "[r]eplacement of library books and publications is based on an inventory of the quantities of various categories of books or publications damaged or destroyed. Cataloging and other work incidental to replacement are eligible."

B. Title 44 CFR §13.3, **Definitions**, defines equipment as "tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above." Title 44 CFR §13.3, **Definitions**,



FEMA RECOVERY POLICY

RP9525.16

defines supplies as “all tangible personal property other than equipment” as defined in 44 CFR §13.3.

C. In some cases an eligible applicant for Public Assistance may conduct an active research program as part of its institutional mission. The applicant is typically a higher education institution, a medical school, or a hospital—both public and non-profit—often conducting research, such as biomedical. Damaged items belonging to the applicant often support ongoing education of undergraduate and graduate students, or serve critical functions related to patient care. Such items often include laboratory animals, reagents, specimen collections, research records, or highly specialized types of laboratory equipment.

D. If an insurance policy applies to equipment and furnishings, FEMA must take that policy into account before providing funds and offset otherwise eligible disaster-related cost reimbursements by “actual and anticipated insurance recoveries.” (See 44 CFR §206.250(c)). Further, the insurance requirements and conditions stated in 44 CFR §206.252 and 44 CFR §206.253, apply to a request for Public Assistance to repair or replace equipment and furnishings. The subgrantee is required to obtain and maintain such types of insurance as are reasonable and necessary to protect against future loss to such contents from the types of hazards that caused the damage.

VII. DEFINITIONS:

A. **Furnishing:** For the purposes of this policy, the term “furnishing” means any tangible property other than equipment, as defined in 44 CFR §13.3.

B. **Laboratory Animals:** Laboratory animals are a common type of medical research furnishing that are often listed under the “supplies” category in applications for grants and cooperative agreements with Federal agencies like the National Institutes of Health (NIH). Laboratory animals may be surgically or chemically altered, or may be genetically manipulated to enhance characteristics that allow investigators to pursue specific research projects within the laboratory.

C. **Laboratory Equipment:** Tools and instruments for which the primary purpose is to conduct scientific or scholarly research. Such equipment is typically operated under the close supervision of technically trained personnel, and may include common items or items specifically designed for use in a particular research program.

D. **Reagents:** A reagent is a substance used in biomedical research to detect a component, to measure a component, to prepare a product, or to develop photographs because of its



FEMA RECOVERY POLICY

RP9525.16

chemical or biological activity. Some reagents are very common, and hence are commercially available for purchase from several sources. Examples include blood plasma and flesh tissue.

E. **Specimen**: A portion or quantity of material for use in testing, examination, or study.

F. **Specimen Collections**: A repository of specimens related to biomedical, marine, or agricultural research.

G. **Research Records**: Information or data associated with the research process that is collected and preserved through a variety of means, including correspondence files, project files, grant applications, technical reports, research reports, master lists, signed consent forms, and information sheets for research subjects.

VIII. POLICY:

A. **General Eligibility**. Eligible Public Assistance applicants conducting active research programs, and that have incurred damage to their facility as a result of a declared major disaster, may be eligible for Public Assistance grant funding for replacement or repair of facilities and the equipment and/or furnishings contained within. The cost of performing research itself is not eligible for Public Assistance grant funding. Because research is not identified as an eligible PNP service under 44 CFR §206.221(e), an active PNP research program must support an eligible PNP service, such as an educational or medical, in order for the facilities, equipment and/or furnishing to be eligible.

B. Laboratory Animals.

1. When laboratory animals used in an active research program are destroyed or damaged as a result of a major disaster, eligible costs associated with the replacement of laboratory animals include, but are not limited to the replacement cost of a laboratory animal that is as genetically close as possible to, but does not exceed the genetic progression of the lost animal, and can be reasonably procured commercially. If an identically genetic animal is not available, the eligible cost will be based on a readily procured animal that is as genetically close as possible to the original animal. An applicant via its scientific research staff, an independent member of the scientific community, or a certified expert selected by an applicant will make reasonable decisions on the genetic likeness of the lab animals.

2. Ineligible laboratory animal costs include:

a. The cost of reproducing a new animal with all the characteristics of the lost animal to re-establish the research.



FEMA RECOVERY POLICY

RP9525.16

- b. The cost of using a laboratory to perform a breeding program to advance benchmark stock to the genetic changes lost due to the event.
 - c. The cost associated with surgery required to replace a surgically altered animal.
 - d. The cost associated with the replacement of a laboratory animal when an animal of similar genetic characteristics can be obtained at no cost from other researchers or institutions.
3. If an eligible applicant requests flexibility in replacing laboratory animals other than in exact kind and number, FEMA may offer the applicant the option to cap the cost of the inventories of laboratory animals damaged or destroyed.

C. Reagents. The number of units of each reagent eligible for replacement will be equal to the number actually lost, or to the number necessary to restore the basic research activity, whichever is less. Reimbursement will be based on purchase prices from commercial sources or other institutions, whichever is less. The replacement of reagents that are so unique that they are considered an outcome of a research program are not eligible for Public Assistance grant funding.

D. Specimen Collections. A specimen collection that supports the educational or medical service of an institution may be considered a furnishing. Public Assistance grant funding is available to replace a representative, but not necessarily a whole portion, of the collection, for a broad array of specimen types. The specimen types should be available for purchase from commercial sources or other institutions, and support an on-going eligible educational or medical program.

E. Research Records. Eligible applicants may undertake efforts to recover medical or research records, including stabilization efforts in the immediate aftermath of the event, followed by long-term restoration and recovery.

1. Eligible activities associated with the recovery of research records include, but are not limited to:
 - a. Recovery of damaged hard copies, including labor and materials, such as bags, boxes, and containers.
 - b. Stabilizing the damaged hard copies, such as through freeze-drying.



FEMA RECOVERY POLICY

RP9525.16

- c. Sanitizing the damaged hard copies.
- d. Photocopying or scanning damaged hard copies in order to re-establish files, including labor and materials, such as new folders and paper.
- e. Recovering data from water damaged computer hard-drives.

2. Ineligible activities include:

- a. Establishing new information databases by performing additional tests.
- b. Manually re-entering into new computers test data that was lost in damaged computers.
- c. Scanning re-established hardcopy files into computers to create digital files.
- d. Deciphering photocopies of damaged hard copies.

F. Laboratory Equipment. Research-related laboratory equipment may be eligible for repair or replacement when damaged as a result of a declared event, as defined in 44 CFR §206.226(h).

1. The lesser cost of repair or replacement will be the eligible cost. In comparing the cost of repair to the cost of replacement, all aspects of accomplishing the repair will be considered, including availability of parts, timeliness of receipt of parts, timeliness in making the repair, performance dependability, available warranties, shipping and handling costs, and overall timeliness of returning the equipment to service.

2. When not repairable, or the repair is more expensive than replacement, FEMA will approve the cost of replacement with used items that are approximately the same age, capacity, and condition. Replacement of an item with a new item may be approved only if a used item is not reasonably available (e.g., within a reasonable cost, time, and distance). The replacement, whether new or used, should be as close to the original equipment capacity and condition as reasonably available. When applicable, salvage value and trade-in discounts should be deducted from the estimated replacement costs.

G. Relocation and Storage. Costs associated with the temporary relocation and storage of research-related equipment and furnishings following a major disaster may be eligible for Public Assistance grant funding.



FEMA RECOVERY POLICY

RP9525.16

- IX. RESPONSIBLE OFFICE:** Recovery Directorate (Public Assistance Division).
- X. SUPERSESSION:** This policy supersedes DAP9525.16 dated April 30, 2007, and all previous guidance on this subject as to major disasters declared on or after the date this policy becomes effective.
- XI. REVIEW DATE:** This policy does not automatically expire, but will be reviewed 3 years from the date of publication.

A handwritten signature in black ink, appearing to read "Deborah Ingram", written over a horizontal line.

Deborah Ingram
Assistant Administrator
Recovery Directorate