

**ADMINISTRATIVE PROCEDURES**

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| **20.05 Accounting for Emergency Response Incidents** | **Revised: November 1, 2023** |

1. GOVERNING REGULATIONS

The accounting practices for emergency response incidents are governed by the policies, regulations, rules, and procedures which relate to normal procurement, receipt and disbursement activities. In addition, emergency response incidents might be subject to the South Central Interstate Forest Fire Protection Compact [Texas Education Code, Section 88.116].

1. BACKGROUND AND RESPONSIBILITIES
   1. The Texas A&M Forest Service is the primary state agency responsible for responding to wildland fires which are beyond the scope of local fire departments. Forest Resource Protection personnel evaluate each wildland fire response to determine if the activities fall within the normal range of agency responsibilities or if the activities justify an emergency response incident declaration.
   2. The agency is called upon by the [Texas Division of Emergency Management (TDEM)](https://tdem.texas.gov/) to assist in incident management for various types of emergencies (other than wildland fires) which impact the state.
   3. The [Texas Interagency Coordination Center (TICC)](https://ticc.tamu.edu/) serves as a clearinghouse for satisfying personnel and equipment needs for emergencies inside and outside the state.
2. FUNDING OF EMERGENCY RESPONSE EXPENDITURES

Emergency response incidents fall generally into two categories: Texas incidents – emergencies for which the State of Texas is financially responsible – and non-Texas incidents – emergencies for which another state or the federal government is financially responsible. This important distinction is maintained throughout the accounting process.

* 1. Texas Incidents

Routine fire response expenses are paid from the appropriate operating accounts. As fire activity increases, the agency will mobilize and preposition personnel and resources from other areas of the state. Expenses for agency personnel operating outside of their home region utilize a separate operating account. Out-of-region resources will be provided an incident number and resource order number by TICC for tracking and documentation purposes. As fire activity increases, the agency may also mobilize out-of-state resources (particularly aircraft) from other states or federal agencies. All expenses for out-of-state resources will be assigned an incident number and resource order number for tracking and documentation purposes. Expenses for these resources and for non-fire/all-hazard incidents are usually paid from General Revenue funds appropriated for other programs. In addition, the agency sometimes uses other funds in the State Treasury, local funds or institutional funds to cover these costs.

The agency seeks reimbursement for these expenses from the state through special appropriation requests to the Texas Legislature or through requests from the Governor’s Office emergency and deficiency fund.

* 1. Non-Texas Incidents

Expenditures for non-Texas incidents are paid from institutional (designated) funds and subsequently billed to the responsible government agency.

The [Federal Emergency Management Agency (FEMA)](http://www.fema.gov/) provides financial assistance to states which incur extraordinary costs in responding to emergency response incidents. This source of funds usually flows through TDEM and can take several years to receive.

1. FAMIS ACCOUNTS AND CODING

The Budgets and Accounting department works directly with the FRP Business Administrator to establish accounts in FAMIS for tracking financial activities and balances related to emergency response incidents. The starting date of an incident, NOT the transaction date, determines the general ledger and subsidiary ledger account in which incident financial transactions will be recorded.

* 1. For each fiscal year separate general ledger accounts are established for Texas and non-Texas incidents. More than one general ledger account will be established for Texas incidents if funding sources other than General Revenue are used.
  2. A subsidiary ledger account will be established in each of these general ledger accounts. These accounts will be set to operate without budget control and will utilize budget pools established to meet uniform billing and reporting requirements for emergency response incidents. (The emergency response budget pools do not match the agency operating account budget pools.)
  3. Upon request from the FRP Business Administrator, a support account under the appropriate subsidiary ledger account is established for each emergency response incident. The support account number is assigned by the FRP Business Administrator. The account number must also be established in Workday so that payroll time can be charged to the incident.
  4. In certain instances, the FRP Business Administrator might request more than one support account for a single incident, and the Budgets and Accounting department will establish the additional account. The FRP Business Administrator is responsible for communicating the appropriate use of each support account to agency personnel.

1. FAMIS OBJECT CODES

Emergency response incidents require some special treatment in the selection of object codes for both expenditures and revenues.

* 1. Utilize the following special emergency response expenditure object codes rather than the customary object codes. Each of these special codes is excluded from the Historically Underutilized Business (HUB) performance calculation in recognition that the procurement environment of an emergency response incident does not afford the additional time often required in the HUB program.

a. Object code 4074 – Emergency Response-Goods & Materials – use in place of object codes 4010-4028, 4040-4999, and 5710-5774. NOTE: Continue to use object codes 5775-5799 for controlled furnishings and equipment.

b. Object code 5475 – Emergency Response-Non-Government Services – use in place of object codes 5010-5099, 5210-5499, 5910-5999, and 6370.

c. Object code 5476 – Emergency Response-Meals and Lodging-Non-Employee – use for personnel obtained from other agencies. NOTE: Use the travel expense object codes for both regular and seasonal employees.

d. Object Code 5549 – Emergency Response-Maintenance & Repairs – use in place of object codes 5510-5599.

* 1. Use the normal object codes for expenditures not included in the special emergency response object codes.
  2. Revenue from other states for non-Texas incidents is recorded with object code 0678 – Services-Non-Texas Emergency Response.
  3. The object code for revenue from federal agencies for both Texas and non-Texas incidents must be selected based on financial reporting criteria related to the individual transaction. The Budgets and Accounting department and the FRP Business Administrator will work together to select the proper object code.

1. BILLING FOR EMERGENCY RESPONSE INCIDENTS
   1. The FRP Business Administrator prepares billing documents for non-Texas incidents for which agency resources are provided. The billing process addresses charges which are not calculated on a cash expenditure basis, for example, equipment usage charged by hour or by mile. The billing process also includes appropriate adjustments for payroll costs based on the inter-agency incident support agreement.
   2. The completed billing is sent to the responsible state or federal agency and is summarized on a Texas A&M Forest Service accounts receivable invoice. The Budgets and Accounting department enters the invoice in FAMIS to enable tracking of the receivable.
   3. The FRP Business Administrator is responsible for addressing questions from the responsible agency, negotiating and documenting billing adjustments, and monitoring the collection process for the invoice.
2. OBTAINING FEMA FUNDING FOR TEXAS INCIDENT RESPONSE COSTS
   1. The FRP Business Administrator is responsible for obtaining funding from FEMA for costs incurred in responding to Texas incidents. The FRP Business Administrator stays abreast of changes in FEMA standards for qualification of incidents and costs, application and reporting timelines, and other requirements.
   2. The FRP Business Administrator prepares and submits funding applications and the needed supporting documentation. FRP Business Administrator serves as the agency point of contact for the application.
   3. The FRP Business Administrator provides accounting detail by incident for FEMA funding received by the agency to enable the Budgets and Accounting department to record the revenue.

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