

ACCESSING THE \$2 TRILLION RECOVERY FUND FOR COVID -19: HOW TO PREPARE YOUR COUNTY FOR FEMA DISASTER DECLARATION REIMBURSEMENT – WEBINAR Q&A

GENERAL

Q: Is FEMA at risk of running out of money? Is this something where normally it's one disaster at a time, but now they'll be swamped and start paying out less?

A. FEMA pays for Emergency Protective Measures from the Disaster Relief Fund (DRF). Prior to the COVID-19 emergency declaration, our inside insight estimate of the DRF is about \$40-45 Billion in the DRF available for expenditure. In the CARES Act, Congress appropriated another \$45 Billion to the DRF. While it's not possible to say definitively that Congress will continuously recharge the DRF should it become depleted, history favors that being the case.

Q: Do all the forms like 214's and 213RR need to be physical/wet signature? We are being told that and it is near impossible with social distancing in this type of emergency. Similarly, is a 211 required when the EOC/DOC is virtual and thus no physical sign in?

A. Generally speaking, yes, the use of DocuSign and other related electronic signature services should be accepted by FEMA during this unprecedented event. With that said, we suggest confirming this with CAL OES and related agencies for the specific ICS forms you've mentioned.

Q: If the county operates a hospital, does the hospital need to be part of one consolidated county application, or can it have its own application/request in the FEMA portal?

A. FEMA looks at who has the legal responsibility to administer the services. If the county delegates care authority to the hospital, then it is possible that the hospital would be an eligible applicant on its own. However, we would advise that you request clarification from CAL OES on if the hospital should submit independent of the County in your specific instance.

Q: Can you speak to emergency procurement rules when they are identified and modified in County Emergency Ordinances i.e Getting three bids?

A. Very important to follow your own county procurement code or carefully documenting any deviations

Q: Since counties are receiving direct Federal funds for COVID response, can that federal funding cover eligible expenses not reimbursed by FEMA?

A. Unknown. Detailed guidance for the local and state government Coronavirus Relief Fund established in the CARES Act is expected to be released April 23, 2020. The current guidance, from Section 5001(c)(8) of the CARES Act says the funds are intended to make payments to programs that

- are necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19);
- were not accounted for in the budget most recently approved as of the date of enactment [March 27, 2020] of this section for the State or government; and
- were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

LABOR/STAFF TIME AND ADMIN COSTS

Q: In the PAPPG for labor, can you please let us know what the definition is for Unbudgeted Employees? Especially as it relates to a permanent employee funded from external source?

A. If any employee is funded by an external source, such as a federal or state grant program, but has been re-assigned away from their grant defined responsibilities to support emergency protective measures, their costs could be eligible for reimbursement. Do note however, that only the increased cost burden to the county would be eligible for reimbursable.

Q: Straight time wages of EOC staff are covered?

A. It depends. Only the increased and unbudgeted costs incurred would be eligible. This might be overtime, use of contract labor or surge/temp staff. You can learn more about EOC eligible costs here:

<https://witt-obriens.s3.amazonaws.com/News/Pdfs/Blog-Emergency-Operations-Centers-Staff-Time.pdf>

Q: Does that include DOC cost?

A. If the DOC is operating in a similar capacity of operational command for the emergency work being performed, then it is likely to be viewed by FEMA in the same way as an EOC, and the same conditions would apply.

Q: For volunteer labor, how is that calculated? Where can I find more information?

A. The hourly rate placed on volunteer labor should be the same hourly pay rate (plus reasonable fringe benefits) ordinarily paid for similar work within the applicant's organization. If you do not have employees performing similar work, the rate used should be consistent with those performing the work in the same labor market. To determine the value of volunteer labor, the labor rate should be multiplied by the total number of volunteer labor hours. We dive into this and donated resources in our 'FEMA PA Starter Guide' that will be distributed to all webinar participants.

Q: Is Unpaid Management Overtime eligible?

A. Superintendents, supervisors and shift leaders are generally not eligible for reimbursement. However, if the staff person was a "working" supervisor (i.e., actually operating a piece of equipment or providing technical guidance and was not simply delegating who does the work), the time is reimbursable. But you must document and show this! The payroll and equipment logs must reconcile to demonstrate the supervisor's function.

Q: What about costs to setting up essential government employees to work from home? For example, cost of Zoom, hotspots, laptops?

A. Another tricky one. We understand that counties have likely incurred quite a bit of software and hardware costs to transition to a work from home model, even for essential services. However, only those costs associated with staff who are supporting emergency work or emergency protective measures would be considered eligible for reimbursement.

EQUIPMENT

Q: Our county has been acquiring medical equipment, such as ventilators to deal with COVID. These assets cost millions of dollars. Can we claim the entire cost of these assets to FEMA or do we need to subtract their estimated salvage value and claim only net value?

A. We suggest you submit the entire value of the equipment, but make sure to document why purchasing them was the most prudent option available, that the cost was consistent with the market rate at the time they were purchased, and that they were purchased consistent with procurement regulations. FEMA may, in the costing phase of evaluating the request, determine that they will reduce the salvage value from the total eligible for reimbursement. There is nuance to this, and it will ultimately come down to your individual circumstances so it's impossible to say for certain what FEMA will do.

Q: Slide 6 Bullet 2 - Would retro-fitting vehicles for COVID 19 transport to isolation locations be reimbursed under Category B?

A. Yes, you could certainly make a case for why this cost would be eligible for reimbursement. Key here will be documenting the limited availability of other suitable options, which would justify the retrofit.

Q: Are vehicle rentals to accomplish social distancing of field personnel considered eligible?

A. It depends. The key here will be to demonstrate that the action was taken consistent with local, state or federal health official directives, and may only apply to those individuals who are performing emergency work related to your community's COVID-19 response.

Q: Does PPE for first responders who are public safety (but not medical providers) qualify for Cat. B reimbursement?

A. Yes. PPE would be considered an emergency protective measure to protect individuals who will engage with the general public and will be eligible for reimbursement.

Q: Is PPE purchased for non-County entities e.g. hospitals?

A. It can be, but it will be important that you show the chain of custody and that it was you that incurred the cost. If it's a county owned hospital this pathway is a bit easier. If it was provided to another eligible PNP or entity who was performing emergency work, *at no cost to them*, you could certainly make a case for it being eligible for reimbursement. A mutual aid agreement that outlines how the PPE provided was to be utilized would support your case.

Q: Would PPE be considered material or equipment? For example, N95 and gloves?

It depends on exactly what the PPE is; but a good rule of thumb is that gloves, masks, shields, etc would be considered supplies/materials, while more sophisticated PPE such as a biohazard suits and respirator systems would more likely be considered equipment.

Q: For current stock, what if the stock has expired, but was still issued?

A. In this instance, the cost of *replacing* the supplies that was utilized would be in the increased cost associated with emergency work. You'll want to document that your existing stock was assigned to individuals as an emergency protective measure and submit the cost to replace it for reimbursement.

SHELTERING

Q: Will non-congregate housing cover the homeless? or will only Project Room Key cover homeless?

A. Not explicitly. This is an extremely dynamic topic, and guidance from both the state and FEMA is changing day-to-day. In the non-congregate sheltering request approved by FEMA for California, FEMA has determined that, at this time, only the costs associated with providing NCS to the following individuals are reimbursable:

- Individuals who test positive for COVID-19 that do not require hospitalization, but need isolation or quarantine (including those exiting from hospitals);
- Individuals who have been exposed to COVID-19 (as documented by a state or local public health official, or medical health professional) that do not require hospitalization, but need isolation or quarantine; and
- Individuals who are asymptomatic, but are at "high-risk," such as people over 65 or who have certain underlying health conditions (respiratory, compromised immunities, chronic disease), and who require Emergency NCS as a social distancing measure.

The approval does not currently include the reimbursement of costs for the sheltering of asymptomatic individuals that are not among the populations identified above, but whose living situation may make them unable to adhere to social distancing guidance.

It is possible that FEMA could alter their stance on this in the coming weeks. Make sure to keep an eye out for communication from State OES officials.

This may also be an area where you can turn to HUD funding. Emergency Solution Grants can be utilized to provide hotel/motel vouchers for homeless families or individuals. A list of ESG supplemental appropriation awards can be found here:

https://www.hud.gov/program_offices/comm_planning/budget/fy20/

Q: Can you speak a little more on leasing hotel rooms?

A. There is a good amount of nuance to this. We recommend you reaching out to us at contact@wittobriens.com and we can talk about your individual circumstances and what might be eligible.

REVENUE / LOCAL BUSINESS SUPPORT

Q: Can we use funding to assist local business & individuals that were impacted by COVID-19?

A. This is tricky. The default would be no – FEMA funds shouldn't be used to offset economic impact. However, local businesses and individuals could be contracted or hired to help support emergency protective measure.

Q: Is Revenue loss eligible?

A. No.