



## **WHAT CIVIC LEADERS NEED TO KNOW (General COVID-19 Response & Recovery Summary)**

Consistent with the President’s national emergency declaration for the coronavirus (COVID-19) pandemic on March 13, 2020, FEMA urges officials to, without delay, take appropriate actions that are necessary to protect public health and safety pursuant to public health guidance and conditions and capabilities in their jurisdictions. Public Entities are advised to review FEMA FACT SHEETS specific to Public Assistance Funding opportunities related to COVID-19, and applicable Emergency Protective Measures. This draft is intended for discussion purposes only and to provide a summary of what is published to date as to what the Emergency Declaration could mean for eligible public entities.

**COVID-19 Emergency Declaration (HQ-20-017-Fact Sheet):** In accordance with the President’s unprecedented National Emergency Declaration, it has been largely determined that the primary responsibility for administering and coordinating the greater response to COVID-19 rests with the Federal Government. In contrast, previous Presidential Declared Events (Hurricanes, Floods, etc.) have transferred administrative guidance to the State Level. However, given the magnitude of the broad effects that the pandemic is having on interstate commerce, and not just public health and safety to a geographical area, the National Declaration substantiates the needed justification for the Federal Government to take a lead role.

As a leading planning, response & recovery management firm, SynergyNDS, Inc., through its FEMA Consulting Division, SynergyPACT, continues to provide resources to Public Entities specific to a responsible and prudent approach to COVID-19 and the effects it can have on local communities. For discussion purposes, SynergyPACT includes the following educational talking points for review:

- 1. Consult with your Local & State Emergency Management Authorities frequently regarding your Organization’s needs and coordinated response efforts and resources.** These officials will have the most up-to-date information regarding the federal response and available resources and programs. The news networks, Internet, and Twitter<sup>SM</sup> should not be your primary source of information &/or direction when your Organization’s Leadership Team is trying to make critical resource decisions specific to applicable FEMA funding or eligible reimbursements.
- 2. Submit a Request for Public Assistance.** A Request for Public Assistance (RPA) is FEMA's official application form that Public and Private Nonprofit (PNP) organizations use to apply for disaster assistance. Submission of an RPA is the critical first step in accessing FEMA Public Assistance Funds. All Public entities are encouraged to submit an RPA for the COVID-19 disaster declaration immediately, regardless of whether emergency expenditures have been incurred to date. Your Organization’s RPA can be submitted online through FloridaPA.org at: <https://floridapa.org/site/rpasubmission.cfm?>

3. **Costs associated with the response to COVID-19 and Emergency Protective Measures are not covered as an insurable &/or covered peril under most property and liability Insurance Coverage Forms.** Public Entities should consult with their insurance provider as the required first step in part to making application for eligible FEMA Public Assistance. Given the devastating economic impact the pandemic is having on Local Government(s) and their surrounding communities, it is important that Civic Leaders understand what valid sources of funding are available.
4. **The Department of Health & Human Services has been tasked with the Lead Role.** FEMA has confirmed that the Department of Health & Human Services (HHS) will remain the lead agency directing the federal response and that FEMA's efforts will be in support of HHS and in coordination with state, tribal, and territorial governments. FEMA also confirms that it will not duplicate assistance provided by HHS, including the Centers for Disease Control and Prevention (CDC), or other federal agencies. This is consistent with FEMA's historical guidance on federal response to infectious diseases.
5. **The National Declaration makes available a 75 Percent Federal Cost Share.** Under the COVID-19 Emergency, FEMA can reimburse state, local, tribal, or territorial governments for emergency protective measures required by public health officials that do not duplicate assistance provided by the U.S. Department of Health and Human Services (HHS) or other federal agencies. As with most Stafford Act declarations, state, local, tribal and territorial governments can only be reimbursed for 75 percent of their costs. In some cases, the president can, upon request, increase the reimbursement to 100 percent or states can provide payment for a portion of the remaining cost-share not covered by FEMA. As of this time, neither of those additional funding options have been initiated. As stated previously, given the economic impact COVID-19 will have on local communities, Civic Leaders need to act with extreme fiduciary responsibility and expediency to ensure where critical funding &/or reimbursement will come from.
6. **Scope of Eligible Work & Costs under the Declaration:** Detailed guidance with more defined information regarding eligible FEMA PA criteria is still very fluid and forthcoming. In accordance with FEMA's Declaration Fact Sheet (HQ-20-017), only eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of public health officials' may be reimbursed under Category B of the agency's Public Assistance program. FEMA will not duplicate assistance provided by the Department of Health and Human Services (HHS), including the Centers for Disease Control and Prevention, or other federal agencies. This includes necessary emergency protective measures for activities taken in response to the COVID-19 incident. Civic Leaders should consult with their Local & State Emergency Management Authorities frequently regarding the most up-to-date eligible funding guidance.
7. **Traditional Category B Cost allowable from past Presidential Declarations:** FEMA's guidance regarding the work and costs traditionally considered as eligible Category B work provides some insight into the type of funding that may be provided to eligible entities under the COVID-19 declaration. This may include work to slow transmission of the virus through isolation and

treatment of patients who have contracted the virus, and through quarantine and social distancing measures. Eligible work may also include communications about public health risks, social distancing, and how to get tested for the virus. It may also include enforcement of social distancing measures of tent testing sites and tent systems to expand the capacity of hospitals, disinfection of public facilities potentially contaminated with the virus, and where necessary, delivery of food and medical supplies to those denied freedom of movement by public health orders. Expect FEMA to provide more guidance specifically targeted at COVID-19 response in the coming days.

- 8. Consideration of Medicare, Insurance, and Other Sources of Funding.** The Stafford Act prohibits duplication of benefits by "any other program or from insurance or any other source." Thus, FEMA cannot provide funding for a cost that is eligible for reimbursement by Medicare or private insurance programs. FEMA must also carefully coordinate with HHS/CDC in providing funding. For example, in the Coronavirus Preparedness and Response Supplemental Appropriations Act, which became law on March 6th, 2020 - Congress appropriated \$2.2 billion for the construction, alteration, or renovation of non-federally owned facilities to improve preparedness and response capability at the state and local level. This Act also includes a general provision to allow funds to be used to reimburse state or local costs incurred for Coronavirus preparedness and response activities between January 20th, 2020 thru March 6th, 2020. We anticipate significant additional funding and guidance to be provided by Congress in the weeks ahead. Civic Leaders are encouraged to consult with Local & State Emergency Management Authorities and their respective Insurance Provider for additional funding & reimbursement guidance.
- 9. Increased Operating Expenses and Loss of Income as a result of the impact of COVID-19:** The social distancing measures needed to slow transmission of COVID-19 will substantially have already significantly reduced economic activity and increase employment during a very fluid period-of-time that could lead to a complete 30-day lockdown in some geographical areas. For many state and local governments and non-profits eligible to receive grants from FEMA, this will result in substantial losses in fee and tax revenue. FEMA's PA Program generally does not fund "increased operating expenses" or lost revenue from reduced fees or taxes generated from the loss of economic activity. Similarly, most Insurance Providers exclude these same costs that are specifically related to viruses, pandemics &/or civil order. These impacts are sure to be addressed at least partially by additional federal legislation and guidance.
- 10. Civic Leaders must provide Leadership to Manage the Unavoidable during the COVID-19 crisis.** SynergyNDS, through its SynergyPACT division, advises Civic Leaders to take immediate Emergency Administrative Action as necessary to address their Organization's Operational Directives and the necessary Procurement Requirements thereof for goods and services. It is imperative that Public Entities understand and comply with the federal procurement requirements in order to qualify for FEMA reimbursement for eligible expenses. To understand the requirements fully, Civic Leaders should review the provisions of 2 C.F.R. § 200.317 – 326, which is the source of these requirements. FEMA's in-depth guidance on these provisions can

be found on the Internet by searching for "FEMA Procurement Field Manual." While the Field Manual was drafted to specifically address the Federal procurement standards that were in effect prior to 26 December 2014 (44 C.F.R. § 13.36(a)-(i) – States, Local and Tribal Governments; and 2 C.F.R. § 215.40-48 – Institutions of Higher Education, Hospitals, and other Non-Profit Organizations), many of the concepts are similar or identical in substance, and thus remains an excellent tool for navigating the current Federal procurement standards. If any questions arise, please contact your servicing attorney or legal counsel for assistance. Additionally, Civic Leaders should consult with their Local & State Emergency Management Authorities frequently regarding the most up-to-date guidance.

- 11. Document all work performed and costs incurred specific to COVID-19 Response:** You are responsible for establishing and maintaining accurate records of events and expenditures related to disaster recovery work for which you request FEMA assistance. The documentation required describes the “who, what, when, where, why, and how much” for each item of cost. These records become the basis for recovering your final project costs, and, for small projects, will be used to sample and validate your estimated project costs. Most States require you to submit documentation on costs before they will disburse any funds to you for your large projects. **Incomplete or improper records can lead to either partial or total loss of assistance.** There are many ways to maintain your records. FEMA provides some forms that will help you. However, you may use your own records systems to replace the FEMA forms and to record other information. What is important is that you have the necessary information tied to each specific task and costs readily available and in a usable format as associated with Emergency Protective Measures that have been implemented by your Organization.
- 12. Monitor and pursue Federal Stimulus Funding.** An excess of \$1 Trillion in Federal Stimulus packages to aid in COVID-19 response are anticipated to be implemented through Federal legislation in the coming weeks. Funding will be made available through various Federal agencies and grant programs. Careful monitoring of all funding sources and grant programs will be required to pursue and take advantage of all available resources.

*Should your organization need additional assistance or resources in support of your response to COVID-19, please do not hesitate to call SynergyPACT as a trusted partner to help navigate eligible funding application for FEMA Public Assistance and pursuit of all available Federal stimulus funding.*

*For additional information &/or support, please contact:*

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