



help comes in many forms



Maximizing Federal Assistance: Seeking, Obtaining and Using CARES Act & Federal Assistance Funds

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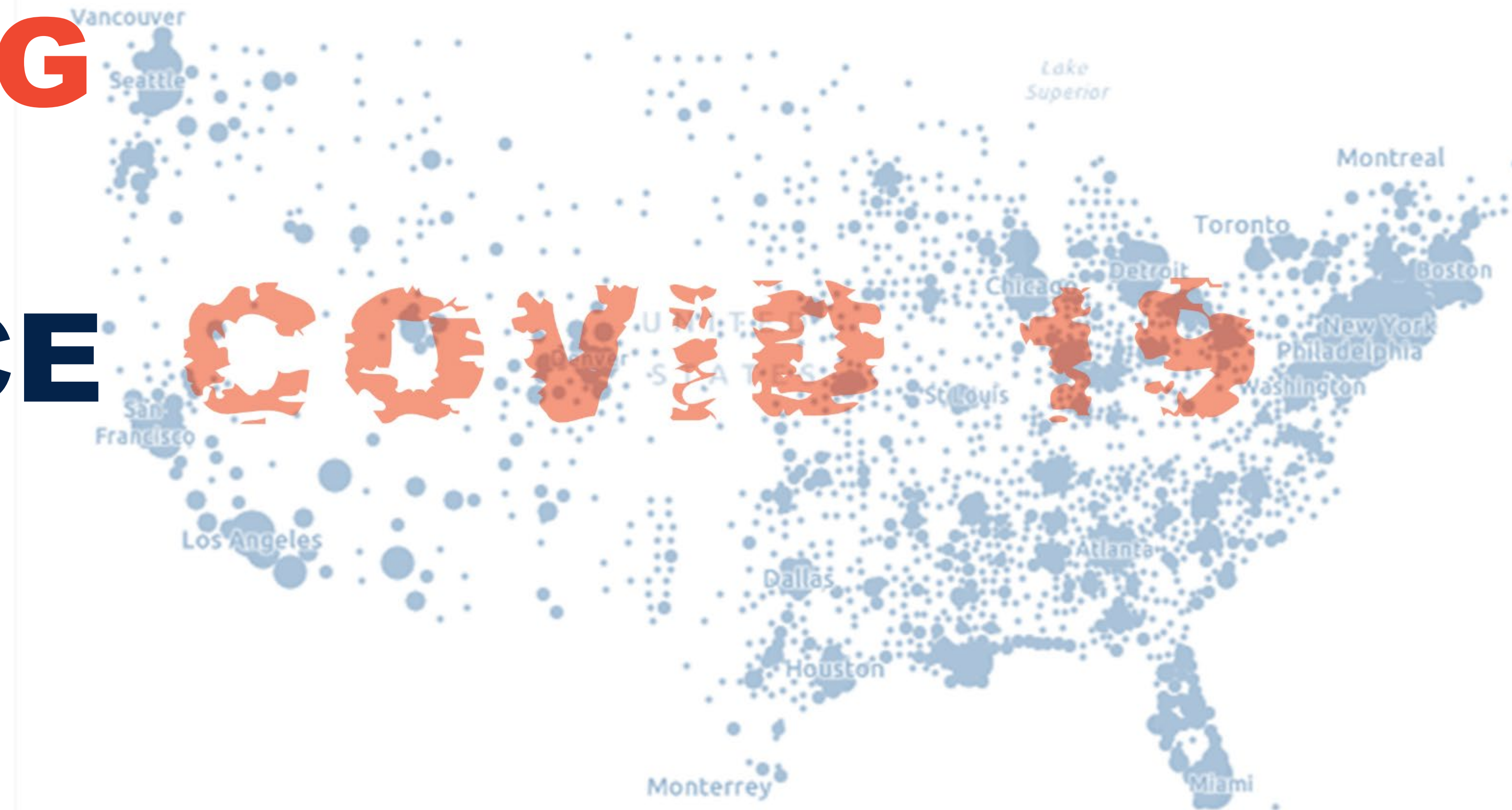
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INSIDERS GUIDE TO COVID-19 ASSISTANCE

MAXIMIZING FEDERAL ASSISTANCE

Version 06 | August 2020

WITT O'BRIEN'S
PART OF THE **SEACOR** FAMILY



OUR EXPERTS

3

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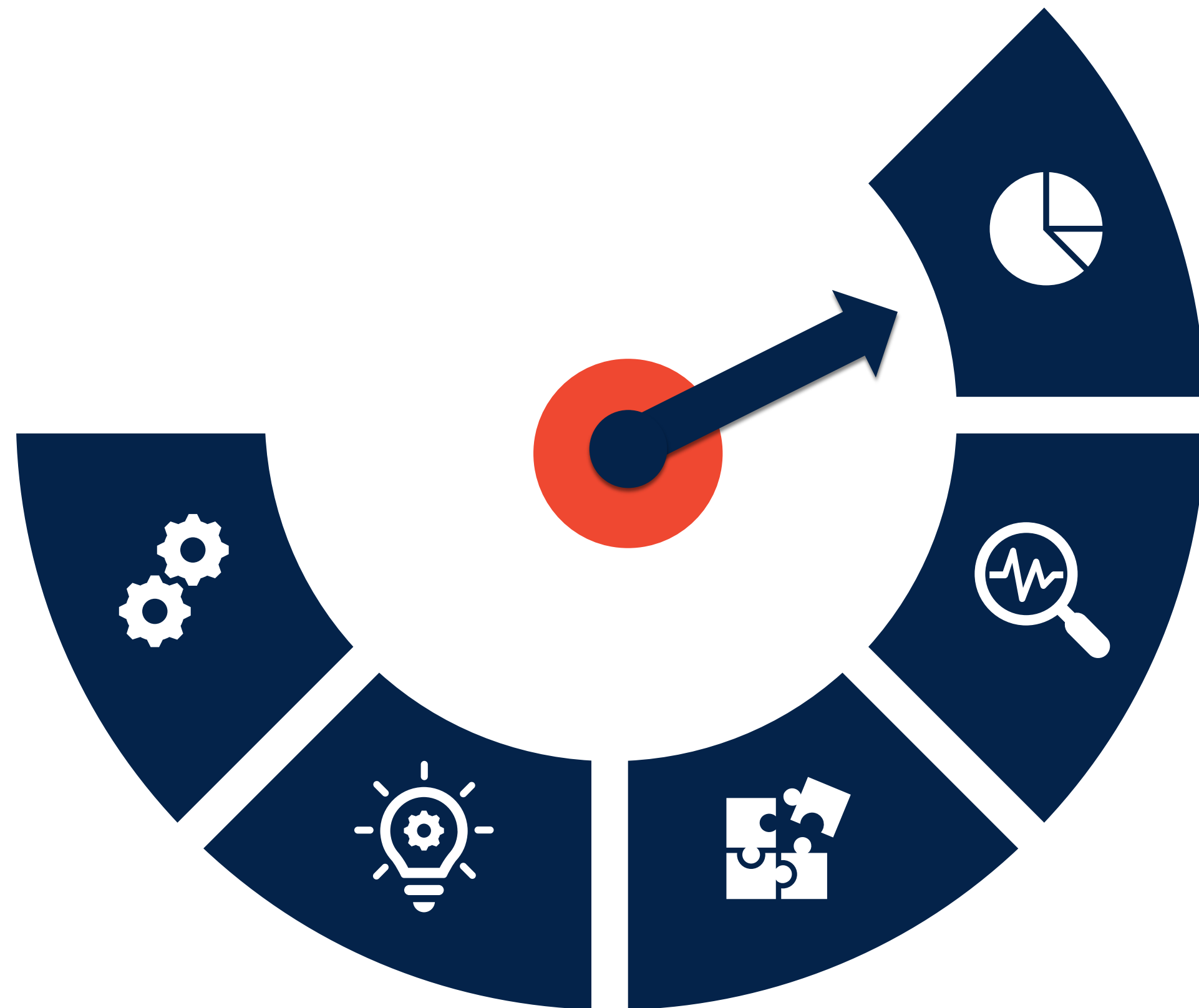
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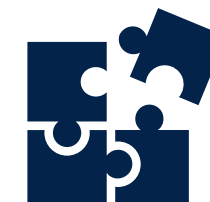
MAXIMIZE

Get the most out of each program



ANALYZE

Assess and prioritize needs



OPTIMIZE

Identify "best fit" funding scenarios



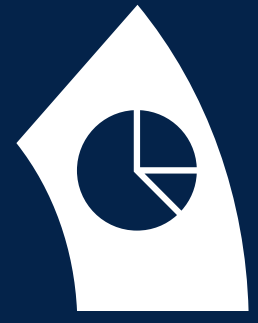
CONCEPTUALIZE

Devise streamlined programs and processes

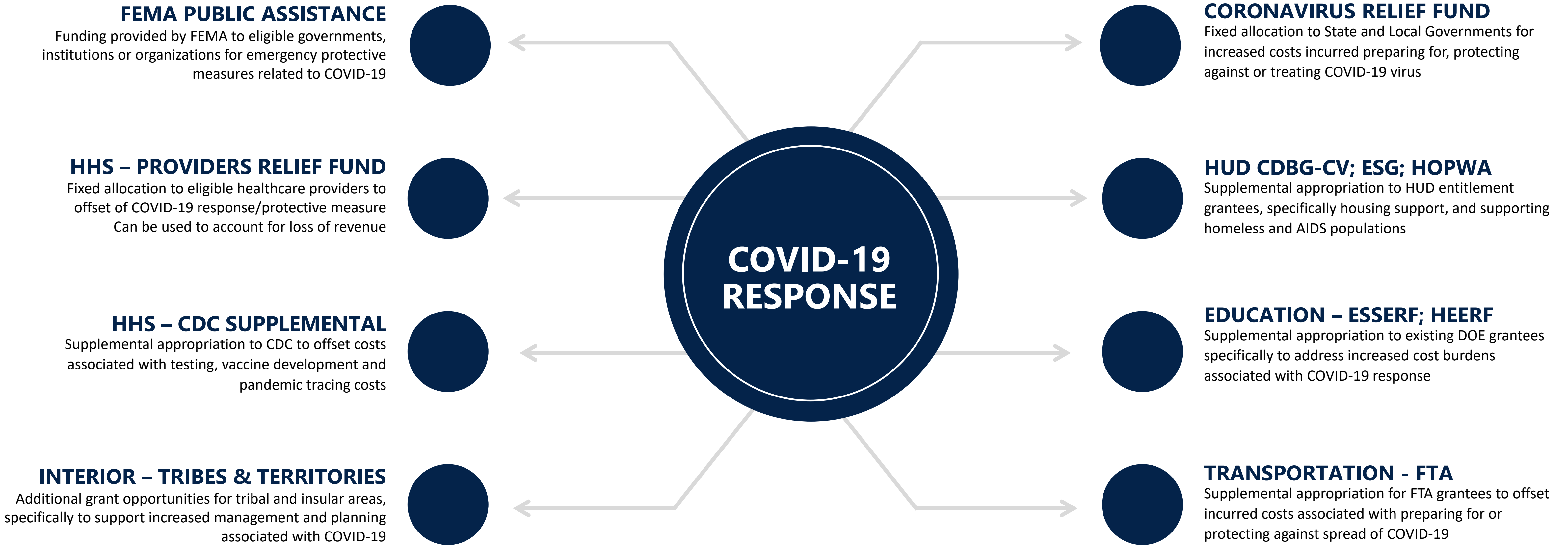


OPERATIONALIZE

Roll out and manage programs



MAXIMIZE ALLOWABILITY OF ALL FEDERAL ASSISTANCE



HOW LONG DOES IT TAKE TO GET FEMA ASSISTANCE?

**Submit A
Request For Public Assistance
(RPA)**

1

**Develop and submit
streamline applications**

3

**-Sign Final Grant Agreement
-Funds Obligated**

5

**Estimate your eligible costs
over the first 90-days**

2

**FEMA and State Recipient Review
Documents
-May Request More Info-
(RFI)**

4

**-Funds Disbursed to State
-State Disburses Funds
to Applicant**

6

WITT O'BRIEN'S INSIGHTS: FEMA PUBLIC ASSISTANCE

Even during a public health crisis that results in shelter-in-place, there remains a need to maintain essential Government Services.

Simultaneously, local governments will need to stand up services in response to the emergency, mitigating community transmissions, and adjusting to surge capacity to support emergent threats.

COVID-19 Specific Considerations:

- CAT B extended until further notice
- Stay on top of new and changing FEMA Policies, Procedures, Guidance, and Processes – (PAPPG V4 June 1, 2020, COVID Streamlined Application)
- Think creatively but document reasoning – much of current policy is not explicitly designed for a pandemic
- Overwhelmed Federal and State staff means you are unlikely to receive timely advice, guidance, or “pre-approval”



INSIDE INSIGHT

FEMA FUNDING NEED TO KNOW: BUSINESS RELATED & OPERATING EXPENSES

- **Business-related costs are typically indirect, financial or bottom-line costs that will not be reimbursable through FEMA Public Assistance (PA):**
 - Cancelled services
 - Loss of income / revenue
 - Emergency financial assistance
 - Managing liquidity issues
 - Debt servicing
 - Business Interruption Costs
- **CARES Act includes funding for HHS, SBA, HUD, DOA and others that many be utilized to pay for business related costs**



INSIDE INSIGHT

While increased operating costs are generally not eligible, it is always a good idea to document business related losses anyway because FEMA assistance is net of insurance, and you may be able to use ineligible costs to reduce FEMA deductions

FEMA FUNDING NEED TO KNOW: TEMPORARY FACILITIES & OPERATING COSTS

- To be eligible for reimbursement, costs incurred must “fit” under the concept of Emergency Protective Measures for FEMA assistance, i.e. eliminating or lessening immediate threats to lives, public health, or safety. That means services directly related to, not just because of, the emergency.
- Facilities should always be appropriate for their intended use
- Rule of Thumb: facilities necessary to perform first-order, emergency or essential services
- Private/Non-Profits can be eligible if additional costs are: specifically related to the emergency, for a defined and limited period of time, and tracked and documented



INSIDE INSIGHT

Even though facilities are for “temporary use” they should still be built or renovated to code and can be transitioned into normal operating use after the immediate response



Documentation will be absolutely critical to ensuring reimbursement

FEMA FUNDING NEED TO KNOW: STAFF TIME & ADMIN COSTS

- Reimbursement for force account overtime costs, costs related to hiring temporary employees, and contract labor costs associated with performance of eligible emergency protective measures
- Overtime associated with responding to the emergency is eligible, but straight time is not. It will be critical to document overtime and have an overtime policy in place.
- Pre-positioned (stand-by) resources can be eligible if directly related to the emergency and services in support
- Can be reimbursed even if not ultimately used providing it was necessary and prudent to pre-position given information available at the time
- Emergency administrative work is eligible
- Can also be reimbursed for contract support performing eligible work



INSIDE INSIGHT

Special rules apply to backfill employees and staff working outside of their pre-event role or responsibility



Some critical service providers and salaried employees may not use conventional timesheets. Accounting for hours attributable to COVID-19 response will be essential for costs to be eligible

FEMA FUNDING NEED TO KNOW: PURCHASING CONSUMABLE ITEMS & SUPPLIES

- **Supplies and commodities directly related to the emergency and services necessary are eligible**
- **Need to track and document: source, how many, the cost, use, relationship to emergency, etc.**
- **Restocking supplies and commodities can also be eligible**
 - **Funding for stockpiling a supply of eligible PPE is limited to a supply that is projected for up to 60 days from date of purchase**
 - **Funding for storing eligible PPE is limited to what is necessary to store a projected 60-day PPE supply**
- **Need to be able to show the sourcing or contracting, pricing, and overall costs were prudent**



INSIDE INSIGHT

It's okay to overestimate based on your real time knowledge.

However, the purchasing should be informed and reasonable



Cost reasonableness will be extremely subjective because of the nature of the event and availability of supplies.

FEMA FUNDING NEED TO KNOW: PPE, NEW EQUIPMENT & RELATED SERVICES

- First order items, like PPE for workers providing essential services, are eligible
- New durable medical equipment must be required as a result of the emergency and have a clear relationship to essential services being performed
- Equipment used directly in the performance of medical care, emergency transportation, etc. is eligible
- However, as you get into second and third order items, e.g. purchasing new computers or equipment to support non-emergency functions, documentation and reasonableness become issues
- It will be important to demonstrate the justification for purchase vs renting or leasing. What is prudent given the information and assumptions available?
- When considering purchasing, the equipment must still arrive in time to address the immediate need to be considered an Emergency Protective Measure



Some items may not be available for rent or lease, or may be more prudent to purchase outright. FEMA may however deduct salvage value



If items are purchased but not utilized or utilized minimally, FEMA may require substantiating evidence of their need

FEMA FUNDING NEED TO KNOW: COORDINATION, COMMUNICATION, INFORMATION SHARING / EOC COSTS

13

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- EOC-related costs are eligible
- COVID-19 warnings, guidance, and information sharing are eligible
- Raising awareness of new services available and related communications are eligible
- This includes the staff time, materials, reasonable contract costs, delivery, etc.
- Some tele-working solutions to ensure continuous critical services for health and safety may also be eligible



INSIDE INSIGHT

Even though the Emergency was declared March 13, 2020 the incident period began January 20, 2020. Cost incurred from this date forward may be reimbursed

Staff augmentation and capacity building/support for EOC and first line response is typically an eligible expense

FEMA FUNDING NEED TO KNOW: EMERGENCY & PUBLIC TRANSPORTATION COSTS

- **Transporting and pre-positioning resources is eligible**
- **Can include transportation of emergency related supplies, staff, as well as community members**
- **Contract services can be eligible; need to document the circumstances, appropriateness, and applicability**
- **Transport associated with evacuation and sheltering (even if performed by another entity) can be eligible**



INSIDE INSIGHT

Targeted temporary transportation services could be considered eligible if they meet a critical life safety purpose

Enhanced deep cleaning of emergency and public vehicle to prevent community transmission should be considered

FEMA FUNDING NEED TO KNOW: SOCIAL DISTANCING & QUARANTINE ENFORCEMENT MEASURES

- **Costs associated with quarantine, such as cleaning and disinfecting facilities and equipment, may be eligible**
- **Additional services and associated costs may be incurred due to Shelter-in-Place orders by federal, state, and local officials, e.g. state Public Health officers**
- **Other “wildcard” items need to be carefully documented and linked to emergency protective measures to eliminating or lessening immediate threats to lives, public health, or safety**
- **Costs associated with implementing social distancing to mitigate community transmission may also be eligible**



INSIDE INSIGHT

Extraordinary times call for creative solutions

FEMA may cover the cost of using hotels, dorms, Airbnbs, etc for self-isolation and quarantine to mitigate community transmission

Food preparation and delivery costs to residents under shelter-in-place order may also be eligible

COVID-19 FEMA FUNDING NEED TO KNOW: ALTERNATE CARE SITES (ACS) “WARM SITES”

Policy Update – May 12, 2020

- FEMA will work with States to identify ACS warm sites based on predictive modeling and SLTT projections.
- FEMA will provide support for ACS warm sites to either suspend medical care activities while maintaining operational readiness, or to demobilize the ACS and store necessary medical equipment and supplies for rapid activation.
- FEMA will support reducing excess capacity by demobilizing and closing ACS facilities that are no longer needed.

Eligible Costs to Maintain ACS Warm Sites

- Renting/leasing space for ACS facility
- Other facility costs such as utilities, maintenance, and/or security
- Keeping necessary equipment and supplies
- Wraparound services, as defined in ACS toolkit (laundry, food prep, biomedical waste removal, security, professional cleaning)
- Minimal level of medical and/or non-medical staffing
- Other costs necessary to maintain operational readiness
- Site restoration to allow a facility that was/is being used as ACS to return to normal operations



You must work with State and FEMA to identify and document need for ACS in your area.



Collecting information from local healthcare providers on broad impact of loss of revenue and impact to continuity of care can help justify need

COVID-19 FEMA FUNDING NEED TO KNOW: FEMA POLICY FP 104-009-19 UPDATE (09/01/2020)

POLICY APPLIES TO ALL EMERGENCY PROTECTIVE MEASURES ON OR AFTER SEPTEMBER 15, 2020

- Legal Responsibility – FEMA is waiving the primary use and primary ownership policies normally applicable to PNP entities that own or operate mixed-use facilities
- Work Eligibility – FEMA may provide assistance *only* for the following emergency protective measures in response to COVID-19 declared events
 - Medical care, in accordance with COVID-19 specific policy or subsequent updates
 - Communications to disseminate public information regarding health and safety measures and provide warnings about risks and hazards
 - Mass casualty management, including storage of human remains and mass mortuary services, as necessary to manage fatalities caused by COVID- 19
 - Purchase and distribution of Personal Protective Equipment (PPE) that is directly related to the performance of otherwise eligible emergency work, or is provided to healthcare workers, patients with confirmed or suspected COVID-19 infection, and first responders
- Coordination of Funding – FEMA may provide PA funding to applicants for eligible work under the COVID-19 declarations that may also be eligible for funding under another federal agency's authorities
 - PA funding should not be considered funding of last resort. It is advisable that PA funding is considered concurrently with other federal agency programs and sources



Important to revisit where funding actions have been claimed in consideration that FEMA is not last resort



There may be an opportunity to reallocated CARES Act funding to FEMA funding source

ARE THE RULES DIFFERENT FOR PROCUREMENT SINCE IT'S AN EMERGENCY?



INSIDE INSIGHT

- You can use existing contracts to support expanded need, such as a municipal janitorial company for public space cleaning

- Use normal documented procurement process, including any existing provisions for emergency contracting
- When possible, ensure full and open complete bid processes
- Allowable contract types:
 - Fixed Price
 - Cost Reimbursement
 - Time & Materials (although limited)

DOCUMENTATION REQUIREMENTS

HOW DO I HELP ENSURE I WILL GET REIMBURSED?



INSIDE INSIGHT

- **Document volunteer support hours, donated resources and equipment**
- **Document FEMA/State meetings! Keep detailed notes and send FEMA/State a copy**

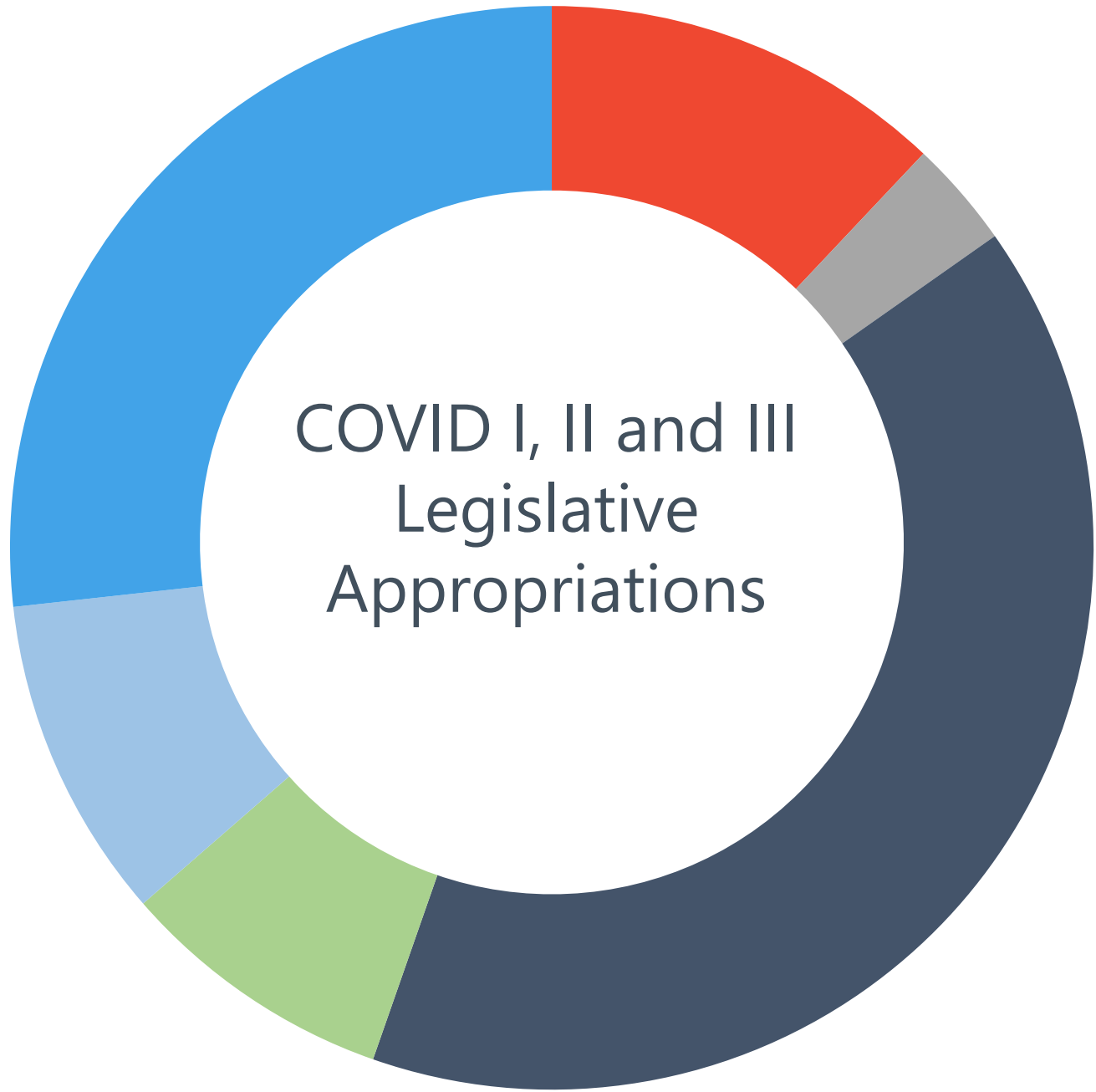
- Enter into Mutual Aid Agreements if you are providing services outside of your immediate jurisdiction to cover:
 - Loaned staff
 - Overtime
 - Loaned equipment
- Develop policies for overtime payments related to COVID-19 response
- Develop timekeeping systems to capture time for salaried employees and/or contract staff
- Assign emergency-specific cost codes immediately for:
 - Capital Expenses
 - Equipment & Supplies
 - Contract services
 - Overtime

WHAT ABOUT ALL OF THIS OTHER FEDERAL AID?

Health Care Providers Emergency Relief **\$175B**
\$175 Billion to reimburse health care providers for health care-related expense or lost revenue attributable to COVID1-19.

Department of Health & Human Services **\$40B**
\$27 Billion in funding the Public Health and Services Emergency Fund
\$4.3 Billion for Center for Disease Control
\$9.1 Billion in other HHS Support Programs

Department of Education **\$31B**
\$13.5 Billion Elementary and Secondary Education – emphasis on technology support
\$14.25 Billion Higher Education
\$3 Billion State Flexible Funding



\$45B FEMA Disaster Recovery Fund
 CARES Appropriated **\$45 Billion** to the FEMA Disaster Recovery Fund with \$25 Billion reserved for Major Disaster Declared States & Regions

\$12B Department of Housing & Urban Development
\$5 Billion Community Development Block Grant
\$4 Billion Emergency Solutions Grants
\$1.25 Billion Tenant Based Rental Assistance

\$150B Coronavirus Relief Fund
\$150 Billion is provided under a formula that divides the funding among the 50 states, the District of Columbia, the Territories and Tribal governments. Within a state, only “units of local governments” with populations that exceed 500,000 are eligible to receive direct funding.

HHS PROVIDER RELIEF FUND RECENT GUIDANCE UPDATES

- **Use of Provider Relief Fund money must be submitted no later than July 31, 2021, and accordingly HHS expects that providers will fully expend their payments by that date.**
- **A parent entity must transfer a Provider Relief Fund Targeted Distribution payment to any or all subsidiaries that qualified for a Targeted Distribution payment. Control and use of the funds must be delegated to the entity that was eligible for the Targeted Distribution payment if a parent entity received the Targeted Distribution payment on the behalf of an eligible subsidiary**
- **Entities that rejected a payment through the Attestation Portal and returned the payment are not eligible for reconsideration. HHS will not re-issue payments to a provider that received and then subsequently rejected and returned a payment. Providers may be eligible for consideration of future distributions if it meets the eligibility criteria of that payment**



INSIDE INSIGHT

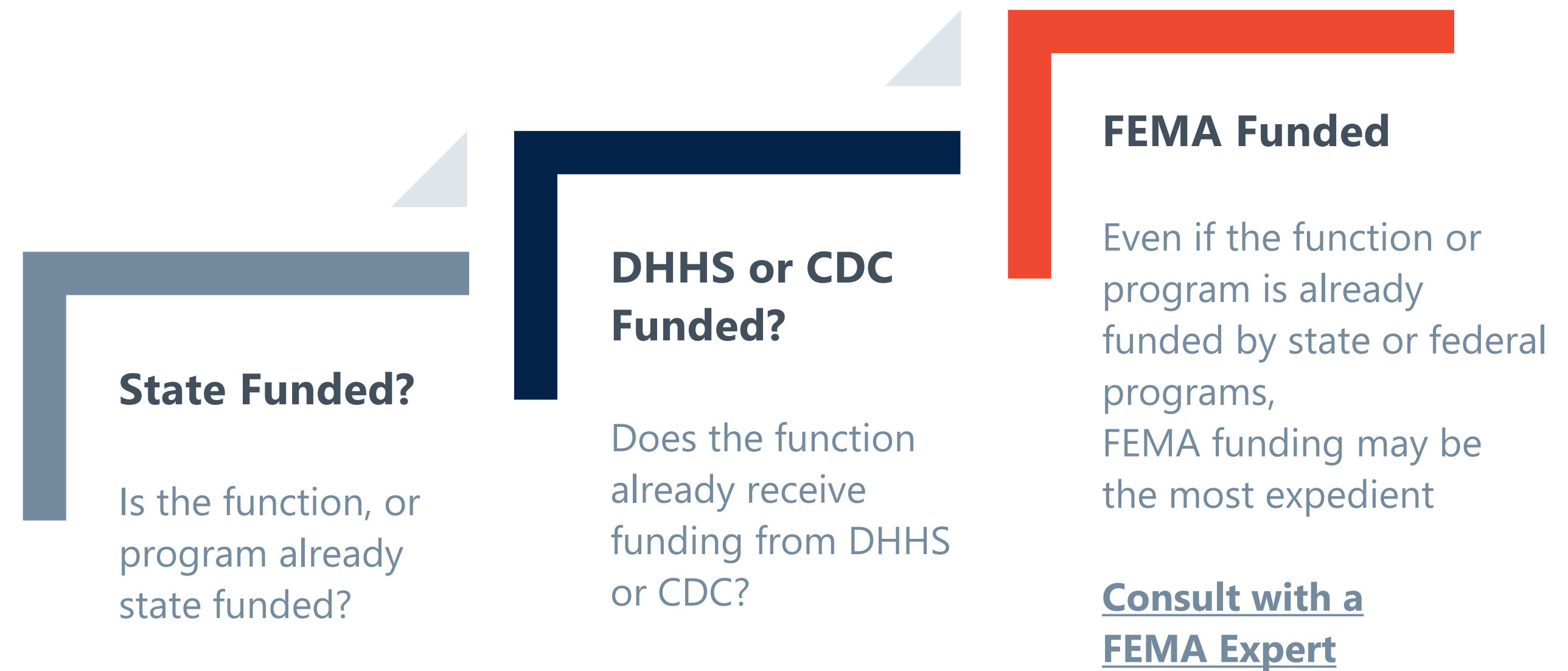
Providers should have a well qualified plan for utilizing funds for response measures or to offset lost revenue with a timeline that is consistent with July 31, 2021 expenditure expectation.

WHO PAYS FOR WHAT?

DON'T WAIT ON APPROVAL IF THERE IS AN URGENT LIFE & SAFETY NEED

Ultimately, there are multiple funding streams that can be used to reimburse items related to COVID-19 response. If there is pressing measure that is directly related to protecting life and safety of residents, do not wait for FEMA approval to enact it.

As you work through the administrative component of seeking reimbursement, apply this simple test when determining which funding source you should pursue:



WHAT IF WE NEED HELP?

CONSULTANTS & CONTRACTORS ARE A FEMA ELIGIBLE EXPENSES

What to look for what when seeking professional assistance with FEMA Program & Project Management:

- Well qualified, 10+ years of experience preferred
- Understanding of FEMA and other Federal funding sources and the regulations associated with each
- Broad range of experience across multiple FEMA events -> key for lessons learned
- Scalable resources, able to support multiple engagements at once



CHA's Disaster Planning Virtual Conference

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Thank You

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