



# Gallagher Coronavirus (COVID-19)

## FEMA FAQs



**Gallagher**

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## How do I apply for FEMA assistance?

**Q** How do you apply?

**A** <https://grantee.FEMA.gov/>

<https://www.FEMA.gov/news-release/2020/03/23/coronavirus-covid-19-pandemic-public-assistance-simplified-application>

**Q** What is the deadline?

**A** FEMA lifted the deadline of April 12. The deadline to apply has been extended by FEMA to 30 days immediately following the last date of the Federally Declared emergency.

**Q** Why is it we must apply ahead without knowing if we need assistance?

**A** We suggest you apply to join the queue of applicants in the event you decide you need FEMA assistance. However, it is your choice. At a minimum, we suggest documenting expenses now.

**Q** Will Public School Districts apply as a subrecipient to the state education agency? And will TEA (Texas Education Agency) apply for all of us?

**A** A Public School District will apply as an Applicant to the State's emergency operations department. Upon receipt of an award, you will become the "subrecipient." The Texas Education Agency should not be applying on your behalf. FEMA requires each public entity to apply individually.

**Q** If our state has not gotten FEMA funds since they haven't applied, can nonprofits still get funds? How can we know if our state has gotten funds?

**A** As this is a declared national emergency, every state is eligible for funds. We suggest applying and working through the process.

**Q** Under documenting disaster costs: what is the definition of a "project"?

**A** FEMA does not set "one" definition for project. Basically, they suggest combining work into specific projects based on your recovery needs. You can do it by location, or type of work or method of work (single contract for example) or other special considerations unique to your organization. For example, possibly you have wings dedicated to different specialties, and each specialty has its own unique set of needs to protect your patients from the virus. FEMA is allowing applicants to create their own projects, which though unusual, will give you the flexibility you need to manage recovery.

**Q** How will we be made aware of FEMA opening up the CAT B emergency funding to individual for-profit entities?

**A** Consider signing up online for FEMA updates. Additionally, consider reaching out to your state's Emergency Operations Division. They will be aware of any changes and quite possibly have a mailing list for updates as well.

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## Who should apply?

**Q** What are the resources available for independent, for-profit and medical groups through the aid package?

**A** For-profit businesses are not eligible for FEMA Assistance. Only non-profits are eligible for FEMA.

**Q** Are there any minimum or maximum employee headcounts that qualify or disqualify eligibility?

**A** No minimum or maximums. Non-profits are eligible by definition.

**Q** I am a \_\_\_\_\_. Should we be applying for FEMA assistance?

**A**

- Public and non-profit airports are eligible
- FQHCs
- Religious entities (generally yes, most)
- Private Non for Profit Higher
- Ed institutions
- Public and private non-for profit supportive living facilities
- Elementary schools (Public and Private non-profit schools)

- Public and private non-profit supportive living facilities
- A 501c meets the definition of eligible non-profit
- Private non-profit practices
- Food Banks (that qualify as a 501c, d, or e)
- Public County Hospitals and 501c3 (nonprofit) hospitals
- Tribal nations
- For profit entities are NOT eligible for FEMA

## Who should apply? (cont.)

**Q** Are elementary schools under the state eligibility group?

**A** Yes. Public and Private non-profit schools are eligible for FEMA and should apply independently to their state Emergency Operations (homeland security) division just like any other local government.

**Q** Would you recommend applying to SBA and FEMA at the same time? Or start with FEMA, wait for their ruling, and then pursue SBA?

**A** Start with FEMA. It is not possible to apply for both at the same time.

**Q** Who from the organization should apply?

**A** For non-profits, the parent company should apply. If locations for the non-profit encompass various states, then an

application needs to go in for each state. If your question is who as an individual should apply, that varies by organization. The CEO or CFO are good choices.

**Q** Should the record keeper be in procurement or the individual departments?

**A** We suggest one coordinator to oversee the documentation and individual departments reporting their documentation up to that individual. It allows for broad based details and consistent information

**Q** Is there an accounting form available to account for costs you intend to submit to FEMA?

**A** Use this resources to get started [https://www.FEMA.gov/media-library-data/20130726-1856-25045-9653/sf\\_financial\\_status\\_report.pdf](https://www.FEMA.gov/media-library-data/20130726-1856-25045-9653/sf_financial_status_report.pdf)

**Q** What date should you utilize to begin recording expenses?

**A** January 22, 2020.

**Q** What if your institution has multiple state locations?

**A** It is likely that a separate application will need to be submitted, particularly since FEMA has now issued major COVID-19 disaster declarations for many states. This can be verified with FEMA.

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## What is covered?

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**A** CAT B eligible work is specific to managing/assisting in the pandemic response. We suggest checking with your state's Emergency Operations Division to see if you're covered.

**Q** As for eligible costs to charge, can we charge HR and IT salary costs to this for time spent getting employees working remotely? How about meeting time to discuss the local COVID-19 response?

**A** Force Account Labor is available for overtime costs for budgeted employees whose work specifically involves emergency response. Training other employees to work from home to keep city business running is not eligible.

**Q** It seems CAT B primarily covers repurposing facilities. Is there anything that CAT B would cover for those PNP'S on the "essential government services" category (i.e. performing arts organizations) that doesn't involve repurposing facilities?

**A** You are correct in that CAT B is written specifically for emergency management. Without identifying the questioner in this case, we are suggesting that you apply for FEMA anyway. The work you are doing to support others in this crisis could potentially give rise to reimbursement in terms of communication, particularly if you are including crisis communication in your online and other media delivered presentations. At the worst, they will deny it.

**Q** Will funding be based on number of confirmed cases?

**A** Assuming your question applies to your state who is the recipient, each state requests funds from FEMA. FEMA reviews and makes the determination on funding. We do not have access to the formula FEMA uses to make determinations for each state/tribal government.

## What is covered? (cont.)

**Q** Can we get reimbursed for: staff overtime, custodial supplies, contracted cleaning, lost revenue? (For example: Lost revenue due to reduced number of students paying for housing.)

**A** Lost revenue is not eligible; no forms of business interruption are covered. Overtime is covered for budgeted employees. It does NOT cover regular time for budgeted employees. Supplies and contracted cleaning MAY be covered depending on its purpose, it must be CAT B eligible (i.e. specific to the medical emergency at hand, not for normal operations).

Document by employee, scope of work, pay rate, hours worked, etc. You may also need to provide evidence of the pre-established overtime pay for each employee. Unbudgeted labor may be eligible for straight time and overtime.

**Q** You said overtime for budgeted employees is eligible, but what about a premium pay that is less than the overtime rate?

**A** FEMA will likely need to verify the legislative or authorized organizational mandate for the premium pay (is it in accordance with normal protocol) and determine if it qualifies as eligible.

**Q** Does overtime incurred for cleaning qualify?

**A** Overtime for budgeted employees related to direct response to a COVID-19 emergency is eligible. However, if cleaning is more standard and precautionary, without a direct “link” to the virus, FEMA may question eligibility. We suggest the client reach out to their state’s Emergency Operations Division (Homeland Security, etc. the title varies by state) for additional information.

**Q** Does FEMA cover lost revenue for business interruption?

**A** FEMA does not consider business interruption loss of revenue.

**Q** Is there a more specific definition of “equipment” that is eligible as opposed to “supplies”?

**A** Equipment and supplies that can be directly tied to the virus are eligible. The definition is broad by design. Documentation is critical. Cleaning of facilities that are not directly related to the COVID-19 crisis will be questionable for eligibility. We suggest contacting your state’s Emergency Operations Center for more information, just in case.

**Q** Are temporary housing costs covered?

**A** Temporary housing to quarantined individuals or to provide temporary housing to employees who are directly involved with the medical response is eligible.

**Q** Can you provide example of congregated vs. non-congregating housing?

**A** Try this link: <https://www.FEMA.gov/news-release/2020/03/31/coronavirus-covid-19-pandemic-non-congregate-sheltering>.

**Q** What about equipment or software needed by a school district to be able to provide distance learning for students/or employees to work at home?

**A** This is not eligible at this time. CAT B includes necessary equipment to directly manage/assist COVID-19 response. It does not cover equipment necessary to continue normal business operations unrelated to the medical threat of this virus.

**Q** Does CAT B include legal fees for cities that have to declare states of emergency?

**A** In past FEMA events, legal work done in conjunction with administration of a declared disaster has been eligible in part for reimbursement. We suggest including this administrative legal work in your application for benefits.

**Q** Would quarantine housing in higher education fall under CAT B?

**A** For public and non-profit higher education institutions, quarantine housing of ill or suspected cases should fall under CAT B. Discuss with your state’s Emergency Operations to make sure <https://www.FEMA.gov/news-release/2020/03/31/coronavirus-covid-19-pandemic-non-congregate-sheltering>.

**Q** Is disinfecting a space where and employees or students worked and who tested positive, or hasn’t been tested but is suspected to have COVID, eligible?

**A** We believe with the appropriate documentation for need, including the need to reuse the space prior to the virus dying on its own, that this may be eligible. We suggest contacting your state Emergency Operations Division, give them your unique circumstances and request guidance. Please document their response. You may need it years from now in the event of an audit.

**Q** Do the costs of lesser PPE supplies to protect employees at a non-medical facility qualify under CAT B? For example, the purchase of protective gloves, sanitizing wipes, etc. to protect public employees at non-medical facilities?

**A** If they are used specifically for COVID-19 protective measures we expect they would be eligible.

**Q** What portion of reimbursement can we expect from FEMA for items not reimbursed by insurance?

**A** Insurance recovery is deducted from eligible costs. The Federal share is presently set at 75%. Other than certain communicable disease cleaning sublimits, it is questionable what other insurance is related to CAT B expenses.

# Funding & Legislation

**Q** If you receive HRSA supplemental funds, does that mean I'm not eligible for FEMA?

**A** Not necessarily. FEMA will NOT duplicate funds paid by another federal agency for the same expenses. Double check with your state's Emergency Operations Division (Homeland Security) for more information.

**Q** Does the "no duplication" rule apply to congressionally awarded funds through the Department of Education?

**A** Federal agencies will NOT duplicate payments provided by other federal agencies. Assuming that you are referring to your State Board of Education, it is doubtful that they will be paying any CAT B eligible expenses. If by chance they are, FEMA will likely want to see documentation and will decide eligibility following their review.

**Q** Can you tell me about filing a claim with our own insurance carrier before filing a claim with FEMA? I know that FEMA requires that you have some documentation that the applicant has done that first.

**A** CAT B does not lend itself to insurance with a few exceptions such as any communicable disease coverage in your property policy relating to cleanup, evacuation, etc. If insurance is available, FEMA does expect you to pursue it. In most

cases, property and business interruption coverage will not be triggered by losses due to a pandemic. Insurance policies, in general, do not provide coverage for virus-related business interruption because there is no physical damage to an insured peril.

**Q** I understand that FEMA will not pay duplicate benefits, but what is considered under the benefits that cannot be duplicated? Are SBA loans considered as a benefit?

**A** Generally, you cannot file and claim both. There are significant differences between FEMA and an SBA loan. The loan is a bank loan. FEMA will reimburse you 75% of eligible costs under CAT B without expecting to be repaid.

**Q** For Hurricane Irma, it was either a SBA loan or FEMA. Are they exclusive at this time, or can you can get both?

**A** We suggest applying first for FEMA. Once you receive information from FEMA, you will be in a better position to make a decision about SBA.

**Q** In procurement, should we amend contract if we've already initiated contracts that might not have this depth of language? If we amend to include FEMA requirements, will that be allowable?

**A** FEMA suggests that you DO amend pre-existing contracts to include their requirements.

[https://www.FEMA.gov/media-library-data/1537192764124-4c99f98f8cf5b63584ac80d252b0a9b5/EE\\_Procurement\\_PA\\_Fact\\_Sheet\\_1-18-2018\\_508\\_FINAL.pdf](https://www.FEMA.gov/media-library-data/1537192764124-4c99f98f8cf5b63584ac80d252b0a9b5/EE_Procurement_PA_Fact_Sheet_1-18-2018_508_FINAL.pdf)

**Q** Where is the easiest place to obtain the Federal Procurement rules?

**A** Please refer to this resource: [https://www.FEMA.gov/media-library-data/1537192764124-4c99f98f8cf5b63584ac80d252b0a9b5/EE\\_Procurement\\_PA\\_Fact\\_Sheet\\_1-18-2018\\_508\\_FINAL.pdf](https://www.FEMA.gov/media-library-data/1537192764124-4c99f98f8cf5b63584ac80d252b0a9b5/EE_Procurement_PA_Fact_Sheet_1-18-2018_508_FINAL.pdf)

**Q** Is a K-12 school subject to federal rules like Title IX or e-verify if we apply for and receive funding?

**A** The quick answer is yes, however please double check with your legal counsel.

**Q** Is there a deductible for FEMA eligible costs incurred?

**A** The federal share is 75%. You are responsible for the remaining 25%. This is not like insurance. Basically, you expend the funds and then file (and document) for reimbursement of 75%.



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Perhaps most importantly, we note that these comments are at made at a specific moment in time: the response of the Federal Government and State governments to the virus is changing daily. It is essential that, as your institution prepares to support your local community that current information is checked on issues including legal immunities and liabilities.