

**Bloomberg  
Philanthropies**

**COVID-19  
LOCAL  
RESPONSE  
INITIATIVE**

**Prepared by Bloomberg  
Philanthropies**

**For The United States  
Conference of Mayors**

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# **RESPONSES TO FAQs**

**Bloomberg  
Philanthropies**



**THE UNITED STATES  
CONFERENCE OF MAYORS**

## Introduction

### Background

On April 7, 2020, Bloomberg Philanthropies COVID-19 Local Response Initiative hosted a webinar for the U.S. Conference of Mayors: *City Fiscal Tracking and Federal Reimbursement Initiative*. During and after the Webinar, city leaders posed many excellent questions, prompting the need for additional information.

### Purpose

This document aggregates answers to questions posed by city leaders during and after the Webinar, and may further guide cities as they operationalize their emergency response to this crisis.

### Additional Resources

Access a [recording of the Webinar](#).

Download our [Municipal Resource Guide](#).

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## Topic: FEMA Submissions

### Question

Where do we submit a FEMA application and worksheet? When should we begin this process?

### Answer

Cities should submit a [Request for Public Assistance \(Form 90-49\)](#) (RPA) with FEMA **as soon as possible** to get their requests into FEMA's system. Applications and supporting documentation should be submitted on the [FEMA Grants Portal](#). Given the volume of RPAs that will be filed with FEMA, it will likely take 30 days or more to process applications — even with [FEMA's expedited application process](#).

### Question

What costs should we include in our submission?

### Answer

You should include:

- Estimated eligible costs to date, beginning January 20, 2020.
- Expected costs by type for the next 60-90 days.

Eligible costs are outlined in our [Municipal Resource Guide](#) and in [FEMA guidance](#) issued on March 19, 2020. You can request an expedited Project Worksheet (PW) to receive up to 50% of the total approved project value as an advance.

The reimbursement period begins with the initial incident period on January 20, 2020. The incident period is open and an end date has not yet been established. All eligible costs for protective measures will be reimbursed up to the close of the incident period.

### **Question**

Can you explain the kinds of expense items that are documented on a FEMA ICS 214 log?

### **Answer**

The purpose of FEMA's Incident Command System (ICS) Activity Log, Form 214, as stated in [this link](#), is to track federal emergency agency activities after a disaster and record notable activities, resources, equipment, task forces, etc. The form may be used by cities, and it is a best/common practice to do so.

### **Question**

Are the costs associated with hiring a consultant to support submitting FEMA applications and associated documents reimbursable?

### **Answer**

Yes, FEMA provides an add-on allowance of up to 5% called a "management cost," which can include the use of consultants and contractors to assist you with the application process.

## Topic: Personnel

### Question

If full-time staff are reassigned for COVID-19 related activities, can we submit for the cost of hiring personnel to backfill those positions?

### Answer

The key here is increased cost. Existing budgeted employees' straight time is not reimbursable because it does not constitute an increased cost. However, the following costs are increased costs, and should therefore be submitted for reimbursement:

- Backfilling positions to replace budgeted employees who are now handling COVID-19 emergency work.
- Hiring temporary staff.
- Using contract labor.

The above hires' straight time could be considered eligible, and therefore you should submit for those costs.

### Question

Can we be reimbursed for employees who are unable to work because they are home sick or in quarantine?

### Answer

At this time, it may not be deemed an eligible expense. FEMA typically only reimburses for completed work that is directly related to [emergency protective measures](#). See Section 1 of the [Municipal Resource Guide](#) for a detailed list of eligible activities and expenses. However, we do recommend

that you carefully document all leave paid for COVID-related purposes in the event that a broader interpretation of FEMA policy is made at a future date.

### **Question**

Can we get reimbursed for using non-essential employees, who otherwise would not have been paid, for emergency response (e.g., librarians working at homeless shelters or cleaners working to disinfect public buildings)?

### **Answer**

Re-assigning an employee to emergency work does not automatically make all their time eligible for reimbursement. The key thing to consider is *increased cost*; for example, overtime pay or the cost to backfill their position.

### **Question**

Can we get reimbursed for hazard pay for frontline employees?

### **Answer**

Yes, conditionally. Hazard pay is an eligible expense *if* it complies with the HR and personnel policies your city had in place before the emergency declaration. Under some limited circumstances, the adoption of a new or separate pay policy could be justified to FEMA; the new policy must be necessary to protect lives and not contingent on Federal reimbursement. If your city did not have a hazard pay policy prior to the emergency, you



should consult with your FEMA representative or an expert of FEMA's PA program.

### **Question**

Is COVID-19 related overtime reimbursable? Does this include standby time for on-call employees?

### **Answer**

Possibly. FEMA will cover some standby time under very specific and well-documented circumstances associated with implementing emergency protective measures, such as social distancing for staff serving essential functions. This will require a well-substantiated narrative.

### **Question**

How detailed should the documentation be for payroll records for hours spent on COVID-19 response and emergency operations?

### **Answer**

As a general rule, you can't over-document. For payroll records, include **a separate, COVID-specific expense code** for hours connected to COVID-19 response. Apply the COVID-specific code to:

- Overtime, hazard, and other emergency-related pay.
- Hours logged by city employees as well as vendors.
- COVID-related leave categories.

Other items to include in your records are:

- Dates and hours worked.
- Type of hours worked, (e.g., OT, holiday, etc.).
- Description of work.
- Name of approving supervisor.

Consult the [Reimbursement Procedure for FEMA Public Assistance](#) for more details regarding the documentation of eligible personnel costs.

## Topic: Procurement

### Question

For contracts related to COVID-19 and made during the period of declared emergency:

- Are there any special procurement policies that apply?
- Should we follow our city procurement rules?
- Should we keep any additional documentation?
- What does FEMA say specifically re procurements?

### Answer

Cities should follow their existing procurement rules whenever practical, including an open and competitive process. However, the city may use a noncompetitive or sole source process where necessary in an emergency or exigent situation. (See FEMA Memo [Procurement Under Grants Conducted Under Emergency or Exigent Circumstances for COVID-19](#).) Cities may also use existing city contracts or piggyback off of existing state contracts where possible.

Follow the guidance below to help facilitate reimbursement for eligible costs:

- **Review your regulations:** Review your city's specific sole source and emergency contract procedures.
- **Keep careful documentation:** Document the basis of every procurement choice you make. FEMA will scrutinize all procurements, especially emergency and sole source procurements.
  - For a list of documentation FEMA will look for to justify a noncompetitive procurement, see FEMA's [Fact Sheet: Procurement Under Grants Conducted Under Exigent or Emergency Circumstances](#).
- **Conduct due diligence:** Even in an emergency, when things are moving quickly, you must show you took steps to verify that you were working with responsible vendors:
  - Continue to document compliance with FEMA requirements, such as conducting comparative cost/pricing analysis and due diligence.
  - Retain the contractual authority to terminate an award if post-award due diligence reveals unacceptable risk factors.
  - See tips regarding due diligence on pp. 29-33 of the [Municipal Resource Guide](#).
- **Review contract language:** All contracts using federal relief money must include certain federal legal provisions, such as EEO and MBE. Many of these provisions are likely already part of your city's standard contract terms.
  - See Appendix B in the [Municipal Resource Guide](#) for a complete list of mandatory federal RFP and contract provisions.

## **Topic: Monitoring and Oversight**

### **Question**

What types of skills should we look for in a monitoring firm, and what kind of assistance can they provide in our COVID-19 crisis response efforts?

### **Answer**

Monitors are entities with legal, auditing, and investigative expertise. They should have experience working with local, state, and/or federal agencies, including in disaster response efforts. Monitors who spoke in our Webinar have provided oversight for the billions of dollars funded by FEMA, the United States Department of Housing and Urban Development (HUD), the Federal Transportation Authority (FTA), the Veteran's Administration, among others.

Monitors can act as an additional set of eyes, offering proactive insight and experience in disaster recovery situations, including large-dollar infrastructure projects. Monitors can work with the city to ensure work is being done efficiently and in compliance with federal, state, and city regulations.

Down the road, monitors/auditors can help prepare submissions for and participate in the reviews with FEMA and other federal agencies.

## **Question**

Are oversight and monitoring costs reimbursable?

## **Answer**

Yes. The value of monitors and auditors is readily apparent to all parties. Cities often retain independent professionals, i.e., monitors/auditors, to help implement the fiduciary controls necessary to maintain documentation, flag issues in real time, and maximize reimbursements. As this provides both the city and federal agencies a greater degree of assurance that the funds were used properly, associated fees are considered eligible administrative expenses and are typically covered by FEMA. Cities get 5% of the total recovery for administrative costs. Reimbursements for monitors and others come from that 5% payment, but are eligible to be covered 100%.

Down the road, these monitors/auditors help prepare submissions for and participate in reviews with FEMA and other federal agencies, thus making the process smoother for everyone involved.

In fact, for some federal and state-funded programs, monitors are required. After Hurricane Sandy, the FTA, in connection with the Disaster Relief Appropriations Act of 2013, required grantees receiving over \$100 million in DRAA disaster funds to hire independent integrity monitors. New Jersey also passed legislation authorizing the deployment of oversight monitors in the implementation of certain recovery and rebuilding projects in excess of \$5 million. (Chapter 37 of the New Jersey Administrative Code).

## **Question**

Is the cost of a public hotline to report waste, theft, price gouging, or other COVID-19 related integrity issues considered a reimbursable oversight cost?

## **Answer**

Yes. A hotline is a standard and well-precedented component of a reimbursable monitoring program, and a useful tool during disaster response. A public hotline helps cities identify, investigate, and immediately address any waste or theft of public response dollars. These hotlines were used during the monitoring of Hurricane Sandy and Ground Zero relief efforts, and the costs were fully reimbursed.

## **Topic: Census and Funding**

### **Question**

Does the funding process from the federal government for COVID-19 relief make distinctions based on a city's population?

### **Answer**

Yes. The CARES Act included an appropriation for a \$150 billion 'Coronavirus Relief Fund' that is ultimately earmarked for cities with a population of 500,000 residents or more. A city's population count is based on census data. Those with smaller populations may not be eligible to seek federal funds on their own, and must instead go through their state.

(Additional guidance on these distributions is expected April 23, 2020.) FEMA funding is not subject to this break between city sizes. All cities are eligible for FEMA funding.

## Question

Are there other connections between the census and the federal resources to respond to the COVID-19 crisis?

## Answer

Census results govern how aid is allocated to states for hospitals, Medicaid, and medical supplies, among other things. The 2020 Census is happening right now, and the results will govern future allocations over the next 10 years, as well as a city's ability to deal directly with the federal government in connection with some aid programs. Consider including in your city's COVID-19 communications messaging that:

- **Emphasizes** the importance of the census count to ensuring your city gets its fair share of federal dollars for healthcare and emergency equipment.
- **Explains** the ease and safety of participating in the census through online or multilingual phone line response options.
- **Directs** people to: <https://2020census.gov/en/ways-to-respond.html>

## Topic: Food Distribution

### Question

Will Public Assistance cover meals and food delivery for seniors and others unable to travel?

## **Answer**

FEMA recently issued [guidance](#) on how to determine eligible work and costs for the purchase and distribution of food in response to the COVID-19 Public Health Emergency. Eligible expenses include:

- **Purchasing, packaging, and/or preparing food**, including food commodities, fresh foods, shelf-stable food products, and prepared meals.
- **Delivering food**, including hot and cold meals if necessary, to distribution points and/or individuals, when conditions constitute a level of severity that food is not easily accessible for purchase.
- **Leasing** distribution and storage space, vehicles, and necessary equipment.

FEMA identified the following populations as those who may need the provision of food:

- Those who test positive for COVID-19 or have been exposed to COVID-19, but who do not require hospitalization.
- High-risk individuals, such as people over 65 or with certain underlying health conditions.