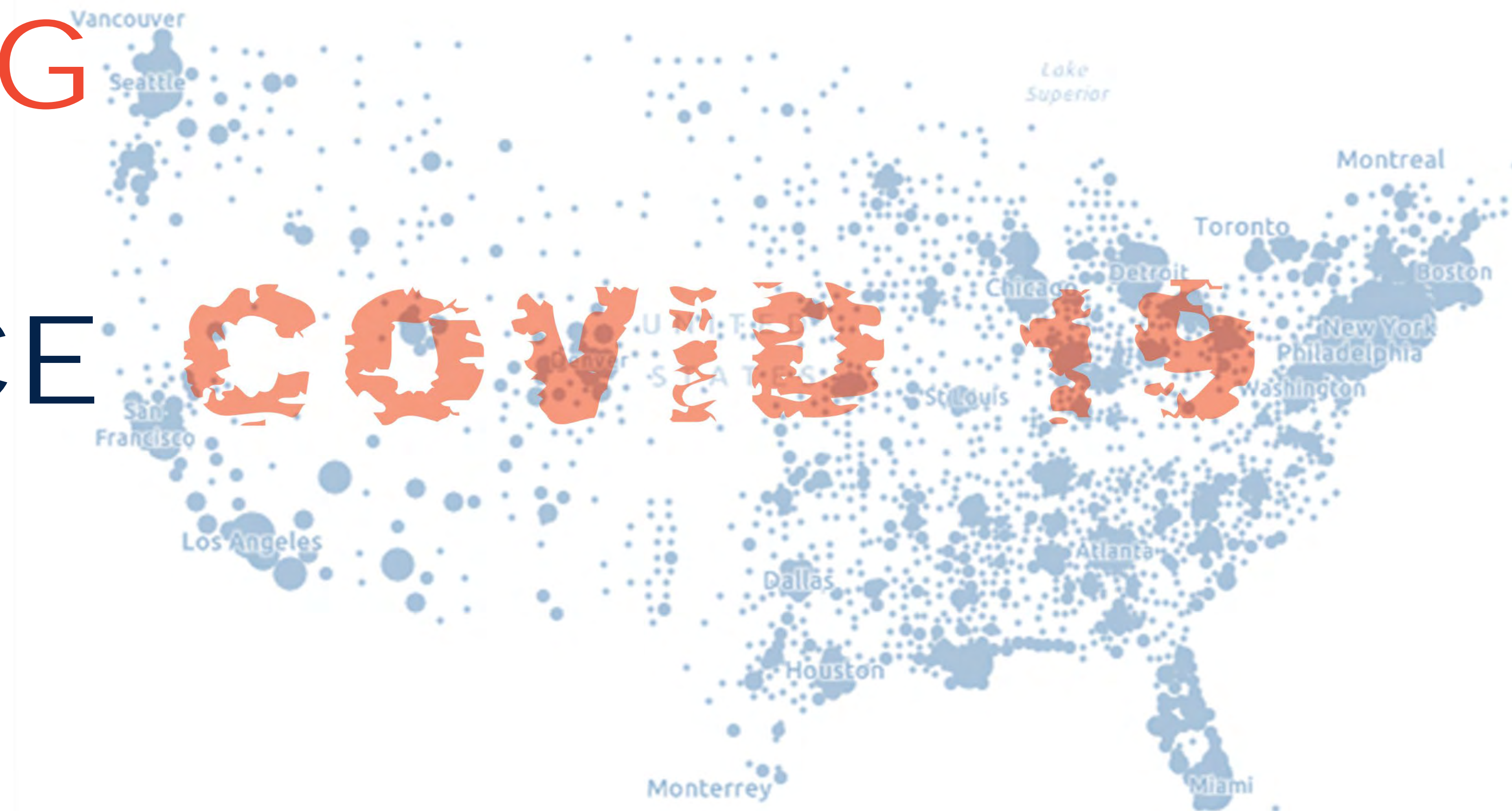


INSIDERS GUIDE TO COVID-19 ASSISTANCE

MAXIMIZING FEDERAL ASSISTANCE

Version 03 | April 2020

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



OUR EXPERTS



BRAD GAIR

PRINCIPAL

bgair@wittobriens.com

25+ Years Of Experience

City/County/Federal Government



JONATHAN HOYES

**NATIONAL DIRECTOR
GOVERNMENT SERVICES**

jhoyes@wittobriens.com

Former Director FEMA's
Public Assistance Division
25+ Years Of Experience



BILL ROCHE

**PROGRAM MANAGER
FEDERAL ASSISTANCE**

wroche@wittobriens.com

Former FEMA Deputy
Regional Administrator
25+ Years Of Experience

WHAT YOU WILL LEARN IN THE NEXT 30-MINUTES



How do I get FEMA funding – fast?

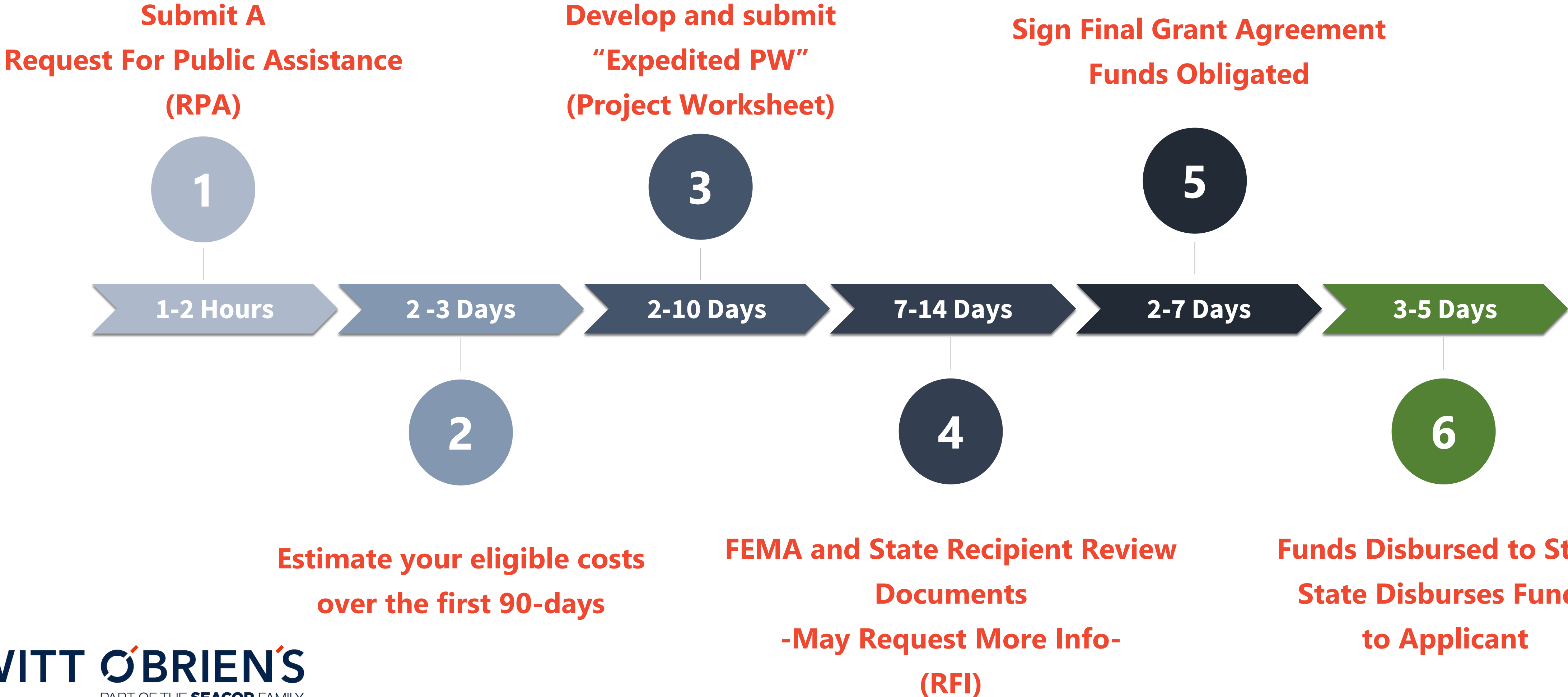


What do I need to know about FEMA funding – and what should I try to avoid?



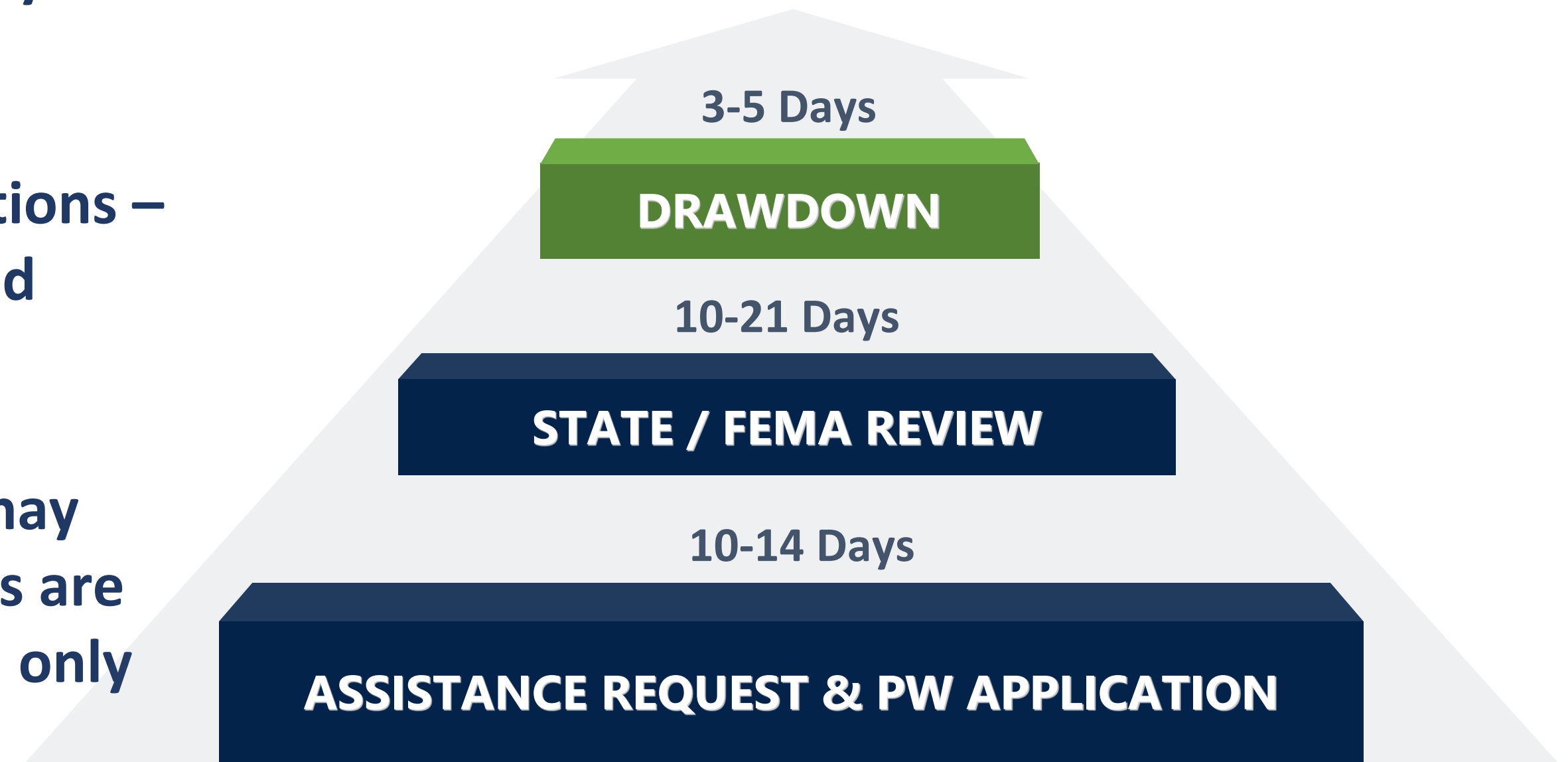
How about all of this other federal COVID-19 aid?

HOW LONG DOES IT TAKE TO GET FEMA ASSISTANCE?



ARE THERE WAYS TO GET FUNDING FASTER?

- Timeframes within each step can be shortened based on Applicant effectiveness in accurate and completely documenting need, rapidly providing supporting documentation and always being “1 step ahead”
- Provide clear descriptions of Immediate Need – Prudent Actions – Scope – Cost that will be taken to protect public and detailed estimates for FEMA validation
- Having people with prior experience of FEMA PA Program may significantly shorten timeframe by ensuring submitted items are in the correct format, use the right terminology and contain only eligible items



WITT O'BRIEN'S INSIGHTS:

HOSPITALS & MEDICAL SERVICE PROVIDERS

EMERGENCY MEDICAL CARE

- Triage and medically necessary tests and diagnosis related to COVID-19 cases
- Emergency medical treatment of COVID-19 patients
- Prescription costs related to COVID-19
- Temporary medical facilities and/or enhanced medical/hospital capacity (for treatment when existing facilities are reasonably forecasted to become overloaded in the near term and cannot accommodate the patient load or to quarantine potentially infected persons)
- Use of specialized medical equipment
- Medical waste disposal
- Emergency medical transport

MEDICAL SHELTERING

When existing facilities are reasonably forecasted to become overloaded in the near future and cannot accommodate needs, medical sheltering can be implemented as an emergency solution

- All sheltering must be conducted in accordance with standards and/or guidance approved by HHS/CDC and must be implemented in a manner that incorporates social distancing measures
- Non-congregate medical sheltering is subject to prior approval by FEMA and is limited to that which is reasonable and necessary to address the public health needs of the event, is pursuant to the direction of appropriate public health officials and does not extend beyond the duration of the Public Health Emergency



Must be able to provide documentation verifying that insurance coverage or any other source of funding, including private insurance, Medicaid or Medicare, has been pursued or does not exist for any emergency medical care costs.

Decades of combined experience tells us that there are particular high-risk areas for Hospital and Medical Service Providers that may jeopardize reimbursement.

Such as:

- Overall documentation and record keeping
- Internal rate structure and timekeeping
- Internal policies and agreements specific to the Emergency
- Required to make decision and provide a rapid response – often faster than the speed of Government!
- More likely to have “creative” solutions outside typical government practices



INSIDE INSIGHT

Specific to the FEMA PA Program Regulations, Policies, Guidance:

- Emergency Management and FEMA PA Program is not the primary focus of the organization
- Need to balance Public Health directives and institution requirements with Emergency Management considerations
- Often take prudent Emergency Protective Measures that are not “typical” for the FEMA PA Program, such as decisions driven by business continuity
- Eligibility for Private and Non-Profits is different than for other traditional municipal and government agencies

Knowledge of the flexibility inherent in the PA program will help you get unconventional response efforts reimbursed



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 may 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 RELOCATION OF ESSENTIAL SERVICES

- 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 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

- 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
- Providing emergency protective measures conducted on private property is limited and must show: immediate threat is widespread, legal authority to do the work, right of entry / indemnification agreements
- 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
- 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



INSIDE INSIGHT

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

- 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
- Dealing with pets and service animals
- 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

ARE THE RULES DIFFERENT?



INSIDE INSIGHT

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

- Use your 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
 - Limited us only
 - Note additional stipulations

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**

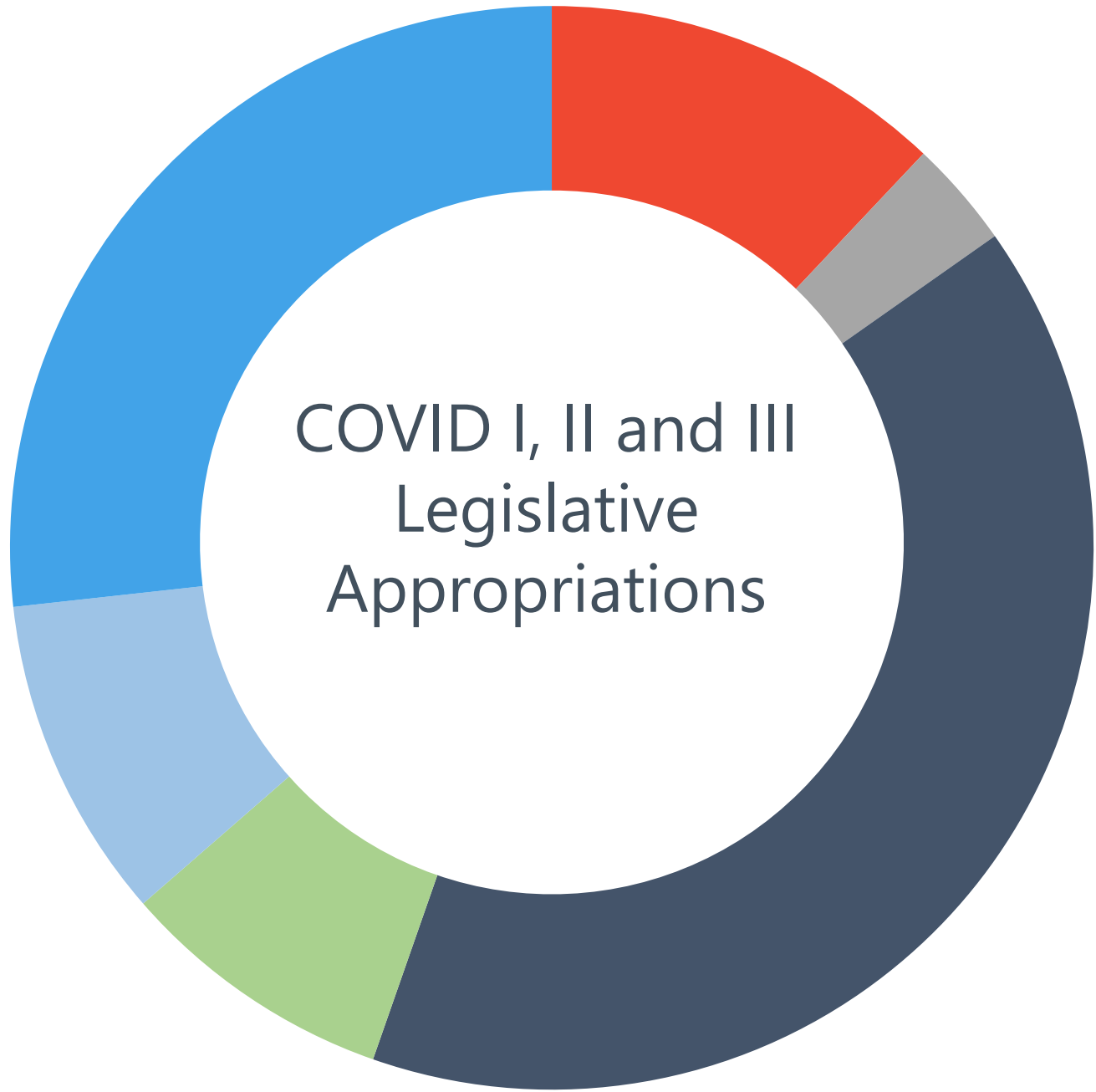
- Enter into Mutual Aid Agreements if you are providing services outside of your immediate jurisdiction to cover:
 - Loaned staff
 - Overtime
 - Loaned equipment
- Develop policies for overtime payments related to COVID-19 response
- Develop timekeeping systems to capture time for salaried employees 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 **\$100B**
\$100 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.

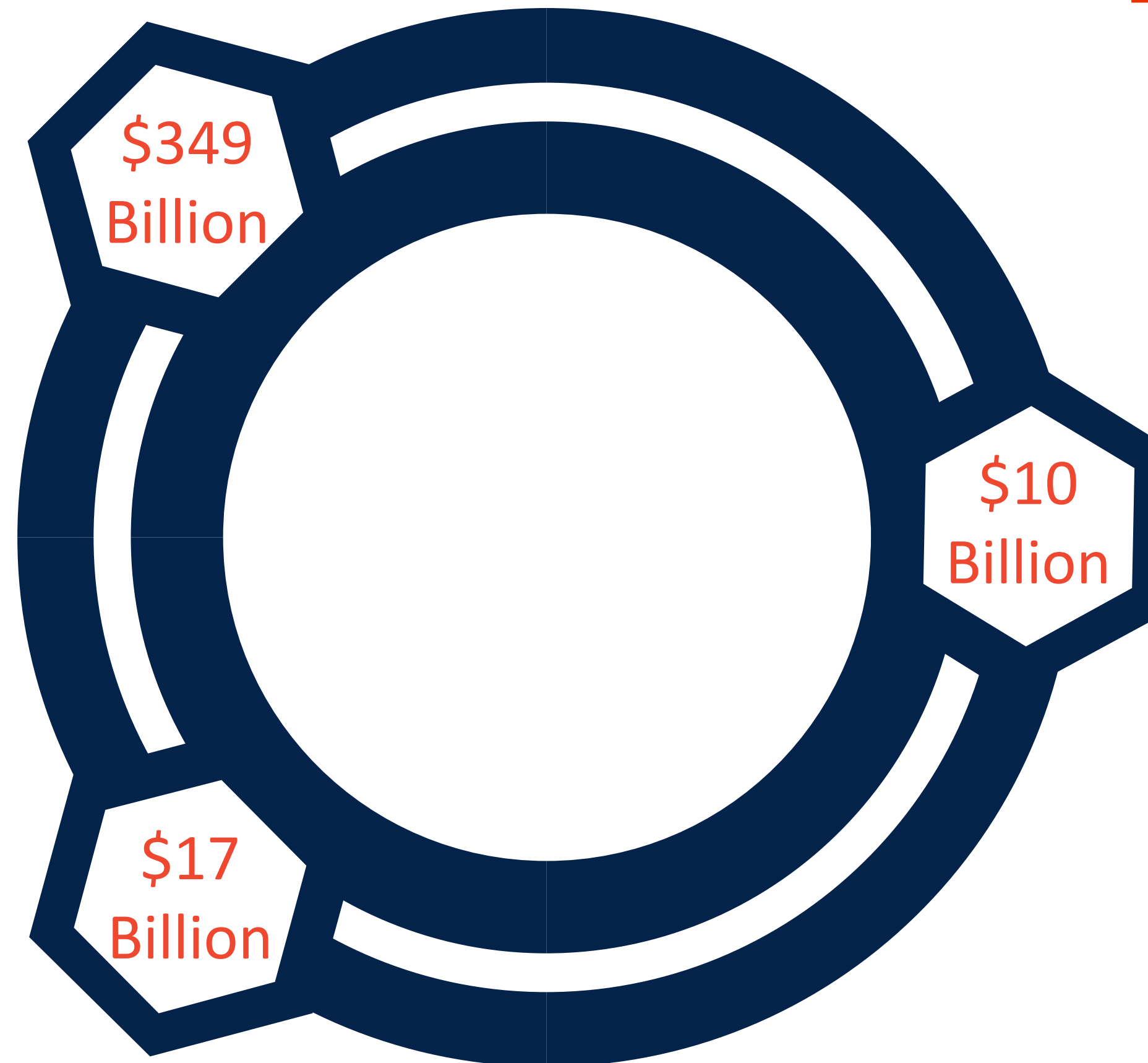
WE GET A LOT OF QUESTIONS ABOUT SBA

Small Business Administration Paycheck Protection Programs

Under the program, small businesses, other business concerns, nonprofits and veterans organizations that generally have fewer than 500 employees; self-employed; sole proprietors; independent contractors; and businesses in the accommodation and food services sector with fewer than 500 employees per location are eligible for **forgivable** small business loans to cover payroll; health care costs; mortgage interest payments, rent and utility payments; and interest on pre-existing debt obligations.

Small Business Administration Business Loan Program Account

Allows SBA to forgive up to 6 months of existing SBA loan payments.



Small Business Administration EIDL and EBL Programs

Economic Injury Disaster Loan Program

The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to \$2 million.

Terms

- These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact.
- The interest rate is 3.75% for small businesses.
- The interest rate for non-profits is 2.75%.

Express Bridge Loans

Express Bridge Loan Pilot Program allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 with less paperwork.

Terms

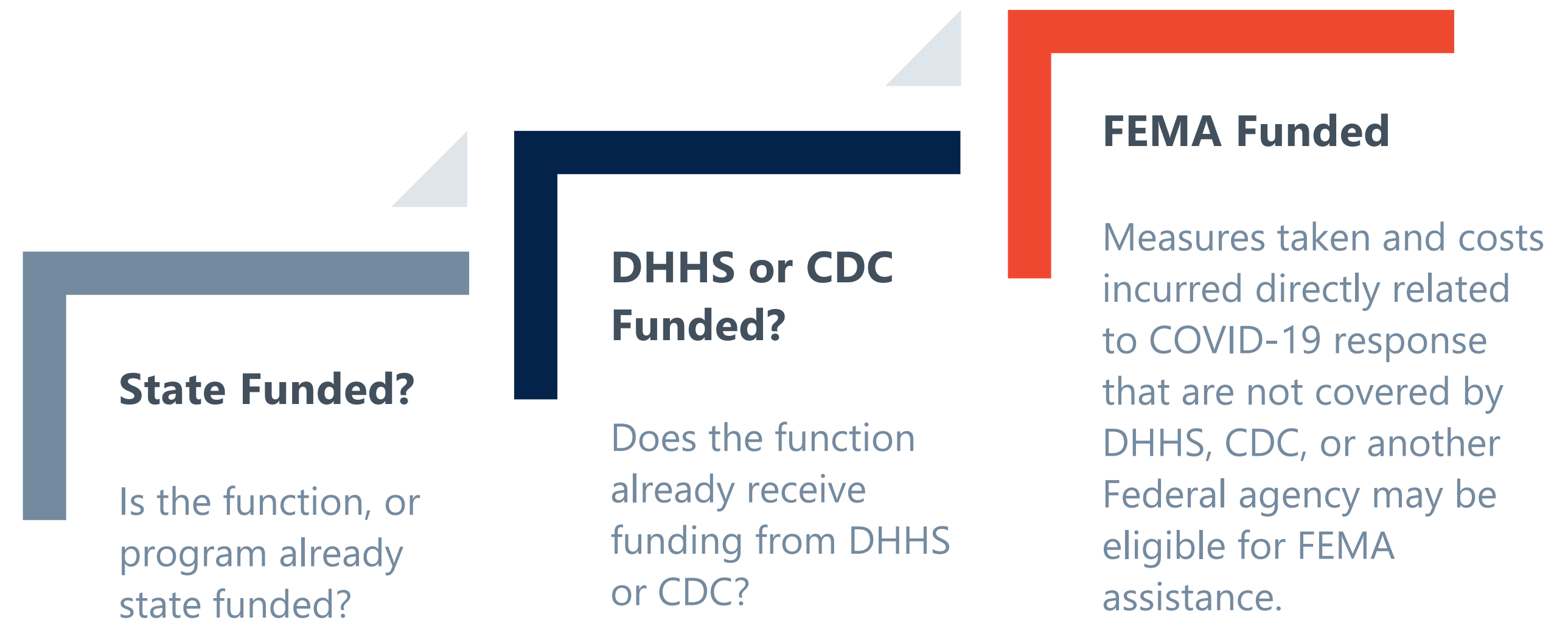
- Up to \$25,000
- Fast turnaround
- Will be repaid in full or in part by proceeds from the EIDL loan

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

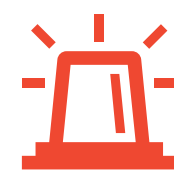
WITT O'BRIEN'S

PART OF THE **SEACOR** FAMILY

WITH YOU WHEN IT COUNTS



Federal Funding
Expertise



Crisis and Disaster
Management



Public &
Stakeholder
Communication



Business &
Operations
Continuity



Emergency Operations
Center Surge Staffing

contact@wittobriens.com