Tips for Recovering COVID-19 Costs

Here's a rundown of the Tools and Techniques for Managing COVID-19 Recovery costs webinar presented by the International City Management Association (ICMA)

By Rick Aronhalt | Apr 2, 2020 | ARTICLE

"Cost recovery for COVID-19 is going to be a complex puzzle with many different pieces," said Mark O'Mara, director of recovery for Hagerty. O'Mara was the speaker in the March 31 ICMA complimentary webinar, "Tools and Techniques for Managing COVID-19 Recovery Costs," which is part of an ongoing COVID-19 response effort by ICMA.

In this presentation, O'Mara discussed federal funding opportunities related to COVID-19, and the many puzzle pieces, including: The CARES Act, FEMA Public Assistance, and funding from Health and Human Services/Centers for Disease Control, Housing and Urban Development, Small Business Administration, Federal Transit Administration, and Community Disaster Loans.

O'Mara focused the majority of the presentation on FEMA Public Assistance and gave five initial steps for city and county managers to help manage cost recovery:

1. Track all Costs: Comprehensive funding amounts, sources, and eligibility criterion for each are not yet known. Tracking all costs now provides the option to make a claim should the opportunity become available in the future. You should create emergency codes, or "E-Codes" in your financial management system and save all documentation related to these costs.
2. Initiate the FEMA Public Assistance (PA) Process: Create your PA Grants Portal account (here)) and submit your request for public assistance (RPA). This request goes to the State (FEMA PA "Recipient") who determines your eligibility.
3. Request Expedited Funding: FEMA funding is available immediately through this program.
4. Create a Team of Teams: In order to be successful, you need all the key community stakeholders represented in this recovery. Encourage them to understand these programs and work collaboratively with each other, the State, and federal partners.
5. Identify and activate Subject Matter Expertise and Staff Augmentation: This is the difference between proactive and reactive response. When you consider the audit window that follows the recovery, you should be planning for a years-long process and think about realistic staff capabilities and capacity.

During the question and answer period, O'Mara explained where to find robust FEMA policy guidelines that cover more than the FEMA fact sheets that many communities have received. He recommended a Google search of FEMA PAPPG v3.1. He also gave insight into how policies will likely evolve at the federal and state level.

O'Mara addressed straight time hours for EOC staff and the questions you must ask yourself to determine if these are eligible for reimbursement by FEMA. He also gave a detailed explanation about how FEMA's standing as "funding of last resort," how it intertwines with other funding sources, and the obligations that local governments have as subrecipients when applying for funding.

There are many resources on disaster relief funding that you may connect to at icma.org/coronavirus. Hagerty is also developing its own COVID-19-specific tool to assist with FEMA funding; more information can be found at hagertyconsulting.com.