




FEMA

MEMORANDUM FOR: All States, Territories, Tribal Governments, Local Governments, and All Other Non-Federal Entities Receiving FEMA Financial Assistance

FROM: Bridget E. Bean 
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SUBJECT: Short Term Administrative Relief for Recipients and Subrecipients of FEMA Financial Assistance Directly Impacted by the Novel Coronavirus Disease 2019 (COVID-19) per OMB Memorandum M-20-11

On March 9, 2020, the Office of Management and Budget (OMB) issued OMB Memorandum [M-20-11](#), *Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19)*, affording Federal awarding agencies with ten (10) time-limited flexibilities (exceptions) to provide administrative, financial management, and audit relief to certain financial assistance recipients. The exceptions are only applicable to awards with a *primary purpose* of supporting the continued research and services necessary to carry out the emergency response related to COVID-19. When OMB Memorandum M-20-11 was first released, the Federal Emergency Management Agency (FEMA) determined at the time that it was not administering any assistance programs with this primary purpose, and therefore, FEMA determined the identified exceptions in M-20-11 did not apply.

On March 13, 2020, the President declared a National Emergency, retroactive to March 1, 2020. That declaration and the subsequent emergency and major disaster declarations made under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, P.L. 93-288, as amended, made the M-20-11 exceptions available to certain FEMA Stafford Act programs. Further, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), P.L. 116-136, was enacted, providing \$400 million to FEMA to prevent, prepare for, and respond to coronavirus, domestically or internationally. Specifically, the CARES Act provided \$100 million for Assistance to Firefighter Grants (AFG) for the purchase of personal protective equipment and related supplies; \$100 million for Emergency Management Performance Grants (EMPG); and \$200 million for the Emergency Food and Shelter Program (EFSP). As of the date of publication, these are the only programs subject to this memorandum; however, subsequent supplemental appropriations for COVID-19 may result in additional programs being eligible for the exceptions.

Accordingly, in addition to relief provided by OMB on March 19, 2020, via OMB Memorandum [M-20-17](#), *Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations* and the implementing guidance issued by FEMA on March 27, 2020,¹ FEMA is providing time-limited relief pursuant to M-20-11 for various administrative actions under 2 C.F.R. Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The flexibilities are only available for use during the [Public Health Emergency Declaration period \(Public Health Emergency Period\) formally declared by the U.S. Department of Health and Human Services \(HHS\)](#) or for the duration of the emergency. The Public Health Emergency Period is for either 90 days or for the duration of the emergency, whichever ends first, but it may be extended. The Public Health Emergency Period was declared on January 31, 2020 and is retroactive to January 27, 2020.

For the duration of the emergency period set by HHS, FEMA is implementing the exceptions in M-20-11 to FEMA assistance programs authorized under the COVID-19 emergency and major disaster declarations and to AFG, EMPG, and EFSP awards made pursuant to the CARES Act as described below and in the attached chart. These exceptions apply to applicable grants, cooperative agreements, and financial assistance programs even though only the term “grant” is used. Recipients and subrecipients should maintain a copy of this guidance with any other appropriate records and cost documentation in their grant files (as required by 2 C.F.R. §§ 200.302, 200.333, 200.403(g)). **OMB’s exceptions do not provide relief to statutory or other regulatory requirements that apply to Federal financial assistance programs. For questions about whether a requirement is from 2 C.F.R. Part 200 and subject to one of these exceptions, please contact the applicable program analyst or grants management specialist.**

1. Flexibility with SAM registration. (2 C.F.R. § 200.205): OMB is allowing FEMA to relax the requirement for active SAM registration at time of application to expeditiously issue funding. However, under M-20-17, SAM registrations expiring before May 16, 2020 are being afforded a one-time 60-day extension and GSA has initiated 60-day extensions to SAM.gov registrations that have expiration dates ranging between March 19, 2020 and May 17, 2020. At the time of award, the requirements of 2 C.F.R. § 200.205 *Federal awarding agency review of risk posed by applicants* continue to apply. Applicants who are not already registered in SAM.gov are still requested to register in SAM before the applicable grant application deadlines.
2. Waiver for Notices of Funding Opportunity (NOFOs) publication. (2 C.F.R. § 200.203): This exception permits Federal awarding agencies to publish emergency notices of funding opportunity (NOFOs) for less than 30 days without separately justifying the timeframe for each NOFO. FEMA may invoke this exception on a program-by-program basis by the specific program offices at their discretion.

¹ FEMA GPD Memorandum *Short Term Administrative Relief for Recipients and Subrecipients of FEMA Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) Due to Loss of Operations*, dated March 27, 2020

3. Pre-award costs: Necessary pre-award costs incurred from January 20, 2020 through the Public Health Emergency Period and prior to the effective date of the award are allowed, on a program-by-program basis by the specific grant program offices at their discretion.
4. No-cost extensions on expiring awards. (2 C.F.R. § 200.308): FEMA is not invoking this exception at this time as the COVID-19-specific awards do not fall within the allowance.
5. Abbreviated non-competitive continuation requests. (2 C.F.R. § 200.308): FEMA is not invoking this exception as it does not make continuation awards.
6. Expenditure of award funds for salaries and other project activities. (2 C.F.R. §§ 200.403, 200.404, 200.405): FEMA invoked this exception pursuant to M-20-17. FEMA is allowing recipients and subrecipients to continue to charge salaries and benefits to currently active FEMA awards consistent with the recipients' and subrecipients' policies of paying salaries under unexpected or extraordinary circumstances from all funding sources, Federal and non-Federal. FEMA may allow other costs to be charged to Federal awards necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project. FEMA may also evaluate the recipient's and/or subrecipient's ability to resume project activity in the future and the appropriateness of future funding, as is regularly done, based on subsequent progress reports and other communications with the recipient and/or subrecipient. Recipients and subrecipients are required to maintain appropriate records and cost documentation as required by 2 C.F.R. § 200.302 *Financial management* and 2 C.F.R. § 200.333 *Retention requirement of records* to substantiate the charging of any salaries and other project activities costs related to interruption of operations or services.
7. Waivers from prior approval requirements. (2 C.F.R. § 200.407): FEMA invoked this exception pursuant to M-20-17. Any prior approval requirements will be waived on a program-by-program basis by the specific grant program offices at their discretion.
8. Exemption of certain procurement requirements. (2 C.F.R. §§ 200.319(b), 200.321): FEMA invoked this exception pursuant to M-20-17 and waived the procurement requirements contained in 2 C.F.R. § 200.319(b) regarding geographical preferences and 2 C.F.R. § 200.321 regarding contracting small and minority businesses, women's business enterprises, and labor surplus area firms for non-State entities. When executing grant-funded procurements, recipients and subrecipients should also utilize, if applicable, guidance issued by FEMA on March 17, 2020, [Procurement Under Grants Conducted Under Exigent or Emergency Circumstances for COVID-19](#).
9. Extension of financial and other reporting. (2 C.F.R. §§ 200.327, 200.328): FEMA previously issued guidance pursuant to M-20-17. Specifically, for recipients unable to meet original due dates, FEMA will allow recipients to delay submission of pre-closeout financial, performance, and other reports (e.g., reports associated with enhanced monitoring) up to three (3) months beyond the normal due date. Recipients may continue to draw down Federal funds without the timely submission of these reports. However, these reports must be submitted at the end of the postponed period. FEMA is also waiving the requirement for recipients to notify the Agency of problems, delays, or

adverse conditions related to COVID-19 (2 C.F.R. § 200.328(d)(1)). Recipients should nonetheless document such problems, delays, or adverse conditions related to COVID-19 in their internal grant files.

10. Extension of Single Audit submission. (2 C.F.R. § 200.512): FEMA previously issued guidance pursuant to M-20-17. Specifically, where FEMA is the cognizant or oversight agency for audit, it is allowing recipients and subrecipients that have not yet filed their Single Audits with the Federal Audit Clearinghouse as of March 17, 2020, and that have fiscal year-ends through June 30, 2020 to delay completing and submitting the Single Audit reporting package, as required under Subpart F of 2 C.F.R. § 200.501 *Audit Requirements*, to six (6) months beyond the normal due date.

Attachments:

- 1) *Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19)*
- 2) Chart Describing Applicability of OMB Memo M-20-11 to FEMA Grant Programs