



FEMA

April 29, 2020

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

FROM: Bridget E. Bean   
Assistant Administrator  
Grant Programs Directorate

SUBJECT: Explanation of FEMA's Implementation of OMB Memorandum M-20-20 to Support the Emergency Response to the Novel Coronavirus (COVID-19)

On April 9, 2020, the Office of Management and Budget (OMB) issued OMB Memorandum M-20-20, *Repurposing Existing Federal Financial Assistance Programs and Awards to Support the Emergency Response to the Novel Coronavirus (COVID-19)*. In that memo, OMB issued a class exception under the authority of 2 CFR §200.102(a), *Exceptions*, that allows federal awarding agencies to repurpose federal grant awards in whole or in part to support the COVID-19 response, as consistent with applicable laws, by donating medical equipment, other resources, or funds to support COVID-19 response. Any donations or repurposing of funds must comply with all legal requirements associated with such funding, including but not limited to compliance with the purpose of the appropriation used for the award and any restrictions in programmatic statutes, appropriations, and fiscal laws. As a result, the ability to donate or repurpose funds is limited.

Because of the Federal Emergency Management Agency's (FEMA's) mission, many of our grant and assistance programs already allow activities and purchases consistent with response to COVID-19; therefore, the exceptions allowed by M-20-20 offer limited additional advantage for FEMA recipients and subrecipients. In particular, the following FEMA awards for direct support to COVID-19 response must be used for the original purpose of the award:

- Funds awarded for programs authorized under emergency and major disaster declarations under the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (Stafford Act) in response to the COVID-19 public health emergency.
- Funds awarded pursuant to the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) (Pub. L. No. 116-136), including supplemental funding for the Assistance to Firefighter Grant (AFG), Emergency Management Performance Grant (EMPG); Emergency Food and Shelter Program (EFSP), and grants funded through any subsequent supplemental appropriation related to the COVID-19 public health emergency.

Further, to ensure compliance with the purpose of the appropriations and the Stafford Act, any other funds awarded for Stafford Act emergency or major disaster declarations and fire

management assistance grants must be used for the original declaration for which they were provided. To ensure compliance with the purpose of the appropriations and title III of the *McKinney-Vento Homeless Assistance Act* (42 U.S.C. 11331), any other funds awarded for the EFSP must be used as approved by award.

Recipients and subrecipients may include the purchase of medical equipment or use of other resources to support COVID-19 response in proposed budgets for awards to be made under FEMA programs other than those listed above or with regular (not supplemental) appropriations as allowed by the scope of the grant award and applicable statutory or regulatory provisions.

Existing authorities in the Uniform Rules at 2 C.F.R. pt. 200 outline requirements for the use and disposition of equipment and supplies. *See* 2 C.F.R. §§ 200.313 and 200.314. Please contact your program office with any questions about these requirements.

For flexibilities offered by FEMA for COVID-19 response, in particular guidance regarding the redirection of labor or services to COVID-19 response efforts, see [\*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 \(March 27, 2020\)\*](#) and [\*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 \(April 17, 2020\)\*](#).

Any requests to donate or to repurpose portions of federal assistance awards under the exception provided by M-20-20 require prior approval from the program office so that FEMA can assess the donation or repurposing of funds and ensure it is compliant with applicable federal law, as required under M-20-20. Requests must include the award year and number, the amount of funding to be repurposed, the proposed donations, and the names of any beneficiary entities.

Recipients and subrecipients should maintain a copy of this explanatory memorandum 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)). Recipients and subrecipients must not assume additional funds will be available should any donations or repurposing result in any type of shortage. If you have questions about the exceptions allowed by M-20-20, please contact the FEMA program office for your grant. This memorandum may be updated at a later date.

Attachment:

- 1) OMB Memorandum M-20-20, *Repurposing Existing Federal Financial Assistance Programs and Awards to Support the Emergency Response to the Novel Coronavirus (COVID-19)*