



FEMA

June 11, 2020

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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Grant Programs Directorate

SUBJECT: Clarification of Applicability of OMB Memorandum M-20-20 to FEMA's Non-disaster Grants

On April 29, 2020, the Federal Emergency Management Agency (FEMA) issued a memorandum explaining FEMA's implementation of the Office of Management and Budget's (OMB's) Memorandum M-20-20, *Repurposing Existing Federal Financial Assistance Programs and Awards to Support the Emergency Response to the Novel Coronavirus (COVID-19)*. M-20-20 provided a class exception under the authority of 2 C.F.R. § 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.

In its April 29, 2020, memorandum, FEMA advises that the ability to donate or repurpose funds is limited for its grants and assistance programs; this memorandum serves as an update.

The April 29, 2020 memorandum specifically noted that the exception provided by OMB was **not** applicable to the following awards and programs. Awards under these programs 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 Firefighters Grant (AFG), Emergency Management Performance Grant (EMPG), and Emergency Food and Shelter Program (EFSP).
- Grants or awards funded through any subsequent supplemental appropriation related to the COVID-19 public health emergency.
- Funds awarded for non-COVID-19 Stafford Act emergency or major disaster declarations.

- Fire management assistance grants awarded under the Stafford Act.
- Non-COVID-19 Emergency Food and Shelter Program awards.

In addition to the aforementioned programs, the OMB-provided exception also does **not** apply to awards under these programs:

- Homeland Security Grant Program (HSGP)
 - State Homeland Security Program (SHSP)
 - Urban Area Security Initiative (UASI)
 - Operation Stonegarden (OPSG)
- Tribal Homeland Security Grant Program (THSGP)
- Nonprofit Security Grant Program (NSGP)
- Transit Security Grant Program (TSGP)
- Intercity Bus Security Grant Program (IBSGP)
- Intercity Passenger Rail (IPR) program
- Port Security Grant Program (PSGP)

Additionally, FEMA has received a number of questions from recipients regarding the purchase of PPE using FEMA grant funds and offers the following clarifications and guidance:

- The scope of the OMB exception provided in M-20-20 allows recipients to donate medical equipment, including PPE, or other resources such as labor or supplies to hospitals, medical centers, and other local entities serving the public for COVID-19 response only. Therefore, in no case may FEMA grant or assistance funds for programs to which the OMB exception may apply (i.e., not excluded by this memorandum) be used to purchase, donate, or repurpose such items for use in general operations or for any purpose other than COVID-19 response efforts.
- Generally, recipients and subrecipients may request in proposed budgets, or revise previously approved budgets, to include the purchase of personal protective equipment *for employee use while implementing grant awards* if not otherwise prohibited by statute, regulation, or program guidance, including the Notice of Funding Opportunity or other directive. Recipients and subrecipients must report deviations from its approved budget and may be required to request prior approval to revise previously approved budgets for this purpose. See 2 C.F.R. § 200.308. Acquiring personal protective equipment must be necessary for the performance of the Federal award. See 2 C.F.R. § 200.403(a).

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.

Attachments:

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