

Item 3: Department of Administrative Services

FEMA Reimbursement

Analyst: Paul Siebert

Request: Establish a \$75,014,016 Other Funds expenditure limitation for the Department of Administrative Services for monies received from the Federal Emergency Management Agency (FEMA) to pay for COVID-19 emergency response activities, including personal protective equipment purchases.

Description: At the beginning of the COVID-19 pandemic, the Department of Administrative Services (DAS) assumed the role of primary purchasing agent for personal protective equipment (PPE) on behalf of the state. This was done to leverage existing procurement staff at DAS, as well as, ensure the state benefited from economies of scale when in the PPE marketplace. DAS has also been responsible for storing and distributing PPE and other emergency supplies to counties and other local partners. In addition, DAS supported efforts to establish an emergency hospital at the Oregon State Fairgrounds and locate the Battelle decontamination system for PPE at the University of Oregon.

To date, DAS has been approved to receive \$75,014,016 from the Federal Emergency Management Agency (FEMA) for expenditures related to the COVID-19 response efforts. DAS will continue to assess and maximize the use of FEMA funding throughout the remainder of the COVID-19 pandemic response period. While FEMA reimbursements are federal revenues, a decision was made to have all FEMA reimbursements run through the state's Office of Emergency Management (OEM). OEM will be requesting Federal Funds expenditure limitation to accommodate transfers to final recipient agencies at a later date, when FEMA reimbursement data is more complete.

Approving the Other Funds expenditure limitation for FEMA reimbursements results in DAS having excess Federal Funds expenditure limitation that had been previously approved to expend Coronavirus Relief Fund (CRF) monies that is now not needed and is available for other uses. Because of this, the Department of Administrative Services does not need additional Federal Funds expenditure limitation to accommodate additional CRF payments requested for agenda items #4, #5, and #6, which will be accessing the CRF now available due to the FEMA reimbursement.

Recommendation: The Co-Chairs of the Emergency Board recommend establishing a \$75,014,016 Other Funds expenditure limitation for the Department of Administrative Services for monies received from the Federal Emergency Management Agency (FEMA) to pay for COVID-19 emergency response activities, including personal protective equipment purchases.



Oregon

Governor Kate Brown

Department of Administrative Services

Office of the Chief Operating Officer

155 Cottage Street NE

Salem, OR 97301

November 3, 2020

The Honorable Peter Courtney, Co-Chair
The Honorable Tina Kotek, Co-Chair
Joint Emergency Board Committee
900 Court Street NE
H-178 State Capitol
Salem, Oregon 97301-4048

Dear Co-Chairpersons:

Nature of the Request

The Department of Administrative Services requests establishment of \$75 million in Other Funds expenditure limitation to accept funds from the Federal Emergency Management Agency (FEMA) to fund COVID-19 emergency response activities and personal protective equipment purchases.

Agency Action

Throughout the COVID-19 pandemic, DAS has been the primary purchasing agency for personal protective equipment (PPE) as well as responsible for storage and distribution of the PPE to counties and other local partners. DAS also supported the efforts to establish an emergency hospital at the Oregon State Fairgrounds and locating the Battelle decontamination system at the University of Oregon.

To date, DAS has been approved to receive and utilize \$75,014,016 from FEMA toward expenditures related to the COVID-19 response efforts. DAS will continue to assess the use of FEMA funding throughout the remainder of the COVID-19 pandemic response.

Action Requested

DAS requests establishment of an Other Funds expenditure limitation of \$75,014,016 to accept already approved funds from FEMA to pay for emergency response efforts and activities.

Legislation Affected

Establish an Other Funds expenditure limitation of \$75,014,016 for FEMA Reimbursement for Eligible COVID Expenses.

Sincerely,

Katy Coba

DAS Director | Chief Operating Officer

CC: Dustin Ball, Department of Administrative Services
Paul Siebert, Legislative Fiscal Office