

Analysis

Item 19: Oregon Youth Authority

COVID-Related Other Funds Expenditure Limitation Increase

Analyst: Julie Neburka

Request: Increase Other Funds expenditure limitation for the Oregon Youth Authority by \$3.2 million for reimbursement of expenses related to the COVID-19 pandemic from the Federal Emergency Management Agency (FEMA) and the Department of Administrative Services Coronavirus Relief Fund (CRF).

Analysis: The Oregon Youth Authority (OYA) operates nine close custody facilities that house 460 adjudicated youth and supervises about 700 youth in the community. Since March, the agency has taken significant steps to reduce the risks associated with COVID-19 in its facilities and programs, including additional cleaning and sanitizing activities, provision of personal protective equipment (PPE) to staff and youth, modifying intake and visiting processes, and increasing physical distancing within facilities. OYA has tracked its expenses associated with these and other actions undertaken to respond to the COVID-19 pandemic, and anticipates reimbursement from FEMA and from the Coronavirus Relief Fund (CRF) dollars managed by the Department of Administrative Services (DAS).

OYA has met regularly with its assigned FEMA representative and with the Office of Emergency Management to track COVID-related expenses that are eligible for reimbursement. These expenses include personnel costs for overtime and temporary employees to cover quarantine units in close-custody facilities and to backfill behind employees on leave due to COVID-19; and services and supplies expenses for such things as PPE, air filtration equipment and supplies, and cleaning supplies over and above those budgeted. OYA is requesting Other Funds expenditure limitation to cover actual expenditures totaling \$1.8 million reported to DAS through 8/30/20, and estimated expenses based on average prior-period spending from 8/31/20 through 12/31/20. FEMA-eligible expenses are anticipated to be reimbursed at 75%, with CRF funds providing the 25% state share.

Legislative Fiscal Office Recommendation: The Legislative Fiscal Office recommends that the Emergency Board increase Other Funds expenditure limitation for the Oregon Youth Authority by \$3.2 million for reimbursement of expenses related to the COVID-19 pandemic from the Federal Emergency Management Agency and the Department of Administrative Services Coronavirus Relief Fund.

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Request: Increase Other Funds expenditure limitation by \$3,200,000 for the Oregon Youth Authority for Federal Emergency Management Agency (FEMA) and the Coronavirus Relief Fund (CRF) reimbursements.

Recommendation: Approve the request with the following modification: Increase Other Funds expenditure limitation by \$1,533,600 for FEMA reimbursements.

Discussion: The Oregon Youth Authority (OYA) has nine close-custody facilities that house around 460 adjudicated youth and the agency supervises around 700 youth in the community. Since the start of the COVID-19 pandemic, OYA has undertaken significant efforts to reduce the risk of infection among the youth and staff within its facilities. In the Agency's efforts, it has incurred expenses related to personal protective equipment and overtime for facility shift coverage.

OYA met with the assigned FEMA representative in the Office of Emergency Management, to track COVID-related expenses eligible for reimbursement. Expenses include personnel costs for overtime and temporary employees, covering quarantined youth in custody, and to backfill employees on leave due to COVID-19. Additionally, OYA is requesting Other Funds expenditure limitation for actual costs incurred through August 31, 2020, plus, estimated costs from September through December 2020. OYA's actual expenses through August 2020 total \$0.9 million and are FEMA-eligible, which are anticipated to be reimbursed at 75 percent. The Agency is using CRF funds to provide the 25 percent state share. The recommendation is to address Other Funds expenditure limitation for CRF reimbursements at a later date with all other state agency expenditure limitation needs related to CRF reimbursements.

Legal Reference: Increase the Other Funds expenditure limitation established by chapter 427, section 2, Oregon Laws 2019, for the Oregon Youth Authority by \$1,533,600 for the 2019-21 biennium.



Oregon

Kate Brown, Governor

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Nov. 3, 2020

The Honorable Senator Peter Courtney, Co-Chair
The Honorable Representative Tina Kotek, Co-chair
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

Notice of the Request

OYA is requesting Other Fund limitation for reimbursements from the Federal Emergency Management Agency (FEMA) and the Corona Virus Relief Fund (CRF) due to expenses related to the COVID-19 pandemic.

Agency Action

OYA has been tracking COVID-19 pandemic expenses and believe we are eligible for reimbursement from FEMA and the Coronavirus Relief Fund. We are estimating we will receive approximately \$3,200,000 in reimbursements through mid-December 2020 if approved.

Action Requested

The Oregon Youth Authority is requesting Other Funds limitation for the reimbursements from FEMA and CRF in the amount of \$3,200,000.

Legislation Affected

Oregon Law 2019 SB 5541, Chapter 427, Section 2.

Sincerely,

Joe O'Leary
Director