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TO:	Agency and Department Heads
FROM:	Brad Ferland, Administration Deputy Secretary of Administration
DATE:	July 9, 2020
RE:	COVID-19 CRF/FEMA Funding Prioritization

As Vermonters, we are all aware of the significant economic hardship COVID-19 has caused in our state. The Administration, through the COVID-19 Financial Office (CFO), is working to prioritize the various sources of COVID-19 Response and Recovery funding in a way that will result in the swiftest and most effective recovery possible. To that end, the CFO has strict requirements regarding prioritization of various types of federal funds to cover COVID-19 related expenses.

The Coronavirus Relief Fund (CRF) is a discretionary funding source that the state can use to address numerous costs and economic challenges that relate to COVID-19. Many state agencies have received legislative appropriations of the CRF to cover costs related to COVID-19. In addition to CRF appropriations, many state agencies are also eligible for FEMA-Public Assistance funding to cover some, or all, of their COVID-19 related costs. FEMA-eligible costs include, but are not limited to, Personal Protective Equipment purchases, certain payroll expenses and certain program costs.

It is the policy of the Administration, and the best practice for fellow Vermonters needing COVID-19 assistance, that all agencies apply for FEMA-PA funding for all FEMA-eligible costs. If costs are FEMA-eligible and meet the minimum threshold required, CRF funds *shall not* be used to cover them. This policy is in place to ensure that CRF funds are available for those COVID-19 needs that are not eligible for other, more restrictive, sources of funding. If your department or agency has not reached out to Vermont Emergency Management to assess your FEMA eligible costs, please do so now before spending CRF funding on those costs.

