



State of Vermont
Agency of Administration
Office of the Secretary
Pavilion Office Building
109 State Street, 5th Floor
Montpelier, VT 05609-0201
www.aoa.vermont.gov

[phone] 802-828-3322
[fax] 802-828-3320

Susanne R. Young, Secretary

TO: Vermont Agencies, Departments, and Component Units
FROM: Douglas Farnham, Agency of Administration
DATE: June 1, 2021
RE: COVID-19 Federal 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), has been working to prioritize the various sources of COVID-19 response and recovery funding to help ensure the most effective recovery possible. The COVID-19 federal funding sources available to the State often have overlapping eligibility guidelines, resulting in expenses that would be eligible under more than one federal funding source administered by the State. To that end, the CFO has strict requirements regarding prioritization of the various sources of federal funds to cover COVID-19 expenses, consistent with the policy outlined in the “COVID-19 CRF/FEMA Funding Prioritization” memo issued by the Deputy Secretary of Administration on July 9, 2020.

It is the policy of the Administration, and the best practice for fellow Vermonters needing COVID-19 assistance, that all Vermont agencies, departments, and entities utilize more restrictive federal funding sources with targeted applicability prior to accessing funding with broader uses.

CRF and the State Fiscal Recovery Fund (SFR) are two examples of relatively broad COVID-19 funding sources that the State can use to address costs and economic challenges that relate to the COVID-19 public health emergency. Vermont entities are also eligible for more targeted sources of federal funding, such as FEMA-Public Assistance, to cover some, or all, of their COVID-19-related costs.

If costs are FEMA-eligible and meet the minimum threshold required (\$3,300), Vermont entities should apply for FEMA funding before using any other federal funding sources. Consistent with this policy, neither CRF nor SFR funds shall be used to cover expenses that are FEMA eligible. This policy is in place to ensure that CRF, SFR and other less restrictive funding sources are available for those COVID-19 needs that are not eligible for other, more restrictive sources of funding.

While Vermont entities shall prioritize FEMA funding for eligible expenses, local education agencies with FEMA-eligible expenses under \$10,000 may wish to use their ESSER funding to cover these expenses without being required to apply to FEMA first for these expenses. If your department or agency has not reached out to Vermont Emergency Management to assess your FEMA-eligible costs, please do so now before leveraging CRF, SFR or other federal funding for these costs.

