

# County of Santa Clara

Office of the County Executive

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**DATE:** July 29, 2022

**TO:** Supervisor Otto Lee, FGOC Chair  
Supervisor Cindy Chavez, FGOC Vice Chair  
Jeffrey V. Smith, County Executive

**FROM:** Martha Wapenski, Deputy County Executive

**SUBJECT:** FEMA Claims and Reimbursements Off-Agenda Report

On April 21, 2022, the Finance and Government Operations Committee (FGOC) received a report relating to Federal Emergency Management Agency (FEMA) reimbursement for the County COVID-19 pandemic response effort. Included in the report was a request from Administration to provide updates on FEMA reimbursements to FGOC on a biannual basis. As part of the discussion, Supervisor Lee directed Administration to provide an off-agenda report during the two quarters not covered by the biannual reports to FGOC. The current reporting schedule is every October and April for the agendized reports, and every July and January for the off-agenda reports.

Between February 3, 2021, and July 22, 2022, the County has submitted \$133,936,340 in claims to FEMA. In addition, there are \$154,704,514 worth of claims in development that will be submitted to FEMA, following a comprehensive review for eligibility over the coming months. To date, the County has received \$49,860,884 in FEMA reimbursement.

As the safety net for the region, the County has expended \$1.214 billion (total cost and encumbrances) through July 20, 2022 on its pandemic response and expects to spend even more to respond to future surges and variants of the virus.

As stated previously in Board meetings, Administration continues to have significant concerns about FEMA reimbursements. First, FEMA is historically slow to provide reimbursement. Added to the historic slowness is the nationwide nature of the years-long pandemic response, as opposed to typical and shorter local response like an earthquake, which means that the reimbursement process may take seven to ten years. FEMA is also struggling with their own staffing—the

County has had at least 3 turnovers of FEMA project team members who were assigned to the County, and FEMA staff who work in other states may not understand a California county's operations and needs. It is important to note that the County will not receive 100% of all the funding claimed from FEMA, as FEMA may deem some costs ineligible, regardless of the County consultant's expertise and the significant amount of detailed documentation of expenses provided to FEMA. Administration and the Controller-Treasurer Department meet every two weeks with FEMA and CalOES staff who are working on the County's claims to ensure good communication and timely review, resolution, and processing of claims.

Normally, FEMA reimbursements are done on a 75-25 cost-sharing basis, with FEMA providing 75% of eligible costs and the local entity funding the remaining 25%. For the COVID-19 pandemic response, FEMA had been providing 100% cost reimbursement for eligible COVID-19 emergency response activities. The Biden Administration extended the 100% federal COVID-19 emergency FEMA reimbursements through July 1, 2022. As of July 2, 2022 the cost-share rate is 90%. As stated above, the County will not receive all funding claimed from FEMA, regardless of the reimbursement rate.

cc: Chief Board Aides

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