

Cost Recovery for COVID-19 related costs

Public Utilities



There may be multiple avenues of potential financial recovery through FEMA, HUD, and other granting agencies.

It is crucial to start tracking costs NOW at a level of detail that can be analyzed for recovery later—costs may be eligible starting January 20, 2020.

Impacted organizations should consider the following steps:

- Establish clear roles, responsibilities and procedures for document organization, collection and review
- Assess the plan for coordination among virtual teams and maintaining electronic documentation
- Understand the scope of activities being performed across your organization
- Establish unique project numbers & activity codes and descriptions for tracking costs based on what makes sense for your organization
- Create activity logs that can be used to track qualitative information needed to support costs incurred
- Communicate, implement and train employees on the process
- Establish reporting dashboards and summaries to understand the financial impact and costs
- Encourage leadership to set the tone that costs are to be tracked

Key risks

- Not applying for available funding
- Failing to identify and track costs that may be eligible
- Failing to receive reimbursements as a result of a lack of documentation
- Potential clawbacks for failure to comply with funding requirements
- Fraud, waste and abuse

Examples of potential costs to track

Labor

- Emergency operations center activities
- Call center activities
- Health and safety training
- Communications
- Sanitizing and disinfection of facilities
- Supply chain activities: logistics, procurement, storage, donated resources, temporary and/or enhanced facilities coordination
- Distribution of consumable supplies
- Medical disposal
- Childcare for critical staff
- Security
- Stand by/sleep time/meal time per labor agreements
- Time associated with grant management activities
- Procured services (i.e. contracted labor)
- Donated labor

Equipment

- Temporary facilities and associated furniture
- Official vehicle usage
- Generators, light towers, tents for essential services
- Use of mobile command center
- Purchased equipment & technology
- Leased equipment
- Donated equipment

Supplies and other

- Personal protective equipment
- Disinfectant and cleaning supplies
- Emergency operations center supplies
- Medical and testing supplies
- Signage and checkpoint supplies
- Training supplies
- Food and meals
- Water and ice
- Lodging
- Other consumable supplies
- Donated materials, goods, and supplies
- Remote work facilitation and disruption to workplace costs

*Eligibility of specific costs will ultimately be determined by the Grantor.

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Cost category	Information / Documentation to be Tracked & Maintained		
Applicant labor	<ul style="list-style-type: none"> Employee information: name, unique ID, job title and function, employee type (exempt, nonexempt, temporary, etc.), hourly rate (standard or overtime) and fringe rates 	<ul style="list-style-type: none"> Number of hours worked by day and description of work Timesheets Payroll register and proof of payment 	<ul style="list-style-type: none"> Daily logs and activity reports that includes employee name, hours (standard and overtime), date and description of work Pay Policy and Union Agreements
Applicant equipment	<ul style="list-style-type: none"> Equipment information: description, year, make, model, size / capacity (e.g., generators) Usage logs: number of hours used by day and purpose of use, location and operator name or point of contact Schedule of rates (FEMA rates may be used) 		
Supplies from stock	<ul style="list-style-type: none"> Historical cost records Inventory records Material logs: type of supplies and quantities used by day, purpose of use and location 		
Procured services, equipment, supplies, and other purchases	<ul style="list-style-type: none"> Procurement policy Quote or bid documents Justification memo that details the use of exigent or emergency exceptions, if applicable Cost and price analysis demonstrating that costs are reasonable 	<ul style="list-style-type: none"> Contracts and change orders Invoices to include supporting documentation per the contract Time and Materials contracts: oversight documentation Lodging costs: folio, date and occupant name 	<ul style="list-style-type: none"> Meals: itemized receipt, date and listing of personnel Proof of payment
Mutual aid	<ul style="list-style-type: none"> Written Agreement Services requested & received 	<ul style="list-style-type: none"> Invoices to include supporting documentation as per the written agreement 	<ul style="list-style-type: none"> Applicant mutual aid logs—evidencing work performed and applicable details Proof of payment
Donated resources	<ul style="list-style-type: none"> Track all donated resources to the same level of detail for applicant labor, equipment and supplies For equipment and supplies, maintain a listing of donors (e.g., company or individual) 		

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