



To: Executive Directors, Colorado State Agencies and Departments
From: Lauren Larson, Director, Colorado Office of State Planning and Budgeting
Cc: Budget Directors, Colorado State Agencies and Departments
Date: March 23, 2020
Re: Disaster Emergency Funds Guidance for COVID-19 Response

Purpose: Most Departments are utilizing existing resources to respond to COVID-19. The purpose of this guidance is to clarify expectations for the use of existing resources and the process for requesting additional disaster emergency funding.

Criteria: OSPB will recommend the Governor make available disaster emergency funds according to the following criteria:

- 1) Existing resources are or will be exhausted. Per C.R.S. 24-33.5-706(4)(a), in the event of a declared emergency it is the legislative intent that the first recourse is money regularly appropriated to state and local agencies. If the Governor finds that the demands placed upon this money in coping with a particular disaster are unreasonably great, the Governor may make money available from the disaster emergency fund.
- 2) Meets statutory criteria:
 - a) For response. Response is defined in C.R.S 24-33.5-703 (7.7) as “actions taken directly following the onset of an emergency or disaster to provide immediate assistance to maintain life, improve health, protect property, restore essential functions, and ensure the security of the affected population.”
 - b) For recovery. Recovery is defined in C.R.S. 24-33.5-703 (7.3) as “short, intermediate, and long-term actions taken to restore community functions, services, vital resources, facilities, programs, continuity of local government services and functions, and infrastructure to the affected area.”
- 3) Meets the Governor’s policy priorities for the COVID-19 response:
 - a) Protects health, life, safety. In this case, preventing the spread of disease is the top priority, as well as efforts to increase the capacity of our healthcare system.
 - b) Provides temporary basic financial support to individuals, businesses, and local governments most in need.
 - c) Is targeted to communities experiencing the greatest impacts.
 - d) Facilitates economic recovery.
 - e) Other priorities identified by the Governor for COVID-19 response.



- 4) Fiscally responsible:
 - a) Spends out quickly (within weeks) to have intended impact.
 - b) Protections against fraud (although certain protections may be limited when needed for rapid response).
 - c) Cost estimates, even if preliminary, are based on reasonable benchmarks and reliable sources.
 - d) Spending is targeted and prioritized at immediate needs; benefits of the spending are well articulated and quantified where feasible.
 - e) Requested timeline for funds availability is reasonable and limited.
 - f) Plans for transparent accounting and sound fiscal management.
 - g) Funds are accounted for in a manner that maximizes the opportunity for federal reimbursement, if any. If you require assistance, please contact Michael Haney at the Colorado Department of Public Safety.

Process:

1. The Governor's Office will accept requests for disaster emergency funds through the following process:
 - a. Agencies should submit requests via email to both their Policy Office lead and lead OSPB analyst.
 - b. Requests should meet the criteria above and include at a minimum:
 - i. A description of how the funds will be used.
 - ii. An estimate of costs to be covered by requested funds, and plans for distinct accounting of those costs to maximize the opportunity for federal reimbursement.
 - iii. An estimate of any existing funds (e.g., state or federal) the agency is currently using for these activities and an expected spend plan that demonstrates exhaustion of those funds.
 - iv. A timeline for when the funds will be used.
 - v. A description and/or estimate of the anticipated benefit of the activity.
 - vi. A description of how the use of funds is being coordinated with other State and local response efforts.
2. OSPB recognizes that during this period of emergency response, proposals develop quickly and time is limited. Please reach out to your OSPB analyst early in the proposal's development for support.

If you have any questions or would like additional guidance, please reach out to Aaron Ray, Deputy Director, OSPB, at 303-866-2067 or aaron.ray@state.co.us.

