




FEMA

AUG 26 2011

MEMORANDUM FOR: Deputy Administrator for Protection and National Preparedness
Associate Administrators
U.S. Fire Administrator
Chief of Staff
Assistant Administrators
Acting Assistant Administrators
Chief Counsel
Regional Administrators
Acting Regional Administrators
Office Directors

FROM: Norman S. Dong 
Chief Financial Officer

SUBJECT: Disaster Funding – Immediate Needs Funding Restrictions

The latest spending projections for the Disaster Relief Fund (DRF) indicate that the fund will be depleted before the end of FY2011. Therefore, FEMA is imposing immediate needs funding restrictions, effective August 27, 2011, in order to extend the remaining balance of the DRF. The immediate needs funding restrictions shall remain in effect until further notice.

In summary, the definition of immediate needs includes Individual Assistance, Public Assistance Categories A and B (debris removal and emergency protective measures), mission assignments, and essential joint field office (JFO) operations. Note that funding is not being eliminated for projects in the restricted categories, but merely delayed until an additional appropriation is available. Please note that the Agency's current efforts in support of Hurricane Irene are recognized as immediate needs and therefore are not restricted under this guidance. The attached funding guidance provides additional detail on the nature of these temporary restrictions.

It is critical that we adhere to these guidelines to ensure that we are able to continue our ongoing and future response and recovery efforts. I appreciate your assistance in helping work through this issue. Please let me know if you need additional information.

cc: Administrator
Deputy Administrator
Deputy Chief Financial Officer, DHS

Attachment

FY2011 Disaster Relief Fund Immediate Needs Funding Guidance

Effective August 27, 2011, and until further notice pending action on supplemental funding for the Disaster Relief Fund to enable FEMA to carry out its responsibilities under the Stafford Act, we must constrain spending for all open disasters and the Disaster Readiness and Support (DRS) Account.

The following guidance applies to processing of DRF funding allocations immediately:

1. The FEMA Office of the Chief Financial Officer (OCFO) will only process allocation requests (RAAs) for immediate needs, which is defined as the following:
 - a. Individual Assistance programs
 - b. Mission Assignments related to response activities
 - c. Reimbursements for debris removal and emergency protective measures (Public Assistance categories A & B);
 - d. Technical Assistance Contract support for Public Assistance category A&B activities and Individual Assistance manufactured housing support;
 - e. Currently needed State management costs; and
 - f. Essential JFO operations (staff, travel, and JFO operations).
2. Funding allocations (RAAs) should be submitted on a "just-in-time basis", i.e., obligations must occur immediately but no later than two (2) days from the allocation approval. OCFO will monitor the un-obligated allocation balances in IFMIS to ensure that you are obligating the allocations requested. The OCFO will process RAAs that are currently being held in the NEMIS queue for open disasters after certifying that the allocations are for immediate needs activities.
3. DRS allocations will be processed on a case-by-case basis, and should be consistent with the immediate needs criteria above (essential open disaster support activities only) and/or to comply with contractual obligations.
4. No additional funds should be obligated, whether funds have been allocated or committed, if they do not meet the immediate needs definition. Please review any un-obligated allocations and submit de-allocations for any un-needed funds and/or projects that do not meet the immediate needs criteria.
5. Due to the potential Congressional interest in projects delayed as a result of the funding constraints, OCFO will coordinate with the regions to compile a list of PA (Category C-H) and HMGP projects that are being delayed. Regions should designate a POC to coordinate their project lists with Greg James, OCFO Field-Based Financial Operations Director, at (228) 229-9864 or greg.james@dhs.gov.

This policy will remain in effect until further notice to ensure a minimum reserve balance in the DRF.

If you have any questions regarding this guidance, please call Greg James at the contact information provided.