



UNITED STATES  
CIVILIAN BOARD OF CONTRACT APPEALS

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April 23, 2025

CBCA 8354-FEMA, 8355-FEMA

In the Matter of MATRIX COMMUNITY OUTREACH CENTER, INC.

Candy L. Nowling, Executive Director of Matrix Community Outreach Center, Inc., DeFuniak Springs, FL, appearing for Applicant.

Kelly Ann Kennedy, Deputy General Counsel, and Caleb Keller, Senior Attorney, Florida Division of Emergency Management, Tallahassee, FL, counsel for Grantee; and Cassie Sykes, Recovery Appeals Officer, and Melody Cantrell, Recovery Legal Liaison, Florida Division of Emergency Management, Tallahassee, FL, appearing for Grantee.

Emanuel Rier Soto, Office of Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, Guaynabo, PR, counsel for Federal Emergency Management Agency.

Before the Arbitration Panel consisting of Board Judges **ZISCHKAU**, **SULLIVAN**, and **NEWSOM**.

**SULLIVAN**, Board Judge, writing for the Panel.

Matrix Community Outreach Center, Inc. (Matrix) sought to arbitrate the decisions of the Federal Emergency Management Agency (FEMA) denying its requests for public assistance (PA) for costs incurred providing emergency services to respond to the COVID-19 pandemic. Based upon policies issued for the disbursement of PA to address the pandemic, we agree with FEMA's determinations that Matrix may not receive direct reimbursement of its costs from FEMA.

### Background

In response to the COVID-19 pandemic, Matrix, a private non-profit (PNP), distributed food to the residents of Walton County, Florida, incurring costs totaling more than \$300,000. Matrix undertook these efforts pursuant to a memorandum of understanding (MOU) with Walton County dated August 23, 2022. FEMA Exhibit 7. That MOU provides, in part, that Walton County will “[a]ssist the Matrix to apply for any available reimbursement for disaster related expenses for which the Matrix may qualify.” *Id.* at 2.

In two requests submitted to FEMA, Matrix sought public assistance to reimburse its costs for emergency work undertaken to address the pandemic. In December 2023, FEMA denied Matrix’s requests because FEMA determined that Matrix was not the legally responsible government entity. FEMA Exhibits 18, 28. After Matrix appealed these determinations, FEMA determined that Matrix performed emergency services pursuant to a memorandum of understanding with Walton County but, pursuant to FEMA policy, FEMA could only reimburse Walton County for these costs. Exhibits 21, 31. Matrix provided evidence that FEMA had previously reimbursed it for its provision of similar emergency services following Hurricane Sally for which Matrix had applied in November 2020. *See Applicant’s Submission in Response to Panel’s Inquiry.*

### Discussion

FEMA policy in effect at the time that the COVID-19-related pandemic was declared a disaster provided that emergency services are “usually” the responsibility of government entities and that private, non-profit organizations “are generally not” reimbursed directly by FEMA for emergency services provided through an agreement with a government entity. Public Assistance Program and Policy Guide (PAPPG) (Apr. 2018) at 60. Based upon this language, another panel has authorized payment to a PNP for emergency services. *Baldwin County Electric Membership Corp.*, CBCA 7914-FEMA, 24-1 BCA ¶ 38,618. In *Baldwin County*, the panel determined that the language of the policy stated in the PAPPG, “emergency services are usually” the responsibility of local governments and that FEMA “generally” does not reimburse PNPs, was not a bar to FEMA reimbursing the PNP in that case, in large part because the local government was not responsible for providing the service at issue. *Id.* at 187,723. In addition, the *Baldwin County* panel also concluded that FEMA had reimbursed rural electric cooperatives like the applicant several times in the preceding four years. *Id.* at 187,724. The panel found that, in light of these past payments and no intervening change in FEMA’s policy, FEMA was not precluded from paying the applicant. *Id.*

*Baldwin*, however, did not concern COVID-19-related emergency services but rather costs incurred to respond to Hurricane Sally. During the pandemic, FEMA issued policies

to address requests for PA and tightened its policies governing reimbursement to PNPs for COVID-19-related services. In the first of these policies regarding the pandemic and PNPs, issued in March 2020, FEMA's guidance deleted language stating that emergency services are "usually" the responsibility of local governments and emphasized that PA is provided to the legally responsible government entity, which then pays the PNP:

Measures to protect life, public health, and safety are generally the responsibility of state, local, tribal, and territorial governments. In some cases, a government entity may be legally responsible to provide services and enter into an agreement with a PNP to provide those services (e.g. sheltering or food distribution). In these cases, Public Assistance funding is provided to the legally responsible government entity, which then pays the PNP for the cost of providing those services under the agreement.

FEMA Fact Sheet, Coronavirus (COVID-19) Pandemic: Private Nonprofit Organizations (Mar. 31, 2020) at 2. Similarly in an April 2020 policy statement regarding the purchase and distribution of food—the services provided here—FEMA allowed PNPs to enter into agreements with government entities but stated that it would provide PA to the "legally responsible government entity" rather than directly to the PNP:

Legally responsible [state, local, territorial, and tribal (SLTT)] governments may enter into formal agreements or contracts with private organizations, including private nonprofit (PNP) organizations such as food banks, to purchase and distribute food when necessary as an emergency protective measure in response to the COVID-19 Public Health Emergency. In these cases, PA funding is provided to the legally responsible government entity, which would then reimburse the private organization for the cost of providing those services under the agreement or contract.

FEMA Policy, Coronavirus (COVID-19) Pandemic: Purchase and Distribution of Food Eligible for Public Assistance (Apr. 12, 2020) at 3. Additionally, in a September 2020 policy statement applicable to COVID-19-related costs incurred after September 15, 2020, FEMA superseded its March 2020 policy and again stated that it would reimburse the legally responsible government entity, not PNPs:

Legally responsible SLTT governments may enter into formal agreements or contracts with private organizations, including PNP organizations, when necessary to carry out eligible emergency protective measures in response to the COVID-19 pandemic. In these cases, PA funding is provided to the legally responsible government entity, which would then pay the private entity for the provision of services under the formal agreement or contract.

FEMA Policy FP 104-009-19, Coronavirus (COVID-19) Pandemic: Work Eligible for Public Assistance (Interim) (Sept. 1, 2020) at 2. Matrix signed its MOU with Walton County in 2022, and thus its eligibility is governed by the April 2020 and September 2020 policy statements.

Despite these policy statements, Matrix requests that it be paid directly because FEMA had paid it directly following a prior disaster. Despite the factual similarity in *Baldwin*, we cannot apply the same reasoning here. FEMA issued several COVID-19-specific policy statements that did not contain the language that emergency services are “usually” the responsibility of local governments. Instead, the policies, including one specifically regarding food distribution during the pandemic, said that FEMA would reimburse the local government entity. Moreover, these FEMA statements were issued prior to August 2022, the date that Walton County approved the MOU with Matrix for the provision of these services. Matrix and Walton County are presumed to know that, pursuant to published policies, FEMA would reimburse only Walton County for these services.

Matrix also asserts that it was too late for Walton County to seek reimbursement because by the time FEMA issued its first appeal decision in December 2024 denying Matrix’s request for PA, Walton County had closed out all of its applications for pandemic-related PA. Applicant’s Reply at 4. FEMA failed to respond to this allegation in its response or sur-reply. What neither party explains is why Walton County did not apply for reimbursement in the first instance as required by its MOU with Matrix. While the panel is sympathetic to Matrix’s financial situation, FEMA’s policies for the COVID-19 pandemic, including the one that discussed food distribution, clearly stated that FEMA would reimburse the legally responsible government entity which in this case is Walton County. We do not address the cost eligibility issues briefed by FEMA or whether Walton County now may submit a request for funds on behalf of Matrix.

Decision

The claim is denied.

*Marian E. Sullivan*

MARIAN E. SULLIVAN

Board Judge

*Jonathan D. Zischkau*

JONATHAN D. ZISCHKAU

Board Judge

*Elizabeth W. Newsom*

ELIZABETH W. NEWSOM

Board Judge