



CARES Act Funding Application Guide for Cities and Counties

This information has been collected through several conversations with the Department for Local Government (DLG) as well as through a Q&A session with DLG's Executive Director of the Office of Federal Grants and Office of State Grants Billie R. Johnson, which was held during the Green River Area Development District's June 10, 2020 Executive Board Zoom Meeting.

Overview of CARES Act Funding

Kentucky has received approximately \$300,000,000 in CARES Act funds. A set amount has been set aside for each city and county based on their population. Requests for reimbursement for eligible expenses from March 1, 2020 to December 31, 2020 may be made but may not exceed your total allocation.

This funding is **not** intended to replace lost revenue. Funding for this program is dispersed as a **reimbursement** and will not be dispersed for projected costs.

Application Process

Access the Excel Application, guidelines, and FAQ from DLG's website here:

1. Complete the application in its original Excel format. **Do not** submit your application as a PDF or Word Document.
2. Submit the completed application and supportive documentation (i.e., receipts, payrolls, etc.) via email to dlg.crf@ky.gov.
3. Questions regarding the application or eligible activities can be submitted to dlg.crf@ky.gov or to jessiehoward@gradd.com.
4. DLG will review your application and send an approval letter to the city/county if there are no corrections needed.
5. The Judge or Mayor will sign the second page of the approval letter and return to DLG with a resolution (a draft is attached at the end of this document).
6. The Judge or Mayor will also be required to sign and return a Duplication of Benefits Certification (a draft is attached at the end of this document).

DLG is currently anticipating an approximately three (3) week turnaround for reimbursements from the time the application is received until the first payment is received. Please keep in mind that DLG will only contract with the city/county government. These funds are at the discretion of the Judge/Executive or Mayor.

Do not include projected costs in your requests. Include only actual costs from March 1, 2020 to the date of your submission. Costs incurred after the first submission can be requested for reimbursement monthly or quarterly and will not require additional resolutions.

Remember that expenditures incurred after December 31, 2020 cannot be reimbursed. DLG will most likely allow final reimbursement requests to be submitted through January 2021 for expenses incurred before December 31, 2020.

ALLOCATIONS BY CITY	
Beaver Dam	\$ 258,072
Calhoun	\$ 52,923
Centertown	\$ 31,064
Clay	\$ 80,319
Corydon	\$ 50,550
Dixon	\$ 64,069
Fordsville	\$ 37,823
Hartford	\$ 197,024
Hawesville	\$ 71,331
Henderson	\$ 2,044,443
Island	\$ 31,998
Lewisport	\$ 121,881
Livermore	\$ 93,263
McHenry	\$ 28,044
Morganfield	\$ 244,554
Owensboro	\$ 4,300,651
Providence	\$ 218,452
Robards	\$ 36,600
Rockport	\$ 19,199
Sacramento	\$ 31,998
Sebree	\$ 111,743
Slaughters	\$ 14,885
Sturgis	\$ 129,791
Uniontown	\$ 67,448
Waverly	\$ 21,212
Wheatcroft	\$ 11,002
Whitesville	\$ 39,836

Frequently Asked Questions

Q: What can CARES Act funding be used for?

A: The CARES Act states that payments from the Fund may only be used to cover costs that:

1. Are necessary expenditures incurred due to the public health emergency caused by COVID-19;
2. Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government*; **and**
3. Were incurred between March 1, 2020 and December 31, 2020.

Q: How does the reimbursement process work?

A: Funds are reimbursed for expenses that have already been paid. **Be absolutely certain these expenses are not being covered by any other state or federal agency.** Funds should be deposited back into the accounts that the expenses were originally paid from. DLG will provide guidance on budget amendments after July 1.

Q: Can funds be used to reimburse expenses relating to the upcoming primary on June 23, 2020?

A: DLG does not recommend asking for reimbursement for expenses as they relate to the upcoming June primary unless it relates to additional sanitation measures.

Q: What are the guidelines for reimbursing payroll with CARES Act funding?

A: Funding can be used to meet payroll expenses for public safety, public health, healthcare, human services, and similar employees whose services are **substantially dedicated to mitigating or responding to the COVID-19 public health emergency.** The payroll for your front-line, public-facing public safety employees (i.e., police, firefighters, and EMS) and public health employees are eligible under the presumption guidance provided by the U.S. Treasury.

DLG will reimburse for all salary and fringe for first responders (**police, firefighters, and EMS**) from March 1 onward. If emergency service directors are coordinating efforts to ensure PPE is delivered, their pay can be reimbursed.

DLG cannot pay for projected costs but is required to reimburse expenses **already paid.** Submission of applicable payroll documentation is required with each application for reimbursement.

DLG **cannot cover office staff/administrative staff within these entities.** Dispatch workers' payrolls also cannot be reimbursed as they are not physically exposed to the public.

BE SURE THAT YOU ARE NOT DUPLICATING PAYMENTS TO ANYONE.

Q: Our EMS is operated by the local hospital. Should the city or the hospital submit their payrolls? Can vehicle expenses be reimbursed?

A: The city must request reimbursement on behalf of any agencies. No vehicle costs are eligible for reimbursement.

Q: Are benefits or overtime for police/fire/EMS eligible?

A: Yes, both overtime (shown in your payroll documentation) and all salary and fringe benefits (including retirement, health insurance, and other employer-incurred costs associated with the position) are eligible for reimbursement.

Q: Should I deduct KLEPF wages from payroll reimbursement requests?

A: Yes. There can be **no duplication of benefits**.

Q: Can we request reimbursement for city hall workers/utility workers/jail staff?

A: No, unless they are working outside of their normal duties to mitigate COVID-19. If so, reimbursement requests will be evaluated on a case-by-case basis.

If you have expenses relating to modifying city/county buildings or jails for social distancing, increasing sanitation measures, etc., these expenses **ARE** eligible.

If you have had to contract out services that were traditionally performed through inmate labor, those costs can also be covered. Likewise, if you repurposed employees who had less work due to COVID-19 (for example, county/city road garage employees) to help sanitize county/city-owned buildings, their work during these hours can be reimbursed.

Q: We split shifts so less workers would be in the office. Can we request reimbursement for the wages and benefits from the days we paid them for no work?

A: Unfortunately, no.

Q: We had an employee who was diagnosed with COVID-19 or had confirmed exposure to the virus and had to isolate at home. What should we submit with our application for reimbursement of their wages and benefits for that period?

A: DLG needs some form of documentation that the employee was examined by a doctor and ordered to stay home. DLG will also still need their payroll for that time period, showing what costs were incurred during that period for their wages and benefits.

Q: We had an employee whose family member was diagnosed with COVID-19 or had confirmed exposure to the virus and had to isolate at home. What should we submit with our application for reimbursement of their wages and benefits for that period?

A: DLG needs the payroll for the employee in isolation for that time period, showing what costs were incurred during that period for their wages and benefits.

If the local level requires a doctor's note or their family member's doctor's note, forward a copy to DLG with your reimbursement request.

DLG does not require a doctor's note in this instance, but strongly recommends you have one in your own files for auditors. You will need to have documentation to support your pay request in your files.

Q: We purchased software to allow the public to use online bill pay. Is that purchase eligible for reimbursement?

A: Yes.

Q: We had to purchase laptops/tablets/etc. to enable our employees to work from home and/or allow city council/fiscal court to meet remotely. Is that purchase eligible for reimbursement?

A: Yes. Any equipment or software (iPads, laptops, Zoom packages, etc.) that you purchased for employees/city council/fiscal court members to work remotely or hold remote meetings can be reimbursed.

Q: We had to contract out IT services to be able to broadcast our public meetings on social media or other live channels. Could we request reimbursement for that contract?

A: If software was part of an existing contract, it is not eligible unless additional services were added above and beyond the normal contract which incurred expenses that would not otherwise have been incurred if it were not for the pandemic. In this case, you will need an invoice separate from your normal contract showing the additional expenses above and beyond the original contract were incurred due to COVID-19.

Q: Can we request reimbursement for hand sanitizer, masks, gloves, etc.?

A: Yes.

Q: Just to be clear, this funding does not cover lost revenue for utilities?

A: Unfortunately, no, it does not.

Q: How can we use these funds to assist small businesses in our communities?

A: For any business that was interrupted due to COVID-19, you can offer grant assistance. You will need to set up a grant agreement through your city/county attorney with these entities and DLG will reimburse you for these expenses.

DLG also has several other sources of assistance for small businesses including Team Kentucky Funds (which will pay for up to \$1,000 per household or business in utility/mortgage/rent expenses) and CDBG COVID-19 funds (which will assist with expanding community facilities to respond to COVID-19 or provide relief from its impact).

GRADD also has a COVID-19 Revolving Loan Fund available to small businesses. More information can be found here: <https://www.gradd.com/businesses/revolving-loan-program-rlf/> or by contacting Gina Boaz at ginaboaz@gradd.com.

Q: I have another question that isn't answered here.

A: Send your question to dlg.crf@ky.gov or to jessiehoward@gradd.com.

DLG has published guidance and FAQs which may be viewed here:

http://kydlgweb.ky.gov/FederalGrants/16_Flood.cfm

KLC has published a short informational pamphlet which may be helpful:

<https://www.yumpu.com/en/document/read/63438394/city-expense-reimbursement-informational-pamphlet>

CITY SAMPLE AUTHORIZING RESOLUTION FOR CORONAVIRUS RELIEF FUND

AUTHORIZING RESOLUTION

CITY OF _____

ADOPTION OF A RESOLUTION OF THE CITY OF _____ (“CITY”) AUTHORIZING THE FILING OF A CORONAVIRUS RELIEF FUND (“CRF”) APPLICATION FOR REIMBURSEMENT OF INCURRED EXPENSES IN CRF FUNDS WITH THE DEPARTMENT FOR LOCAL GOVERNMENT (“DLG”); AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE ANY DOCUMENTS WHICH ARE DEEMED NECESSARY BY DLG TO REIMBURSE CITY; AND AUTHORIZING THE MAYOR TO ACT AS THE AUTHORIZED CORRESPONDENT FOR REIMBURSEMENT.

WHEREAS, City desires reimbursement for expenses incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (“COVID-19”) on behalf of the residents of City; and

WHEREAS, it is recognized that CRF funds are available to the City, pursuant to the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), and impose certain obligations and responsibilities upon the City that require among other things:

- (1) Approval of a satisfactory application by the City transmitted to DLG for approval; and
- (2) Other obligations of the City in connection with receiving the CRF funds for the purposes stated herein.

NOW, THEREFORE, be it resolved this _____ day of _____, 2020, by the City of _____:

That a CRF application on behalf of the City for CRF funds for reimbursement of expenses incurred by City due to the public health emergency with respect to COVID-19 shall be submitted to DLG; the Mayor shall provide such additional information and furnish such documentation as may be required; and authorize the Mayor to act as the authorized correspondent for reimbursement.

Done this _____ day of _____, 2020. Motion by _____ and seconded by _____, members present voting unanimously in favor.

By: _____
Mayor

ATTEST:

By: _____

Its: _____

COUNTY SAMPLE AUTHORIZING RESOLUTION FOR CORONAVIRUS RELIEF FUND

AUTHORIZING RESOLUTION

COUNTY OF _____

ADOPTION OF A RESOLUTION OF THE _____ COUNTY FISCAL COURT (“COUNTY”) AUTHORIZING THE FILING OF A CORONAVIRUS RELIEF FUND (“CRF”) APPLICATION FOR REIMBURSEMENT OF INCURRED EXPENSES IN CRF FUNDS WITH THE DEPARTMENT FOR LOCAL GOVERNMENT (“DLG”); AUTHORIZING AND DIRECTING THE COUNTY JUDGE/EXECUTIVE TO EXECUTE ANY DOCUMENTS WHICH ARE DEEMED NECESSARY BY DLG TO REIMBURSE COUNTY; AND AUTHORIZING THE JUDGE/EXECUTIVE TO ACT AS THE AUTHORIZED CORRESPONDENT FOR REIMBURSEMENT.

WHEREAS, County desires reimbursement for expenses incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (“COVID-19”) on behalf of the residents of County; and

WHEREAS, it is recognized that CRF funds are available to the County, pursuant to the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), and impose certain obligations and responsibilities upon the County that require among other things:

- (1) Approval of a satisfactory application by the County transmitted to DLG for approval; and
- (2) Other obligations of the County in connection with receiving the CRF funds for the purposes stated herein.

NOW, THEREFORE, be it resolved this _____ day of _____, 20____, by _____ County Fiscal Court:

That a CRF application on behalf of the County for CRF funds for reimbursement of expenses incurred by County due to the public health emergency with respect to COVID-19 shall be submitted to DLG; the County Judge/Executive shall provide such additional information and furnish such documentation as may be required; and authorize the County Judge/Executive to act as the authorized correspondent for reimbursement.

Done this _____ day of _____, 20____. Motion by _____ and seconded by _____, members present voting unanimously in favor.

By: _____
County Judge/Executive

ATTEST:

By: _____

Its: _____



DEPARTMENT FOR LOCAL GOVERNEMENT CRF APPLICATION

DUPLICATION OF BENEFITS CERTIFICATION

The Department for Local Government (“DLG”) policy is to ensure no duplication of benefits (“DOB”) occurs. A DOB occurs when an applicant receives assistance from multiple sources, e.g. Federal Emergency Management Agency (FEMA), the National Flood Insurance Program (NFIP), the Small Business Administration (SBA), private insurance companies, non-profits, city, state, etc. for a cumulative amount that exceeds the total need for reimbursement. The amount of DOB is the amount of assistance provided in excess of need, or duplication of invoices. Federal law prohibits federal agencies from providing assistance to any person, business concern, or other entity for any part of such loss as to which he has received financial assistance under any other program or from insurance or any other source.

If DLG determines that a DOB has occurred, funds must be recaptured that are in excess of need and duplicate other assistance received by the beneficiary for the same purpose.

Specific Use of CRF	Amount Requested	Other financial assistance received or applied for specific use

I certify I have been notified and agree with this policy:

Signature, Chief Executive Officer

Date