**Work Session**

A 20-110 Discussion on CARES Act funding

**Attachments:**

- 01 Memo For May 19 Assembly Work Session on Cares Act Funding
- 02 2020 CARES Act Funding White Paper
- 03 Coronavirus Relief Funds Resolution for non-Tribal Entities
- 04 COVID-19 Community Grant Agreement
- 05 Sample Reporting Form
- 06 Federal Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments
- 07 Federal Coronavirus-Relief-Fund-Frequently-Asked-Questions
- 08 Foraker Group Proposal For Grants to Non-Profits
- 09 Anchorage Small Business Grant Program
Legislation Details

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CITY AND BOROUGH OF SITKA
CITY AND BOROUGH OF SITKA
CARES ACT FUNDING

Assembly Work Session, May 19, 2020
To Discuss
Ideas for Expenditure to Respond to the COVID-19 Pandemic and Achieve Economic Stabilization and Recovery

1. Overview
The City and Borough of Sitka (CBS) is poised to potentially receive in excess of $14 million dollars in Federal CARES Act funding in the form of a grant from the State of Alaska (State). The CBS must enter into a grant agreement with the State of Alaska (attached) and will be bound by its terms and other applicable provisions of State law.

All funding must be expended (payments made) by December 31, 2020; any unexpended funds must be returned to the State of Alaska. Funding will be received in 3 tranches, and each tranche must be expended before the next tranche is received.

The purpose of the Assembly work session on May 19, 2020 is to discuss the potential uses for the funding; restrictions and prohibitions on such uses; and, administrative resource requirements necessary for adhering to State grant requirements.

2. CBS White Paper on 2020 CARES Act Funding Guidelines/Restrictions on Expenditure and Possible Allowable Expenditure Uses
CBS staff previously published a White Paper entitled “2020 CARES Act Funding Guidelines/Restrictions on Expenditure and Possible Allowable Expenditure Uses” (attached), which was previously distributed to the Assembly. The White Paper sets forth the basic Federal guidelines regarding expenditure of CARES Act funding, restrictions on such expenditures, and prohibited uses.

3. Important Restrictions on Use of CARES Act Grant Funds
The attached grant agreement sets forth several key restrictions on the use of CARES Act grant funds that must be considered during any discussion of how to use the funds. Key restrictions are as follows:

A. All expenditures of grant funds are subject to a State of Alaska Single Audit (SSA). The SSA will be accomplished in conjunction with the CBS’s annual external CPA audit for both FY2020 and FY 2021. A compliance guide for SSAs is attached which discusses the major compliance areas auditors will review
B. The grant agreement contains significant insurance requirements that must be adhered to which are applicable to any sub-recipients.

C. The grant agreement contains provisions for Americans with Disability Act (ADA), Equal Employment Opportunity (EEO), use of Alaska timber products, and use of Alaska seafood products. These provisions must also be adhered to by sub-recipients.

D. Any construction projects utilizing grant funds must pay prevailing wages in accordance with Title 36 of the Alaska Statutes. Again, this requirement must be adhered to by any sub-contractors of sub-recipient of grant funding to be used for construction.

E. If the CBS decides to expend funds by sub-granting them to other entities (such as not-for-profits), the CBS must enter into sub-recipient agreements which specifically bind the sub-recipient to the same grant requirements as the CBS. The CBS is required to conduct risk assessment on all such potential sub-grantees prior to entering into a sub-grant agreement, and, to conduct ongoing assessment of sub-grantees compliance with grant requirements. Insurance requirements may be a significant hurdle for some potential sub-recipients to achieve.

4. **Unknown Requirements That May Significantly Impact CARES Act Funding Expenditures**

There are several key unknowns that could potentially impact the expenditure of CARES Act funding. It is important to take these into account, understanding that subsequent pronouncements or releases of guidelines by the Federal government or State could impact decisions on expenditures. Unknown requirements include:

A. Federal Single Audit Act applicability. The applicability of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards has not been determined. The Federal agency that makes audit applicability determination, the Office of Management and Budget (OMB) is different from the Federal agency which has issued guidance on permissible uses, the Treasury Department. OMB has yet to opine on whether 2 CFR Part 200 applies to CARES Act funding.

B. If 2 CFR Part 200 is found to apply to CARES Act funding, it will place significant additional procurement requirements on the CBS, especially regarding competitive bidding for service contracts. A service contract issued without competitive bidding could potentially be disallowed under a single audit, requiring the CBS to potentially repay the funding to the State.

C. If CARES Act funds are granted directly to businesses or other non-governmental entities, it is not yet known if such grants will be considered taxable income for Federal or State income tax purposes.

D. If CARES Act funds are granted directly to individual citizens, it is not yet known if such grants will be considered taxable income for Federal income tax purposes, or, will potentially impact eligibility for other Federal or State aid programs such as unemployment, food assistance, etc.
5. Major Areas for Consideration for Possible CARES Act Fund Use

The following are major areas staff has identified as possible candidates for use of CARES Act funding. The areas have both been identified internally, and, ideas have also been gleaned from discussions with, or documents written by, other Alaska municipalities.

A. Police and Fire / First Responder Salaries and Benefits
CARES Act funding will be used to reimburse the General Fund for salaries and benefits of eligible first responders.

B. Small Business and Nonprofit Grants
Small businesses and nonprofits impacted by COVID-19 will receive a grant to help with expenses including payroll, employee benefits, rent, utilities, taxes, and paying vendors. Businesses and nonprofits with two to seven employees are eligible to receive a grant of $10,000. Sole proprietorships are eligible for a $5,000 grant.

Eligible small businesses and nonprofits are those that:
- had less than $1 million in gross revenue in 2019;
- had no more than seven full-time or part-time employees at any one time in 2019;
- have a location in Sitka; and
- have not received or have a pending application for federal COVID-19 relief funding.

C. Business Sustainability Grants
Business will be provided grants up to the equivalent of four months of long-term debt costs, and costs for physical retrofitting their businesses due to COVID-19.

Potential Program:
1. Business must have at least 50% local ownership as of 2/15/20.
2. Rent or loan measurement period is May 2020 through August 2020.
3. Minimum decrease in sales is 25% YoY in order to participate.
4. Percentage decrease in YoY sales is documented by the monthly or quarterly sales tax return results, or financial information acceptable to the Municipal Administrator.
5. Grant is equal to total of expected lease or loan payments during the measurement period for the business lease(s) or mortgage(s) associated with the sales tax filer.
6. Businesses will be reimbursed for any documented costs of physical retrofitting of their businesses due to Covid-19 safety measures.
7. Documentation provided is existing lease or bank statements combined with payment documentation at the conclusion of the measurement period.
8. Advances of two months of grants may be made up front. Business must be able to demonstrate financial harm due to financial sector, or currently available sales information.
9. Funding source is CARES Relief Fund.
D. Commercial Utility Relief Grants
Businesses are given a discount on their utility bills equal to the percentage decline in year-over-year (YoY) sales as reported on sales tax return.

E. Residential Utility Relief Grants
Residents completing an affidavit of adverse economic impact by COVID-19 are given a grant in the form of a payment made to their utility accounts by the CBS.

F. Residential Rent/Mortgage Relief Grants
Residents completing an affidavit of adverse economic impact by COVID-19 are given a grant in the form of a direct payment to be used for rent or mortgage payments. Rent and mortgage payments will be made directly to landlord or bank.

G. Investment Costs for Rapid Testing
Sitka would purchase its own rapid testing equipment, with the resulting benefits to quickly test those that travel into Sitka as a hub of economic and government activity. This would enable more ease of travel into our city to reduce quarantine requirements, from outlying communities or via plane, cruise ship, ferry or other transportation sources. Businesses would be able to have workers onsite within 2-3 days, vs 14 or more, which would relieve economic and social hardship of costs of quarantine.

H. Commercial Tenant Rent Relief (if not covered in Business Sustainability grant)
Commercial property owner incentivized to give rent relief to tenant. Incentive is dollar for dollar reduction on commercial property owner’s tax bill equal to rent reduction given.

I. New Programs
New programs could be developed to provide for direct aid to businesses and citizens adversely impacted by the COVID-19 pandemic. Examples are food distribution programs, job training programs.

6. Administrative Resource Requirements

Each potential use of CARES Act funding will have different administrative requirements. In addition, as SSA guidelines apply (and Federal Single Audit Act guidelines may still also apply), the CBS will have broad administrative and compliance requirements. Administrative resources in the form of contract funding and/or temporary employees will be required. For example, if grants are determined to be taxable for Federal income tax purposes, W9s will be required from all recipients, and, 1099s will need to be issued, all requiring administrative effort to track, manage, and report.

It is critical, therefore, that some CARES Act funding be set aside for the funding of the administrative requirements and effort necessary to properly administer this new program.

7. Appropriations
Supplemental appropriations will be needed for most CARES Act outlays. Any funding to be distributed in grants; any costs of new programs; and, any contract costs not already budgeted for will require supplemental appropriations.

If CARES Act funding is used to reimburse the CBS for outlays made under existing appropriations, for example wages and benefits for first responders, a supplemental appropriation is not required, as the reimbursement is a transfer of funds. It is critical, however, that the Assembly still approve all transfers of CARES Act funding for grant reporting and documentation purposes.
2020 CARES Act Funding
Guidelines/Restrictions on Expenditure
And
Possible Allowable Expenditure Uses

Issue

Sitka is scheduled to receive $14,036,874 in CARES Act funding. This funding is Federal support to be passed through the State of Alaska.

Guidelines/Restrictions on Expenditure

The CARES Act provides that funding may only be used to cover costs that—
(1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);
(2) are not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act); and
(3) were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

Federal Treasury guidelines stipulate that all CARES Act expenditures must be “necessary.” The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

The Inspector General of the Department of the Treasury has a specific responsibility of recouping amounts received from CARES Act funding that have not been used in a manner consistent with the Act. This is in addition to possible audit findings.

Finally, analysis of pronouncements, interpretive guidance, minutes/notes from telephone calls to Federal State officials, and opinions/perspectives offered by government officials and auditors show several consistent predominant themes pertaining to the intended use of CARES Act funds. Local governments need to make a genuine effort to expend funds for their intended uses, as opposed to trying to stretch the meaning and definition of legitimate uses of the fund to cover pre-existing budget deficits, deferred maintenance, or capital projects that have preliminary design but no project funding. The themes are:

- The funds are intended to reimburse local governments for unplanned expenditures required to respond to the COVID-19 pandemic;
- The funds are also intended to assist private sector business and individual citizens who have suffered adverse economic impacts (loss of jobs, loss of business);
- The funds are NOT intended to reimburse or compensate local governments for loss of revenue;
- The funds are NOT a windfall to pay for the pre-existing budget deficits, deferred maintenance, or unfunded capital projects of local governments;
- The Treasury Department has stated that uses of the funds are to be narrowly construed within a limited scope, as opposed to broadly construed within a wide scope.
Examples of Possible Allowable Expenditure Uses

CBS staff has identified 6 broad categories of possible uses of CARES Act funding that appear to be allowable under guidance and guidelines received to date. They are:

1. Expenditures for renovations of municipal buildings and/or procurement of equipment to enhance social distancing, protect against secondary COVID-19 virus transmission, and enhance remote access of Municipal services:
   a. Create 1-stop customer service center on 1st floor 100 Lincoln Street
   b. Renovate HVAC systems to add HEPA filters
   c. Deep clean entire buildings & replace floor coverings
   d. Install key card access for 2nd floor exit 100 Lincoln Street
   e. Purchase state-of-the-art IT equipment for better remote meeting capability
   f. Purchase IT software/equipment for greatly enhanced online access to municipal functions (on line sales tax filing, building permit requests, etc.)

2. Expenditures for local education to enhance social distancing, protect against secondary COVID-19 virus transmission, enhance distance learning, and deal with emotional trauma in children:
   a. Purchase distance learning hardware for each student
   b. Purchase distance learning software and IT hardware
   c. Purchase food service equipment to permit dining in each classroom
   d. Hire a temporary mental health counselor for each school
   e. Remodel libraries, locker rooms, common areas to accommodate social distancing

3. Expenditures for direct financial assistance to private business and citizens to offset the adverse economic impacts of the COVID-19 pandemic (NOTE: Treasury guidance states that citizens and business must have been experienced an adverse economic impact from the pandemic; across-the-board financial assistance to everyone does not appear to be a legitimate use).
   a. Direct payments by CBS into utility accounts of impacted citizens/businesses
   b. Direct payments by CBS into moorage accounts of impacted citizens/businesses
   c. Direct stimulus payments to citizens

4. Expenditures for economic assistance to private businesses and citizens to assist in recovery from loss of business or employment resulting from the COVID-19 pandemic;
   a. Direct business loans that turn into grants
   b. Direct payments by CBS to pay off bad debts of citizens/businesses that can’t repay the debts due to loss of jobs/business
   c. Purchase of fish from commercial fisherman for free distribution to citizens
   d. Subsidy payments to private businesses to help them make rent or mortgage payments
5. Expenditures for new programs to identify or protect against COVID-19 virus transmission, or, protect vulnerable populations against COVID-19 virus transmission or poverty-related impacts of the pandemic.
   a. Create and operate Municipal food pantry or essential food package distribution system
   b. Create and operate a homeless shelter
   c. Create and operate a job training/retraining program
   d. Create and operate a new business incubator

**Critical Timelines That Must Be Observed**

Treasury guidance states that funds must be expended by December 31, 2020, and unspent funds must be returned. Advance funding of operating costs for projects is specifically not permitted.

Cash basis (i.e., cash out the door) is the expenditure basis we must employ. Thus, having entered into a contract, or having placed a purchase order, which has not completed and for which payment has not been disbursed by December 31, 2020, will not be regarded as a legitimate expenditure.

**Essential Caveat**

Federal and State guidelines are still evolving regarding what are, and are not, permissible legitimate uses of CARES Act funding. Guidelines may change that further tighten, or ease up, restrictions on what funds can be spent for. Accordingly, some of the proposed allowable expenditures above may turn out to be disallowed or ineligible for expenditure of CARES Act funding.

One key question which has not been answered yet is whether or not the standards set forth for expenditure of Federal funds in 2 CHR Part 200 Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards applies to CARES Act funding. Two different branches of the Federal Government have authority over Cares Act funding: (1) the Treasury Department which has issued guidance and FAQs pertaining to legitimate uses of the funding; and, (2) the Office of Management and Budget, which is responsible for deciding whether or not 2 CFR Part 200 applies, and, which has not made any decision yet. If 2 CFR Part 200 is determined to be applicable by the OMB, expenditure of the CARES Act funding will be subject to much more stringent accounting, procurement, and documentation requirements.

Finally, there is be an element of risk associated with expenditure CARES Act funding, in that the farther away we get from the specific stated permissible examples of uses the Treasury has put out, the more the risk increases that a subsequent spending review by the Federal government or independent auditors will determine that an expenditure was impermissible and subject to recoupment by the Federal Government.
RESOLUTION FOR ACCEPTANCE OF CORONAVIRUS RELIEF FUNDS
Resolution Number_______

A RESOLUTION of the __________________________________________________________ 1
accepting Coronavirus Relief Funds in the amount of $_________________________ 2
for costs that are for necessary expenditures incurred due to the public health emergency with respect
to the Coronavirus Disease 2019 (COVID-19)"3, from the Alaska Department of Commerce, Community
and Economic Development (hereinafter “Department”).

WHEREAS, the ___________________________________________________ 1 wishes to provide the
above described funds for the community of _________________________________________ 4, and;

PASSED AND APPROVED BY a duty constituted quorum of the ______________________________
this ________ day of ________________, 2020.

IN WITNESS THERETO:

By: _____________________________________ 5  ______________________________________
     Signature                     Title

Attest: ___________________________________ 6  ______________________________________
     Signature                     Title

1 Name of Grant Recipient Entity
2 Amount of Grant
3 Description of Project
4 Name of Community
5 Chief Administrative Officer (Mayor, City Manager, or President)
6 Clerk or Secretary of Organization
AGREEMENT The Alaska Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs (hereinafter ‘Department’) and Insert Name of Locality (hereinafter ‘Grantee’) agree as set forth herein.

Section I. The Department shall pay the Grantee the identified amounts under the terms outlined in this Agreement. The amount of the payment is based upon expenses incurred, which are authorized under this Agreement. In no event shall the payment exceed $ Insert total amount of grant.

Section II. The Grantee shall only use the funds provided under this Agreement to reimburse itself, or to pay necessary expenses incurred, as a result of the public health emergency stemming from the Coronavirus Disease 2019 (COVID-19).

Section III. The Grantee may only use the funds provided under this Agreement for expenses that were not accounted for in its most recently approved budget as of March 27, 2020; and that were incurred during the period of March 1, 2020 and December 30, 2020. Unexpended funds must be returned to the State on or before March 30, 2021.

Section IV. The Agreement consists of this page and the following:

ATTACHMENTS
Attachment A: Scope of Work
Attachment B: Payment Method
Attachment C: Standard Provisions

AMENDMENTS
Any fully executed amendments to this Agreement

APPENDIX
Appendix A: State Laws and Regulation
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Reviewed by: ___________
Attachment A
Scope of Work

1. Authorized Use of Grant Funds

The purpose of the grant funds is to provide Grantee with funding available under Section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”).

Expenditures must be used for actions taken to respond to the public health emergency declared by the Governor on March 11, 2020. Such actions may include expenditures incurred to allow Grantee to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Grant payments may be used only to cover costs that were not accounted for in the Grantee’s budget most recently approved as of March 27, 2020. A cost meets this requirement if either: (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. The “most recently approved” budget refers to the enacted budget for the relevant fiscal period for the Grantee, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by the Grantee in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account. A cost is “incurred” when the Grantee has expended funds to cover the cost.

Expenditures using Fund payments must be “necessary.” Funds provided to Grantee as a direct payment from the State of Alaska pursuant to this grant agreement must adhere to official federal guidance issued or to be issued on what constitutes a necessary expenditure. Any funds expended by a political subdivision or its grantee(s) in any manner that does not adhere to official federal guidance shall be returned to the State of Alaska.

Any funds provided pursuant to this grant agreement cannot be used as a revenue replacement for lower than expected tax or other revenue collections.

Funds received pursuant to this grant agreement cannot be used for expenditures for which a local government entity has received any other emergency COVID-19 supplemental funding (whether state, federal or private in nature) for that same expense.

2. Grant Budget

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3. Grant Management

Signatory authority for execution of the Grant Agreement and subsequent amendments is granted to the chief administrator. For grants appropriated to a municipality, the mayor is the chief administrator unless the municipality operates a managerial form of government; then the city manager/administrator acts as the chief administrator. For unincorporated communities, the highest-ranking official will act as chief administrator.

The chief administrator may delegate authority for executing the Grant Agreement and amendments to others within the Grantee’s organization via the Signatory Authority Form. The chief administrator also designates financial and performance progress reporting authority via the Signatory Authority Form. Such delegation is limited to others within the Grantee’s organization unless otherwise approved by the Department.

The Grantee must establish and maintain separate accounting for the use of this Grant. The use of Grant funds in any manner contrary to the terms and conditions of this Grant Agreement may result in the subsequent revocation of the Grant and any balance of funds under the Grant. It may also result in the Grantee being required to return such amounts to the State.

4. Reporting

The Grantee shall submit a completed COVID-19 Expenditures by Community Report Form provided by the Office of Management and Budget each month, during the life of the Grant Agreement. COVID-19 Expenditures by Community Report Forms are due to the Office of Management and Budget thirty (30) days after the end of the month being reported. The report period is the first of the month through the last day of the month. The final COVID-19 Expenditures by Community Report must be submitted within thirty (30) days following completion of the grant.
Attachment B
Payment Method

1. Advance Payment

Payments will be made to Grantees in advance of demonstrated need to respond to the public health emergency in three separate payments. Second and third payments will only be made when at least 80% of the prior payments have been expended. Payments by the State of Alaska to Grantee do not constitute approval of funds expended by Grantee. By making payment to Grantee, the State of Alaska makes no representations, express or implied, that Grantee has complied with the federal requirements governing Coronavirus Relief Funds.

Should earned payments during the terms of this Grant Agreement be insufficient to recover the full amount of the advance, the Grantee will repay the unrecovered amount to the Department when requested to do so by the Department, or at termination of the Grant Agreement.

2. Withholding of Ten Percent (10%)

The Department may withhold ten percent (10%) of the amount in Section I until the Department determines that the Grantee has satisfactorily completed the terms of this Grant Agreement, including all required reporting of the project.
Attachment C
Standard Provisions

Article 1. Definition
“Department” refers to the Department of Commerce, Community, and Economic Development with the State of Alaska.

Article 2. Indemnification
It is understood and agreed that this Grant Agreement is solely for the benefit of the parties to the Grant Agreement and gives no right to any other party. No joint venture or partnership is formed as a result of the Grant Agreement.

The Grantee, its successors and assigns, will protect, save, and hold harmless the Department and the State of Alaska and their authorized agents and employees, from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the acts or omissions of the Grantee, its subcontractors, assigns, agents, contractors, licenses, invitees, employees, or any person whomever arising out of or in connection with any acts or activities authorized by this Grant Agreement. The Grantee further agrees to defend the Department and the State of Alaska and their authorized agents and employees in any litigation, including payment of any costs or attorney’s fees for any claims or actions commenced thereon arising out of or in connection with acts or activities authorized by this Grant Agreement. This obligation shall not include such claims, costs, damages, or expenses which may be caused by the sole negligence of the Department of the State of Alaska or their authorized agents or employees, provided, that if the claims or damages are caused by or result from the concurrent negligence of (a) the Department and the State of Alaska and their agents or employees, and (b) the Grantee, its agents or employees, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee, or Grantee’s agents or employees.

Article 3. Legal Authority
The Grantee certifies that it possesses legal authority to accept grant funds under the State of Alaska and to execute this Grant Agreement by signing the Grant Agreement document. The Grantee’s relation to the Department and the State of Alaska shall be at all times as an independent Grantee.

Article 4. Waivers
No conditions or provisions of this Grant Agreement can be waived unless approved by the Department in writing. The Department’s failure to insist upon strict performance of any provision of the Grant Agreement, or to exercise any right based upon a breach thereof, or the acceptance of any performance during such a breach, shall not constitute a waiver of any right under this Grant Agreement.

Article 5. Access to Records
The Department and duly authorized officials of the State of Alaska shall have full access and the right to examine, excerpt, or transcribe any pertinent documents, papers, records, and books of the Grantee, and of persons or organizations with which the Grantee may contract, involving transactions related to the project and this Grant Agreement.

Article 6. Reports
The Grantee, at such times and in such forms as the Department may require, shall furnish the Department with such periodic reports as it may request pertaining to the activities undertaken pursuant to this Grant Agreement, including the final close-out report, the costs and obligations incurred in connection therewith, and any other matters covered by this Grant Agreement.
Article 7. Retention of Records
The Grantee shall retain financial and other records relating to the performance of this Grant Agreement for a period of six years from the date when the final financial status report is submitted to the Department, or until final resolution of any audit findings, claims, or litigation related to the grant.

Article 8. Assignability
The Grantee shall not assign any interest in this Grant Agreement and shall not transfer any interest in the same (whether by assignment or novation).

Article 9. Financial Management and Accounting
The Grantee shall establish and maintain a financial management and accounting system that conforms to generally accepted accounting principles.

Article 10. Program Income
Program income earned during the award period shall be retained by the Grantee and added to the funds committed to the award and used for the purpose and under the conditions applicable to the use of award funds.

Article 11. Amendments and Modifications
The Grantee or the Department may request an amendment or modification of this Grant Agreement. However, such amendment or modification shall not take effect until approved, in writing, by the Department and the Grantee.

Article 12. Recordkeeping
The Grantee agrees to keep such records as the Department may require. Such records will include information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income. They will also include information pertaining to grant performance and efforts to comply with the provisions of the Grant Agreement.

Article 13. Obligations Regarding Third-Party Relationships
No permission for subcontracting shall create, between the Department or the State of Alaska and the subcontractor, any contract or any relationship.

Any subcontractor that is not the Grantee shall be required by the Grantee to comply with all the provisions of this Grant Agreement.

The Grantee shall bind all subcontractors to each and every applicable Grant Agreement provision. Each subcontract for work to be performed with funds granted under this Grant Agreement shall specifically include a provision that the Department and the State of Alaska are not liable for damages or claims from damages arising from any subcontractor’s performance or activities under the terms of the subcontracts.
Article 14. Conflict of Interest
No officer or employee of the Department; no member, officer, or employee of the Grantee or its designees or agents; no member of the governing body of the jurisdiction in which the Grant is undertaken or located; and no other official of such locality or localities who exercises any functions or responsibilities with respect to the Grant during his or her tenure, shall have any personal or pecuniary gain or interest, direct or indirect, in any contract, subcontract, or the proceeds thereof, for work to be performed in connection with the project assisted under this Grant Agreement.

The Grantee shall incorporate, or cause to incorporate, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this provision.

Article 15. Political Activity
No portion of the funds provided hereunder shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or influence the approval or defeat of any ballot issue.

Article 16. Notices
The Grantee shall comply with all public notices or notices to individuals required by applicable state and federal laws and shall maintain a record of this compliance.

Article 17. Prohibition Against Payment of Bonus or Commission
The assistance provided under this Grant Agreement shall not be used in payment of any bonus or commission for the purpose of obtaining approval or concurrence under this contract provided, however, that reasonable fees of bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

Article 18. Termination by Mutual Agreement
This Grant Agreement may be terminated, in whole or in part, prior to the completion of the Grant period when both parties agree that continuation is not feasible or would not produce beneficial results commensurate with the further expenditure of funds. The Department will determine whether an environmental review of the cancellation is required under State and/or Federal law. The parties must agree on the termination conditions, including effective date and the portion to be terminated. The Grantee shall not incur new obligations for the terminated portion after the effective date and shall cancel as many outstanding obligations as possible. The Department shall make funds available to the Grantee to pay for allowable expenses incurred before the effective date of termination.

Article 19. Termination for Cause
If the Grantee fails to comply with the terms of this Grant Agreement, or fails to use the grant for only those purposes set forth herein, the Department may take the following actions:

A. Suspension – After notice in writing by certified mail to the Grantee, suspend the grant and withhold any further payment or prohibit the Grantee from incurring additional obligations of grant funds, pending corrective action by the Grantee or a decision to terminate. Response must be received within fifteen (15) days of receipt of the written notice.

B. Termination – Terminate the grant in whole or in part, at any time before the final grant payment is made. The Department shall promptly notify the Grantee in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Payments made to the Grantee or recoveries by the Department shall be in accordance with the legal rights and liabilities of the parties.
Article 20. Withdrawal of Funds
In the event funding from the state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Grant Agreement and prior to normal completion, the Department may terminate the agreement, reduce funding, or re-negotiate subject to those new funding limitations and conditions. A termination under this article shall be implemented under the same conditions as a termination under Article 19 of this Attachment.

Article 21. Recovery of Funds
In the event of a default or violation of the terms of the Grant Agreement by the Grantee, the Department may institute actions to recover all or part of the Grant funds paid to the Grantee. Repayment by the Grantee of grant funds under this recovery provision shall occur within thirty (30) days of demand.

All remedies conferred on the Department by this agreement or any other instrument or agreement are cumulative, not exclusive, and may be exercised concurrently or consecutively at the Department’s option.

Article 22. Disputes
Except as otherwise provided in this agreement, any dispute concerning a question of fact arising under this agreement that is not disposed of by mutual agreement shall be decided by the Department, which shall reduce its decision to writing and mail, or otherwise furnish a copy thereof, to the Grantee. The decision of the Department shall be final and conclusive.

This “Disputes” clause does not preclude the consideration of questions of law in connection with the decision provided for in the preceding paragraph provided that nothing in the Grant Agreement shall be construed as making final the decisions of any administrative official, representative, or board on a question of law.

Article 23. Jurisdiction
This Grant Agreement shall be governed by the laws and statutes of the State of Alaska. The venue of any suit hereunder may be in the Superior Court for the First Judicial District, Juneau, Alaska.

Article 24. Ownership of Project/Capital Facilities
The Department makes no claim to any capital facilities or real property improved or constructed with funds under this Grant Agreement and, by this grant of funds, does not and will not acquire any ownership interest or title to such property of the Grantee. The Grantee shall assume all liabilities arising from the operation of the Grant and agrees to hold the Department and the State of Alaska harmless from any and all causes of action arising from the operation of the Grant.

Article 25. Site Control
If the grant project involves the occupancy and use of real property, the Grantee assures that it has the legal right to occupy and use such real property for the purposes of the grant, and further that there is legal access to such property.
Article 26. Insurance
The Grantee is responsible for obtaining any necessary liability insurance and maintain in force at all times during the performance of this Grant Agreement the insurance policies identified below. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under Alaska Statute AS 21. The Grantee shall require any contractor hired with Grant funds be licensed, bonded and insured for at least the amount of the project and if appropriate provide and maintain Professional Liability Insurance.

A. Workers’ Compensation Insurance for all employees engaged in work under this Grant Agreement, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L & H. and Jones Act requirements.

B. Commercial General Liability Insurance covering all business premises and operations used by the Grantee in the performance of this project and Grant Agreement with coverage limits not less than $300,000 combined single limit per occurrence and annual aggregates where applicable.

C. Comprehensive Automobile Liability Insurance covering all vehicles used by the Grantee in the performance of this Grant Agreement with coverage limits not less than $100,000 per person/$300,000 per occurrence bodily injury and $50,000.00 property damage.

D. Professional Liability Insurance covering all errors, omissions or negligent acts of the contractor, subcontractor or anyone directly or indirectly employed by them, made in the performance of this Grant Agreement which result in financial loss to the State. Limits required are per the following schedule:

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<th>Contract Amount</th>
<th>Minimum Required Limits</th>
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<td>Under $100,000</td>
<td>$100,000 per occurrence/annual aggregate</td>
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Article 27. Subcontracts for Engineering Services
In the event that the Grantee subcontracts for engineering services, the Grantee will require that the engineering firm certify that it is authorized to do business in the State of Alaska.

Article 28. Governing law
This Grant Agreement is governed by the laws of the State of Alaska. The Grantee shall perform all aspects of this project in compliance with the appropriate laws and regulations. It is the responsibility of the Grantee to ensure that any permits required under this Grant Agreement by the Federal, State, or Local governments have been obtained.

Article 29. Budget Flexibility
Notwithstanding the provisions of Article 11, Attachment C, the Grantee may revise the project budget in Attachment A without a formal amendment to this agreement.

Article 30. Equal Employment Opportunity (EEO)
The Grantee may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood. The Grantee shall post in a conspicuous place, available to employees and applicants for employment, a notice setting out the provisions of this paragraph.

The Grantee shall state, in all solicitations or advertisements for employees to work on Grant funded projects, that it is an equal opportunity employer (EEO) and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood.
The Grantee shall include the provisions of this EEO article in every contract relating to this Grant Agreement and shall require the inclusion of these provisions in every agreement entered into by any of its contractors, so that those provisions will be binding upon each contractor or subcontractor.

**Article 31. Public Purposes**

The Grantee agrees that the project to which this Grant Agreement relates shall be dedicated to public purposes for its useful life. The benefits of the project shall be made available without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood.

If the Grantee is a non-municipal entity and if monies appropriated under this grant constitute the sole or principal funding source for the acquisition of equipment or facilities, the Grantee agrees that in the event a municipal corporation is formed which possesses the power and jurisdiction to provide for such equipment or facilities, the Grantee shall offer, without compensation, to transfer ownership of such equipment or facilities to the municipal corporation.

If the Grantee is a non-profit corporation that dissolves, the assets and liabilities from the grant project are to be distributed according to statutory law, AS 10.20.290-10.20.452.

**Article 32. Operation and Maintenance**

Throughout the life of the project, the Grantee shall be responsible for the operation and maintenance of any facility, equipment, or other items acquired under this grant.

**Article 33. Assurance**

The Grantee shall spend monies awarded under this grant only for the purposes specified in this Grant Agreement.

**Article 34. Current Prevailing Rates of Wage**

Certain grant projects are constrained by the provisions of AS 36. PUBLIC CONTRACTS. To the extent that such provisions apply to the project which is the subject of this Grant Agreement, the Grantee shall pay the current prevailing rates of wage to employees as required by AS 36.05.010. The Grantee also shall require any contractor to pay the current prevailing rates of wage as required by AS 36.05.010.

**Article 35. Severability**

If any provision under this Grant Agreement or its application to any person or circumstance is held invalid by any court of rightful jurisdiction, this invalidity does not affect other provisions of the contract agreement which can be given effect without the invalid provision.

**Article 36. Performance**

The Department's failure to insist upon the strict performance of any provision of the Grant Agreement or to exercise any right based upon breach thereof or the acceptance of any performance during such breach shall not constitute a waiver of any rights under this Grant Agreement.

**Article 37. Sovereign Immunity**

If the Grantee is an entity which possesses sovereign immunity, it is a requirement of this grant that the Grantee irrevocably waive its sovereign immunity with respect to state enforcement of this Grant Agreement. The waiver of sovereign immunity, effected by resolution of the entity's governing body, is herein incorporated into this Grant Agreement.
Article 38. Audit Requirements
The Grantee must comply with the audit requirements of the Alaska Administrative Code set forth in 2AAC45.010. AUDIT REQUIREMENTS. An entity that expends a cumulative or total, equal to the state single audit threshold during the fiscal year is required to have a state single audit. A copy of the most current 2AAC45.010 adopted regulations is available at the Alaska Department of Administration’s State Single Audit website: http://doa.alaska.gov/dof/ssa/index.html.

Current audit compliance supplements and guides specific to programs under AS 37.05.315 Grants to Municipalities, AS 37.05.316 Grants to Named Recipients, and AS 37.05.317 Grants to Unincorporated Communities can be found at http://doa.alaska.gov/dof/ssa/audit_guide.html.

Article 39. Close-Out
The Department will advise the Grantee to initiate close-out procedures when the Department determines, in consultation with the Grantee, that there are no impediments to close-out and that the following criteria have been met or soon will be met:

A. All costs to be paid with grant funds have been incurred with the exception of close-out costs and any unsettled third-party claims against the Grantee. Costs are incurred when goods and services are received or contract work is performed.

B. The last required performance report has been submitted. The Grantee’s failure to submit a report will not preclude the Department from effecting close-out if it is deemed to be in the State’s interest. Any excess grant amount that may be in the Grantee’s possession shall be returned by the Grantee in the event of the Grantee’s failure to finish or update the report.

C. Other responsibilities of the Grantee under this Grant Agreement and any close-out agreement and applicable laws and regulations appear to have been carried out satisfactorily or there is no further State interest in keeping the grant open for the purpose of securing performance.

Article 40. Americans with Disabilities Act
The Americans with Disabilities Act (ADA) prohibits discrimination against persons with disabilities. Title I of the ADA prohibits discrimination against persons with disabilities in employment and provides that a reasonable accommodation be provided for applicants and employees. Title II of the Act prohibits public agencies from discriminating against individuals with disabilities in the provision of services, programs, or activities. Reasonable accommodation must be made to ensure or allow access to all services, programs, or activities. This section of the Act includes physical access to public facilities and requires that public entities must, if necessary, make modifications to their facilities to remove physical barriers to ensure access by persons with disabilities. All new construction must also be accessible to persons with disabilities. A public entity’s subgrantees or contractors must also comply with the ADA provisions. Grantees are responsible for assuring their compliance with the ADA.
Appendix A
State Laws and Regulations and Permits

Grantees are responsible for all applicable state laws, regulations and permits; including but not limited to the following list which most commonly affects Grantees.

Municipality Public Facility Operations and Maintenance—AS 37.05.315(c)
In accepting a grant under AS 37.05.315 for construction of a public facility, a municipality covenants with the State that it will operate and maintain the facility for the practical life of the facility and that the municipality will not look to the State to operate or maintain the facility or pay for its operation or maintenance. This requirement does not apply to a grant for repair or improvement of an existing facility operated or maintained by the State at the time the grant is accepted if the repair or improvement for which the grant is made will not substantially increase the operating or maintenance costs to the State.

Restriction on Use—AS 37.05.321
A grant, or earnings from a grant under AS 37.05.315 - 37.05.317 may not be used for the purpose of influencing legislative action. In this section “influencing legislative action” means promoting, advocating, supporting, modifying, opposing, or delaying or seeking to do the same with respect to any legislative action but does not include the provision or use of information, statistics, studies, or analyses in written or oral form or format. A grant, or earnings from a grant made under AS 37.05.315 - 37.05.317 may not be used for purposes of travel in connection with influencing legislative action unless pursuant to a specific request from a legislator or legislative committee.

Historic Preservation Act—AS 41.35
This chapter of the Alaska Statutes applies to public construction of any nature undertaken by the State, or by a governmental agency of the State, or by a private person under contract with or licensed by the State or a governmental agency of the State. The Department of Natural Resources must be notified if the construction is planned for an archaeological site. The Department of Natural Resources may stop the construction to determine the extent of the historic, prehistoric, or archaeological values.

Fire Protection—AS 18.70
This chapter of the Alaska Statutes requires the Alaska Department of Public Safety (the State Fire Marshal) to adopt regulations (currently in the form of Uniform Fire Code, as amended) establishing minimum standards for:
1. Fire detection and suppression equipment;
2. Fire and life safety criteria in commercial, industrial, business, institutional, or other public buildings used for residential purposes containing four or more dwelling units;
3. Any activity in which combustible or explosive materials are stored or handled in commercial quantities;
4. Conditions or activities carried on outside a building described in (2) or (3) likely to cause injury to persons or property.
Procurement Preference for State Agricultural and Fisheries Products—AS 29.71.040

This chapter of the Alaska Statutes applies to municipalities that use state funds to purchase agricultural and fisheries products. The law requires:

1. When agricultural products are purchased, only such products harvested in the state shall be purchased whenever priced no more than seven percent above products harvested outside the state, and of like quality compared with agricultural products harvested outside the state.

2. When fisheries products are purchased, only fisheries products harvested or processed within the jurisdiction of the state shall be purchased whenever priced no more than seven percent above products harvested or processed outside the jurisdiction of the state, available, and of like quality compared with fisheries products harvested or processed outside the jurisdiction of the state.

Alaska Product Preferences—AS 36.15

This chapter of the Alaska Statutes applies to projects financed by state money in which the use of timber, lumber, and manufactured lumber products is required, only timber, lumber and manufactured lumber projects originating in this state from local forests shall be used wherever practicable. The law requires the insertion of this clause in calls for bids and in all contracts awarded.

Permits and Environmental Procedures

The Alaska Department of Environmental Conservation (ADEC) regulates all activities in Alaska that might pollute the air, water or soil. There are dozens of ADEC permits related to constructing and operating public buildings. The law requires the following permits, including others designated by the commissioner. The following list is not intended to be all-inclusive.

- Air Emissions Permit
- Anadromous Fish Protection Permit
- Authorization for Tidelands Transportation
- Brine or Other Salt Water Waste Disposal Permit
- Burning Permit during Fire Season
- Coal Development Permit
- Critical Habitat Area Permit
- Dam Construction Permit
- Driveway Permit
- Encroachment Permit
- Miscellaneous State Land Use Permit
- Mineral and Geothermal Prospecting Permits
- Occupied Tide and Submerged Land
- Open Burning Permit
- Permit for Use of Timber or Materials
- Permit to Appropriate Water
- Pesticides Permit
- Preferred Use Permit
- Right-of-Way and Easement Permits
- Solid Waste Disposal
- Special Land Use Permit
- State Game Refuge Land Permit
- State Park Incompatible Use Permit
- Surface Oiling Permit
- Surface Use Permit
- Tide and Submerged Lands Prospecting Permit
- Tidelands Permit
- Tidelands Right-of-Way or Easement Permit
- Utility Permit
- Waste-Water Disposal Permit
- Water Well Permit
**Instructions**
Please update this form with your community’s information, as well as COVID-19 expenses by spending area for the quarter. The six spending areas are outlined on pages 2-3 of this document. The full document can be found using the link below. Please email completed documents to: xx.xx@alaska.gov within 15 days of each quarter’s end. Contact 907-465-4660 with any questions.


**Community Information**

<table>
<thead>
<tr>
<th>Community Name</th>
<th>Street Address Including City, State, and ZIP Code</th>
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<tbody>
<tr>
<td>Contact Name</td>
<td>Telephone</td>
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<td>Email Address</td>
<td>Web Site</td>
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**For Quarter Ending:**
**MM/DD/YYYY**

**Spending Area**

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<tr>
<th>Spending Area</th>
<th>For amounts &gt; $25K, enter details on page 4</th>
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<td>Medical</td>
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<td>Public Health</td>
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<td>Economic Support</td>
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**Signature**

Signature of the Person Submitting this Form

**Name**

**Date of Signature**

MM DD YY
Eligible expenditures include, but are not limited to, payment for:

1. **Medical expenses** such as:
   - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
   - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
   - Costs of providing COVID-19 testing, including serological testing.
   - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
   - Expenses for establishing and operating public telemedicine capabilities for COVID-19 related treatment.

2. **Public health expenses** such as:
   - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
   - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
   - Expenses for disinfection of public areas and other facilities, e.g., nursing homes, in response to the COVID-19 public health emergency.
   - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
   - Expenses for quarantining individuals.

3. **Payroll expenses** for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. The Coronavirus Relief Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.

4. **Expenses of actions to facilitate compliance** with COVID-19-related public health measures, such as:
   - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
Covid-19 Quarterly Expenditures
By Community

- Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
- Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
- Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
- COVID-19-related expenses of maintaining State prisons and community jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
- Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.

5. **Expenses associated with the provision of economic support** in connection with the COVID-19 public health emergency, such as:
   - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
   - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
   - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

6. **Any other COVID-19-related expenses** reasonably necessary to the function of government that satisfy the Fund’s eligibility criteria.

For further information and clarification on allowable expenditures within each of the categories referenced above, please refer to U.S. Treasury’s latest guidance found at the following link:

## Covid-19 Quarterly Expenditures By Community

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount &gt;$25K</th>
<th>Spending Area</th>
<th>Description</th>
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The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The CARES Act established the Coronavirus Relief Fund (the “Fund”) and appropriated $150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (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 during the period that begins on March 1, 2020, and ends on December 30, 2020.\(^1\)

The guidance that follows sets forth the Department of the Treasury’s interpretation of these limitations on the permissible use of Fund payments.

**Necessary expenditures incurred due to the public health emergency**

The requirement that expenditures be incurred “due to” the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be “necessary.” The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

**Costs not accounted for in the budget most recently approved as of March 27, 2020**

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost

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\(^1\) See Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act.
is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The “most recently approved” budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

A cost is “incurred” when the responsible unit of government has expended funds to cover the cost.

Nonexclusive examples of eligible expenditures

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
   - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
   - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
   - Costs of providing COVID-19 testing, including serological testing.
   - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.

2. Public health expenses such as:
   - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
   - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
   - Expenses for disinfection of public areas and other facilities, e.g., nursing homes, in response to the COVID-19 public health emergency.
   - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
   - Expenses for quarantining individuals.

3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
   - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
   - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
   - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
   - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
   - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
   - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.

5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
   - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
   - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
   - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund’s eligibility criteria.

Nonexclusive examples of ineligible expenditures

The following is a list of examples of costs that would not be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.3
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

2 In addition, pursuant to section 5001(b) of the CARES Act, payments from the Fund may not be expended for an elective abortion or on research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death. The prohibition on payment for abortions does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.
Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions.

3 See 42 C.F.R. § 433.51 and 45 C.F.R. § 75.306.
4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.

5. Reimbursement to donors for donated items or services.

6. Workforce bonuses other than hazard pay or overtime.

7. Severance pay.

8. Legal settlements.
Coronavirus Relief Fund
Frequently Asked Questions
Updated as of May 4, 2020

The following answers to frequently asked questions supplement Treasury’s Coronavirus Relief Fund (“Fund”) Guidance for State, Territorial, Local, and Tribal Governments, dated April 22, 2020, (“Guidance”).1 Amounts paid from the Fund are subject to the restrictions outlined in the Guidance and set forth in section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”).

Eligible Expenditures

Are governments required to submit proposed expenditures to Treasury for approval?

No. Governments are responsible for making determinations as to what expenditures are necessary due to the public health emergency with respect to COVID-19 and do not need to submit any proposed expenditures to Treasury.

The Guidance says that funding can be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. How does a government determine whether payroll expenses for a given employee satisfy the “substantially dedicated” condition?

The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.

The Guidance says that a cost was not accounted for in the most recently approved budget if the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. What would qualify as a “substantially different use” for purposes of the Fund eligibility?

Costs incurred for a “substantially different use” include, but are not necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty’s ordinary responsibilities.

Note that a public function does not become a “substantially different use” merely because it is provided from a different location or through a different manner. For example, although developing online

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instruction capabilities may be a substantially different use of funds, online instruction itself is not a substantially different use of public funds than classroom instruction.

**May a State receiving a payment transfer funds to a local government?**

Yes, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act. Such funds would be subject to recoupment by the Treasury Department if they have not been used in a manner consistent with section 601(d) of the Social Security Act.

**May a unit of local government receiving a Fund payment transfer funds to another unit of government?**

Yes. For example, a county may transfer funds to a city, town, or school district within the county and a county or city may transfer funds to its State, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, a transfer from a county to a constituent city would not be permissible if the funds were intended to be used simply to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify as an eligible expenditure.

**Is a Fund payment recipient required to transfer funds to a smaller, constituent unit of government within its borders?**

No. For example, a county recipient is not required to transfer funds to smaller cities within the county’s borders.

**Are recipients required to use other federal funds or seek reimbursement under other federal programs before using Fund payments to satisfy eligible expenses?**

No. Recipients may use Fund payments for any expenses eligible under section 601(d) of the Social Security Act outlined in the Guidance. Fund payments are not required to be used as the source of funding of last resort. However, as noted below, recipients may not use payments from the Fund to cover expenditures for which they will receive reimbursement.

**Are there prohibitions on combining a transaction supported with Fund payments with other CARES Act funding or COVID-19 relief Federal funding?**

Recipients will need to consider the applicable restrictions and limitations of such other sources of funding. In addition, expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds, are not eligible uses of Fund payments.

**Are States permitted to use Fund payments to support state unemployment insurance funds generally?**

To the extent that the costs incurred by a state unemployment insurance fund are incurred due to the COVID-19 public health emergency, a State may use Fund payments to make payments to its respective state unemployment insurance fund, separate and apart from such State’s obligation to the unemployment insurance fund as an employer. This will permit States to use Fund payments to prevent expenses related to the public health emergency from causing their state unemployment insurance funds to become insolvent.
Are recipients permitted to use Fund payments to pay for unemployment insurance costs incurred by the recipient as an employer?

Yes, Fund payments may be used for unemployment insurance costs incurred by the recipient as an employer (for example, as a reimbursing employer) related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

The Guidance states that the Fund may support a “broad range of uses” including payroll expenses for several classes of employees whose services are “substantially dedicated to mitigating or responding to the COVID-19 public health emergency.” What are some examples of types of covered employees?

The Guidance provides examples of broad classes of employees whose payroll expenses would be eligible expenses under the Fund. These classes of employees include public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Payroll and benefit costs associated with public employees who could have been furloughed or otherwise laid off but who were instead repurposed to perform previously unbudgeted functions substantially dedicated to mitigating or responding to the COVID-19 public health emergency are also covered. Other eligible expenditures include payroll and benefit costs of educational support staff or faculty responsible for developing online learning capabilities necessary to continue educational instruction in response to COVID-19-related school closures. Please see the Guidance for a discussion of what is meant by an expense that was not accounted for in the budget most recently approved as of March 27, 2020.

In some cases, first responders and critical health care workers that contract COVID-19 are eligible for workers’ compensation coverage. Is the cost of this expanded workers compensation coverage eligible?

Increased workers compensation cost to the government due to the COVID-19 public health emergency incurred during the period beginning March 1, 2020, and ending December 30, 2020, is an eligible expense.

If a recipient would have decommissioned equipment or not renewed a lease on particular office space or equipment but decides to continue to use the equipment or to renew the lease in order to respond to the public health emergency, are the costs associated with continuing to operate the equipment or the ongoing lease payments eligible expenses?

Yes. To the extent the expenses were previously unbudgeted and are otherwise consistent with section 601(d) of the Social Security Act outlined in the Guidance, such expenses would be eligible.

May recipients provide stipends to employees for eligible expenses (for example, a stipend to employees to improve telework capabilities) rather than require employees to incur the eligible cost and submit for reimbursement?

Expenditures paid for with payments from the Fund must be limited to those that are necessary due to the public health emergency. As such, unless the government were to determine that providing assistance in the form of a stipend is an administrative necessity, the government should provide such assistance on a reimbursement basis to ensure as much as possible that funds are used to cover only eligible expenses.
May Fund payments be used for COVID-19 public health emergency recovery planning?

Yes. Expenses associated with conducting a recovery planning project or operating a recovery coordination office would be eligible, if the expenses otherwise meet the criteria set forth in section 601(d) of the Social Security Act outlined in the Guidance.

Are expenses associated with contact tracing eligible?

Yes, expenses associated with contract tracing are eligible.

To what extent may a government use Fund payments to support the operations of private hospitals?

Governments may use Fund payments to support public or private hospitals to the extent that the costs are necessary expenditures incurred due to the COVID-19 public health emergency, but the form such assistance would take may differ. In particular, financial assistance to private hospitals could take the form of a grant or a short-term loan.

May payments from the Fund be used to assist individuals with enrolling in a government benefit program for those who have been laid off due to COVID-19 and thereby lost health insurance?

Yes. To the extent that the relevant government official determines that these expenses are necessary and they meet the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance, these expenses are eligible.

May recipients use Fund payments to facilitate livestock depopulation incurred by producers due to supply chain disruptions?

Yes, to the extent these efforts are deemed necessary for public health reasons or as a form of economic support as a result of the COVID-19 health emergency.

Would providing a consumer grant program to prevent eviction and assist in preventing homelessness be considered an eligible expense?

Yes, assuming that the recipient considers the grants to be a necessary expense incurred due to the COVID-19 public health emergency and the grants meet the other requirements for the use of Fund payments under section 601(d) of the Social Security Act outlined in the Guidance. As a general matter, providing assistance to recipients to enable them to meet property tax requirements would not be an eligible use of funds, but exceptions may be made in the case of assistance designed to prevent foreclosures.

May recipients create a “payroll support program” for public employees?

Use of payments from the Fund to cover payroll or benefits expenses of public employees are limited to those employees whose work duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

May recipients use Fund payments to cover employment and training programs for employees that have been furloughed due to the public health emergency?

Yes, this would be an eligible expense if the government determined that the costs of such employment and training programs would be necessary due to the public health emergency.
May recipients use Fund payments to provide emergency financial assistance to individuals and families directly impacted by a loss of income due to the COVID-19 public health emergency?

Yes, if a government determines such assistance to be a necessary expenditure. Such assistance could include, for example, a program to assist individuals with payment of overdue rent or mortgage payments to avoid eviction or foreclosure or unforeseen financial costs for funerals and other emergency individual needs. Such assistance should be structured in a manner to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.

The Guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. What is meant by a “small business,” and is the Guidance intended to refer only to expenditures to cover administrative expenses of such a grant program?

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

The Guidance provides that expenses associated with the provision of economic support in connection with the public health emergency, such as expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures, would constitute eligible expenditures of Fund payments. Would such expenditures be eligible in the absence of a stay-at-home order?

Fund payments may be used for economic support in the absence of a stay-at-home order if such expenditures are determined by the government to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency.

May Fund payments be used to assist impacted property owners with the payment of their property taxes?

Fund payments may not be used for government revenue replacement, including the provision of assistance to meet tax obligations.

May Fund payments be used to replace foregone utility fees? If not, can Fund payments be used as a direct subsidy payment to all utility account holders?

Fund payments may not be used for government revenue replacement, including the replacement of unpaid utility fees. Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the recipient to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services.

Could Fund payments be used for capital improvement projects that broadly provide potential economic development in a community?
In general, no. If capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects.

However, Fund payments may be used for the expenses of, for example, establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity or improve mitigation measures, including related construction costs.

*The Guidance includes workforce bonuses as an example of ineligible expenses but provides that hazard pay would be eligible if otherwise determined to be a necessary expense. Is there a specific definition of “hazard pay”?

Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19.

*The Guidance provides that ineligible expenditures include “[g]payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.” Is this intended to relate only to public employees?

Yes. This particular nonexclusive example of an ineligible expenditure relates to public employees. A recipient would not be permitted to pay for payroll or benefit expenses of private employees and any financial assistance (such as grants or short-term loans) to private employers are not subject to the restriction that the private employers’ employees must be substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

*May counties pre-pay with CARES Act funds for expenses such as a one or two-year facility lease, such as to house staff hired in response to COVID-19?

A government should not make prepayments on contracts using payments from the Fund to the extent that doing so would not be consistent with its ordinary course policies and procedures.

Questions Related to Administration of Fund Payments

*Do governments have to return unspent funds to Treasury?

Yes. Section 601(f)(2) of the Social Security Act, as added by section 5001(a) of the CARES Act, provides for recoupment by the Department of the Treasury of amounts received from the Fund that have not been used in a manner consistent with section 601(d) of the Social Security Act. If a government has not used funds it has received to cover costs that were incurred by December 30, 2020, as required by the statute, those funds must be returned to the Department of the Treasury.

*What records must be kept by governments receiving payment?

A government should keep records sufficient to demonstrate that the amount of Fund payments to the government has been used in accordance with section 601(d) of the Social Security Act

*May recipients deposit Fund payments into interest bearing accounts?

Yes, provided that if recipients separately invest amounts received from the Fund, they must use the interest earned or other proceeds of these investments only to cover expenditures incurred in accordance with section 601(d) of the Social Security Act and the Guidance on eligible expenses. If a government deposits Fund payments in a government’s general account, it may use those funds to meet immediate cash management needs provided that the full amount of the payment is used to cover necessary
expenditures. Fund payments are not subject to the Cash Management Improvement Act of 1990, as amended.

**May governments retain assets purchased with payments from the Fund?**

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds provided by section 601(d) of the Social Security Act.

**What rules apply to the proceeds of disposition or sale of assets acquired using payments from the Fund?**

If such assets are disposed of prior to December 30, 2020, the proceeds would be subject to the restrictions on the eligible use of payments from the Fund provided by section 601(d) of the Social Security Act.
Establishing Grant Programs for Nonprofits Responding to the COVID-19 Crisis

As the state’s municipal and nonprofit associations, our interest is in supporting 165 cities and boroughs and the 6,000 Alaska nonprofits serving residents in those and other Alaska communities. Alaska’s local governments recognize that nonprofits are a major economic driver for Alaskans and their families, partnering with government in delivering essential services, leveraging public funds for maximum impact through public/private partnerships, investing in our communities, and helping ensure community well-being and quality of life for all Alaskans.

We recognize that some but not all local governments have existing grant programs. The following considerations can be applied to existing local granting programs or to new programs set up to manage the COVID-19 relief and recovery effort.

The following guidance is intended to offer a streamlined process for how local governments can effectively implement nonprofit support programs for relief and recovery during this public health and economic crisis, as allowed under the CARES Act and other funding sources. As partners, AML and The Foraker Group stand ready to support local governments in developing funding programs that encourage nonprofit partner access and participation. Alaska communities are building on this strong partnership today and into the future.

Considerations for any grant or relief program:

Nonprofits just like our small businesses will need support in two time frames and maybe even three.

- They need support now for the adaptations they have made to ramp up and serve Alaskans and to maintain their missions with closed programs and no revenue. Many have applied for federal CARES Act and PPP funding but this process will be slow to turn critical funding to the sector and there will likely not be enough for all who apply.

- They will need support three-to-nine months from now. The CARES funding is a temporary fix for economic conditions that will last much longer. Nonprofits will need funding to carry them from the time CARES and PPP funding ends and the economic conditions resume to a viable level to sustain the work.

- And those that rely on tourism, seafood, and oil and gas will also likely need more support measured in years, not months, to recover from the impacts of this pandemic.

- The federal relief makes a distinction in its offerings between support to maintain employment and financial relief for mission work impacted by COVID-19. Grant opportunities must take both into account as some of our strongest mission-oriented organizations have small staff because of their use of networks, collaborations, and volunteers. Their missions are still greatly impacted so employment alone cannot be the sole criteria.

Access to any of these options would require:

- The nonprofit was negatively impacted by COVID either through rapid expansion or adaptation to serve the community or because of forced closure in the name of public health.
○ Or develop own process if capacity

*This process could be managed through the clerk or finance office or through a partnership under an agreement with a local entity like a local community foundation, The Alaska Community Foundation, or other industry umbrella nonprofits for emphasis on specific topics like tourism. (Note that their granting process and fee structure will likely differ from this process so establishing the relationship is an essential first step.)

Decision-making process:

- Establish a simple matrix to ensure funding is distributed across issue areas, regional geography, and relief and recovery needs. (Note: Foraker and AML can provide a template. Additionally, if a needs assessment or survey instrument is available to establish the known needs in your community, we recommend using it to build a more specific decision matrix.)

- Keep the decision-making process at the manager level for smaller amounts

- Establish grant review committees for larger requests with nonprofit representation and expertise

- Bring slate of pre-approved grants to the council or assembly for approval as required

Distribution process:

- Consider release of full amount, especially for smaller amounts – by check or ACH

- If you have capacity, distribute in installments – similar to Governor’s proposal for municipalities – this allows for internal tracking along the way

- Require single reporting depending on the size of the grant

- Compile all information into a simplified report to OMB to account for CARES Act requirements

- Encourage development of an impact dashboard, maybe through AML and Foraker, to demonstrate how CARES Act funds have helped Alaskans

Options for partnerships to maximize capacity and speed of delivery:

- Foraker can share applications or notifications with nonprofits as grant opportunities emerge.

- Foraker can advise or troubleshoot challenges to support nonprofit education and grant making.

- Foraker and AML can provide a decision matrix or other template examples.

- AML can play a role in managing applications if desired and/or interested or if there is limited capacity at the local level.

- AML can augment capacity of local governments in support of reporting and compliance requirements with the state or federal government.

- Local community foundations are experts in local grant making and have systems in place to manage the grant application process in partnership with local governments.
FOR IMMEDIATE RELEASE
May 12, 2020

Applications open for Municipality's Small Business Grant Pilot Program

ANCHORAGE — The Municipality of Anchorage dedicated $1 million for grants to small businesses and nonprofits impacted by COVID-19. Too many small businesses and nonprofits are bearing the cost of responding to the public health crisis, and this fund will provide some support as Anchorage moves through these incredibly challenging times. The Municipality is partnering with Cook Inlet Lending Center (CILC) to process and distribute small business and nonprofit stabilization funds. The application period opens today, May 12, and closes at 6:00 p.m. on Friday, May 22, 2020.

Up to 120 small businesses and nonprofits impacted by COVID-19 will receive a grant to help with expenses including payroll, employee benefits, rent, utilities, taxes, and paying vendors. Businesses and nonprofits with two to seven employees are eligible to receive a grant of $10,000. Sole proprietors are eligible for a $5,000 grant. This is a pilot program to better understand the level of need for Anchorage small businesses and nonprofits, and could be expanded at a later date if additional funding is available.

Eligible small businesses and nonprofits are those that:
- had less than $1 million in gross revenue in 2019;
- had no more than seven total full-time or part-time employees at any one time in 2019;
- have a location in the Municipality of Anchorage; and
- have not received or have a pending application for federal COVID-19 relief funding.

Franchises, payday lenders, pawn shops, bingo halls, pull tab businesses, and businesses legally restricted to patrons over age 18 or 21 are not eligible to apply. Sole proprietors must make 75% of their annual gross income from the business to be eligible. Up to 20% of the funding will go to sole proprietors, and another 20% to eligible nonprofits.

"I heard and saw too many local businesses and nonprofits that were unable to get federal relief funds. Because we are all in this together, they should have support as we move through these difficult times. This program helps fill the gap and give us a better sense of the need that exists in the community," said Mayor Ethan Berkowitz.

"The Municipality is poised to begin providing critical financial assistance to overlooked businesses and small nonprofits that provide essential services in our communities. Cook Inlet Lending Center is eager to help get these resources out to the organizations that need them," added Gabe Layman, the Chief Operating Officer for Cook Inlet Housing Authority.

Applications and more information can be found at the Cook Inlet Lending Center website. Applications can be submitted online, via email to reliefgrant@cookinletlending.com, or mailed to 3600 Spenard Road, Suite 100, Anchorage, AK 99508. Applications will be available in Spanish, Tagalog, Hmong, Samoan, Korean, Vietnamese, Russian, Chinese Mandarin, and Arabic.

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