

**Q.** What expenses qualify for reimbursement?

**A.** For an expense to be reimbursable under the cares act, the expense must be:

1. Necessary to combat, eradicate, or slow the spread of COVID-19;
2. Not accounted for in the Town's budget as of March 27<sup>th</sup>, 2020; and
3. Incurred between March 1<sup>st</sup>, 2020, and December 30<sup>th</sup>, 2020.

Examples of covered costs will be broken into commonly addressed topics:

#### **Elections**

1. Tents for outdoor voting? If the townhall is not large enough to accommodate social distancing, making it necessary to move outdoors, then these tents may be covered.
2. Costs for moving the polling place, i.e. increased costs from a different facility, extra working hours due to moving equipment? Yes, if it is necessary to move the polling place, then these costs would be covered.
3. Can the funds be used to improve the town hall, if being used for the election, i.e. ramps for those with disabilities, improved HVAC system? Look at the three factors, (1) are these costs necessary? The HVAC may need to be improved to comply with DEED, but an inspection should occur first. (2) Were these costs budgeted for prior to March 27<sup>th</sup>? If so, then these costs can not be reimbursed. (3) Were the costs incurred between March 1<sup>st</sup> and December 30<sup>th</sup>?
4. Are other election costs eligible, PPE, improved voting equipment, etc.? Depends on how you would review them under the three factor test.

#### **Costs Related to Managing the Township**

1. Non-budgeted elements to help mitigate spread of COVID-19? Depends on whether the cost is actually being used to mitigate the spread of COVID-19.
2. Can video equipment, or sound equipment be reimbursed? If the purpose was to properly adhere to the open meeting law, then yes, if the purpose is to simply increase the town hall capabilities, the ability to do so is limited.
3. HVAC replacement/put in?
  - a. If there is no HVAC system, and the town board has had their town hall inspected and the recommendation from the inspection is that it is likely necessary to have one put in to comply with DEED guidelines, then CARES Act funds may be used.
  - b. If the system is to replace or upgrade the current one, make sure that it is (1) inspected, and (2) to replace/upgrade the current system.
4. An updated phone to conduct remote meetings? Probably not, it would be best to seek the most cost effective and beneficial alternative, which is likely a tablet or a small laptop like a *ChromeBook*. If just a participant in the meeting, all that is needed is a phone line.
5. Elected official misses meeting due to illness? Not a substantially different or unexpected cost, even though not specifically budgeted for, it is unlikely this expense is simply due to COVID-19. In other words, it is expected that some officers may get sick each year.

6. Town Tuesday call? It depends on the purpose, if its for a better understanding on how to respond to COVID-19 response, yes, for additional information on town governance probably not. If the officer is paid a monthly stipend rather than hourly, the cost is already an expected cost.
7. Hazard, or increased pay due to COVID-19? Probably, examine the three-part test.
8. Economic loss for election judges when moving to mail balloting – covered? Probably not and this is oftentimes cheaper.
9. Expenses for broadband and education? Yes, if the cost is necessary to provide education and not budgeted for prior to March 27<sup>th</sup>.

### **Lost Revenue**

1. The CARES Act does not cover lost revenue. For instance, if the town was going to rent the town hall, and was unable to due to COVID-19, the CARES Act **DOES NOT** cover those economic losses.

### **Emergency Services**

1. First responders need upgraded communications? Unlikely to be covered. The cost is not necessary to reduce the spread of COVID-19.
2. Ambulance association? Depends on the specific cost, examine the three factor test..

### **Private Associations**

1. Baseball diamond was closed for fundraising tournament.? Probably not, Most likely to be considered lost revenue.
2. Fire relief associations? Private associations that are not covered.

**Q.** What is the time period for eligible expenses ?

**A.** The CARES Act covers expenses incurred after March 1, 2020, and prior to Nov. 15<sup>th</sup>.

**Q.** When must we return CARES Act funds?

**A.** Surplus CARES Act funds must be transferred to the County by Nov. 20<sup>th</sup>.

**Q.** Who do we receive the CARES Act money from? And do we receive all of it, or only some?

**A.** Towns receive CARES Act money is in one of two ways depending on their population:

1. Towns over 200 residents as of 2018. These towns receive all of the CARES Act money from the State after sending in the certification to the Property Tax Administration, found here.
2. Towns under 200 residents as of 2018. These towns have their CARES Act money held by the county and would have to work with the county regarding how much to receive and when. During this process, the county does not dictate what the town may or may not spend their money on.

**Q.** Are we able to reimburse for expenses, if the actual service or product was not provided for until after November 15<sup>th</sup>?

**A.** Yes, the date the expense was incurred is what matters, not the day when service/product was provided.

**Q.** What if the product or service was ordered/contracted for prior to Nov. 15<sup>th</sup> with the expectation of receiving it prior to the 15<sup>th</sup>, but due to circumstances out of the town's control, the town was not able to pay the expense until after the 15<sup>th</sup>?

**A.** This is a *very grey area* but the town can likely be reimbursed for those costs, but keep good receipts and good minutes detailing towns reasoning and show the expense was appropriate at the right time. The town board should not try to pre-pay expenses during the eligibility period for service or products that will be used or received after the eligibility period.

**Q.** Do we have to submit documentation to receive funds?

**A.** Towns less than 200 in population will need to make some application to their county to receive reimbursement for expenses. Towns over 200 population receive their CARES Act funding up-front and spend down their distribution. In either case, the town should expect to make periodic spending reports to the state or county, depending on where their money is distributed from.

**Q.** Should we apply sooner or later?

**A.** Sooner is likely better, as it would provide the ability for the town to respond quickly if necessary.

**Q.** Should we create a separate fund/account?

**A.** Yes, treat the money similarly to road and bridge money from gas taxes, this way, the township can be assured they are only spending the CARES Act money when necessary.

**Q.** Does using Help America Vote Act (HAVA) CARES Act Grant Money (money specifically related to election administration during COVID-19) affect local government aid CARES Act Eligibility?

**A.** No, these two funds are separate from each other, so there is no concern about these funds affecting each other.

**Q.** Can the town provide Grants to private businesses affected by COVID-19?

**A.** Technically yes, but a town should be very wary of trying doing so for several reasons. The town would need to setup up a grant program that requires applicants to give information about their financial status, receipt of other funding, intentions for the money received, affirmations that the money will be used for proper purposes, and eventually awards the funding based on need.

**Q.** Will MAT provide a template for a grant to businesses given by Towns?

**A.** At this time MAT does not have a template for distribution and we do not know if one will be developed. Town trying to provide grants to private businesses should consult the town the town attorney for help.

**Q.** Are counties providing extra aid to towns?

**A.** Maybe? We have only heard of one county currently doing so.

**Q.** Different county and MAT numbers based upon how much we get, why?

**A.** Not sure, MAT gets their numbers from the Department of Revenue, [found here](#).

**Q.** Can we give unused money to the county to help in their response?

A. The town may transfer their CARES Act money to other local governments, but there will likely be situations that arise in which the funds will be useful, and it is unlikely that the towns will be able to receive more money to replace what was transferred.