



pennsylvania

DEPARTMENT OF COMMUNITY
& ECONOMIC DEVELOPMENT

COVID – 19 COUNTY RELIEF BLOCK GRANT

August 4, 2020

Presented to:
County Commissioners, Planning Directors,
and Associated Staff Members

AGENDA

- Webinar directions
- Introductions and Background
- Contracting
- Monitoring
- Additional Guidance
- Closing

BACKGROUND

- **TITLE VI— CORONAVIRUS RELIEF FUND**
 - Sec 601. Coronavirus Relief Fund
 - (d) Use of funds.—A State, Tribal government, and unit of local government shall use the funds provided under a payment made under this section to cover only those costs of the State, Tribal government, or unit of local government 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 the date of enactment of this section for the State or government; and
 - “(3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

CONTRACTING AND PROCUREMENT

CONTRACTING

- When selecting projects to execute keep in mind the following:
 - Projects must be for mitigation, in response to, or for the prevention of the spread of COVID – 19
 - All expenditure costs must be incurred by 12/30/2020
- Administrative spending & proportioning
- Financial Status Reports (FSR) due beginning September 1, 2020
(please include general ledger)
- When emailing your FSR and general ledger, please include your county name, contract number and report month in the subject line of your email. **Example: “Your” county, C0000xxxxx, September FSR**
- Send monthly reports to RA-DCEDInvoicing@pa.gov

CONTRACTING

- Possibility of additional funding
 - Notification on December 1st
 - No updated budgets will be needed
 - Admin will be determined for those that haven't met the \$200,000 threshold
 - Amendments electronically signed (immediately)
 - Invoices for additional funding to be submitted as soon as possible, but no later than December 7th
 - Payments distributed by December 15th
 - Costs must be incurred by December 30th

PROCUREMENT

- The County or Municipality must follow its own procurement policy and procedures when procuring goods and services

EXPIRATION DATE

- Currently, there is no possibility that the December 30th deadline will be extended
- Funds cannot be placed in an escrow account, even if for an eligible project (costs must be incurred by 12/30)
- There is not an additional 90 days to expend funds
- Sub granted funds = costs incurred by 12/30

SUB-AGREEMENTS

- Must enter into a sub-agreement
- All contract provisions flow down to each sub-agreement
- DCED will waive requirement to approve each sub-agreement, but reserves the right to request information of who was awarded, etc.
- Any agreement must have all elements of 2 CFR 200.330 – 200.332
- Operational needs to meet demands

SUB-AGREEMENTS

- DCED will not provide a template for these sub-agreements but recommends that the agreement includes or identifies the following (at a minimum):
 - Entity
 - Amount
 - Timeframe
 - Activity
 - Reporting requirements
 - Monitoring elements
 - Record keeping (including retention periods)
 - Contract provisions

CONFLICT OF INTEREST

- **Conflict of Interest**
 - Each County and Municipality must follow its own policy when reviewing applications submitted by an employee
 - Must be consistent with DCED's contract provisions related to conflict of interest
 - *...establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties*

MONITORING AND REPORTING

MONITORING & REPORTING

- Timeframes for Monitoring
 - To begin late August, early September
 - Target completion date February 28, 2021 or sooner
- Monitoring Process
 - Will request lists of sub-agreement vendors
 - Application for vendors (e.g. self reporting)
- Monitoring Documentation
 - General Ledger *(to be sent with your monthly FSR)*
 - Supporting Documentation for charges against grant
Includes documentation from sub-agreements

MONITORING AND REPORTING

- Reporting
 - Payroll charged to the grant must be supported with a timesheet
 - Actual receipts must be maintained
 - Estimates
- Interest earned
 - May use for COVID related purposes
 - Can be used for admin (COVID related) costs but may not exceed 2% of grant amount or cap of \$200,000 (whichever is less)
 - May not use if unused funds have to be returned

SMALL BUSINESS ASSISTANCE

SMALL BUSINESS ASSISTANCE

- As part of the DCED's monitoring process, we will request lists of awarded applicants to compare with DCED applicants. If duplication is found then, DCED will further investigate.
- Must have a mechanism for self-reporting (e.g. if they have received PPP or Small Business Loan, etc.)
- This program can cover the following:
 - Operating Expenses (*similar to Small Business Assistance eligible expenditure examples*)
 - Revenue Replacement (use at your own risk)
 - Expenses in preparation for future outbreaks are not permitted

SMALL BUSINESS ASSISTANCE

- **Eligible Expenditure Examples (not all-inclusive):**
 - Rent
 - Mortgage interest
 - Utility Bills
 - Cable
 - Internet
 - Phone
 - Spoilage
 - PPE purchases
 - Cleaning supplies
 - Unemployment Compensation Costs
 - Any cost associated with the preparation of the place of business to mitigate the spread of COVID - 19

NON-PROFIT ASSISTANCE

NON-PROFIT ASSISTANCE

- County must inform non-profit that it cannot be reimburse for expenditures that will be reimbursed by another funding source
- This program can cover the following:
 - Operating Expenses (*similar to Small Business Assistance eligible expenditure examples*)
 - Revenue Replacement (use at your own risk)
 - Expenses in preparation for future outbreaks are not permitted
- Eligible entities may include (but not limited to):
 - School programs
 - Churches
 - Libraries

NON-PROFIT ASSISTANCE

- Eligible Expenditure Examples (not limited to):
 - Replenishing Food Pantries
 - Costs of increasing shelters (persons experiencing homelessness)
 - Operating Expenses (such as):
 - Rent
 - Mortgage interest
 - Bills
 - Cable
 - Internet
 - Phone
 - Spoilage
 - PPE purchases
 - Cleaning supplies
 - Any cost associated with preparing the place of business to mitigate the spread of the COVID-19 virus

TOURISM AND BEHAVIORAL HEALTH

TOURISM

- This program can cover the following:
 - Operating Expenses (*similar to Small Business Assistance eligible expenditure examples*)
 - Revenue Replacement (use at your own risk)
 - Expenses in preparation for future outbreaks are not permitted

BEHAVIOR HEALTH

- Eligible Expenditures:
 - Treatment
 - Any allowable costs under the Assistance to Counties and Municipalities that is in direct response to COVID-19 Virus
 - Expenditure Examples (not limited to):
 - Services that address PTSD (i.e. frontline workers, etc.)
 - People adversely affected by stay at home orders, etc.
 - Mental health behaviors - Increases in drug and alcohol, gaming, physical abuse, loss of loved ones, kids lack of socialization, etc.

ASSISTANCE TO COUNTIES & MUNICIPALITIES

ASSISTANCE TO COUNTIES & MUNICIPALITIES

- **Eligible Expenditures:**
 - **Medical Expenditures**
 - 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 storage of PPE, equipment and cleaning supplies (e.g. vacant office space, temporary storage sites, etc.)
 - Costs of providing COVID19 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

ASSISTANCE TO COUNTIES & MUNICIPALITIES

- **Eligible Expenditure (cont'd):**
 - **Public Health**
 - 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 person 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

ASSISTANCE TO COUNTIES & MUNICIPALITIES

- **Eligible Expenditure:**
 - **Public Health (cont'd)**
 - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19 related threats to public health and safety
 - Expenses for public safety measures undertaken in response to COVID-19
 - Expenses for quarantining individuals

ASSISTANCE TO COUNTIES & MUNICIPALITIES

- 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.
 - 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.

ASSISTANCE TO COUNTIES & MUNICIPALITIES

- 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.
- *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.*

ASSISTANCE TO COUNTIES & MUNICIPALITIES

- Ineligible expenses (not limited to):
 - Expenses in preparation for future outbreaks
 - Debt service
 - Usually an ongoing debt and should have been already accounted for in all budgets
 - If diverting money used to pay debt service to COVID-19 related activities, can ask for reimbursement for those allowable activities, diverted for that purpose

COMMUNITY DEVELOPMENT/CONSTRUCTION

- Generally not permitted Capital improvement projects:
 - Must be directly related to mitigation/prevention
 - Were not accounted for in the most recent budget
 - Expenditures between 3/1/2020 and 12/30/2020

Otherwise, funds may not be used for such projects
- *Eligible expenditure example: Establishing temporary public medical facilities/testing centers and other measures to increase COVID-19 treatment capacity or improve mitigation measures, including related construction costs*

EQUIPMENT PURCHASE

- Purchase to offset the cost of direct county response
- Planning and outreach
- Examples could include:
 - Purchase of PPE

BROADBAND

BROADBAND

- Each County should evaluate its needs (i.e. who or what percentage is underserved or unserved) to determine what projects may be reasonably justified
- Focus efforts on those projects able to be completed in timeframe provided and delivering increased capacity during the current public health emergency
- Benefit of this work must be available during the pandemic
- Any expenditure incurred, or work performed, after December 30, 2020 must be paid with Non-CARES Act funding

BROADBAND

- Areas of focus may include schools/telelearning, teleworking, etc.
- Eligible Expenditure Examples (not all-inclusive):
 - Air Cards
 - Hot Spots
 - Fiber Optic Cables
 - Towers

Such expenditures would only be permissible if they are necessary for the public health emergency. The costs of projects would not be expected to increase capacity to a significant extent until the need for distance learning and teleworking have passed due to the public health emergency and, therefore, would not be necessary due to the public health emergency; thus would not be an eligible use of fund payments.

PAYROLL

PAYROLL

- 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 (As of March 27, 2020) but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions

PAYROLL

- **Eligible Expenditures:**

- 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.
- 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 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.
- Payroll costs for public health and public safety employees are considered eligible with no justification needed.

PAYROLL

- **Eligible Expenditures (cont'd):**

- 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.
- 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.
- Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
- 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.

REMINDERS

- Any COVID-19-related expenses that are reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.
- Criteria:
 - are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
 - 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
 - were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020
- Operational needs to meet demands

REMINDERS

- Ineligible Expenditures:
 - Expenses for the State share of Medicaid
 - Damages covered by insurance
 - Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency
 - 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
 - Reimbursement to donors for donated items or services
 - Workforce bonuses other than hazard pay or overtime
 - Severance pay
 - Legal settlements

INFORMATIONAL

- Please send all questions to our resource account at CountyReliefBlockGrant@pa.gov
- Send monthly reports to RA-DCEDInvoicing@pa.gov
- Forms and additional resources can be found (located under additional information) here:
<https://dced.pa.gov/programs/covid-19-county-relief-block-grant-program/>

DCED Financial Management Center

Brad Shover, Director Compliance & Monitoring
Nadine Ibberson, Director Quality Assurance & Operational Support

bshover@pa.gov

nibberson@pa.gov