



## Guidelines on Use of CARES Act Coronavirus Relief Funds

Counties in Nevada have been awarded Coronavirus Relief Funds (CRF) in amounts allocated based on unincorporated population. Those funds must be expended by December 30<sup>th</sup>, 2020 and can only be used for expenses directly related to COVID-19.

Here is exactly how the federal law says you can spend these funds:

**USE OF FUNDS.— ... to cover only those 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 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.**

Additionally, the U.S. Treasury has released detailed guidance on how these funds can be used, including a series of frequently asked questions. Please review those carefully. They can be found [here](#).

NACO has studied the guidance and been in communication with other States and Nevada's Congressional Delegation about this legislation and how these dollars can be spent. *It is very important to remember the following:*

- 1) These funds **cannot** be used for lost revenue.<sup>1</sup>
- 2) You **must** keep an accounting of ALL CRF expenditures. The State is subject to federal audit for the use of these dollars. NACO has a tracking sheet we can share with you, or, you are allowed to use CRF funds to hire an accountant to manage this tracking.
- 3) We recommend that you create a plan for how you will expend your allocation as soon as possible. These funds must be expended by December 30<sup>th</sup>, 2020 and can be used to reimburse COVID-19 expenditures beginning on March 1, 2020. Please return any dollars that you know you will not use either to the State, or, you could also grant dollars to another local government within your jurisdiction. Please determine as soon as possible whether you will have funds that you cannot use, so that these funds can be spent on other programs to benefit Nevadans (and not returned to the Feds).
- 4) If you have cities in your county, those cities received a substantial portion of CRF dollars – please work with them to think about ways you can expend these dollars regionally.

### The following is a List of Allowed Uses for your CRF Allocation

**COVID-19 Emergency response:** Salaries and benefits for overtime or additional employees needed to respond to or as a result of COVID-19; costs for emergency operations center; services and supplies; any capital outlay.

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<sup>1</sup> Though there is legislation proposing to change the law to allow CRF to be used for lost revenue, no legislation has been passed to make this change as of Jun 19, 2020

**Public Health** (*please collaborate with your health district or DPBH – State Public Health – on these programs*): Testing costs (could be ongoing throughout 2020 and include cost of tests and staff or infrastructure needed to conduct tests); contact tracing including staff supplies, and other needs; investing in preparations (supplies, facilities) to conduct vaccinations (when/if vaccine becomes available); emergency shelter for homeless; quarantine beds/facilities for those who may have been exposed and cannot or should not isolate at home.

**County Jail:** COVID-19 related health costs for inmates; cleaning and sanitation, ongoing; testing; PPE, ongoing.

**PPE:** For county employees; emergency response; for businesses in your community; for any activities related to the public health response (testing, contact tracing etc..)

**Human Services:** Additional Senior Services Costs; additional costs for existing services including staff overtime, new staff, benefits, supplies etc..; additional programs created in response to COVID-19 including staff costs, supplies, and infrastructure, capital outlay; food and Shelter for those in need as a result of COVID-19 (job loss, sickness, quarantine) and all associated program costs (staff, leasing, supplies etc..); burial Assistance; grants to non-profits or community organizations who have been impacted by COVID-19 or who can provide services to those impacted.

**Assistance to Residents Affected by COVID-19 or Job Loss Due to COVID-19:** Rental assistance; utility assistance; direct financial assistance for those out of work as a result of the pandemic or the resulting recession.

**Paid Leave:** As mandated through previous Coronavirus federal legislation, and FMLA paid leave that was required under CARES; any paid leave that can be attributed to COVID-19

**Payroll:** 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.

**Retrofit of any county buildings, facilities, or systems to allow for social distancing and remote operation:** PPE; plexiglass shields at counters and between desks; new office furniture; building retrofits (only those required to reconfigure working space or spaces needed for interaction with the public); software to allow county operations licensing etc., to be performed online.

**Outreach/Communications:** materials for education about social distancing, testing etc, for residents and businesses. This could include media relations.

**Cleaning/Sanitization:** supplies and equipment; any new staff or overtime, including cost of benefits; for additional ongoing cleaning of all county facilities including county buildings, parks, cars, etc.

**Elections:** any costs related to voting by mail; any new costs related to social distancing at polling sites; cleaning/sanitizing equipment; training for any new equipment or procedures required due to COVID-19.

**Costs related to working remotely:** IT costs; new equipment, computers, software, subscriptions; other equipment required for employees to work remotely.

**Unemployment Insurance:** for employees laid off due to coronavirus costs.

**Workers Comp:** for any COVID-19 related claims.

**County Hospital:** the county may grant their public/county hospitals dollars for any/all hospital costs that are directly related to COVID-19; overflow/surge capacity - beds in the event hospitals reach capacity during a second wave.

**Job Training:** Job training or workforce programs to serve those out of work as a result of the pandemic.

**Costs related to the expenditure of CRF funds including:** Additional staff to keep an accounting of ALL county CRF expenditures (track all internal expenditures and receipts for purchases and external contracts or services); additional costs to comply with the Single Audit Act (required for use of federal funds over \$750,000); additional staff or contactors to create or stand up any new, public health, emergency response, human services or business assistance programs that will be funded with CRF dollars.

**Business Assistance:** Grants to small/businesses who incurred expenses related to the economic shutdown caused by COVID-19, as well as operating during the pandemic;

***NACO has put together a list of examples of grant programs that counties have created to provide grants to small businesses using CRF dollars. [Clark County's](#) is included and has a simple application process. This list is below.***

## Examples of Grant Programs to Small Businesses Using County Coronavirus Relief Funds

### Clark County

Applications are now available for the County's Small Business Stabilization Grant, which will help local small businesses affected by coronavirus-related closures and restrictions.

The application is available for review at [www.ClarkCountyNV.gov/EconomicDevelopment](http://www.ClarkCountyNV.gov/EconomicDevelopment). Business owners will be allowed to submit their grant applications from June 17 to 24. The program will award local businesses up to \$5,000 or \$10,000 (the maximum depends upon how many employees the business has) for working capital, which includes general expenditures such as rent, utilities, inventory or payroll.

To qualify for this grant a business must be based in Clark County, have a local business license and have 20 or fewer employees. Additional information about grant qualifications is available online. Grant awards could be made in July.

The business stabilization grant is one of three the County is offering to help local small businesses recover from financial hardships brought on by coronavirus-related restrictions. The other two programs are a Small Business Rental Assistance program, which will provide up to \$10,000 to cover past-due rent, and a Small Business Protective Retrofit Grant, which will reimburse businesses up to \$5,000 for costs such as purchasing personal protective equipment for employees and installing no-touch doors and walk-up windows. Applications for these two programs are expected to be available online before the end of June.

Clark County has partnered with the Nevada Small Business Development Center at UNLV for those who may need assistance with the application process. The Nevada Small Business Development Center at UNLV is online at [www.unlv.edu/sbdc](http://www.unlv.edu/sbdc) and can be reached at (702) 895-5019.

Altogether, the three grant programs could provide more than \$19 million to help more than 2,800 local small businesses. More information about the grant programs is available through the County's Office of Community and Economic Development website at [www.ClarkCountyNV.gov/EconomicDevelopment](http://www.ClarkCountyNV.gov/EconomicDevelopment). The funding for the grant programs comes from the federal Coronavirus Aid, Relief, and Economic Security (CARES) CARES Act.

### Kent County, Michigan

**CRF allocation: \$114,633,581.40 million**

**CRF Plan Overview:** Kent County allocated \$30 million of the county's CRF payment to be used for a new [Kent County Small Business Recovery Fund](#) to support for-profit businesses with 25 or less full-time employees in Kent County. Qualified businesses will receive short-term economic relief grants based on the size of business and operating costs. Technical assistance and six-months cash flow projections/analysis will also be provided to these small businesses. The funds will be administered by the Grand Rapids Chamber.

**Kern County, California****CRF allocation:** \$157,078,307

**Plan Overview:** Kern County has a major focus on supporting small businesses impacted by COVID-19, and has allocated \$25 million of its CRF funding. The county established the [Kern Small Business Support Program](#), which is a coordinated effort with local business lenders. The partnership between the county and four lenders, to provide forgivable loan in an amount up to four months of average payroll or \$75,000 to Kern County's local small businesses having less than 50 employees and \$5 million in annual revenues. Unlike the federal PPP, Kern County's program has added flexibility that will aid businesses during various phases of economic reopening. Kern County is unique is that it is working with local lenders/banks to distribute CRF funds and support.

**DuPage County, Illinois****CRF allocation:** \$161,042,598.00 million

**Plan Overview:** DuPage County launched Reinvest DuPage, a grant relief program developed in partnership with Choose DuPage (nonprofit, Economic Development Council) for small businesses and independent contractors impacted by COVID-19. DuPage will fund the program with \$7 million in monies received under the CARES Act, and Choose DuPage will administer the loan with support from DuPage County and local banking and financial experts. The program will provide grants of up to \$15,000 for DuPage County-based businesses with fewer than 15 full-time employees and less than \$1.5 million in annual revenues. Monies received under the program may be used for payroll, rent, mortgage payments, utilities, and other expenses necessary to maintain operations. For more information, [click here](#).

**Volusia County, Florida****CRF allocation:** \$96,543,792

**Plan Overview:** Volusia County established a new COVID-19 Fund, which allocated up to \$10 million in CRF funds to implement the Relaunch Volusia: Small Business Reopening Grant Program. The program will make direct grants of up to \$3,000 to qualifying small businesses (no more than 25 full-time employees). For more information, [click here](#).

**Orange County, California****CRF allocation:** \$554,133,764.90 m

**Plan Overview:** On May 26th, Orange County allocated \$75 million equally between five supervisorial districts for economic support initiatives. These supervisorial districts can use its sub-allocation of the county's CRF payment to fund business recovery programs, small business grants and/or loans administered in conjunction with a commercial lending institution. Date Released: 04/28/2020 Link(s): [http://cams.ocgov.com/Web\\_Publisher\\_Special/Agenda05\\_26\\_2020\\_files/images/CEO%20ASR\\_985496\\_0.PDF](http://cams.ocgov.com/Web_Publisher_Special/Agenda05_26_2020_files/images/CEO%20ASR_985496_0.PDF)

**Miami-Dade County, Florida****CRF allocation:** \$474,085,078

**CRF Plan Overview:** Miami-Dade County allocated \$25 million towards a newly established small business support program, the RISE Miami-Dade Fund. The revolving loan program will also seek private dollars with the objective of accumulating more than \$50 million. **The Citi Foundation, the community foundation for CitiBank, has agreed to become the first corporate supporter to the fund.** Additionally, the Dade County Federal Credit Union will administer the RISE Fund, with loans originating at local community development financial institutions (CDFIs). For more information, [click here](#).

**Bucks County, Pennsylvania****CRF allocation:** \$109,628,270

**CRF Plan Overview:** As part of its CRF allocation, Bucks County established the Bucks Back to Work Small Business Program. The program, funded at \$6 million, will provide a loan up to \$25,000 (or 25 percent of annual operating expenses) to businesses with fewer than 50 full-time employees and less than \$700,000 in gross annual revenue. Under the program, funds can be used for payroll expenses, rent/mortgage assistance, NACo County CRF Plans | June 6, 2020 | 5 supplies and other operating expenses. If a business would like to apply for a loan, the application fee is \$150. For more information, click [here](#).