

**Coronavirus Relief Fund
Guidance for State, Territorial, Local, and Tribal Governments
Updated September 2, 2020**

The CARES Act requires that the payments from the Coronavirus Relief Fund only be used to cover expenses 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.

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.**

Thus, a grant or loan, for example, provided by a recipient using payments from the Fund must be used by the subrecipient only to purchase (or reimburse a purchase of) goods or services for which receipt both is needed within the covered period and occurs within the covered period.

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.
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. (*interpreted as public employees*)
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
United States Treasury Coronavirus Relief Fund Frequently Asked Questions
Updated as of September 2, 2020

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.

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.

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.

May payments from the Fund be used to cover across-the-board hazard pay for employees working during a state of emergency?

No. Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19. Payments from the fund may only be used to cover such hazard pay.

May Fund payments be used for expenditures necessary to prepare for a future COVID-19 outbreak?

Fund payments may be used only for expenditures necessary to address the current COVID-19 public health emergency. For example, a State may spend Fund payments to create a reserve of personal protective equipment or develop increased intensive care unit capacity to support regions in its jurisdiction not yet affected, but likely to be impacted by the current COVID-19 pandemic.

UWCC-FFTC COVID-19 Response Fund: CARES Act Funding Round

Frequently Asked Questions

Who is eligible to receive CARES Funding?

Funding is available to organizations that meet the following eligibility criteria:

1. Established as a 501 (c) 3 organizations on or before January 1, 2017
2. Maintain operating budgets equal to or greater than \$50,000
3. Based in, and providing services to, residents of the City of Charlotte and/or Mecklenburg County
4. Provide direct services or community facing activities (i.e. intermediary organizations wishing to redirect funds to sub-recipients or organizations that exist solely for fundraising purposes are not eligible)

AND are able to

5. Must be able to submit 501 (c) 3 letter, their audited financials or certified financial review, and their 990 from the most recent fiscal and tax year
6. Document unexpected program expenses related to a higher demand for
 - a. Increased incremental operational expenses [e.g., PPE purchases, COVID-related facility modifications or technology investments] to respond to COVID-19
 - b. Reductions in planned net revenues due to cancellations of budgeted fundraising events, annual campaigns, and/or other revenue generating activities
7. Attest that any expense to be covered by the grant request has not been covered by other public or private funding source.

Is the eligibility for and purpose of the CARES funding the same as in prior COVID 19 Response Fund rounds?

No. This is a different application and has different eligibility and documentation criteria.

Can I submit more than one application?

Each organization is only allowed one submission for both the city and county. You may not submit two or more applications targeting both city and county funding, or targeting more than one priority area.