

# IOWA CARES ACT FAQs

UPDATED 09/11/2020

## 1. What are the approved uses of the LGRF?

- Acquisition and Distribution of:
  - Personal Protective Equipment
  - Sanitizing Products
  - Testing Equipment and Supplies (test kits)
  - Ventilators
  - Other necessary COVID-19 Medical Supplies and Equipment
- Other necessary expenditures:
  - Temporary Isolation or Quarantine Sites
  - Medical Transportation
  - Expenses for Sanitizing Public Areas and other Public Facilities
  - Temporary Emergency Staffing and overtime costs for staff that is substantially dedicated to the mitigation or response to the COVID-19 Public Health Emergency
  - Payroll costs for public health and public safety employees for services dedicated to mitigating or responding to the COVID-19 public health emergency
    - As a matter of administrative convenience in light of the emergency nature of this program, local governments may presume that 25% payroll costs for public health employees and 25% of payroll costs for public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
  - Equipment used for the conduct of meetings by telephonic or electronic means
  - Software or technology infrastructure to allow for local services to be provided while social distancing
  - Additional costs associated

## 2. What expenses are ineligible uses for the LGRF?

- Expenses that were accounted for in the most recently approved budget (with the exception of 25% of Public Health and Public Safety payroll)
- 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
- Reimbursements to donors for donated items or services
- Workforce bonuses
- Severance pay
- Legal settlements
- All costs related to primary elections (including mail-in ballots, postage, etc.) Please contact the State about HAVA funds availability.
- Paid leave to keep non-essential employees on payroll
- Interoperability

- Costs already reimbursed with federal funds (other than FEMA)

### 3. Who is eligible to apply?

City and County governments are eligible to apply for funding. Local government entities that have a separate taxing authority from the City or County are not eligible to apply. If a City or County applies on behalf of a separate local governmental entity, they assume the risk and liability for the proper use of the CARES funds in accordance with the U.S. Treasury Department Guidance. Funds may only be used to cover costs that:

- 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 government entity's budget most recently approved as of March 27, 2020 (not applicable to payroll costs);
- Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020; and
- Have not been reimbursed or where reimbursement has not been requested from another source of funds including, but not limited to, other federal programs.

### 4. Must a City or County submit a FEMA Request for Public Assistance (RPA) prior to submitting an application through the LGRF?

A City or County must first submit an RPA for eligible items before requesting from the State. An item cannot be reimbursed by both FEMA and the State.

- If a City's or County's costs are associated with items typically eligible under the FEMA Public Assistance program but in total, those costs do not meet the minimum project threshold for FEMA Public Assistance, \$3,300, these items are considered ineligible for FEMA Public Assistance and the City or County may apply directly to the LGRF without submitting an RPA.
- If a City's or County's costs are associated with items ineligible under the FEMA Public Assistance program, the City or County does not need to submit an RPA and may apply directly to the LGRF.
- Under the FEMA Public Assistance program, equipment over \$5,000 is subject to a deduction of the fair market value of the equipment. Costs ineligible for reimbursement through the FEMA Public Assistance program can be requested for reimbursement through the LGRF as long as it meets the approved uses as outlined above.
- A Request for Public Assistance (RPA) may be submitted at [my.iowahomelandsecurity.org](http://my.iowahomelandsecurity.org). Instructions on how to submit a RPA can be found at <https://www.youtube.com/watch?v=EStOi7GTIGo&feature=youtu.be>.
- The following resources are provided for more information on what is eligible under FEMA Public Assistance:
  - <https://www.youtube.com/watch?v=pey9mBvI6O0>
  - <https://www.fema.gov/disasters/coronavirus/fact-sheets>
  - Katie Waters, State Public Assistance Officer, [katie.waters@iowa.gov](mailto:katie.waters@iowa.gov)

**5. Our budget was approved prior to March 27, 2020 and it included our public safety budget for the year. Can we claim 25% of the payroll costs for our public safety employees as expenses for the time periods provided?**

Yes. Although local government budgets were approved prior to March 27, local governments may presume that 25% of payroll costs for public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

**6. May a unit of local government receiving a Fund payment transfer funds to another unit of government post reimbursement?**

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.

**7. Does a City or County require an official ineligibility determination from FEMA to apply to the LGRF?**

No. A high-level eligibility review of LGRF applications will be conducted by the State to determine potential eligibility of costs under the FEMA Public Assistance program. If costs included on an LGRF application are referred to the FEMA Public Assistance program, and those costs are later determined ineligible under the FEMA Public Assistance, those costs may be resubmitted for reconsideration under the LGRF if the application period remains open.

**8. What happens to funds unspent by the December 30, 2020 deadline?**

The LGRF is currently only open for costs incurred between March 1, 2020 - September 30, 2020.

- Costs incurred between March 1, 2020 and July 31, 2020 shall be submitted by September 15, 2020.
- Costs incurred between August 1, 2020 and September 30, 2020 shall be submitted by October 9, 2020.

**9. Does a City or County need to enter all time sheet information on the labor cost worksheet or can a similar output in an electronic format be provided?**

The Labor Input, Fringe Benefits, and Labor Cost Worksheet have been provided as a preferred format. If you have similar Excel reporting documentation, please feel free to upload it and we will review to determine its appropriateness. Please email [localgovtreliiefund@iowa.gov](mailto:localgovtreliiefund@iowa.gov) prior performing data entry if you have questions or would like further clarification.

**10. The Guidance states that the Fund may support 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?**

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.

**11. May Fund payments be used to cover increased administrative leave costs of public employees who could not telework in the event of a stay at home order or a case of COVID-19 in the workplace?**

The statute 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. As stated in the Guidance, 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. If the cost of an employee was allocated to administrative leave to a greater extent than was expected, the cost of such administrative leave may be covered using payments from the Fund.

**12. The State's \$25 million FEMA allocation of the LGRF is being handled separately from this application process. Please do not duplicate those expenses in the LGRF application or workbook.**

- a. Please only submit items for LGRF reimbursement that are not eligible through FEMA under their current guidelines for reimbursement
- b. The LGRF Guidelines require applicants to first submit an application for reimbursement to the FEMA eGrants portal for eligible items before requesting any additional reimbursement from the State.
- c. The State share of any FEMA-approved expenditures are not part of the LGRF application.
- d. The minimum FEMA project threshold is \$3,300. If you are unable to meet this minimum, please note this in your Intake Application comments and continue to apply for LGRF reimbursement.
- e. There is no guarantee that FEMA will approve or deny your request prior to the LGRF deadline.

**13. How do I know if my employee or department are public safety or public health? Do water and sewer employees constitute public health or safety for the purpose of this program?**

Please evaluate your department's current placement in your budget. If the department is assigned to your public health / safety budget, include their expenses in your public health / safety request for reimbursement. For further verification, feel free to check the following classifications at the State of Iowa's Department of Administrative Services Website:

**Iowa Public Safety Employees:** <https://das.iowa.gov/human-resources/classification-and-pay/job-families#publicsafetycorr>

**Iowa Public Health Employees:** <https://das.iowa.gov/human-resources/classification-and-pay/job-families#health>

If you are still unsure, please submit your justification of COVID-19 related activities with their time card proof and your application for reimbursement will be evaluated for eligibility.

**14. Can we submit for lost revenue?**

This initiative is not currently reimbursing for lost revenue, it is only reimbursing for direct expenses related to COVID-19.

**15. Do I need to submit qualified expenses through the Intake Application for the portion that FEMA didn't pay? I understood that after FEMA approved my expenses, they would automatically be routed to the state for the state to pay their share at the end of the project.**

This application is only for LGRF reimbursement. An item may not be reimbursed by both FEMA (or another federal program) and the State, do not submit the same costs for reimbursement. The State share of any FEMA-approved expenditures are not part of the LGRF application. Please do not duplicate those expenses in the LGRF application or workbook.

Please submit all questions regarding FEMA submissions to:  
[support@iowahomelandsecurity.org](mailto:support@iowahomelandsecurity.org).

**16. Do you have any sample data collection documents counties have used to collect eligibility info from departments within a county?**

Not at this time.

**17. Can the county start new programs to provide grants to other units of governments for eligible expenditures?**

Yes, new programs can be started and reimbursements for these programs will be eligible for reimbursement under the LGRF guidelines. The County is responsible for confirming eligible uses of the funds sub-granted. Please note that a recipient of a new program may become ineligible from receiving benefits from a separate program upon receiving these benefits.

**18. The county contracts with a local hospital for public health services. Would we still be able to cover public health activities (i.e. testing, contact tracing, funding for a testing site/clinic, 25% for payroll costs, etc.)?**

Please submit the invoices from the hospital and list them on the Other Cost worksheet as the appropriate Category Type. This is a potential eligible cost as it is a service you are

paying for. If there is a contract involved, it is recommended that the contract be submitted as part of the supporting documentation. This will then be evaluated for eligibility.

**19. Is the FY20 budget the state budget form?**

The requested FY20 budget including any amendments passed through 3/27/20 supporting document is NOT the state budget form. This is supposed to be one or more internal documents from your software or a budget work paper showing the breakdown of just the payroll costs (pay and benefits) for the applicable public safety and/or public health department.

**20. Do I only enter 25% of my labor on the Labor Cost Worksheet tab?**

On the "labor cost worksheet", please enter 100% of the hours worked. The 25% only applied to the budget on the "instructions" worksheet.

**21. Do I have to enter my fringe benefits?**

If you are going to hit your State allocated maximum dollar amount with the hours worked alone, there is no need to calculate/fill out the "fringe benefits" worksheet.