

Local Government Distributions of the Coronavirus Relief Fund

Office of State Budget and Management –
Pandemic Recovery Office

July 9-10, 2020



Agenda

- Overview of Laws
- Funding Allocation
- Overview of Eligible Funding Areas
- Overview of Reporting Requirements
- Q&A



Important context

VERY IMPORTANT

This short presentation will not cover every aspect of Coronavirus Relief Funds.

1. If we do not address your question today, please consult the County FAQs on the NCPRO website.
2. If your question is also not answered by the FAQs, please consult with your county and, if it is still unclear, NCPRO will work with you and your County to resolve the question.



Where to Find FAQs

NC Pandemic Recovery Office (NCPRO)

The [North Carolina Pandemic Recovery Office \(NCPRO\)](#) will oversee and coordinate the state's fiscal response to the COVID-19 pandemic as we recover stronger, more resolved, and more resilient. The Office serves a critical role with coordination of over \$6 billion across hundreds of entities – both state and local governments, and non-profit and private organizations. NC PRO is directly responsible for the largest source of funds, the Coronavirus Relief Funds, and the Education Stabilization Funds.

Latest News & Information

- Check out our presentation from July 2, 2020 to [Public Universities on Reporting Requirements for the Coronavirus Relief Fund](#) . A downloadable pdf version of this presentation can be found [here](#) .
- On July 1, 2020, the Federal Emergency Management Agency (FEMA) released a [COVID-19 Fact Sheet on Coordinating Public Assistance and Other Sources of Federal Funding](#).
- Check out our presentation from June 30, 2020 to [Local Governments on the Distribution of the Coronavirus Relief Fund](#) . A downloadable pdf version of this presentation can be found [here](#).
- See our updated [FAQs for Public Hospitals](#).
- See our updated [FAQs for Private Hospitals](#).
- See our updated [FAQs for State Agencies and Higher Education](#).
- See our updated [FAQs for Counties](#).
- See our updated [FAQs for Non-Profits](#).





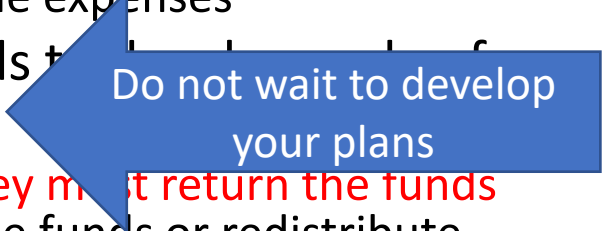
Overview of Laws

- CARES Act
 - Passed March 27, 2020
 - North Carolina \$7.6 billion
 - Loans \$13 billion
- Session Law 2020-4
 - Governor signed May 4, 2020
 - Appropriated Coronavirus Relief Funds (CRF)
 - ✓ The proper use of these funds is dictated by U.S. Treasury Guidance, which is regularly updated. Our FAQs are also continually updated to follow these guidelines as they change.
- Session Law 2020-80
 - Governor signed July 1, 2020
 - Appropriated additional Coronavirus Relief Funds



Legislative Overview

- Funds
 - SL 2020-4 appropriated \$150 million for counties
 - SL 2020-80 increased that to \$300 million
- In SL 2020-80 Counties must allocate at least 25% of the total funds for use by municipalities within the county
- These use of these funds are subject to the guidance released by the U.S. Treasury, including:
 - Must be spent by Dec 30, 2020
 - Must be spent on eligible, COVID-related expenses
 - Subject to recoupment if spent on ineligible expenses
- Requires all municipalities receiving funds to develop a plan for expenditure by Sept. 1, 2020
 - **If municipalities do not develop a plan, they must return the funds to the county.** The county may then use the funds or redistribute them to other municipalities within the County.



Do not wait to develop
your plans

These county and municipal allocations will also be posted on the NCPRO website.

NCPRO is working to get
these funds out ASAP.

We do not have a certain date yet.

	Round 1 Allocation	Round 2 Allocation	Total Allocation	Municipal Distribution		Round 1 Allocation	Round 2 Allocation	Total Allocation	Municipal Distribution		Round 1 Allocation	Round 2 Allocation	Total Allocation	Municipal Distribution
Alamance	3,007,967	3,289,822	6,297,789	1,574,447	Franklin	1,383,798	1,352,443	2,736,241	684,060	Orange	2,665,753	2,881,614	5,547,368	1,386,842
Alexander	860,088.5	727,740	1,587,828	396,957	Gaston	3,903,161	4,357,647	8,260,807	2,065,202	Pamlico	457,056	246,986	704,042	176,010
Alleghany	431,202.6	216,146	647,349	161,837	Gates	438,118	224,395	662,512	165,628	Pasquotank	897,950	772,902	1,670,852	417,713
Anson	647,744.4	474,447	1,122,191	280,548	Graham	387,338	163,822	551,160	137,790	Pender	1,276,007	1,223,865	2,499,872	624,968
Ashe	692,601.7	527,954	1,220,556	305,139	Granville	1,233,427	1,173,075	2,406,502	601,625	Perquimans	469,047	261,289	730,337	182,584
Avery	535,658.2	340,745	876,403	219,101	Greene	592,800	408,906	1,001,706	250,426	Person	892,515	766,420	1,658,935	414,734
Beaufort	1,014,607.8	912,057	1,926,665	481,666	Guilford*	-	-	-	-	Pitt	3,190,732	3,507,831	6,698,563	1,674,641
Bertie	558,273.9	367,722	925,996	231,499	Halifax	1,063,679	970,591	2,034,271	508,568	Polk	587,186	402,210	989,397	247,349
Bladen	782,397.7	635,067	1,417,465	354,366	Harnett	2,462,374	2,639,015	5,101,389	1,275,347	Randolph	2,587,509	2,788,281	5,375,791	1,343,948
Brunswick	2,573,728.3	2,771,843	5,345,571	1,336,393	Haywood	1,263,918	1,209,445	2,473,363	618,341	Richmond	979,383	870,039	1,849,421	462,355
Buncombe	4,499,663.3	5,069,181	9,568,844	2,392,211	Henderson	2,160,413	2,278,823	4,439,236	1,109,809	Robeson	2,375,312	2,535,163	4,910,475	1,227,619
Burke	1,722,220.7	1,756,128	3,478,349	869,587	Hertford	635,233	459,522	1,094,755	273,689	Rockingham	1,730,763	1,766,317	3,497,080	874,270
Cabarrus	3,771,761.4	4,200,908	7,972,670	1,993,167	Hoke	1,148,675	1,071,979	2,220,654	555,163	Rowan	2,561,818	2,757,636	5,319,455	1,329,864
Caldwell	1,587,063.0	1,594,906	3,181,969	795,492	Hyde	330,327	95,817	426,144	106,536	Rutherford	1,340,584	1,300,895	2,641,479	660,370
Camden	426,809.7	210,906	637,716	159,429	Iredell	3,208,043	3,528,481	6,736,524	1,684,131	Sampson	1,283,670	1,233,006	2,516,676	629,169
Carteret	1,380,348.5	1,348,328	2,728,677	682,169	Jackson	964,886	852,746	1,817,632	454,408	Scotland	816,582	675,843	1,492,425	373,106
Caswell	617,774.5	438,697	1,056,472	264,118	Johnston	3,656,014	4,062,840	7,718,854	1,929,714	Stanly	1,271,874	1,218,935	2,490,810	622,702
Catawba	2,845,947.2	3,096,557	5,942,504	1,485,626	Jones	403,250	182,803	586,054	146,513	Stokes	991,781	884,828	1,876,608	469,152
Chatham	1,461,651.4	1,445,310	2,906,961	726,740	Lee	1,255,165	1,199,004	2,454,168	613,542	Surry	1,417,933	1,393,161	2,811,094	702,773
Cherokee	715,526.6	555,300	1,270,827	317,707	Lenoir	1,160,309	1,085,855	2,246,164	561,541	Swain	482,194	276,971	759,165	189,791
Chowan	476,857.2	270,605	747,462	186,866	Lincoln	1,651,054	1,671,238	3,322,292	830,573	Transylvania	809,455	667,342	1,476,797	369,199
Clay	432,732.1	217,971	650,703	162,676	Macon	833,421	695,930	1,529,352	382,338	Tyrrell	315,342	77,942	393,284	98,321
Cleveland	1,843,629.9	1,900,950	3,744,580	936,145	Madison	603,961	422,220	1,026,181	256,545	Union	4,152,585	4,655,171	8,807,755	2,201,939
Columbus	1,153,133.4	1,077,296	2,230,430	557,607	Martin	615,106	435,514	1,050,620	262,655	Vance	974,599	864,333	1,838,932	459,733
Craven	1,911,835.1	1,982,308	3,894,143	973,536	Mcdowell	994,465	888,030	1,882,495	470,624	Wake*	-	-	-	-
Cumberland	5,708,841.6	6,511,541	12,220,382	3,055,096	Mecklenburg*	-	-	-	-	Warren	571,030	382,938	953,968	238,492
Currituck	701,713.1	538,823	1,240,536	310,134	Mitchell	493,469	290,421	783,890	195,972	Washington	438,410	224,744	663,154	165,789
Dare	852,148.6	718,269	1,570,417	392,604	Montgomery	692,114	527,372	1,219,486	304,871	Watauga	1,164,018	1,090,280	2,254,298	563,575
Davidson	2,977,053.5	3,252,946	6,230,000	1,557,500	Moore	1,891,351	1,957,874	3,849,224	962,306	Wayne	2,253,382	2,389,720	4,643,102	1,160,775
Davie	947,118.5	831,553	1,778,671	444,668	Nash	1,784,259	1,830,131	3,614,390	903,597	Wilkes	1,363,086	1,327,736	2,690,822	672,706
Duplin	1,205,735.4	1,140,042	2,345,778	586,444	New Hanover	4,064,953	4,550,639	8,615,592	2,153,898	Wilson	1,580,929	1,587,589	3,168,519	792,130
Durham	5,480,715.3	6,239,422	11,720,137	2,930,034	Northampton	566,995	378,125	945,120	236,280	Yadkin	862,854	731,039	1,593,894	398,473
Edgecombe	1,087,466.3	998,966	2,086,432	521,608	Onslow	3,470,516	3,841,570	7,312,086	1,828,022	Yancey	543,989	350,682	894,671	223,668
Forsyth	6,470,065.2	7,419,561	13,889,626	3,472,407										

Source: OSBM; Municipal share is 25% of total allocation (Round One + Round Two)



Overview of Fund Areas

Eligible expense areas

1. Medical expenses
2. Public health expenses
3. Payroll expenses
4. Expenses of action to facilitate compliance with COVID-19 related public health measures
5. Expenses associated with the provision of economic support in connection with COVID-19 public health emergency
6. Any other COVID- 19 public health emergency



Guidance of Use of Funds

- Examples of Necessary Expenses incurred due to COVID-19
 - **Medical Expenses**
 - Testing; temporary hospital facilities; emergency medical transportation; telemedicine
 - **Public Health Expenses**
 - PPE; sanitizing products; disinfecting public areas & facilities; quarantining individuals; contact tracing
 - **Payroll Expenses**
 - Employees must be “substantially dedicated” to mitigation responding to COVID-19
 - Public Safety and Public Health employees are presumed to be substantially dedicated
 - Public Health & Public Safety administrative positions are not presumed to be substantially dedicated
 - Hazard pay and overtime for substantially dedicated employees

Who this covers
is in the FAQs



Guidance on Use of Funds

Payroll Expenses continued

There is more information
about this in the FAQs

- “Substantially Dedicated”
 - If less than 50% dedicated to COVID-19 activities
 - Not eligible for CRF funds
 - If greater than 50% dedicated to COVID-19 activities, then
 - 100% of payroll covered by CRF funds
 - Salary, fringe benefits, overtime and hazard pay
- Family First Coronavirus Relief Act (FFCRA)
 - Applies to all government employers regardless of size
 - 80 hrs./employee sick, regular rate
 - 80 hrs./employee quarantine or childcare issues, 2/3 rate
 - 10 wks./employee extend family medical leave, 2/3 rate

The FAQ's speak to how this works



- **Examples of Necessary Expenses incurred due to COVID-19**

More
about this
in FAQ's

- Action to Facilitate Public Health Measures
 - Food delivery to seniors and vulnerable population; telework expenses; sick, FMLA and medical leave; sanitation and social distancing measures in State prison; care for homeless population
- Expenses associated with the provision of economic support (NOT REVENUE REPLACEMENT)



Guidance on Use of Funds

- **Examples of Necessary Expenses incurred due to COVID-19**
 - Expenses associated with the provisions of economic support
 - Marketing and Tourism
 - Related to reopening
 - Steps taken to ensure a safe experience
 - Small business assistance; unemployment; worker compensation
 - Grants and Loans
 - Business, nonprofits, individuals
 - Linkage to COVID-19 effects
 - Loans not issued by or repaid after December 30, 2020 must be returned to the State



- **Examples of Necessary Expenses incurred due to COVID-19**
 - Any Other COVID-19-Related Expenses
 - For example: additional expenses incurred as a result of a large increase in landfill debris because of the implementation of new public safety measures – more people are at home, generating more personal trash, generating more yard waste, etc.



Guidance of Use of Funds

- Unallowable

- NO Federally approved indirect cost allocation is not allowable
- NO Revenue replacement
- NO State Medicaid match
- NO Payroll for employee not dedicated to COVID-19
- NO Payroll for furloughed employees or employees that can't work remotely
- NO Severance or bonus pay
- NO double dipping

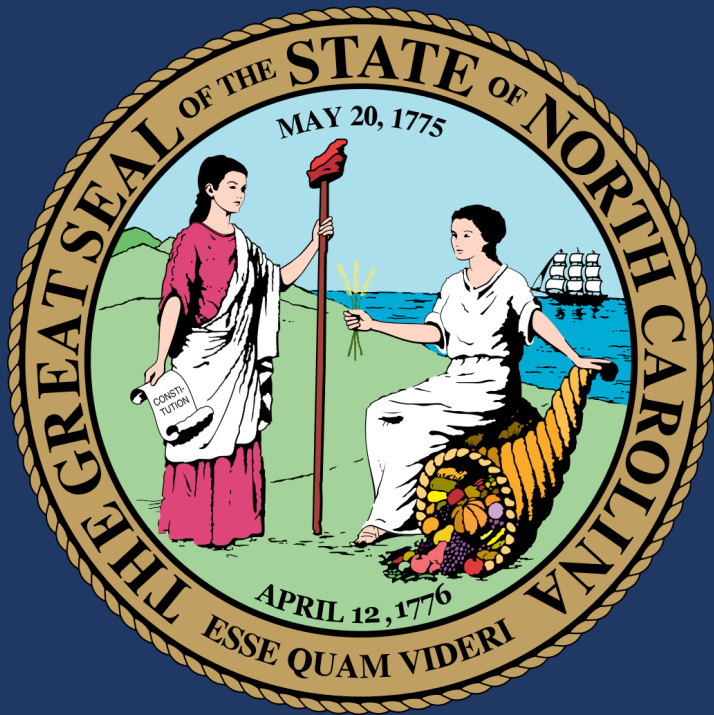
Hazard pay is allowable, bonus pay is not

NOTICE

Make absolutely sure that your expenditures are DIRECTLY mitigating COVID and are documented very well.

Counties and Municipalities are liable to the State for the misuse or mishandling of funds and are subject to clawback.

SL 2020-80 specifies that you can be held personally liable.



Reporting Requirements Overview



CARES Accounting and Revenue Recognition – Local Gov.

- CARES Act Accounting Requirements
 - CARES Act funds (CRF) should be budgeted and accounted for in a special revenue fund per NCGS 159-26(b)(2).
 - Not accounted for in the most recently approved budget, as of March 27, 2020 for the State or government; and
 - Necessary expenditures incurred due to the public health emergency related to the Coronavirus Disease 2019;
 - Incurred during the period of March 1, 2020 and December 30, 2020.
 - All expenditures are subject to an audit.
 - Local governments are responsible for documenting the dedication and duties
 - Guidance to Uniform Guidance:
 - 2 C.F.R. § 200.303 regarding internal controls
 - 2 C.F.R. § 200.330 through 200.332 regarding subrecipient monitoring and management
 - Subpart F regarding audit requirements



Reporting Requirements

- Must Report Use of Funds
 - Counties must submit monthly reports to NC PRO
 - Report will include
 - Use of funds
 - Unspent amounts
 - Must include all subrecipients use of funds



Monthly Reporting Due Dates

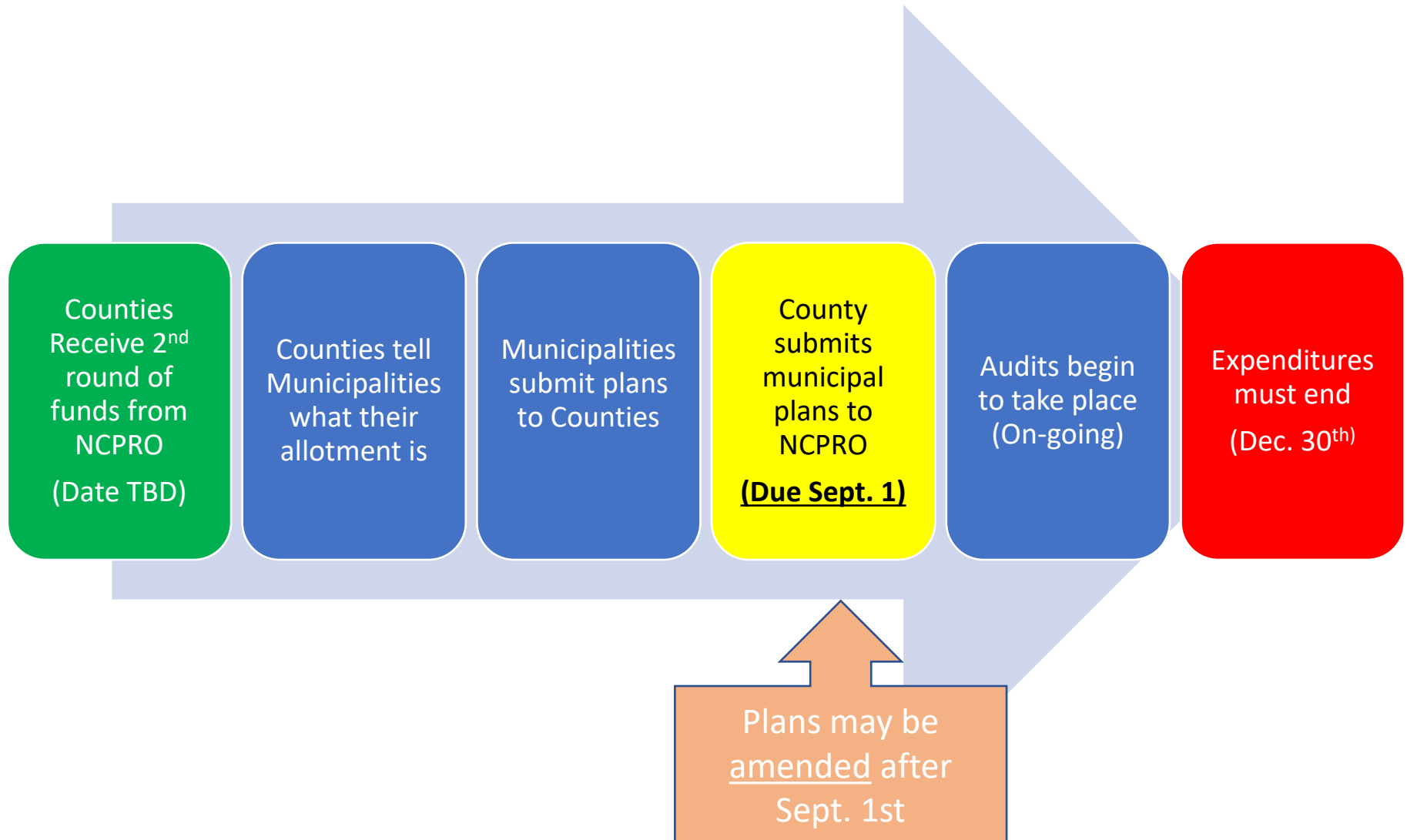
Reports are due by the following dates:

- July 20th
- August 20th
- September 21st
- October 20th
- November 20th
- December 21st
- January 20th

**Final reports are currently projected to be
due by the counties on March 15th**



Planning and expenditure overview





Upload and Download Links

Do not send information via email; send using the secure link provided in your invitation email

Dear «NAME»,

Please join the NC Pandemic Recovery Office (NCPRO) on Wednesday, June 24, 2020 at 3:00 pm for a presentation on the Coronavirus Relief Funds (CRF) appropriated to the «AGENCY» in NC Session Law 2020-4. This presentation will provide important information on the reporting requirements. It is essential that you join us to understand the reporting process for these funds. Please share this email with anyone within your organization that is responsible for reporting on these funds.

The link to the information session is here:

[CLICK HERE TO JOIN THE MEETING](#)

Also attached to this email is the download and upload link you will use to securely retrieve and send documents to and from the NCPRO office.

Download Link:

[«DownloadLink»](#)

Upload Link:

[«UploadLink»](#)

We ask that you please hold all questions until after the presentation on Wednesday, and we look forward to speaking with you then.

Kind regards,

NCPRO Team
North Carolina Pandemic and Recovery Office
Office of State Budget and Management

NCPRO@osbm.nc.gov

Dobbs Building
430 N. Salisbury Street,
MSC 20320
Raleigh, NC 27699-0320



**MAKE NC
COUNT**
CENSUS 2020

*Email correspondence to and from this address is subject to the
North Carolina Public Records Law and may be disclosed to third parties.*

IMPORTANT

STEP 1. Prepare your plan NOW

Your respective county has
a link to upload your plan
to NCPRO.

**It is due to NCPRO
office by September 1st**
Work with your counties to
develop this plan as soon
as possible so that you
may begin to use this
money



What does the plan look like and where can I get it?



North Carolina Pandemic Recovery Office Coronavirus Relief Fund (CRF) County Plan

Instructions

1. This document is to be used by counties to document the planned use of the CRF monies allotted in Session Law 2020-4.

2. Please add the name of your county name in front (of your muni name) of the existing names as follows: "NashCounty (Nashville)CRF plan"

3. [The NCPRO@osbm.nc.gov office must have your plan on or before September 1, 2020.](mailto:NCPRO@osbm.nc.gov)

4. Under Categories. Please aggregate the amount of all expenses for that specific category. Example amounts should be removed and you can enter the county amounts. The total must agree with your allotment.

The Municipality is responsible for maintaining adequate documentation to support expenditures. If estimates are being used the methodology must be documented and defensible. The Municipality is responsible for following the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards promulgated by the United States Office of Management and Budget unless the US Treasury publishes guidance stating otherwise.

County Information

Name of County:
Person Submitting:
Title:
Email:
Phone Number:

Planned Expenditures

Categories	Amount
1. Medical expenses such as: <ul style="list-style-type: none"> 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 providing COVID-19 testing, including serological testing. Emergency medical response expenses, including emergency medical 	

2. Public health expenses such as:

- 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 personal 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.
- 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.

\$ 150,000.00

3. 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.

\$ 200,000.00

4. 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.
- Expenses of providing paid sick and paid family and medical leave to 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.

\$ 75,000.00

5. 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.

\$ -

6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

\$ -

7. Grants to municipalities and nonprofits. List each planned subaward. (add more rows if necessary)

a. Town of ABC	\$ 100,000.00
b. City of 123	\$ 75,000.00
d.	

County plans can be seen at the NCPRO website



NCPRO Expenditure Reporting Process

Step 1

Receive Application from NCPRO

Step 2

Submit Attachments A-1, A-2, C, E, F, and G and Vendor Electronic Payment forms with letters from your bank or a voided check to through secure portal

Step 3

NCPRO processes documents, sends back contract for electronic signature

Step 4

Sign contract electronically. Executed contract is routed back to NCPRO

Step 5

NCPRO transfers funds to Entities

Step 6

Submit Proof of Use of funds to NCPRO monthly

Step 7

Submit Attachment F, the final report, Use ALL funds or Return unspent funds by December 30, 2020 to NCPRO

Step 8

Comply with NCPRO Audit Requests (before or after 12/30/2020)

STEPS 1-4

**Applicable to Nonprofits
and Hospitals Only**



Agreement Contract & Attachments

Do not send information via email; send using the secure link provided in your invitation email

NCPRO Documentation



Local Government Distributions of the Coronavirus Relief Fund Presentati...



Copy link



Local Government
Distributions of the
Coronavirus Relief Fund
Office of State Budget and Management –
Pandemic Recovery Office
June 30, 2020

Watch the video for more information on how to
account for your funds



Questions

We know we will not be able to address all your questions here today. For further guidance, please see our FAQs and reach out to your county for assistance.