

Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



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COMMISSIONER OF ADMINISTRATION

**CORONAVIRUS RELIEF FUND
FREQUENTLY ASKED QUESTIONS
LOCAL GOVERNMENT UNITS**

1. Who is considered a local government unit that must submit its own application for reimbursement for payment?

A parish, municipality, town, township, village, sheriff, coroner, clerk of court, district attorney or parish assessor must file its own application. All other government units, such as recreation districts, fire districts, district public defenders and hospital service districts, must have their requests for reimbursement submitted by the parish or local government units with which they are affiliated or from which they receive funds.

2. How are courts classified under the CARES Act?

District courts, juvenile courts, city courts, municipal courts, parish courts, mayors courts, etc. must have their requests for reimbursement submitted by the parish or local government units with which they are affiliated or from which they receive funds.

3. Are school districts eligible to receive reimbursement from the funds allocated to the local government units?

No.

4. Are publicly funded institutions of higher education eligible to directly apply for reimbursement through the Louisiana CARES Act funds or are they required to apply through their local parish?

Institutions of higher education are not eligible for reimbursement from the local government fund allocation. They must request reimbursement through their college or university systems for CARES Act funding that has been allocated to the state.

5. Can a local government unit apply for reimbursement of funds expended in retaining the services of a consultant to insure compliance with CARES Act program guidelines?

Yes, as long as such expenses are reasonable and necessary, expended in compliance with applicable state and local procurement requirements, properly documented and actually expended.

6. If the local government unit redeployed or repurposed personnel or resources to ensure compliance with the requirements of this program, are these costs reimbursable?

Yes, if such expenditures are properly documented and were incurred for a “substantially different use” from that which the costs were originally budgeted.

7. Can the local government unit receive an administrative fee for administering its own claims, as well as the claims of other entities which must file through it?

No. A local government unit can recover only the actual costs incurred and paid in processing applications in accordance with the program requirements as further explained in answer to Question 5 above.

8. Are expenses incurred for personnel and equipment to provide temperature screenings at public facilities covered?

Yes. Such would be eligible expenses incurred to facilitate compliance with COVID-19-related public health measures.

9. If a city or local government unit files its own application for reimbursement and that reimbursement comes out of the amount allocated to their parish, who decides how much each unit within that parish receives from the parish allocation?

If there is enough money to pay all units in a parish for all claims submitted, they will be paid in full. However, if the total claims for the parish exceed the available parish allocation, the payment to each unit will be distributed on a pro rata basis.

10. What are the submission and payment processes a government unit follows if it is filing on behalf of another local government unit(s)? How will the funds be dispersed?

If the government unit (the applicant) is filing on behalf of another or multiple local government units, it will submit a separate application for each. If approved, the applicant

will receive a single payment for each application submitted and is responsible for distributing the funds to the local government unit(s).

11. As it relates to the smaller units of government submitting requests for reimbursement through the parish, city or other local government unit (the applicant), would the applicant or smaller unit of government have exposure/liability, including a claim for recoupment of funds, in the event of a clawback?

The U.S. Treasury Department guidance indicates the federal government would seek to recoup the funds from the government unit that received the payment directly. For this reason, all applicants must execute the Federal Funding Certification and Agreement to Hold Harmless and Indemnify in favor of the state before applying for reimbursement. In the event of a clawback, the state would pursue the applicant for recoupment.

12. If the local government unit submits an application on behalf of another smaller unit of government, is a hold harmless or other such agreement between the two government units required?

No such agreement is required by the state; however, the state strongly recommends that any parish or other entity that will be submitting applications on behalf of smaller units of government secure a hold harmless/indemnity agreement from the smaller local government unit. The parish or other entity is free to adapt for its own use the state's agreement.

13. Is leave paid in accordance with the Families First Coronavirus Response Act (FFCRA) reimbursable?

Yes. Such leave must be for a qualifying reason as defined in the FFCRA, be properly documented as paid sick leave or as paid family medical leave, and the wages paid in accordance with the limitations set forth in the FFCRA.

14. Is leave paid to an employee reimbursable when that employee was unable to work due to a need to care for their child whose school or daycare was closed due to COVID-19?

Yes, if such leave was coded as qualifying under the FFCRA and wages paid to the employee were in compliance with the Act, i.e. wages were paid at 2/3 of the employee's regular rate of pay (up to \$200/day), reimbursement is permissible for the duration of time authorized by the FFCRA.

15. Is leave paid to an employee reimbursable when that employee was required by their employer to isolate at home due to possible exposure to COVID-19 even though the employee was asymptomatic?

Yes, within the limits of the FFCRA. The CARES Act identifies reimbursable expenses to include paid leave to public employees which facilitates compliance with COVID-19 public health precautions. Under the FFCRA, paid leave in this situation is limited to 80 hours at the employee's regular rate of pay (up to \$511/day).

16. If an employee was sent home on leave because a medical condition placed them in a "high risk category" for COVID-19, is that leave reimbursable?

Yes. As in the scenario in Question 15 above, the employer's forced placement of the employee off from work on leave was for the purpose of facilitating compliance with COVID-19 public health precautions. As such, the FFCRA would permit reimbursement of paid leave up to 80 hours at the employee's regular rate of pay (up to \$511/day).

17. Is leave paid to an employee reimbursable when that employee is experiencing symptoms of COVID-19 or tests positive for COVID-19?

Yes. Under the FFCRA, paid leave in this situation is limited to 80 hours at the employee's regular rate of pay (up to \$511/day).

18. Is leave paid to an employee reimbursable when that employee requires leave to care for an individual who is subject to a quarantine or isolation order or has been advised by a healthcare provider to quarantine or isolate due to COVID-19?

Yes. Under the FFCRA, paid leave in this situation is limited to 80 hours at 2/3 of the employee's regular rate of pay (up to \$200/day).

19. Is use by an employee of personal leave to receive wages beyond the limitations (\$511/day or 2/3 of \$200/day) authorized by the FFCRA subject to reimbursement under the CARES Act?

No. While the employee may opt to use personal leave to supplement wages allowed under the FFCRA, only the portion paid by the employer pursuant to the FFCRA is reimbursable.

20. If an employee requires leave beyond the duration of time authorized by the FFCRA, is the employer entitled to reimbursement for such extended period of leave under the CARES Act?

No. Pursuant to the FFCRA, leave is authorized for specific durations based upon the qualifying need. The reimbursement entitlement is limited to the time periods authorized by the FFCRA.

21. Is overtime worked due to COVID-19 reimbursable?

Yes, as long as the overtime is reasonable, necessary and directly related to COVID-19. It is recommended that reimbursement for overtime be submitted first to FEMA.

22. Are payroll costs for public health and public safety personnel reimbursable?

According to the guidance from the U.S. Treasury Department, eligible expenditures include 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. As further explained in the U.S. Treasury Department's "Frequently Asked Questions" which supplement the guidance, a state or local government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to COVID-19.

23. Are expenditures reimbursable through both the CARES Act and FEMA?

Yes. Certain expenditures, such as overtime, are eligible for reimbursement from both funding sources. However, under no circumstance can a government unit simultaneously submit requests for reimbursement from both funds. Duplication of benefits is not permissible.

24. Do local government units have to apply to FEMA before they can apply for funds under the CARES Act?

No. However, if expenses are eligible for reimbursement through both funding sources, it is recommended that qualifying expenses first be submitted to FEMA for reimbursement.

25. Is the 25% match associated with claims made through FEMA considered to be reimbursable through the CARES Act?

Yes. Once FEMA has obligated that expense, a request for reimbursement can be made through the CARES Act. The request should include documentation of FEMA's approval and documentation supportive of the underlying expenditures.

26. In requesting reimbursement for CARES Act funds in this first distribution, is a government unit permitted to submit only those expenses actually paid through April 30?

Yes.

27. Are expenses incurred, but not yet paid, subject to reimbursement under the CARES Act?

No. An expense must be paid to be eligible for reimbursement.

28. Who is authorized to sign the agreement (Federal Funding Certification and Agreement to Hold Harmless and Indemnity) required by the state?

The individual signing this document must be authorized by the governing body or elected official. This may require a formal resolution from the governing body or an affidavit from the elected official if an individual other than the elected official will execute the agreement.

29. If safety measures have been implemented to prevent the spread of COVID-19, such as installing protective glass around duty stations, are such expenses eligible for reimbursement?

Such expenses, if incurred and paid, are eligible for reimbursement with appropriate supporting documentation.

30. Is the state under the same expenditure guidelines and criteria as local government units?

Yes.

31. If the state denies a request for reimbursement, is there a process by which the local government unit can challenge the state's decision?

No such challenge process is available because the funds were appropriated to the state and the state's interpretation of the guidelines will prevail. However, the state will resolve all disputes during the review process.

32. Are costs such as expenditures for local food pantries eligible for reimbursement?

Yes, if the local government unit incurred and paid expenses for food and food delivery related to the COVID-19 event, such would be eligible expenditures.

33. If an assessor's office did a mass printing to show the status of the office during COVID-19, would that be eligible for reimbursement?

Yes, with appropriate documentation.

34. If we had to move prisoners to a different location, is that reimbursable?

Yes, if the relocation was due to COVID-19.

35. If temporary workers were hired to perform work which otherwise would have been completed by inmate trustees that were in lockdown status due to COVID-19, would these workers' payroll be covered under the act?

Yes, with appropriate supporting documentation.

36. In its review and evaluation of claims, are there types of eligible expenditures that the state plans to prioritize for funding over other expenditures?

No.

Supplemental FAQ's – Updated June 12, 2020

37. Will the amount of CARES Act funds allocated to each parish be published?

Yes. The allocations for each parish will be made available at www.LouisianaCares.la.gov once the appropriation to the Coronavirus Local Recovery Allocation Fund is final.

38. Does the state anticipate using CARES Act funds to issue grants to local businesses experiencing hardship due to COVID-19?

Senate Bill 189 of the 2020 Regular Session, if enacted, establishes the Louisiana Main Street Recovery Program which dedicates Three Hundred Million Dollars in economic support for eligible Louisiana businesses for costs incurred in connection with COVID-19. Additionally, local government units are authorized by the CARES Act to receive reimbursement for expenditures related to grants to small businesses to

reimburse the costs of business interruption caused by required closures. Any such reimbursements would be paid from that government's parish allocation of CARES funds.

39. Is hazard pay for public safety employees and/or public health employees an expense eligible for reimbursement under the CARES Act?

Yes, if determined by the local government unit to be a necessary and reasonable expense. Hazard pay is defined as additional pay for performing hazardous duty or work involving physical hardship related to COVID-19. Such requests must be supported by the appropriate payroll records and the local government unit's policy authorizing hazard pay.

40. If a pay period includes days prior to March 1, can the local government unit submit a request for reimbursement for the entire pay period?

No. Reimbursement for payroll costs can be submitted for the eligible time period only. Thus, for the current submission, if the pay period includes days prior to March 1, those days should not be included in the application for reimbursement.

41. If a pay period ends on or extends beyond April 30th, yet is not actually paid until after April 30th, can the payroll for the entire pay period be submitted for reimbursement?

Yes. The entire payroll can be submitted provided that proof of payment is included with the reimbursement request. This is the only exception to the requirement that expenses be incurred and paid during the expense reimbursement period. This exception will be applicable to all future expense reimbursement periods for expenses reimbursements related to payroll.

42. Are payroll expenses for all employees of a local government unit engaged in public health or public safety services reimbursable?

The U.S. Treasury Department guidance provides that a local government unit's payroll costs for public health and public safety employees are presumed to be payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency. However, this presumption does not automatically apply to payroll expenses for administrative staff and other personnel performing back office functions, i.e. human resources, budget, accounting, information technology, etc. (See also answer to #22)

43. Are payroll expenses for an administrative employee redeployed or repurposed to respond to the COVID-19 public health emergency reimbursable?

Yes, if such employee's work activities are properly documented as substantially dedicated to the COVID-19 response and for a substantially different use from that which the costs were originally budgeted.

44. Are there certain payroll expenses that are not reimbursable?

Yes. All leave, with the exception of leave properly documented and coded as qualifying under the Families First Coronavirus Response Act (FFCRA), are not subject to reimbursement.

45. Is state supplemental pay a reimbursable payroll expense?

No. Any such pay should not be included in the local government unit's request for reimbursement of payroll expenses.

46. What documentation is required to support a request for reimbursement of payroll expenses?

The following supporting documents must be submitted to verify the eligible payroll expenses that have been incurred and paid:

- a. A completed Payroll Expenditures Summary (Download template under "Required Documentation" section of the application at www.LouisianaCARES.la.gov);
- b. A summary payroll distribution report;
- c. Electronic Funds Transfer (EFT) confirmation of transfer(s) to the payroll clearing account (document showing what was submitted to the bank requesting the EFT); and,
- d. Copies of payroll clearing account bank statement(s), or equivalent, that includes all transactions for the applicable payroll periods.

47. Are hospital service districts able to submit their own individual applications for reimbursement, or, must they submit through their parish?

Hospital service districts must apply for reimbursement of eligible expenses through their parish. In so doing, a hospital service district must not seek reimbursement for any expenses sought from another federal assistance program, such as paycheck protection. All local government units must avoid a duplication of benefits since recipients of funds may be subject to a clawback by the federal government. (See answer to question #11).

48. The *Federal Funding Certification and Agreement to Hold Harmless and Indemnify* provides that the local government unit must attach a resolution thereto which conveys

legal authority to the individual signing such agreement. If the individual signing the agreement is authorized by law to execute the document, is a resolution necessary?

If the local government unit's elected official executes the agreement, a resolution is not necessary. (See also answer to question #28).

49. What are the expense reimbursement and application periods for 2020? [Updated July 15, 2020 – See question/answer #51; Updated August 25, 2020 – See question/answer #52; Updated September 2, 2020 – See question/answer #53; **Updated October 9, 2020 – See question/answer #54**)

<u>Expense Reimbursement periods</u>	<u>Application Periods</u>
Mar 1 – Apr 30, 2020	June 1 – June 15, 2020
May 1 – June 30, 2020	July 1 – July 15, 2020
July 1 – Aug 30, 2020	Sept 1 – Sept 15, 2020
Sept 1 – Oct 31, 2020	Nov 1 – Nov 15, 2020

Supplemental FAQ – Updated July 1, 2020

50. Many local government units closed their offices to the public but remained operational by equipping their employees to perform job duties from home or other remote location. We understand that payroll expenses for these employees who were in regular work status are not reimbursable. However, certain employees' jobs are not capable of being performed remotely. Are payroll expenses for these employees reimbursable under the CARES Act?

Yes. We recognize that some employees, because of the nature of their job responsibilities, cannot perform a meaningful service from a remote location and therefore, local government units derived no value in terms of services from these employees who were placed off from work to facilitate compliance with public health precautions. Reimbursement requests must be properly documented and the status of these employees appropriately coded.

Supplemental FAQ – Updated July 15, 2020; Revised July 30, 2020

51. What are the expense reimbursement and application periods, as well as the percentage of the allocation, that will be paid in each period in 2020? (Updated August 25, 2020 – See question/answer #52; Updated September 2, 2020 – See question/answer #53; **Updated October 9, 2020 – See question/answer #54**)

<u>Expense Reimbursement Periods</u>	<u>Application Periods</u>	<u>% of Allocation</u>
Mar 1 – Apr 30, 2020	June 1 – June 15, 2020	45%

May 1 – June 30, 2020	July 1 – July 15, 2020	30%
	Aug 15 – Aug 31, 2020**	
July 1 – Sept 30, 2020	Oct 1 – Oct 15, 2020	25%

** Supplemental Application period established to allow entities an additional opportunity to request reimbursement of expenditures incurred and paid during March 1 through June 30, 2020.

Supplemental FAQ – Updated August 25, 2020

52. What are the expense reimbursement and application periods, as well as the percentage of the allocation, that will be paid in each period in 2020? (Updated September 2, 2020 – See question/answer #53; **Updated October 9, 2020 – See question/answer #54**)

<u>Expense Reimbursement Periods</u>	<u>Application Periods</u>	<u>% of Allocation</u>
Mar 1 – Apr 30, 2020	June 1 – June 15, 2020	45%
Mar 1 – June 30, 2020	July 1 – July 15, 2020	30%
Mar 1 – June 30, 2020	Aug 15 – Sept 4, 2020**	
Mar 1 – Sept 30, 2020	Oct 1 – Oct 15, 2020	25%

** Supplemental Application period established to allow entities an additional opportunity to request reimbursement of expenditures incurred and paid during March 1 through June 30, 2020. This period was further extended to accommodate several local and statewide office closures and other impacts associated with Hurricanes Laura and Marco.

Supplemental FAQ – Updated September 2, 2020

53. What are the expense reimbursement and application periods, as well as the percentage of the allocation, that will be paid in each period in 2020? (**Updated October 9, 2020 – See question/answer #54**)

<u>Expense Reimbursement Periods</u>	<u>Application Periods</u>	<u>% of Allocation</u>
Mar 1 – Apr 30, 2020	June 1 – June 15, 2020	45%
Mar 1 – June 30, 2020	July 1 – July 15, 2020	30%
Mar 1 – June 30, 2020	Aug 15 – Sept 11, 2020**	
Mar 1 – Sept 30, 2020	Oct 1 – Oct 15, 2020	25%

** Supplemental Application period established to allow entities an additional opportunity to request reimbursement of expenditures incurred and paid during March 1 through June 30, 2020. This period was further extended in response to several requests due to the office closures and other impacts associated with Hurricane Laura.

Supplemental FAQ – Updated October 9, 2020

54. What are the expense reimbursement and application periods, as well as the percentage of the allocation, that will be paid in each period in 2020?

<u>Expense Reimbursement Periods</u>	<u>Application Periods</u>	<u>% of Allocation</u>
Mar 1 – Apr 30, 2020	June 1 – June 15, 2020	45%
Mar 1 – June 30, 2020	July 1 – July 15, 2020	30%
Mar 1 – June 30, 2020	Aug 15 – Sept 11, 2020	
Mar 1 – Sept 30, 2020	Oct 1 – Oct 22, 2020**	25%

** Third Application Period extended to accommodate several local and statewide office closures and other impacts associated with Hurricane Delta.