



# FAQ – Coronavirus Relief Fund (CRF)

Revised August 17, 2020

## General Eligibility

[Question 1: The Treasury Department's Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments says that a cost was not accounted for in the most recently approved budget if the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. What would qualify as a "substantially different use" for purposes of the Fund eligibility?](#)

[Question 2: Will a jurisdiction be able to use an existing contract from another jurisdiction for services and will CARES funding allow reimbursement?](#)

[Question 3: Is there a way for a jurisdiction to confirm a cost will be approved as eligible before spending?](#)

[Question 4: How does TDEM define "consulting service agreements" in Section 2.2, Terms and Conditions? Does a local government need to seek approval before it can contract with a 3rd party non-profit to help administer the grant?](#)

[Question 5: The terms and conditions document mentions administrative services up to 5% - Does this include reimbursement for city/county departments for the time utilized for administrative work directly related to COVID-19 or only outside administrative firms?](#)

[Question 6: When is the due date for these funds?](#)

[Question 7: Are jurisdictions able to keep any equipment acquired under this award?](#)

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[Question 10: Under Public Health Expenses, is there any more information/clarification on which public employees are considered to provide "technical assistance"?](#)

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[Question 13: Does TDEM expect to review an executed contract between jurisdictions and consultants? Or, will TDEM give approval of the final draft of the contract before it is executed?](#)

[Question 14: Can a consulting contract be shared with neighboring counties or cities within our county if an interlocal agreement is approved by all parties? If yes, how would the fees apply?](#)

[Question 15: Is registration on SAM.gov required?](#)



## Grants for Businesses

Question 16: What is included as a grant for reimbursement for costs of business interruption? Is that to pay their employees, pay their rent or utilities, purchase operational supplies, etc.?

Question 17: Can the city give cash grants for small businesses that can be reimbursed?

Question 18: If the county sets up an economic relief fund to assist small business who were forced to shut down and are now trying to get back on their feet, would these cost be reimbursable through CRF?

Question 19: Are there any set guidelines to follow for grants to businesses; for instance, number of employees, revenue annually, or lost revenue?

Question 20: Regarding the FAQs – p. 5 – Which category of expense from the Terms & Conditions would the small business support fall under? I am thinking perhaps #5 – expenses associated with the provision of economic support in connection with the COVID-19 health emergency.

Question 21: I understand a city could be reimbursed by CRF funds if the city provides a grant to the hospital. I am looking for a template for a grant agreement between the city and the hospital that would qualify as a reimbursable expense to the city from CRF funds.

## Grants for Individuals

Question 22: Are grants to homeowners who are unable to pay pre-defined, legitimate expenses such as their mortgage an eligible expense?

Question 23: Can Fund payments be used as a direct subsidy payment to all utility account holders?

Question 24: Does utility assistance only apply to Electric, not Water/Wastewater/Solid Waste?

## Ineligible Uses of Funds

Question 25: Would a drop in budgeted revenue qualify?

Question 26: May Fund payments be used to replace lost utility fees due to customers' inability to pay because of COVID-19-related economic disruptions?

Question 27: If the city receives a monetary donation to pay for PPE and/or salaries, can those expenses then be requested under the TDEM/Cares Act?

Question 28: Regarding CRF Guidance – p. 2 – If a city has an EMS department that could provide emergency medical response and transportation to COVID patients but that department's operations are budgeted in the most recently approved budget and at this point, there is no change in the schedule or operation of this department due to COVID-19 – would any of the EMS expenses qualify as medical expenses?

Question 29: Our city is partially self-insured. Would the costs incurred for testing employees that is charged to insurance be eligible for reimbursement?



Question 30: Can CRF Funds be used by law-enforcement to purchase non-lethal weapons such as pepper ball guns to be used during civil unrest?

## Payroll Expenses

Question 31: Payroll Expenses – Is Overtime for Law Enforcement and Public Health/Healthcare eligible under this funding?

Question 32: The CARES Act Relief Fund Grant Program mentions payroll related to the COVID-19 emergency as an eligible expense. Does that mean straight time and overtime?

Question 33: Can the funds be used to pay for government employees to barricade playgrounds?

Question 34: Would this include general employees who are not public safety or healthcare that are responsible for managing reimbursement of COVID-19 funds, managing budgets related to COVID-19 expenditures, purchasing COVID-19 protective equipment, staff who have been cross-trained to operate COVID-19 hotlines or information channels, or public information officers dedicated to keeping the community updated with services offered to help treat, mitigate or respond to COVID-19 public health measures?

Question 35: What are some examples of types of covered employees?

Question 36: The Treasury Guidance says that funding can be used to meet 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. How does a government determine whether payroll expenses for a given employee satisfy the “substantially dedicated” condition?

Question 37: Would the unbudgeted cost of hiring a part time or temporary bathroom monitor to clean/sanitize public restrooms in a courthouse and annex be an eligible cost?

Question 38: If a jurisdiction reassigns someone away from their current non-Emergency Management (EM) staff position, to a part time EM position that is COVID focused, is that salary reimbursable?

Question 39: Do payroll expenses include fringe?

Question 40: During this event, some jurisdictions' governmental departments have only been open to the public Monday-Wednesday-Friday. However, some employees in those departments have been required to work performing COVID-19 related tasks on Tuesday and Thursday. Are payroll expenses for these employees an eligible cost?

Question 41: Are sick leave and admin leave eligible expenses if they pertain to preventing the spread of COVID-19?

Question 42: Would CRF funding cover all the public safety expenses during the pandemic, since they are ensuring the well-being of the community or just when it is a COVID-19-specific situation?

Question 43: Are personnel costs for exempt employees eligible?

Question 44: Are personnel costs related to COVID-19 sick time for city employees eligible? Are costs related to employees using COVID-19 EFMLA eligible?



Question 45: Do eligible straight-time payroll costs only include medical, law enforcement and EMS type payroll? What about other departments whose normal activities have now been dedicated to mitigation roles such as custodial staff, Emergency Management Office/team, and jailers. Would these types of roles also be eligible costs?

Question 46: Is retroactive payment of hazard pay to Public Safety, Public Works and Parks employees back to March to date an eligible cost?

Question 47: Is it acceptable to have employees document the time by hours working on nothing but COVID-19 response for reimbursable compensation even if it is only a few hours a day?

## Specific Expenditures

Question 48: If a jurisdiction incurs expenses for additional cleaning services and the purchase of additional disinfecting supplies, are these costs eligible?

Question 49: In an instance where COVID-19 created a need for an EMC to have a dedicated vehicle for the purpose of emergency management; if the vehicle is to be used to conduct COVID-19 surveillance, respond to medical calls, transport equipment, check on and enforce the Governor's executive orders, and any other COVID-19 related issues that continue to arise would the purchase be an eligible cost?

Question 50: For a rural county that doesn't have a hospital, can the funds be used to build a Public Health building that can be used to mitigate the spread of the COVID-19 virus? This building would have exam rooms and bays for drive through testing. The building would be used by our local health official and other medical staff. Can the funds be used for construction of this building as well as the outfitting of medical supplies? If they can, are there certain things outlined that the funds can't be used for, pertaining to the construction and outfitting?

Question 51: In an historical building can a jurisdiction install doors and barriers that protect office staff and satisfies the Historical Commission? If these qualify, can they be done in a manner that matches the existing counters and are of lasting quality?

Question 52: Is the purchase of a new medic/ambulance unit eligible under these guidelines if it is to replace an existing ambulance with significant mechanical issues?

Question 53: When a county houses inmates on a state hold while the state is not picking up inmates due to COVID-19, the county is not legally allowed to release the inmates. In this situation, are unbudgeted expenses including medical care covered under CRF even if the inmates are housed past the time the county is statutorily required to house them?

Question 54: Can the CRF funds be used for aiding in telecommuting of staff and purchase of tablets/laptops for the conducting of the council meetings?

Question 55: Are the costs to have barriers built in our offices so the public and employees can function safely due to COVID-19 an eligible expense?

Question 56: Are updates to a website to allow for web payments for utilities an eligible cost?

Question 57: Is funding an isolation project for the county jail to increase the current isolation capacity of



the current facility an eligible expense? This is basically a renovation project.

Question 58: Would building a structure to house the PPE be an eligible cost?

Question 59: Would the cost to build a new EOC with drive through capabilities for POD's and testing be an eligible cost?

Question 60: Would the purchase of laptops, I-pads or chrome books to assist the local school district in meeting distance learning objectives during COVID-19 be reimbursable under CRF? If yes, where can jurisdictions find forms and guidance?

Question 61: Would mechanical CPR devices & accessories for use on an ambulance be eligible costs?

Question 62: Is serological testing an eligible cost?

Question 63: Can an animal shelter be funded with the CRF funds?

Question 64: Are radios that we have purchased to improve communications or temperature scanners eligible costs?

Question 65: Are the plastic partitions that go on the counter in between the employee and the public an eligible cost?

Question 66: Is the purchase of a vehicle an eligible expense under the Coronavirus Relief Fund?

Question 67: Is the cost associated with moving an election from May to November due to COVID-19 an eligible cost?

Question 68: Is specialized equipment for police, inclusive of software, that will enhance social distancing for minor incidents an eligible expense?

Question 69: Would expenses for changes or modification to city facilities to help reduce the spread of COVID-19 such as replacing facility doors for automated doors to avoid touching them or purchase of protective barriers (transparent temporary partitions) be eligible costs?

Question 70: Would the unbudgeted purchase of an ambulance, specially equipped to handle COVID-19 patients, be an eligible cost?

Question 71: Is rental of an ADA accessible trailer for use by a Parks and Recreation department for Summer Programs an eligible cost if that department is prohibited from holding summer camps at locations where camps have previously been held due to COVID-19 restrictions?

Question 72: Would construction of isolation area for exposed first responders (possibly off-site) be an eligible cost?

Question 73: Are expenses for a physician serving as a health authority/advisor and/or some of his staff an eligible cost?

Question 74: Would administrative fees associated with a non-profit to administer the program be an eligible cost?

Question 75: Are the costs for IT, phones, and computers included in the 75% if they are purchased as part of the COVID-19 response?

Question 76: Regarding CRF Guidance – p. 2 – Does this category only include supplies related to public safety employees? If a city installed sneeze guards, bought extra sanitizer, masks, and gloves for personnel who are not medical personnel, police officers, social workers, CPS



officers, service providers for older adults or individuals with disabilities, or other public health or safety employees, does this mean these expenses are not considered medical expenses?

Question 77: Are the costs of any electronic or print media production and distribution intended to communicate and educate the public on the COVID-19 public health emergency eligible for reimbursement?

Question 78: Would the installation of a large electronic billboard, at a major intersection, in a local jurisdiction communicating the current status of COVID-19, testing locations and dates, summary of executive orders, etc., be a reimbursable expenditure?

Question 79: Would temporary housing or hotel costs be eligible for reimbursement for those isolated?

Question 80: Can the funds be used to pay the cemetery and for the funeral services of a county citizen who died due to COVID-19?

Question 81: Do expenses for communication only include communication of general health and safety information to the public such as media in the form of flyers, public service announcements, etc.?

Question 82: Are increase in waste tipping fees reimbursable?

Question 83: Our county's internet service is currently unstable, making remote court proceedings and similar tasks extremely difficult. Would upgrades to the fiber optic lines be an allowable expense?

## Use of Funds Within a Jurisdiction

Question 84: Can a county reimburse a local volunteer fire department for money it spent on unbudgeted purchases of PPE and sanitization equipment due to COVID-19?

Question 85: Can a city purchase protective equipment for small businesses that can be reimbursed?

Question 86: Can a city, who receives money under CRF, give some or all of that money to a special water district within their city?

Question 87: Can both city and county CRF funding be used for their nursing homes to support healthcare and medical expenses to address COVID-19 initiatives that have not been covered by other COVID-19 funding streams?

Question 88: Can a city/county utilize CRF funds to purchase and distribute equipment/supplies related to COVID-19 protection/prevention to a volunteer fire department even if the Department is not directly affiliated with the governmental entity but does service its citizens?

Question 89: Can a jurisdiction use a portion of this funding toward assisting a local hospital with their payroll expenses? Does it matter whether the hospital is for-profit or non-profit?

Question 90: Can a county transfer CRF funds to other units of government within its jurisdiction, such as a city or school district?

Question 91: Can the funds be used by a jurisdiction to support a school system within its footprint?



Question 92: Can a city allocate funds to a hospital that is outside of its city limits?

## Fund Certification

Question 93: By submitting the CRF Certification, does that only trigger the process for the 20% drawdown, or does that also initiate our overall application for reimbursement?

Question 94: How should the signed certification be submitted?

Question 95: For jurisdictions located in two or more counties, is the one form sufficient for both counties or does the jurisdiction need to submit forms for each county?

Question 96: Exhibit B reads "In addition to each of the statements above, I acknowledge on submission of this certification that my jurisdiction has incurred eligible expenses between March 1, 2020 and the date noted below." Can you please advise if this should be a future date or today's date? If programs are developed to utilize these funds, we would not have expended them as of today.

Question 97: Who can certify the fund Terms and Conditions?

Question 98: The Certification Section has the statement:

The undersigned grantee, \_\_\_\_\_ certifies, to the best of his or her knowledge that:

The county or city is actually the grantee and the judge, mayor, or city manager has signatory authority. What should be written in this blank?

## Cost Underruns

Question 99: If a jurisdiction does not incur eligible expenses (payroll, PPE, supplies, equipment, etc.) that total the 20% advance amount, does that jurisdiction have to give the remaining funds back to TDEM?

## Jurisdiction Procedures

Question 100: Should a local jurisdiction continue to follow local procedures? For example, awaiting ratification of Commissioner Court approval prior to submitting documents.

Question 101: Is a resolution adopted by the city council required to apply for the funds or just a signed letter from the mayor?

Question 102: What procurement requirements apply to purchases made with CRF funds?

## Reimbursement Process

Question 103: Once a jurisdiction submits its certification and direct deposit information, when can it





expect to receive the 20% advance?

Question 104: Is the full reimbursement application going to be through e-grants?

Question 105: What process does a city need to follow to demonstrate costs incurred?

Question 106: Do municipalities need to submit documentation on expenses incurred with the mayor's signature form to get the initial 20% of reimbursement?

Question 107: Our jurisdiction has identified eligible expenditures, which we are prepared to submit. What are the next steps?

Question 108: How does a jurisdiction provide banking information for the electronic transfer?

Question 109: How should local jurisdictions submit cost documentation or request an advance?

Question 110: Do cities with less than 500K in population request CRF funding through TDEM?

Question 111: If small cities and counties do not have funding available to make grants to businesses then ask for reimbursement, how are small cities and counties supposed to help set up such a program to assist small businesses in our counties and cities?

Question 112: Will there be someone working with jurisdictions on reimbursement requests for the remaining 80%?

Question 113: How far along should I be with my CRF expenditures?

## **75% / 25% Requirement**

Question 114: Regarding Terms & Conditions – p. 6 – Would a city have to agree that 75% of their allotment will be spent on medical, public health, and payroll expenses (Categories 1-3)? For a small town with very few cases, this will be a significant limiting factor. Would qualifying expenses in Categories 4-6 be limited because the reimbursement has to be 75% from Categories 1-3?

Question 115: Economic Support – Is there a max limit on how much can be used to support local small businesses?

Question 116: Does "75% of the allotment" refer to 75% of the total allocated to a jurisdiction or is it 75% of actual dollars reimbursed?

Question 117: Is the 75% rule only applicable to TDEM CRF program subrecipients, or are all Treasury recipients required to abide by that?

Question 118: In the detailed examples of eligible expenditures, it states: Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions. Schools are closed due to public health initiatives to prevent further spread of the disease. Can up to 75% of these funds be used to support ISD initiatives?

Question 119: How much of the funding allocation is allowed to be utilized towards the humanitarian or business impact needs?

Question 120: Can a jurisdiction receiving payments from TDEM for multiple disasters change the Direct Deposit Account number pertaining only to the "Cares Act Coronavirus Relief Fund" in the





[TDEM GMS grant portal?](#)

[Question 121: Will we need to report reimbursement requests within the 6 categories of expenses specified in the terms and conditions? I want to make sure we have our spreadsheets for tracking purposes set up correctly.](#)

## Allocations to Jurisdictions

[Question 122: Will cities within counties under 500,000 population receive funding directly, or will the funds go to the county government first and the county would then in turn make the funds available to the city?](#)

[Question 123: How is TDEM allocating CRF funding to counties and local units of government?](#)

[Question 124: If one application \(county and cities within it\) is to be submitted through FEMA's Public Assistance Program \(75% match for Category B\), does this funding need to be handled the same way, or can each city and the county submit a certification separately?](#)

[Question 125: Would a county jurisdiction be held responsible for any misallocation of funds by a city jurisdiction under the CRF process? Does the requirement for each jurisdiction to apply separately from the other to receive their funds alleviate any liability on the part of the county for any city misappropriations, either intentional or otherwise?](#)

[Question 126: Can a city and an economic development corporation in a community both apply for funds for different projects under the Coronavirus Relief Fund?](#)

[Question 127: Can individuals apply for funds from the Coronavirus Relief Fund?](#)

## Cities Located in Multiple Counties

[Question 128: If a city is located within two counties, can the city utilize CRF funding from one county for expenses in the other county?](#)

[Question 129: In the past, cities located within two counties were required by FEMA to complete project worksheets through the county the damage was in, but were eventually allowed to submit projects through whichever county was more efficient. Does the same requirement apply for CRF funds?](#)

[Question 130: If a city is located within more than one county and one of those counties is a jurisdiction that received funds directly from the U.S. Treasury but another is not, what is the appropriate route to seek Coronavirus relief funds?](#)

[Question 131: If a city spans two different counties, would the city be responsible for requesting all city funds regardless of which county it is located in?](#)

## Coordination with Other Sources of Funding

[Question 132: May CARES Coronavirus Relief Fund money be used for the FEMA Public Assistance 25% cost share of COVID-19 grants obligated under Stafford Act disaster declaration DR-4485-](#)



TX provided the FEMA COVID-19 grants are approved or obligated before 12/31/20 since the 25% cost-share portion would have been incurred before 12/31/20?

Question 133: Are matching funds required?

Question 134: If a hospital is a county taxing district on its own, does the city put them under our expenses or should it go to the county? That is, can both city and county CRF be used to support hospital expenses related to COVID-19 that have not been covered by other COVID-19 funding streams?

Question 135: What is the difference between this grant and the grant that the Governor asked entities to apply for through his office on April 15th: <https://gov.texas.gov/news/post/governor-abbott-announces-38-million-in-federal-covid-19-emergency-funding-for-local-governments>

Question 136: Is reimbursement for "similar" costs under CRF and FEMA's Emergency Protective Measures (Category B) allowable under both funding sources? Or do cities need to be bound to one or the other?

Question 137: If a jurisdiction were to utilize these funds on a particular item, would that jurisdiction not be eligible to submit for FEMA reimbursement also, once the incident period ends?

Question 138: Please provide a quick explanation of the differences and similarities of the funding from CARES and the FEMA grant for COVID-19 funds.

Question 139: For expenses not reimbursable under CRF, is there information on other grants under which they may be reimbursable?

Question 140: In the FEMA PA memos, the following language is used: "Eligible emergency protective measures taken at the direction or guidance of public health officials in response to this emergency, and not supported by the authorities of another federal agency, will be reimbursed strictly under the FEMA Public Assistance program." Is there similar language or a caveat in CARES act funding? or a caveat in CARES act funding?



## Introduction

The purpose of this document is to provide a centralized point of reference for jurisdictions in Texas receiving Coronavirus Relief Fund (CRF) allocations from TDEM. This FAQ draws on guidance published by the U.S. Department of Treasury and is tailored to address common questions jurisdictions have raised concerning eligible costs and the implementation of recovery activities compliant with Treasury requirements and TDEM terms and conditions.

Please note that this FAQ only applies to CRF funds allocated to cities and counties. For information on TDEM's CRF for LEA program, including a separate FAQ, please visit <https://tdem.texas.gov/crf-lea/>.

Jurisdictions with additional questions should contact their Regional Unit Chief, as identified on the below map, or email [CRF@tdem.texas.gov](mailto:CRF@tdem.texas.gov).

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## General Eligibility

**Question 1:** The Treasury Department's Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments says that a cost was not accounted for in the most recently approved budget if the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. What would qualify as a "substantially different use" for purposes of the Fund eligibility?

### Answer

Costs incurred for a "substantially different use" include, but are not necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would



include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty's ordinary responsibilities.

Note that a public function does not become a "substantially different use" merely because it is provided from a different location or through a different manner. For example, although developing online instruction capabilities may be a substantially different use of funds, online instruction itself is not a substantially different use of public funds than classroom instruction.

The Treasury guidance provides additional details on eligible and ineligible uses of funding and may be found at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf> and <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>.

**Question 2:** Will a jurisdiction be able to use an existing contract from another jurisdiction for services and will CARES funding allow reimbursement?

#### **Answer**

Utilizing another jurisdiction's existing contract for purchases or services would be referred to as "piggybacking". All costs funded by CRF will be scrutinized for proper procurement and are subject to audit by the Office of the Inspector General. Piggybacking onto an existing contract often violates the normal procurement procedures which are designed to foster full and open competition, ensure reasonable prices, and establish clear scopes of work. As a result, the use of piggybacking is generally discouraged. However, TDEM recognizes the emergency circumstances caused by the public health emergency and the need for jurisdictions to take necessary actions to protect the health of their communities. While TDEM understands jurisdictions are going to do what they have to do, jurisdictions should expect OIG auditors to closely review documentation of any piggybacked contracts.

**Question 3:** Is there a way for a jurisdiction to confirm a cost will be approved as eligible before spending?

#### **Answer**

Jurisdictions should first review and determine if the costs meet the primary CRF eligibility criteria. 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 budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.



Jurisdictions are responsible for making determinations as to what expenditures are necessary due to the COVID-19 public health emergency. An expenditure must be reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

If jurisdictions have follow-up questions, they should contact their TDEM Regional Unit Chief or email [CRF@tdem.texas.gov](mailto:CRF@tdem.texas.gov).

**Question 4:** How does TDEM define “consulting service agreements” in Section 2.2, Terms and Conditions? Does a local government need to seek approval before it can contract with a 3rd party non-profit to help administer the grant?

**Answer**

Generally, a consulting contract would be any contract for professional services. Consulting contracts would include grant administration services and would be subject to the 5% cap and pre-approval of TDEM.

**Question 5:** The terms and conditions document mentions administrative services up to 5% - Does this include reimbursement for city/county departments for the time utilized for administrative work directly related to COVID-19 or only outside administrative firms?

**Answer**

Per the Terms and Conditions document: Pre-approval of costs related to consulting contracts is required and the value of consulting contracts entered into by the grantee may not exceed 5% of the total funds received by the local unit of government.

This section pertains only to consulting contract and would not apply to normal payroll expenses of city/county employees performing COVID-19-related administrative work.

**Question 6:** When is the due date for these funds?

**Answer**

All costs must be incurred between March 1, 2020 and December 30, 2020.

**Question 7:** Are jurisdictions able to keep any equipment acquired under this award?

**Answer**

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds provided by section 601(d) of the Social Security Act. However, if such assets are disposed of prior to December 30, 2020, the proceeds would be subject to the restrictions on the eligible use of payments from the Fund provided by section 601(d) of the Social Security Act. As noted, equipment disposition requirements pursuant to 2 CFR 200.313 apply. Therefore, jurisdictions should contact TDEM at such time as they wish to dispose of any equipment over \$5,000 purchased with CRF funds.



**Question 8: Where can jurisdictions find information and resources?****Answer**

Information and resources are available at the following websites:

<https://tdem.texas.gov/crf/>

<https://home.treasury.gov/policy-issues/cares/state-and-local-governments>

**Question 9: The FAQ suggests that any assets purchased from the CRF program may be retained. If a government purchases PPE, does the PPE have to be used by December 30, 2020?****Answer**

A jurisdiction would not need to use all of its purchased PPE by December 30, 2020. However, the expenditures and amount of PPE items purchased must be limited to those that are necessary due to the public health emergency.

**Question 10: Under Public Health Expenses, is there any more information/clarification on which public employees are considered to provide “technical assistance”?****Answer**

In general, technical assistance means the facilitating of skills and knowledge in planning, developing and administering activities related to the mitigation of COVID-19-related threats to public health and security.

**Question 11: I am a unit of local government. Who should I contact if I have questions about CRF eligibility?****Answer**

Jurisdictions should contact their TDEM Regional Unit Chief or email [CRF@tdem.texas.gov](mailto:CRF@tdem.texas.gov).

NEW  
8/3/2020

**Question 12: What is the definition of an “incurred” cost?****Answer**

The Treasury Department recently provided updated guidance that clarified the requirement that costs be incurred between March 1, 2020 and December 30, 2020 (the “covered period.”)

For a cost to be considered to have been incurred, performance or delivery must occur during the covered period but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred). For instance, in the case of a lease of equipment or other property, irrespective of when payment occurs, the cost of a lease payment shall be considered to have been incurred for the period of the lease that is within the covered period, but not otherwise. Furthermore, in all cases it must be necessary that performance or delivery take place during the covered period. Thus, the cost of a good or service received during the covered period will not be considered eligible under the CRF if there





is no need for receipt until after the covered period has expired.

Goods delivered in the covered period need not be used during the covered period in all cases. For example, the cost of a good that must be delivered in December in order to be available for use in January could be covered using payments from the CRF. Additionally, the cost of goods purchased in bulk and delivered during the covered period may be covered using payments from the CRF if a portion of the goods is ordered for use in the covered period, the bulk purchase is consistent with the jurisdiction's usual procurement policies and practices, and it is impractical to track and record when the items were used. A jurisdiction may use the CRF to purchase a durable good that is to be used during the current period and in subsequent periods if the acquisition in the covered period was necessary due to the public health emergency.

Given that it is not always possible to estimate with precision when a good or service will be needed, the touchstone in assessing the determination of need for a good or service during the covered period will be reasonableness at the time delivery or performance was sought, e.g., the time of entry into a procurement contract specifying a time for delivery. Similarly, in recognition of the likelihood of supply chain disruptions and increased demand for certain goods and services during the COVID-19 public health emergency, if a jurisdiction enters into a contract requiring the delivery of goods or performance of services by December 30, 2020, the failure of a vendor to complete delivery or services by December 30, 2020, will not affect the ability of the jurisdiction to use the CRF to cover the cost of such goods or services if the delay is due to circumstances beyond the jurisdiction's control.

NEW  
8/3/2020

**Question 13:** Does TDEM expect to review an executed contract between jurisdictions and consultants? Or, will TDEM give approval of the final draft of the contract before it is executed?

#### Answer

TDEM would prefer to review draft contracts, in order to address any problematic issues prior to contract execution. However, if the contract has already been executed, TDEM will still need to perform a review.

NEW  
8/3/2020

**Question 14:** Can a consulting contract be shared with neighboring counties or cities within our county if an interlocal agreement is approved by all parties? If yes, how would the fees apply?

#### Answer

Sharing the services of a consultant through the use of an interlocal agreement would be permissible keeping in mind that preapproval by TDEM would be required, and each jurisdiction would be limited to a 5% cap toward these costs.

NEW  
8/3/2020

**Question 15:** Is registration on SAM.gov required?

#### Answer

Yes. The Terms and Conditions require all jurisdictions to comply with requirements regarding registration with the System for Award Management (SAM.gov). These requirements include maintaining an active registration and ensuring all associated information is up to date. TDEM will not issue payment until it can verify the registration is current.





## Grants for Businesses

**Question 16:** What is included as a grant for reimbursement for costs of business interruption? Is that to pay their employees, pay their rent or utilities, purchase operational supplies, etc.?

### Answer

This would cover expenses related to business interruptions related to COVID-19 required closures.

**Question 17:** Can the city give cash grants for small businesses that can be reimbursed?

### Answer

Please see guidance below from the U.S. Treasury on covered costs related to this. Please note that up to 25% of funds can be spent on this category.

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.

**Question 18:** If the county sets up an economic relief fund to assist small business who were forced to shut down and are now trying to get back on their feet, would these cost be reimbursable through CRF?

### Answer

Yes, some expenditures would be covered under U.S. Treasury guidance below and on page 3, item #5 at the following link: <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

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.



**Question 19:** Are there any set guidelines to follow for grants to businesses; for instance, number of employees, revenue annually, or lost revenue?

**Answer**

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

Further guidance can be found in the following guidance document: <https://tdem.texas.gov/wp-content/uploads/2019/08/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

**Question 20:** Regarding the FAQs – p. 5 – Which category of expense from the Terms & Conditions would the small business support fall under? I am thinking perhaps #5 – expenses associated with the provision of economic support in connection with the COVID-19 health emergency.

**Answer**

Correct, #5 would be where these types of expenses would fall.

**Question 21:** I understand a city could be reimbursed by CRF funds if the city provides a grant to the hospital. I am looking for a template for a grant agreement between the city and the hospital that would qualify as a reimbursable expense to the city from CRF funds.

**Answer**

Each jurisdiction should assess its local needs and tailor its assistance as necessary in order to address COVID-19 in compliance with CRF eligibility criteria. Jurisdictions may determine they need to hire consultants to assist in implementing and administering such a grant program as described, including the development of templates and compliant policies, and procedures. Consulting contracts would require pre-approval by TDEM and be limited to 5% of a jurisdiction's allocation.



## Grants for Individuals

**Question 22:** Are grants to home owners who are unable to pay pre-defined, legitimate expenses such as their mortgage an eligible expense?

**Answer**

Yes, if a government determines such assistance to be a necessary expenditure. Such assistance could include, for example, a program to assist individuals with payment of overdue rent or mortgage payments to avoid eviction or foreclosure or unforeseen financial costs for funerals and other emergency individual needs. Such assistance should be structured in a manner to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.

**Question 23:** Can Fund payments be used as a direct subsidy payment to all utility account holders?

**Answer**

Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the recipient to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance.

For example, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services.

A jurisdiction intending to use funds for these purposes should maintain appropriate records of its determination that the subsidies are necessary expenditures and comply with all CRF eligibility criteria.

**Question 24:** Does utility assistance only apply to Electric, not Water/Wastewater/Solid Waste?

**Answer**

If determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services. This would apply to all utility fees.

However, CRF funding may not simply be kept by the city to replace foregone utility fees.



## Ineligible Uses of Funds

**Question 25:** Would a drop in budgeted revenue qualify?

**Answer**

No. Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the CRF eligibility criteria.

**Question 26:** May Fund payments be used to replace lost utility fees due to customers' inability to pay because of COVID-19-related economic disruptions?

**Answer**

The replacement lost or foregone utility fees would be an ineligible use, as funds may not be used to fill shortfalls in government revenue. However, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services.

**Question 27:** If the city receives a monetary donation to pay for PPE and/or salaries, can those expenses then be requested under the TDEM/Cares Act?

**Answer**

If the donations were specified for the same item requested for funding by CRF, then no. The costs would not also be eligible for reimbursement under the CRF. Federal law prohibits duplication of benefits - using both funds for the same cost. Donations are considered a source of funding for determination of duplication of benefits. While eligibility for CRF is broad, reimbursement to donors for donated items or services is specifically listed as an ineligible use of funds.

**Question 28:** Regarding CRF Guidance – p. 2 – If a city has an EMS department that could provide emergency medical response and transportation to COVID patients but that department's operations are budgeted in the most recently approved budget and at this point, there is no change in the schedule or operation of this department due to COVID-19 – would any of the EMS expenses qualify as medical expenses?

**Answer**

In this case, the expenses would not qualify because they are budgeted and the costs are not for a substantially different use, since there has been no change in the schedule or operation of the department due to COVID-19.



NEW  
8/3/2020

**Question 29:** Our city is partially self-insured. Would the costs incurred for testing employees that is charged to insurance be eligible for reimbursement?

**Answer**

No. This would be a duplication of benefits and is prohibited. CRF funds may not be used for an expense that has been or will be reimbursed by another program or funding source such as insurance.

NEW  
8/3/2020

**Question 30:** Can CRF Funds be used by law-enforcement to purchase non-lethal weapons such as pepper ball guns to be used during civil unrest?

**Answer**

No. CRF funding may only be used for necessary expenditures incurred due to the public health emergency with respect to COVID-19.

## Payroll Expenses

**Question 31:** Payroll Expenses – Is Overtime for Law Enforcement and Public Health/Healthcare eligible under this funding?

**Answer**

Yes, if related to COVID-19 and not a budgeted expense.

**Question 32:** The CARES Act Relief Fund Grant Program mentions payroll related to the COVID-19 emergency as an eligible expense. Does that mean straight time and overtime?

**Answer**

In general, it refers to overtime. However, if a jurisdiction has eligible employees who are working in a substantially different role than their regular job, straight time would be eligible. Please see U.S. Treasury guidance below.

Costs incurred for a “substantially different use” include, but are not necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty’s ordinary responsibilities.



Note that a public function does not become a “substantially different use” merely because it is provided from a different location or through a different manner. For example, although developing online instruction capabilities may be a substantially different use of funds, online instruction itself is not a substantially different use of public funds than classroom instruction.

**Question 33:** Can the funds be used to pay for government employees to barricade playgrounds?

**Answer**

Yes, if they closed playgrounds as a result of orders on social distancing.

**Question 34:** Would this include general employees who are not public safety or healthcare that are responsible for managing reimbursement of COVID-19 funds, managing budgets related to COVID-19 expenditures, purchasing COVID-19 protective equipment, staff who have been cross-trained to operate COVID-19 hotlines or information channels, or public information officers dedicated to keeping the community updated with services offered to help treat, mitigate or respond to COVID-19 public health measures?

**Answer**

Please see guidance from the U.S. Treasury: The Guidance states that the Fund may support a “broad range of uses” including payroll expenses for several classes of employees whose services are “substantially dedicated to mitigating or responding to the COVID-19 public health emergency.”

**Question 35:** What are some examples of types of covered employees?

**Answer**

The Guidance provides examples of broad classes of employees whose payroll expenses would be eligible expenses under the Fund. These classes of employees include 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. 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.



**Question 36:** The Treasury Guidance says that funding can be used to meet 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. How does a government determine whether payroll expenses for a given employee satisfy the “substantially dedicated” condition?

**Answer**

As a matter of administrative convenience in light of the emergency nature of this program, a jurisdiction may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise. For a non-public health and public safety employee, a jurisdiction should maintain adequate documentation and timekeeping records to demonstrate that the majority of the employee’s time was spent responding to the public health emergency.

**Question 37:** Would the unbudgeted cost of hiring a part time or temporary bathroom monitor to clean/sanitize public restrooms in a courthouse and annex be an eligible cost?

**Answer**

Yes, this would be an eligible cost as long as it is not a part of budgeted cleaning expenses (it would need to be above and beyond, they would need to provide documentation supporting this and it must be for COVID-19).

**Question 38:** If a jurisdiction reassigns someone away from their current non-Emergency Management (EM) staff position, to a part time EM position that is COVID focused, is that salary reimbursable?

**Answer**

Only in the case that these employees were deployed with substantially different job responsibilities related to COVID-19. Costs incurred for a “substantially different use” include, but are not necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty’s ordinary responsibilities.





**Question 39: Do payroll expenses include fringe?****Answer**

Yes, this would be included in the 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.

**Question 40:** During this event, some jurisdictions' governmental departments have only been open to the public Monday-Wednesday-Friday. However, some employees in those departments have been required to work performing COVID-19 related tasks on Tuesday and Thursday. Are payroll expenses for these employees an eligible cost?

**Answer**

The use of payments from the Fund to cover payroll or benefits expenses of public employees are limited to those employees whose work duties are substantially 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, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise. CRF funding may be used for non-public health and public safety employees if there is adequate documentation available to demonstrate they were working on COVID-19 related tasks and those tasks took up the majority of each employee's time.

UPDATED  
8/3/2020

**Question 41:** Are sick leave and admin leave eligible expenses if they pertain to preventing the spread of COVID-19?

**Answer**

Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions are one of the non-exclusive examples for the use of funding to facilitate compliance with COVID-19-related public health measures. Additionally, if the cost of an employee was allocated to administrative leave to a greater extent than was expected, the cost of such administrative leave would be eligible.

Costs of this nature would be categorized as expenses of actions to facilitate compliance with COVID-19-related public health measures.

**Question 42:** Would CRF funding cover all the public safety expenses during the pandemic, since they are ensuring the well-being of the community or just when it is a COVID-19-specific situation?

**Answer**

As a matter of administrative convenience, all payroll costs to health and public safety employees are considered COVID-19 related. However, this section only refers to payroll costs. It does not refer to any other



non-payroll public safety expenses. Non-payroll public safety expenses would be eligible as long as they are COVID-19 related.

**Question 43: Are personnel costs for exempt employees eligible?**

**Answer**

Fund payments may be used for payroll expenses (including straight time and overtime of both exempt and non-exempt employees) 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. A city may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise. CRF funding may be used for non-public health and public safety employees if there is adequate documentation available to demonstrate they were working on COVID-19 related tasks and those tasks took up the majority of each employee's time.

**Question 44: Are personnel costs related to COVID sick time for city employees eligible? Are costs related to employees using COVID EFMLA eligible?**

**Answer**

Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions are eligible costs. Keep in mind that the Terms and Conditions document specifies that only 25% of the allocated funding can be spent on this category.

**Question 45: Do eligible straight-time payroll costs only include medical, law enforcement and EMS type payroll? What about other departments whose normal activities have now been dedicated to mitigation roles such as custodial staff, Emergency Management Office/team, and jailers. Would these types of roles also be eligible costs?**

**Answer**

CRF funding may be used for non-public health and public safety employees if there is adequate documentation available to demonstrate they were working on COVID-19 related tasks and those tasks took up the majority of each employee's time.

**Question 46: Is retroactive payment of hazard pay to Public Safety, Public Works and Parks employees back to March to date an eligible cost?**

**Answer**

Yes, as long as hazard pay is not a budgeted item. CRF funds can't cover items that are covered in a jurisdiction's most recent budget (regular salaries/straight time). Additionally, because hazard pay is a form of payroll expense, CRF funds may only be used for the hazard pay of 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.

NEW  
8/3/2020

**Question 47:** Is it acceptable to have employees document the time by hours working on nothing but COVID-19 response for reimbursable compensation even if it is only a few hours a day?

**Answer**

Yes, as long as you track it consistently within each department.

## Specific Expenditures

**Question 48:** If a jurisdiction incurs expenses for additional cleaning services and the purchase of additional disinfecting supplies, are these costs eligible?

**Answer**

Yes, this would be an eligible cost as long as it is not a part of budgeted cleaning expenses (it would need to be above and beyond, they would need to provide documentation supporting this and it must be for COVID-19).

**Question 49:** In an instance where COVID-19 created a need for an EMC to have a dedicated vehicle for the purpose of emergency management; if the vehicle is to be used to conduct COVID surveillance, respond to medical calls, transport equipment, check on and enforce the Governor's executive orders, and any other COVID related issues that continue to arise would the purchase be an eligible cost?

**Answer**

If there was a scenario where, due to COVID-19, a jurisdiction's vehicle fleet couldn't withstand the additional strain for increased calls related to COVID-19 and a new unit was needed, that is a possible yes. There would also be question about any budgeted costs for the new vehicle, particularly if it is replacing a budgeted unit. If the need for this vehicle is directly related to COVID-19, the jurisdiction should draft a justification and submit for consideration. The justification should also include an analysis of any cost-effective alternatives to the purchase of a new vehicle, such as a shorter-term lease arrangement. As a side note, if this became an eligible expense, the jurisdiction would need to purchase and disburse the funds prior to December 30, 2020.



**Question 50:** For a rural county that doesn't have a hospital, can the funds be used to build a Public Health building that can be used to mitigate the spread of the COVID-19 virus? This building would have exam rooms and bays for drive through testing. The building would be used by our local health official and other medical staff. Can the funds be used for construction of this building as well as the outfitting of medical supplies? If they can, are there certain things outlined that the funds can't be used for, pertaining to the construction and outfitting?

### Answer

It would be difficult to use CRF to pay for a public health building. While this would probably be considered an eligible expense, all funds must be incurred by December 30 of this year. It might be possible to take an existing space and turn into a public health building. Jurisdictions interested in this should submit a justification document for review.

UPDATED  
8/3/2020

**Question 51:** In an historical building can a jurisdiction install doors and barriers that protect office staff and satisfies the Historical Commission? If these qualify, can they be done in a manner that matches the existing counters and are of lasting quality?

### Answer

This would be an eligible expense. If the items installed serve a public safety function, they could be categorized as public health expenses. Otherwise, they would be categorized as expenses of actions to facilitate compliance with COVID-19-related public health measures. The cost would be limited by a jurisdiction's allocation. The key thing to remember is that 75% of the funds spent must be for the following three categories:

1. Medical expenses
2. Public health expenses
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.

**Question 52:** Is the purchase of a new medic/ambulance unit eligible under these guidelines if it is to replace an existing ambulance with significant mechanical issues?

### Answer

Unfortunately, the simple answer is no – it would not be an eligible cost to replace an EMS Unit. One of the requirements is costs related to COVID-19. If there was a scenario where, due to COVID-19, a jurisdiction has an EMS unit that couldn't withstand the additional strain for increased calls related to COVID-19 and a new unit was needed, that is a possible yes. There would also be question about any budgeted costs for the EMS unit, particularly if it is replacing a budgeted unit. If the need for this vehicle is directly related to COVID-19, the jurisdiction should draft a justification and submit for consideration. As a side note, if this became an eligible expense, the jurisdiction would need to purchase and disburse the funds prior to December 30, 2020.



**Question 53:** When a county houses inmates on a state hold while the state is not picking up inmates due to COVID-19, the county is not legally allowed to release the inmates. In this situation, are unbudgeted expenses including medical care covered under CRF even if the inmates are housed past the time the county is statutorily required to house them?

**Answer**

Yes, this would be covered under U.S. Treasury guidance below and found on page 2 of the document at the following link: <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
- 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.

**Question 54:** Can the CRF funds be used for aiding in telecommuting of staff and purchase of tablets/laptops for the conducting of the council meetings?

**Answer**

Yes. The Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments document issued April 22, 2020 states that expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions are an eligible expense. For further detail see: <https://tdem.texas.gov/wp-content/uploads/2019/08/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

UPDATED  
8/3/2020

**Question 55:** Are the costs to have barriers built in our offices so the public and employees can function safely due to COVID 19 an eligible expense?

**Answer**

Yes, these would be an eligible public health expenses.

**Question 56:** Are updates to a website to allow for web payments for utilities an eligible cost?

**Answer**

While it's possible this could be an eligible expense, questions may arise regarding whether this expense is "necessary" under CRF guidelines. In such an instance, if the jurisdiction wanted to submit a formal write-up, TDEM could have it reviewed.

Keep in mind that the cost must meet the following requirements:



- It is a necessary expenditure incurred due to the public health emergency
- It is not accounted for in the most recently approved budget as of 3/27/20
- The cost must be incurred between 3/1/20 and 12/30/20

For further detail see: <https://tdem.texas.gov/wp-content/uploads/2019/08/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

**Question 57:** Is funding an isolation project for the county jail to increase the current isolation capacity of the current facility an eligible expense? This is basically a renovation project.

### **Answer**

If a jurisdiction could demonstrate that this capital improvement project is a necessary expenditure incurred due to the COVID-19 public health emergency, then such expenses would fall under 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. In order for these costs to be eligible a jurisdiction would need to be able to demonstrate that these costs were necessary, due to COVID-19, and that there were no other viable or cost-effective temporary measures that could have been taken.

However, due to the time involved in construction projects, it may be difficult to use CRF to pay for construction costs. All funds must be incurred by December 30 of this year.

Also keep in mind that such costs do not fall under

1. Medical expenses
2. Public health expenses
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.

So only 25% of the funding allocation can be dedicated to such projects.

**Question 58:** Would building a structure to house the PPE be an eligible cost?

### **Answer**

If a jurisdiction could demonstrate that this is a necessary expenditure incurred due to the COVID-19 public health emergency, then this would be an eligible expense under Expenses for acquisition and distribution of medical and protective supplies. It does seem that this could be addressed by a temporary structure. Installation of a permanent structure would require that jurisdictions provide documentation making the case that there were no viable temporary alternatives.



**Question 59:** Would the cost to build a new EOC with drive through capabilities for POD's and testing be an eligible cost?

**Answer**

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.

However, Fund payments may be used for the expenses of, for example, establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity or improve mitigation measures, including related construction costs.

Bear in mind that expenses must be limited to those that are necessary due to the public health emergency. While capabilities for drive-through testing for COVID-19 would meet this requirement, it is unclear why it would be necessary to build an entirely new emergency operations center.

**Question 60:** Would the purchase of laptops, I-pads or chrome books to assist the local school district in meeting distance learning objectives during COVID-19 be reimbursable under CRF? If yes, where can jurisdictions find forms and guidance?

**Answer**

Yes, that would be included under expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.

Application instructions and forms are available at <https://tdem.texas.gov/crf/>

**Question 61:** Would mechanical CPR devices & accessories for use on an ambulance be eligible costs?

**Answer**

The CARES Act provides that payments from the Fund 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 budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

If a jurisdiction determines that such costs were necessary then they would fall under emergency medical response expenses, including emergency medical transportation, related to COVID-19. Additionally, because the purchase of this type of equipment potentially provides a broad benefit, a jurisdiction would need to demonstrate that this purchase was necessary specifically for COVID-19 patients.





**Question 62:** Is serological testing an eligible cost?**Answer**

Costs associated with serological testing for COVID-19 are eligible medical expenses under the CRF, unless another funding source is paying for these activities.

**Question 63:** Can an animal shelter be funded with the CRF funds?**Answer**

Costs must be necessary expenditures incurred for actions taken to respond to the public health emergency. Some costs related to animal sheltering may be eligible; for example, the costs of sheltering animals belonging to a hospitalized or quarantined individual. A jurisdiction should maintain adequate documentation to demonstrate the necessity of the expenditure and its connection to the public health emergency.

**Question 64:** Are radios that we have purchased to improve communications or temperature scanners eligible costs?**Answer**

Eligible public health expenses include 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. Jurisdictions should maintain adequate documentation to show that the necessity of the purchase of equipment and supplies in response to the public health emergency. While temperature scanners would be eligible, a jurisdiction should be able to justify why the existing radios were not sufficient.

UPDATED  
8/3/2020

**Question 65:** Are the plastic partitions that go on the counter in between the employee and the public an eligible cost?**Answer**

This would be an eligible public health expense.

**Question 66:** Is the purchase of a vehicle an eligible expense under the Coronavirus Relief Fund?**Answer**

The CRF funding requires that purchases meet the following criteria:

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

The purchase of the vehicles may be an eligible expense under the CRF; however, the cost may be considered unreasonable if there are cost effective alternative solutions. Additionally, expenditures reimbursed through the CRF must be limited to those that are necessary due to COVID-19.

Prior to making a large capital expenditure such as the purchase of a vehicle, jurisdictions should document that they have analyzed any lease versus purchase alternatives and performed any other appropriate analyses to determine the most economical approach.

**Question 67:** Is the cost associated with moving an election from May to November due to COVID-19 an eligible cost?

**Answer**

Eligible expenses include:

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

Keep in mind that jurisdictions must demonstrate that these costs:

- 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 budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

**Question 68:** Is specialized equipment for police, inclusive of software, that will enhance social distancing for minor incidents an eligible expense?

**Answer**

The costs would be eligible; however, the specific category of eligible expense would depend on the type of purchase. Specialized protective equipment for police would be considered public health expenses, assuming the costs are unbudgeted and used in response to COVID-19. Similarly, software to enhance social distancing would be considered an eligible action to facilitate compliance with COVID-19-related public health measures. Keep in mind that the Terms and Conditions document specifies that only 25% of the allocated funding can be spent on this category.

**Question 69:** Would expenses for changes or modification to city facilities to help reduce the spread of COVID-19 such as replacing facility doors for automated doors to avoid touching them or purchase of protective barriers (transparent temporary partitions) be eligible costs?

UPDATED  
8/3/2020

**Answer**

These would be eligible public health expenses.



**Question 70:** Would the unbudgeted purchase of an ambulance, specially equipped to handle COVID patients, be an eligible cost?

**Answer**

The CRF funding requires that purchases meet the following criteria:

- 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 budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

The purchase of an ambulance may be an eligible expense under the CRF; however, the cost may be considered unreasonable if there are cost effective alternative solutions. Additionally, because expenditures reimbursed through the CRF must be limited to those that are necessary, and the purchase of this type of equipment potentially provides a broad benefit, jurisdictions would need to demonstrate that this purchase was necessary specifically for COVID-19 patients.

Prior to making a large capital expenditure such as the purchase of an ambulance, jurisdictions should document that they have analyzed any lease versus purchase alternatives and performed any other appropriate analyses to determine the most economical approach.

**Question 71:** Is rental of an ADA accessible trailer for use by a Parks and Recreation department for Summer Programs an eligible cost if that department is prohibited from holding summer camps at locations where camps have previously been held due to COVID-19 restrictions?

**Answer**

The costs would be eligible provided that a jurisdiction can demonstrate that they:

- 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 budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

Additionally, regarding the eligibility timeframe, Treasury guidance states that a government should not make prepayments on contracts using funding from the CRF to the extent that doing so would not be consistent with its ordinary course policies and procedures.



**Question 72:** Would construction of isolation area for exposed first responders (possibly off-site) be an eligible cost?

**Answer**

The CARES Act provides that payments from the Fund 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 budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

If a jurisdiction determines that such costs were necessary then they would appear to be expenses of actions to facilitate compliance with COVID-19-related public health measures.

Capital improvement projects must be necessary expenditures incurred due to the COVID-19 public health emergency in order for Fund payments to be used for such projects. In order for these costs to be eligible jurisdictions would need to be able to demonstrate that these costs were necessary, due to COVID-19, and that there were no other viable or cost-effective temporary measures that could have been taken.

**Question 73:** Are expenses for a physician serving as a health authority/advisor and/or some of his staff an eligible cost?

**Answer**

In order to be eligible, expenses must meet the following basic requirements:

- They are necessary expenditures incurred due to the public health emergency
- They are not accounted for in the most recently approved budget as of March 27, 2020
- The costs must be incurred between March 1, 2020, and December 30, 2020

The use of CRF funds for these expenses would appear to be either eligible 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, or expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.

**Question 74:** Would administrative fees associated with a non-profit to administer the program be an eligible cost?

**Answer**

The administrative fees would be eligible, provided that they are necessary, adequately documented, pre-approved by TDEM, and do not exceed 5% of a jurisdictions' expenditures.



**Question 75:** Are the costs for IT, phones, and computers included in the 75% if they are purchased as part of the COVID-19 response?

**Answer**

Computer and IT expenses such as those to facilitate telework for public employees or technological improvements to facilitate distance learning for schools are eligible but fall under the other CRF categories which can only comprise a maximum of 25% of the claimed costs.

**Question 76:** Regarding CRF Guidance – p. 2 – Does this category only include supplies related to public safety employees? If a city installed sneeze guards, bought extra sanitizer, masks, and gloves for personnel who are not medical personnel, police officers, social workers, CPS officers, service providers for older adults or individuals with disabilities, or other public health or safety employees, does this mean these expenses are not considered medical expenses?

**Answer**

The costs described would more appropriately be categorized not as medical expenses but as a combination of public health expenses and expenses of actions to facilitate compliance with COVID-19-related public health measures.

**Question 77:** Are the costs of any electronic or print media production and distribution intended to communicate and educate the public on the COVID-19 public health emergency eligible for reimbursement?

**Answer**

Yes, these costs would be considered eligible public health expenses.

**Question 78:** Would the installation of a large electronic billboard, at a major intersection, in a local jurisdiction communicating the current status of COVID-19, testing locations and dates, summary of executive orders, etc., be a reimbursable expenditure?

NEW  
8/3/2020

**Answer**

Yes, this would be a public health expense.

**Question 79:** Would temporary housing or hotel costs be eligible for reimbursement for those isolated?

NEW  
8/3/2020

**Answer**

Yes, unbudgeted costs associated with quarantining of individuals are eligible public health expense.



NEW  
8/3/2020

**Question 80:** Can the funds be used to pay the cemetery and for the funeral services of a county citizen who died due to COVID-19?

**Answer**

Yes, unforeseen financial costs for funerals could be paid with CRF funding if the jurisdiction determines such assistance to be a necessary expenditure. The funding should be structured in a manner to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.

NEW  
8/3/2020

**Question 81:** Do expenses for communication only include communication of general health and safety information to the public such as media in the form of flyers, public service announcements, etc.?

**Answer**

The method of communication should not matter as long as it is related to COVID-19 and the jurisdiction determines it is a necessary expense due to the public health emergency.

NEW  
8/3/2020

**Question 82:** Are increase in waste tipping fees reimbursable?

**Answer**

Costs due to an increase in solid waste as a result of the public health emergency are eligible, provided the connection to COVID-19 can be adequately documented.

NEW  
8/3/2020

**Question 83:** Our county's internet service is currently unstable, making remote court proceedings and similar tasks extremely difficult. Would upgrades to the fiber optic lines be an allowable expense?

**Answer**

Yes, these expenses would be eligible as long as they are limited to those necessary to stabilize the internet connection to facilitate remote court proceedings and other necessary telework capabilities as a result of COVID-19 and are not part of any larger comprehensive upgrade to the county's communication network.

## Use of Funds Within a Jurisdiction

**Question 84:** Can a county reimburse a local volunteer fire department for money it spent on unbudgeted purchases of PPE and sanitization equipment due to COVID-19?

**Answer**

Yes, this is an eligible expense under the CRF.



**Question 85:** Can a city purchase protective equipment for small businesses that can be reimbursed?

**Answer**

If protective equipment is purchased for small businesses, then the costs would be covered within #5 or #6 which relate to "expenses associated with the provision of economic support in connection with the COVID-19 public health emergency" and "any other COVID-19 expenses reasonably necessary to the function of government that satisfy the fund's eligibility criteria" and would be claimed under the 25% Texas requirement.

**Question 86:** Can a city, who receives money under CRF, give some or all of that money to a special water district within their city?

**Answer**

They can if the funds are used for eligible expenses. And, the county would need to ensure they follow the 75% rule, using the first three categories.

**Question 87:** Can both city and county CRF funding be used for their nursing homes to support healthcare and medical expenses to address COVID initiatives that have not been covered by other COVID funding streams?

**Answer**

Yes, this would fall under eligible public health expenses, unless other funding sources are used for that purpose.

**Question 88:** Can a city/county utilize CRF funds to purchase and distribute equipment/supplies related to COVID-19 protection/prevention to a volunteer fire department even if the Department is not directly affiliated with the governmental entity but does service its citizens?

**Answer**

Yes, this would fall under:

- 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.



**Question 89:** Can a jurisdiction use a portion of this funding toward assisting a local hospital with their payroll expenses? Does it matter whether the hospital is for-profit or non-profit?

**Answer**

Governments may use Fund payments to support public or private hospitals to the extent that the costs are necessary expenditures incurred due to the COVID-19 public health emergency, but the form such assistance would take may differ. In particular, financial assistance to private hospitals could take the form of a grant or a short-term loan.

However, keep in mind that preventing duplication of benefits is especially problematic for hospitals due to the multiple funding sources provided to hospitals. The CRF funding cannot be used to pay for a cost already being paid by another source of funding including private insurance, Medicare/Medicaid, and hospital billing of patients.

**Question 90:** Can a county transfer CRF funds to other units of government within its jurisdiction, such as a city or school district?

**Answer**

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 CRF eligibility criteria.

NEW  
8/3/2020

**Question 91:** Can the funds be used by a jurisdiction to support a school system within its footprint?

**Answer**

Yes, jurisdictions receiving CRF funds may, at their discretion, elect to use a portion of their allocation to support ISDs within their geographic boundaries, to the extent that funding is used for eligible purposes and is not duplicated from another source.

NEW  
8/3/2020

**Question 92:** Can a city allocate funds to a hospital that is outside of its city limits?

**Answer**

No. Costs must be incurred within a jurisdiction's geographic footprint.





## Fund Certification

**Question 93:** By submitting the CRF Certification, does that only trigger the process for the 20% drawdown, or does that also initiate our overall application for reimbursement?

### Answer

Once a jurisdiction submits its CRF Certification and Direct Deposit Authorization Form, TDEM will process the initial 20% advance unless the jurisdiction specifically requests not to receive an advance. As jurisdictions incur eligible expenses, they will then need to submit Requests for Reimbursement and attach supporting documentation for all of their expenditures, including those funded by the initial 20% advance.

**Question 94:** How should the signed certification be submitted?

### Answer

Please visit TDEM's Coronavirus Relief Fund website for detailed information on the submission process. The website can be found at <https://tdem.texas.gov/crf/>.

**Question 95:** For jurisdictions located in two or more counties, is the one form sufficient for both counties or does the jurisdiction need to submit forms for each county?

### Answer

One form is sufficient for both counties; however, a city may receive funding as two separate payments - one for each county.

**Question 96:** Exhibit B reads "In addition to each of the statements above, I acknowledge on submission of this certification that my jurisdiction has incurred eligible expenses between March 1, 2020 and the date noted below." Can you please advise if this should be a future date or today's date? If programs are developed to utilize these funds, we would not have expended them as of today.

### Answer

The date entered below the signature should be the date the document was signed.

**Question 97:** Who can certify the fund Terms and Conditions?

### Answer

The person certifying the fund has to be the person with the authority to enter into legally binding contacts on behalf of the jurisdiction. Typically, that would be the mayor or county judge. However, if the city manager holds that authority, then the city manager can certify.



**Question 98:** The Certification Section has the statement:

The undersigned grantee, \_\_\_\_\_ certifies, to the best of his or her knowledge that:

The county or city is actually the grantee and the judge, mayor, or city manager has signatory authority. What should be written in this blank?

**Answer**

Please put the printed name of the person signing the document in that blank.

## Cost Underruns

**Question 99:** If a jurisdiction does not incur eligible expenses (payroll, PPE, supplies, equipment, etc.) that total the 20% advance amount, does that jurisdiction have to give the remaining funds back to TDEM?

**Answer**

Yes, all funding not spent on eligible documented expenses must be returned to the state.

## Jurisdiction Procedures

**Question 100:** Should a local jurisdiction continue to follow local procedures? For example, awaiting ratification of Commissioner Court approval prior to submitting documents.

**Answer**

Jurisdictions should follow their local, approved procedures and ensure all expenses comply with eligibility criteria described in the Treasury Department guidance at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

**Question 101:** Is a resolution adopted by the city council required to apply for the funds or just a signed letter from the mayor?

**Answer**

Jurisdictions should follow local procedures. TDEM requires the following documents to be completed and submitted: Terms and Conditions document and Exhibit B. Submission of these documents constitutes the request for assistance for this funding. Submission of the jurisdiction's direct deposit authorization form is also encouraged.



**Question 102:** What procurement requirements apply to purchases made with CRF funds?

**Answer**

Jurisdictions should follow their local written procurement policies and applicable Texas state law, including those related to emergency purchases when necessary. The Uniform Administrative Regulations related to procurement (2 CFR 200.317 – 326) do not apply to expenses funded through the CRF. However, many jurisdictions may incur costs that fall outside of the limited period of performance for CRF eligibility and would require compliance with federal procurement regulations if reimbursement is provided through other grant sources. Therefore, jurisdictions should be mindful of the need to engage in full and open competition and document the reasonableness of expenditures through price/cost analysis whenever feasible.

## Reimbursement Process

**Question 103:** Once a jurisdiction submits its certification and direct deposit information, when can it expect to receive the 20% advance?

**Answer**

TDEM will begin processing advance funding as soon as it receives a jurisdiction's signed Terms and Conditions Certification and Direct Deposit Authorization Form. This process usually takes about five days after receipt of documentation.

**Question 104:** Is the full reimbursement application going to be through e-grants?

**Answer**

TDEM will not be using eGrants for the CRF. TDEM will process funding through the TDEM Grants Management System (GMS).

**Question 105:** What process does a city need to follow to demonstrate costs incurred?

**Answer**

TDEM Regional Unit Chiefs can assist directly with any questions on documentation.

**Question 106:** Do municipalities need to submit documentation on expenses incurred with the mayor's signature form to get the initial 20% of reimbursement?

**Answer**

The only documentation TDEM needs to process the initial 20% payment is the completed terms and conditions (last three signature pages) and the Direct Deposit Authorization form. The 20% will be sent by



electronic funds transfer when completed. However, jurisdictions will need to provide documentation for the first 20% payment prior to requesting additional funds from their allocations. In simple terms, jurisdictions will need to provide documentation that proves the money is spent on eligible costs as outlined in the terms and conditions. An example could be an invoice and proof of payment for purchase of personal protective equipment (PPE). This would mean a jurisdiction could submit the detailed invoice that outlines what is being purchased (so the state can verify the purchases fall under eligible costs) and then proof that the jurisdiction made payment. Another example would be if a jurisdiction was to use funds on paying for city staff overtime related to COVID-19. The city would need to provide documentation (usually from whatever timekeeping system that is used) on each employee, regular hours worked, overtime hours worked and generally a pay policy.

**Question 107:** Our jurisdiction has identified eligible expenditures, which we are prepared to submit. What are the next steps?

#### Answer

Please ensure the jurisdiction has submitted the Direct Deposit Authorization form in order to receive the initial 20% advance. If the jurisdiction does not wish to receive the 20% advance, please indicate this when submitting the terms and conditions. Jurisdictions will access TDEM's Grants Management System (GMS) to submit documentation for eligible expenditures. Training for GMS begins on June 16, 2020 and is available Tuesday and Thursday at 1:00 PM CST through 2:00 PM CST. Please find registration link here: <https://zoom.us/meeting/register/JYpfu6urDgvG93eNoD578Ldt7F0yj0Qnto8>.

**Question 108:** How does a jurisdiction provide banking information for the electronic transfer?

#### Answer

Please provide that information by downloading the Direct Deposit Authorization form from the TDEM CRF website: [https://tdem.texas.gov/wp-content/uploads/2019/08/Tx\\_DDForm\\_74-176.pdf](https://tdem.texas.gov/wp-content/uploads/2019/08/Tx_DDForm_74-176.pdf).

The completed form should be emailed to [CRF@tdem.texas.gov](mailto:CRF@tdem.texas.gov) or uploaded to the cloud at <https://storage.tdem.texas.gov/file/sharing/Wx7xF6oTa>.

**Question 109:** How should local jurisdictions submit cost documentation or request an advance?

#### Answer

Please ensure the jurisdiction has submitted the Direct Deposit Authorization form in order to receive the initial 20% advance. If the jurisdiction does not wish to receive the 20% advance, please indicate this when submitting the terms and conditions. Jurisdictions will access TDEM's Grants Management System (GMS) to submit documentation for eligible expenditures. Training for GMS begins on June 16, 2020 and is available Tuesday and Thursday at 1:00 PM CST through 2:00 PM CST. Please find registration link here: <https://zoom.us/meeting/register/JYpfu6urDgvG93eNoD578Ldt7F0yj0Qnto8>.

Jurisdictions must submit a Payment of Funds Request Form in conjunction with all Requests for Reimbursement. Jurisdictions may download this form from the TDEM GMS website at:



<https://grants.tdem.texas.gov/downloads/public.cfm?file=Form%20%2D%20CRF%2D%20Payment%20of%20Funds%20Request%2Exlsx>.

**Question 110:** Do cities with less than 500K in population request CRF funding through TDEM?

**Answer**

Yes, for all cities in counties that have of populations of 500,000 or fewer. Application for this funding consists of submitting the signed Terms and Conditions document, Exhibit B, and the Direct Deposit Authorization form. At that point 20% of the available funding is advanced within approximately 5 business days. The remaining funding is provided on a reimbursement basis as jurisdictions provide expense documentation. The forms mentioned can be found at the TDEM CRF website: <https://tdem.texas.gov/crf/> completing the application has the legal authority to certify and enter into agreements on the city's behalf.

Counties with populations of 500,000 or more received direct allocations of CRF funding from the Department of Treasury. Cities located in these jurisdictions should contact their counties directly, as TDEM does not have oversight of those funds.

**Question 111:** If small cities and counties do not have funding available to make grants to businesses then ask for reimbursement, how are small cities and counties supposed to help set up such a program to assist small businesses in our counties and cities?

**Answer**

The initial advance of 20% funding is intended to get that funding started. Keep in mind that the total allowed to be used for such business grants according to the Terms and Conditions document is 25% of the funding allocation. So, jurisdictions will be advanced nearly all that they are allowed to use for this purpose upon initiation of the funding.

**Question 112:** Will there be someone working with jurisdictions on reimbursement requests for the remaining 80%?

**Answer**

Yes, TDEM Regional Unit Chiefs and TDEM support affiliates will work with jurisdictions to process the reimbursement requests.

NEW  
8/3/2020

**Question 113:** How far along should I be with my CRF expenditures?

**Answer**

Given that the eligible period of performance began on March 1, jurisdictions should have incurred eligible expenditures by this time. Accordingly, TDEM expects jurisdictions to submit reimbursement requests as quickly as possible in order to ensure costs can be reviewed and deemed eligible.



## 75% / 25% Requirement

**Question 114:** Regarding Terms & Conditions – p. 6 – Would a city have to agree that 75% of their allotment will be spent on medical, public health, and payroll expenses (Categories 1-3)? For a small town with very few cases, this will be a significant limiting factor. Would qualifying expenses in Categories 4-6 be limited because the reimbursement has to be 75% from Categories 1-3?

### **Answer**

Yes, 75% of the funds must be spent on Categories 1-3.

**Question 115:** Economic Support – Is there a max limit on how much can be used to support local small businesses?

### **Answer**

Yes, there is a maximum limit. 75% of the funds used from the allocation must be used on the first three categories outlined in guidance documents and the terms and conditions: medical expenses, public health expenses and eligible personnel expenses. The area that supports small businesses is one of three categories for which 25% of the funds can be used.

**Question 116:** Does “75% of the allotment” refer to 75% of the total allocated to a jurisdiction or is it 75% of actual dollars reimbursed?

### **Answer**

As long as a jurisdiction used 75% of the total dollars provided (not eligible dollars, spent dollars (including advances) on the three required areas, regardless of how many transactions were made (advances and requests for reimbursement), each individual transaction does not have to be included in the 75% in the first three categories.

**Question 117:** Is the 75% rule only applicable to TDEM CRF program subrecipients, or are all Treasury recipients required to abide by that?

### **Answer**

The requirement to spend 75% of funds on the following categories is for jurisdictions requesting funds through TDEM:

1. Medical expenses
2. Public health expenses
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



**Question 118:** In the detailed examples of eligible expenditures, the Treasury guidance states:

Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions. Schools are closed due to public health initiatives to prevent further spread of the disease. Can up to 75% of these funds be used to support ISD initiatives?

**Answer**

No, Expenses to facilitate distance learning fall under the remaining 25% since they are not:

1. Medical expenses
2. Public health expenses
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.

For further detail see: <https://tdem.texas.gov/wp-content/uploads/2019/08/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

**Question 119:** How much of the funding allocation is allowed to be utilized towards the humanitarian or business impact needs?

**Answer**

Up to 25% of the funding spent can go toward:

- Expenses of actions to facilitate compliance with COVID-19-related public health measures, expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, and any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

These categories include humanitarian and business impact needs. For further detail please see the following guidance document: <https://tdem.texas.gov/wp-content/uploads/2019/08/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

**Question 120:** Can a jurisdiction receiving payments from TDEM for multiple disasters change the Direct Deposit Account number pertaining only to the "Cares Act Coronavirus Relief Fund" in the TDEM GMS grant portal?

**Answer**

A new Direct Deposit Authorization would cause all funding from TDEM to route to the specified account. Jurisdictions will need to manage the need for different accounts at the local level. A jurisdiction may change the banking information for the single account that TDEM will route all funding into by completing an updated





Direct Deposit Authorization Form and submitting it to [CRF@tdem.texas.gov](mailto:CRF@tdem.texas.gov). The form can be found at the TDEM CRF website: <https://tdem.texas.gov/crf/>

**Question 121:** Will we need to report reimbursement requests within the 6 categories of expenses specified in the terms and conditions? I want to make sure we have our spreadsheets for tracking purposes set up correctly.

**Answer**

Yes, when submitting reimbursement requests, jurisdictions will identify each expense's eligible category.

## Allocations to Jurisdictions

**Question 122:** Will cities within counties under 500,000 population receive funding directly, or will the funds go to the county government first and the county would then in turn make the funds available to the city?

**Answer**

The cities will receive their own allocation from TDEM and be responsible for complying with all the terms and conditions.

**Question 123:** How is TDEM allocating CRF funding to counties and local units of government?

**Answer**

Each county and each incorporated jurisdiction will receive a separate allocation which is based on \$55 per capita. A county's allocation is based on the unincorporated population of the county. Each of these jurisdictions will need to download the terms and conditions and submit the required forms to access the funds. In addition, each jurisdiction will be responsible for the funds and providing documentation to support that these funds are spent as required.

**Question 124:** If one application (county and cities within it) is to be submitted through FEMA's Public Assistance Program (75% match for Category B), does this funding need to be handled the same way, or can each city and the county submit a certification separately?

**Answer**

For the Coronavirus Relief Fund (CRF), each county and each incorporated jurisdiction within the county must submit separate terms and conditions document. They will not be connected and each entity will be responsible for their own funding allocations.



**Question 125:** Would a county jurisdiction be held responsible for any misallocation of funds by a city jurisdiction under the CRF process? Does the requirement for each jurisdiction to apply separately from the other to receive their funds alleviate any liability on the part of the county for any city misappropriations, either intentional or otherwise?

**Answer**

A county would not be held responsible for a jurisdiction's funds (and their management or mismanagement) if separate allocations and separate terms and conditions are signed. However, if a jurisdiction is provided funds by a county, the county would remain responsible for those funds. A municipality with their own allocation who signs a separate terms and conditions document is responsible for their own management of the funds and the county would not be responsible.

**Question 126:** Can a city and an economic development corporation in a community both apply for funds for different projects under the Coronavirus Relief Fund?

**Answer**

It will be up to the city government how to utilize/distribute that funding within their jurisdiction. While economic development corporations are not eligible to receive CRF funds directly, a jurisdiction may transfer funds to another unit of local government or economic development corporation within its jurisdiction, 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.

**Question 127:** Can individuals apply for funds from the Coronavirus Relief Fund?

**Answer**

Individuals cannot directly apply for CRF funding; however, jurisdictions may use CRF funds they have received to establish grant or subsidy programs tailored to respond to the needs of their communities' circumstances. For information regarding how/if Coronavirus Recovery Fund affects/applies to individuals in specific locations, individuals should ask their city government for further information. We also recommend visiting <https://www.disasterassistance.gov/> for information on FEMA individual assistance for specific disasters.

## Cities Located in Multiple Counties

**Question 128:** If a city is located within two counties, can the city utilize CRF funding from one county for expenses in the other county?

**Answer**

Yes, there is no mandate or guideline that disallows this.



**Question 129:** In the past, cities located within two counties were required by FEMA to complete project worksheets through the county the damage was in, but were eventually allowed to submit projects through whichever county was more efficient. Does the same requirement apply for CRF funds?

**Answer**

While being managed similarly to FEMA funding, the CRF operates under different law and guidance. There is no law, rule or policy relating to this with the CRF funds.

**Question 130:** If a city is located within more than one county and one of those counties is a jurisdiction that received funds directly from the U.S. Treasury but another is not, what is the appropriate route to seek Coronavirus relief funds?

**Answer**

After submitting the signed terms and conditions, the city will receive the allocations based on the population in the county or counties which did not receive funding directly from the U.S. Treasury. For any county that did receive funding directly from the U.S. Treasury, cities are encouraged to discuss funding with that county directly, as the terms and conditions on the use of those funds may differ from TDEM's.

**Question 131:** If a city spans two different counties, would the city be responsible for requesting all city funds regardless of which county it is located in?

**Answer**

Yes, the city is responsible for both funding allocations. When TDEM receives the paperwork the jurisdiction only needs to fill it out once and submit. TDEM is trying to combine payments in these cases, but it is possible it will arrive via electronic funds transfer in two payments.

## Coordination with Other Sources of Funding

**Question 132:** May CARES Coronavirus Relief Fund money be used for the FEMA Public Assistance 25% cost share of COVID-19 grants obligated under Stafford Act disaster declaration DR-4485-TX provided the FEMA COVID-19 grants are approved or obligated before 12/31/20 since the 25% cost-share portion would have been incurred before 12/31/20?

UPDATED  
8/3/2020

**Answer**

The Treasury Department has clarified that payments from the CRF may be used to meet the non-federal matching requirements for FEMA assistance to the extent such matching requirements entail COVID-19-related costs that otherwise satisfy the CRF eligibility criteria and the Stafford Act. Regardless of the use of CRF payments for such purposes, FEMA funding is still dependent on FEMA's determination of eligibility under the Stafford Act.



**Question 133:** Are matching funds required?

**Answer**

No. The Coronavirus Relief Fund does not require matching funds or a jurisdiction cost share.

**Question 134:** If a hospital is a county taxing district on its own, does the city put them under our expenses or should it go to the county? That is, can both city and county CRF be used to support hospital expenses related to COVID that have not been covered by other COVID funding streams?

**Answer**

Each county or city government who receives CRF funding is responsible for determining how those funds are spent within the requirements specified by the State and Federal governments. Whether a city or a county chose to utilize their funding toward a public hospital located within their jurisdiction would be up to that local government. Neither the city nor the county is required to provide funding for eligible expenses incurred by a public hospital but either may at their discretion.

**Question 135:** What is the difference between this grant and the grant that the Governor asked entities to apply for through his office on April 15th: <https://gov.texas.gov/news/post/governor-abbott-announces-38-million-in-federal-covid-19-emergency-funding-for-local-governments>

**Answer**

This is not the same funding source. The funding in the link is through the U.S. Department of Justice, Bureau of Justice Assistance and is different.

**Question 136:** Is reimbursement for "similar" costs under CRF and FEMA's Emergency Protective Measures (Category B) allowable under both funding sources? Or do cities need to be bound to one or the other?

**Answer**

There are eligible costs that are the same under both CRF and FEMA Public Assistance (PA). Jurisdictions can determine which fund is best for their circumstances. However, jurisdictions must ensure there is no duplication of benefits – using both funds for the same cost.

**Question 137:** If an jurisdiction were to utilize these funds on a particular item, would that jurisdiction not be eligible to submit for FEMA reimbursement also, once the incident period ends?

**Answer**

A jurisdiction would not be able to pay for an item with CRF and then claim that through FEMA. That is what is referred to as "duplication of benefits" and is not allowable with any federal funding stream. However, a



jurisdiction would, for example, be able to seek FEMA reimbursement for costs unpaid or unreimbursable by CRF, such as expenses incurred outside of March 1, 2020 through December 30, 2020.

**Question 138:** Please provide a quick explanation of the differences and similarities of the funding from CARES and the FEMA grant for COVID-19 funds.

**Answer**

While there are many expenses that are eligible under both FEMA and the CRF, they are completely different programs. TDEM Regional Unit Chiefs can provide a fact sheet on eligible expenses under the FEMA Public Assistance (PA) program. A noticeable difference between the two funds is the cost share. FEMA funds have a 75% (federal)/25% (local) cost share. CRF funds do not have a cost share. There are also some differences in allowable costs with CRF funds able to cover some types of expenses that FEMA does not (e.g. making grants available for small businesses).

**Question 139:** For expenses not reimbursable under CRF, is there information on other grants under which they may be reimbursable?

**Answer**

We recommend visiting <https://www.fema.gov/coronavirus> and <https://www.coronavirus.gov> for information on additional grant programs and opportunities for assistance.

**Question 140:** In the FEMA PA memos, the following language is used: "Eligible emergency protective measures taken at the direction or guidance of public health officials in response to this emergency, and not supported by the authorities of another federal agency, will be reimbursed strictly under the FEMA Public Assistance program." Is there similar language or a caveat in CARES act funding?

**Answer**

The language cited from the FEMA memo is intended to underscore that multiple federal agencies are providing funding in response to the COVID-19 public health emergency, and funding from FEMA may not duplicate assistance provided from any other source. This is also true for CRF funding. 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, are not eligible uses of Fund payments.

