

**CARES ACT 2020 RULES AND GUIDELINES as of 7/2/20**  
**PRELIMINARY REVIEW SUBJECT TO FURTHER EXPLORATION AND**  
**GUIDANCE FROM STATE TREASURY**

**FACTS:**

1. \$635,569 to be allocated to the City of Beaumont in 6 incremental payments.
2. Funds are to be used by 10/30/20, and are applicable for COVID-19 related expenses incurred starting on 3/1/20.
3. Cities must attest their adherence to COVID-19 federal guidelines, stay at home orders, and state executive orders to receive certification for these funds (show proof if asked).
4. The City is NOT required to submit proposed expenditures to the State Treasury for approval.
5. By 9/1/20, the City must submit a report to Department of Finance (DOF) on the status of the City's expenses.
6. Funding will be allocated in several installments (1/6<sup>th</sup> at a time) and payments may be accelerated based on utilization of funds and compliance of applicable health orders.
7. If the DOF takes 6 months to allocate the payments (which would be through December), then the expenditure deadline may be extended past 10/30/20.
8. The extension of the expenditure deadline and the acceleration of allocations will be largely based on the City's expenditures and actions reported by 9/1/20.
9. Over the next several weeks, the League of California Cities will be coordinating with the State DOF to answer local jurisdiction questions and provide clarification/guidance regarding eligible expenses and reporting requirements.
10. It appears that cities are eligible to utilize CARES Act dollars for reimbursement of costs not otherwise reimbursed by FEMA. Recipients are NOT required to use other federal funds or seek reimbursement under other federal programs before using CARES Act payments to satisfy eligible expenses. Additionally, CARES Act payments are NOT required to be used as the source of funding of last resort; however, recipients may not use payments from the CARES Act to cover expenditures for which they will otherwise receive reimbursement. Recipients will need to consider the applicable restrictions and limitations of other sources of funding such as combining a transaction supported with Fund payments with other CARES Act funding or COVID-19 relief federal funding.

**TO DO:**

1. Submit certification form to the State Dept of Finance by 7/10/20 as well as an email of the certification to League of California Cities.
2. Retain records to support eligible expenditures.
3. Provide reports as required by the State DOF.

**ELIGIBLE WAYS TO SPEND THE MONEY:**

**A. City Internal Costs:**

1. Technology Costs – telework capable hardware and software.
2. Personal Protective Equipment (PPE).
3. Non-staff expenses: PPE, telecommuting, sanitizing, public health order enforcement.
4. PPE reserves for future outbreak.
5. Facility safety improvements for adequate social distancing.
6. Assistance for unemployment of City employees for COVID illness time off or high-risk quarantine (restricted to self-insured cities).
7. Employee time off due to COVID-19 (Paid sick or paid family and medical leave).
8. Increased worker's compensation costs if employees are deemed to have contracted COVID-19 at work.

9. Public safety measures associated with quarantining individuals.
10. Hazard pay or overtime for those performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19 (limited to BPD employees).
11. Disinfection of City buildings.
12. Covering the 25% of allowable FEMA costs that are not reimbursed by FEMA (PAYMENTS FROM THE FUND MAY BE USED TO MEET THE NON-FEDERAL MATCHING REQUIREMENTS FOR STAFFORD ACT ASSISTANCE FOR COVID-19-RELATED COSTS THAT SATISFY THE FUND'S ELIGIBILITY CRITERIA AND THE STAFFORD ACT. REGARDLESS OF THE USE OF FUND PAYMENTS FOR SUCH PURPOSES, FEMA FUNDING IS STILL DEPENDENT ON FEMA'S DETERMINATION OF ELIGIBILITY UNDER THE STAFFORD ACT).

**B. Small Business Support:**

1. Reimbursements to small businesses who have suffered COVID-19 related losses for costs needed for reopening.
2. Provision of PPEs.
3. Small business grant program.

**C. Community Assistance Programs:**

1. Utility assistance for residents experiencing COVID-19 related hardship (application process and verification).
2. Food and nutrition support for seniors and other vulnerable populations.
3. Provision of PPEs to the community.
4. Rental assistance to individuals experiencing COVID-19 related hardship (application process and verification).

**ADDITIONAL RESEARCH FOR ELIGIBILITY:**

1. Payroll costs for BPD employees since those are costs of services substantially dedicated to mitigating or responding to the COVID-19 public health emergency. This may be an eligible expense since BPD staff provided "communication and enforcement of COVID-19 public health orders. This also may be eligible for BPD employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Federal guidance states that "as a matter of administrative convenience" the state may presume payroll costs for police officers are payments for services substantially dedicated.
2. The "Summary of CRD Guidelines and FAQ 6/24/20" lists police officers as COVID-19 related expenses that are needed to address public health needs.
3. Purchase of police vehicles.
4. PIO COVID-19 related expenses, including salary, since a significant amount of PIO staff time was devoted to COVID-19 communications and public information (might apply to other staff as well).
5. Stipends for teleworking employee expenses.