Community CARES
Coronavirus Relief Fund

The Department of Health & Human Services is pleased to announce three funding opportunities for charitable organizations and licensed providers

Frequently Asked Questions
Nebraska Response & Recovery Grant

1. Why aren’t local and tribal governments, hospitals and child care providers eligible?
Local and tribal governments, hospitals and child care providers are not eligible for the Community CARES grants as there are other funds under the CARES Act for which they are eligible.

2. Our organization is a member of a coalition. Should the coalition apply, or one of its individual organization members?
The coalition should submit the application, as long as it is an eligible entity, e.g. has a 501(c)(3) status. If the application is approved, the coalition is the responsible party on behalf of its member organizations. Member organizations can still apply separately with a different application, though collaboration is strongly encouraged and will earn bonus points in the application scoring process.

3. I received CARES funding from another source. Can I still apply?
Yes, if you have COVID-19 expenses in excess of the funding you already received, you may apply for a different grant that fits the intent of the funds. If you receive grant funds, it is unallowable to be reimbursed for the same expense using more than one source of funding. Multiple funding sources may share in the total expense with each source charged its “fair share” or allocable cost. Recipients will need to consider the applicable restrictions and limitations of such other sources of funding.

4. Community members have generously donated money to my organization to support similar work. Can the CARES funding be used instead?
Federal funding shall be used in addition to (supplementing), not in place of (supplanting), state and local funds, including donations. Supplementing or extending the effort to do more is allowable; supplanting is NOT allowable with federal grants.

5. The reporting requirements appear simple enough, especially for the potential of up to a $2 million single award. Will there be additional requirements announced later?
To demonstrate accountability, reporting will be required if you receive financial assistance. DHHS expects to release the specific reporting requirements at the time of award notification. Like the application itself, reporting plans are intentionally streamlined for this funding opportunity. DHHS reserves the right to issue clarification as part of the award notification, in part, based on questions to the DHHS Call Center staff during the application period. DHHS does not expect to add burden, rather to streamline the reporting forms or process. It is important to emphasize, accountability is of utmost importance with this federal assistance, including but not limited to maintaining evidence of performance and applicable supporting documentation. If approved for funding, performance will be reported based on the approved plan.

CARES: Coronavirus Aid, Relief, and Economic Security Act
6. Why do I need to agree to the Terms and Conditions and provide my bank information before being notified whether my application has been approved?

Acknowledging that you have read, understand, and agree to the grant requirements and conditions is a critical step in the approval process that also reinforces the need for transparency and accountability. Providing your bank information in the application, if you are approved and have requested a cash advance, will help expedite the payment process.

7. I expect there will be questions that cannot be answered in this FAQ. Can I call someone?

Yes, DHHS will accept verbal questions from interested persons during the application period (July 1-8) by calling (833) 220-0018 between 7 am and 7 pm CDT, including July 3 and through the holiday weekend. Persons taking questions will answer your questions during the call. In cases of high call volumes, you may need to call back or be prepared to leave your name and contact information so that a representative will get back to you.

8. I’d like to apply for the program delivery grant and deliver meals to people in need. I am a for-profit business and I’m not a licensed care provider. Can I apply?

No, these funding opportunities are available to certain licensed providers and charitable organizations. Licensed care providers must provide their Nebraska-issued license number, and charitable organizations must provide documentation of their non-profit, 501(c)(3) IRS status.

9. What criteria will be used to evaluate applications?

DHHS is committed to prioritizing funds to support underserved communities and community collaboration. Entities located in areas of high poverty and areas disproportionately impacted by COVID-19 will be prioritized during the application review process, as will applications with a single entity coordinating with partner organizations to streamline assistance to individuals and families in their community. Applications also will be evaluated on the applicant’s experience and qualifications to manage federal grants responsibly, the fit between its capacity and plan for specific COVID-19 response and recovery activities, a realistic timeline for performance no later than December 30, 2020, and a budget that clearly aligns with program objectives, the proposed activities and that demonstrates accountability for actual and allowable costs.

10. Will equitable geographic distribution be considered in Evaluation scoring?

Selection criteria does not include a methodology to equally distribute funds geographically. It does include an equitable method based on prioritizing underserved communities disproportionately impacted by the pandemic. All communities across Nebraska are impacted by the public health emergency, in varying degrees within regions, both urban and rural. The criteria will be applied to all applications, although the service areas cannot be anticipated nor the needs of individual communities that would permit equal distribution geographically.

11. What are the allowable costs out of the CARES Act?

Expenses associated with conducting response and recovery will be eligible if the expenses otherwise meet the criteria set forth in section 601(d) of the Social Security Act, added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The US Treasury issued Frequently Asked Questions based on its Guidance includes provisions in 2 CFR 200 commonly referred to as The Uniform Grant Guidance (UGG). The basic considerations (cost principles) and general provisions for selected items of cost located in 2 CFR 200 continue to be the ideal reference to guide the budget and expenditure of federal financial assistance offered through this funding opportunity. Generally speaking, referencing the UGG and the funding purpose set forth in the Response & Recovery Grant Guidelines are useful for good decision making. A list setting forth eligible (or ineligible) costs could not be all-inclusive.

12. Are Fund payments considered federal financial assistance for purposes of the Single Audit Act?

Yes, Fund payments are considered to be federal financial assistance subject to the Single Audit Act (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Guidance, 2 C.F.R. § 200.303 regarding internal controls, §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

CARES: Coronavirus Aid, Relief, and Economic Security Act
13. What exclusions are there to emergency financial assistance?
Direct support to individuals and families in need of assistance shall be reasonable and necessary due to the public health emergency and otherwise deemed allowable under the guidance found in the UGG cost principles. For example, if meal delivery includes groceries, such expense is restricted to food or water for subsistence. Any costs for alcoholic beverages or cigarettes or similar items must be excluded.

14. My organization needs to hire people to implement the program described in our grant application. Can I use funding to pay salaries and fringe benefits?
Yes, personnel costs for individuals whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable in accordance with the Applicant’s organizational policy, including compensation for overtime. Remember, though, that the grant ends December 30, 2020. After that time, you cannot use Community CARES money to continue paying employees.

15. Our current employees cannot do it all. We need to contract some services. What requirements are there for procurement, i.e. contractual agreements including but not limited to translation and interpretation?
Applicant shall use its own documented procurement procedures, including standards of conduct covering conflicts of interest and actions of employees engaged in the selection process in a manner providing full and open competition. Following the methods of procurement in the Procurement Standards of the UGG is desirable. Given the emergency relief purpose and the need for expediency, at a minimum, document market comparisons for the specific services contracted, including assurance that minority businesses, women’s business enterprises, and labor surplus firms are used when possible.

16. Will the federal government extend the end date of the Coronavirus Relief Fund? I’ve heard that rumor.
At this time, we have no way of knowing if the date will be extended. All our plans and documented guidelines reflect the US Treasury Department’s communicated program end date of December 30, 2020. If the US Treasury extends the program end date, awardees under Nebraska CARES will be notified if their program end date is also extended.

17. Does “period of performance” mean the funds have to be expended by December 30, 2020?
No. “Period of performance” has a two-part requirement: 1) funds must be obligated AND 2) work performed by December 30, 2020. Obligations are commitments by a purchase order, invoice for orders placed for services, contracts, and similar transactions during a given period that require payment during the same or a future period. If both conditions are satisfied, the obligations must be liquidated by January 31, 2021, with the final report due February 15, 2021.

18. Are pre-award costs allowable?
No, for this funding opportunity the budget request shall reflect only the projected expense for the period of performance expected to begin July 15, 2020 through December 30, 2020.

19. A conference relevant to the usual and customary work of my organization is scheduled in October. Can I use the Response & Recovery funds for this?
No. The funds can only be used to recover expenses that are necessary due to the COVID-19 public health emergency.

20. In the middle of the pandemic, some of our equipment stopped working. Can the CARES funding be used to repair or replace equipment?
See the definition of equipment in the budget category description. All equipment purchases require prior approval, and is not the intent of these funds. For any type of equipment, consider repair costs prior to replacement to determine the more reasonable costs.

21. Are there limits on supplies?

CARES: Coronavirus Aid, Relief, and Economic Security Act
See the definition of supplies in the budget category description. Yes, limitations apply. Typically supplies that are necessary and reasonable for the approved work, and in the quantity that are needed only during the period of performance, are allowable costs. Stockpiling supplies for use outside of the period of performance is unallowable. Any requests to purchase computing devices shall be specifically for the public health emergency response. This may include only computing devices reasonable and necessary in the emergency financial assistance to individuals or families. Computing devices that permit applicant to improve its management response are allowable as reasonable and necessary, and limited to a small percentage of the budget request.

22. Our facility could use a new photocopier, plus a new computer for the Director of Nursing. Can these be included in the budget?
No, unless essential in your performance of the pandemic response and recovery. If these purchases (or leasing) would help in the pandemic response, but are not for exclusive use in the response and recovery work, the Community CARES funds may bear only its “fair share” of projected costs based on CARES activities. You would need to identify other funds as relevant. These funds are primarily focused on emergency relief for individuals and families, and accordingly must be reflected as the majority of the budget.

23. To claim the 10% de minimus for Indirect Costs (budget), what are the Modified Total Direct Costs and how are the indirect costs calculated on MTDC?
For this funding opportunity, MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, and travel (limited to mileage only). MTDC excludes equipment, capital expenditures, charges for emergency financial assistance, and rental costs to avoid a serious inequity in the distribution of indirect costs. Example (below) shows projected costs in MTDC x 10% + additional allowable costs excluded in base = total budget request.

### Calculator - de minimis rate x MTDC

<table>
<thead>
<tr>
<th>Modified Total Direct Costs (MTDC)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Salaries and Wages</td>
<td>$12,000.00</td>
</tr>
<tr>
<td>Applicable Fringe Benefits</td>
<td>$2,760.00</td>
</tr>
<tr>
<td>Materials and Supplies</td>
<td>$500.00</td>
</tr>
<tr>
<td>Services</td>
<td>$5,800.00</td>
</tr>
<tr>
<td>Travel (mileage only)</td>
<td>$823.00</td>
</tr>
<tr>
<td>Total MTDC (base)</td>
<td>$21,883.00</td>
</tr>
</tbody>
</table>

= Indirect Costs = 10% $2,188.30
= allowable costs excluded in MTDC base $75,928.70
= total projected costs (budget) if approved = subaward $100,000

24. What can I do if I need working capital to get the program started?
A cash advance may be requested if other funds are not available to pay for the startup costs of the activities. The maximum amount available for a one-time cash advance is 33% of the approved award. If you declare an advance is necessary, and your application is approved under the Response & Recovery Grant opportunity, no more than 33% of the approved funding will be the first payment. In your application, indicate the budget category(ies)/line item(s) where funds will be expended for start-up costs.

25. How will the advance be accounted for in my expenditure reports?
Accounting for the cash advance will occur in each of three reports by deducting from the expenses one-third of the cash advance in each report. At the end, if more cash was advanced than the total expense, Subrecipient will need to refund the overage.

CARES: [Coronavirus Aid, Relief, and Economic Security Act](https://www.govikontrakty.gov)
26. If/when expense exceeds the advance, what is the method to receive payment?
A reimbursement method will be used for payments when expense exceeds the advance. The example depicts the process for an approved award $100,000:

<table>
<thead>
<tr>
<th>Scenario 1 – 1st period expense is less than 1/3 advance - no payment 1st report</th>
</tr>
</thead>
<tbody>
<tr>
<td>start up cash advance</td>
</tr>
<tr>
<td>$33,000.00</td>
</tr>
<tr>
<td>deduct 1/3 advance</td>
</tr>
<tr>
<td>actual expense</td>
</tr>
<tr>
<td>payment</td>
</tr>
</tbody>
</table>

No payment 1st report because the first period expense minus 1/3 the advance = negative value. Converts to reimbursement method 2nd payment.

<table>
<thead>
<tr>
<th>Scenario 2 – cumulative expense exceeds award - reimbursement reduced for 3rd period payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>start up cash advance</td>
</tr>
<tr>
<td>$33,000.00</td>
</tr>
<tr>
<td>deduct 1/3 advance</td>
</tr>
<tr>
<td>actual expense</td>
</tr>
<tr>
<td>payment</td>
</tr>
</tbody>
</table>

The cumulative expense in the 3rd period report exceeds the award. 3rd period reimbursement is adjusted up to the award. $10,436.24 cannot be reimbursed.

<table>
<thead>
<tr>
<th>Scenario 3 – advance exceeds total expense - REFUND required</th>
</tr>
</thead>
<tbody>
<tr>
<td>start up cash advance</td>
</tr>
<tr>
<td>$33,000.00</td>
</tr>
<tr>
<td>deduct 1/3 advance</td>
</tr>
<tr>
<td>actual expense</td>
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<tr>
<td>payment</td>
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</tbody>
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The cumulative expense in the 3rd period report is less than the advance. Refund $6,701.65 to DHHS.

27. When can I expect to receive funds?
If approved, applications with an advance payment option are expected to begin in July 2020. Due to the emergency relief purpose of this funding opportunity, expediency is very important. The purpose and level of funds must also be balanced with accountability. Response & Recovery grants have an advance option for operating capital up to 33% of the total approved budget. After an advance, payments will transition to a reimbursement method with the reports due on September 15, 2020, November 16, 2020, and settling up when the final report is due February 15, 2021. For more information, see Cash Advance.

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28. How long do I have to report expenses after the grant period ends?
For the Response & Recovery Grant to expand program delivery, the grant period ends December 30, 2020. Awarded funds shall be obligated and work performed by December 30, 2020. Obligations shall be liquidated by January 31, 2021. Any remaining balance must be refunded at the time of the final report due February 15, 2021.