Insights

Coronavirus Relief Fund Program: Reimbursement Eligibility Guidelines for Counties, Cities, and Towns

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Under the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act), the State of Indiana received a distribution of Coronavirus Relief Funds to be used for certain limited purposes. Three Hundred Million Dollars of these funds are being made available to Indiana counties, cities and towns for reimbursement of eligible expenses incurred that are directly related to addressing the COVID-19 pandemic. The allocation of such funds to counties, cities and towns has been made based upon population.

On Thursday, May 14, the Indiana Finance Authority Board approved its Coronavirus Relief Fund Program to outline the process under which these local governmental units are able to access these funds. The Indiana Finance Authority **website** has been updated to provide (i) certain documents required to be filed to seek reimbursement of eligible expenses, (ii) detailed information regarding what constitutes an eligible expense, (iii) answers to frequently asked questions and (iv) a breakdown of the allocation of funds among the governmental units.

In order to be an eligible expense, the expense (i) must be incurred during the period of March 1, 2020 through December 30, 2020; (ii) must be a necessary expenditure incurred due to the public health emergency with respect to COVID-19, and (iii) was not accounted for in the budget most recently approved as of March 27, 2020 for the governmental unit. In guidance provided by the U.S. Treasury, a few of the expenses eligible for reimbursement include cleaning or disinfection supplies, medical supplies, personal protection equipment, testing, employment and training programs made necessary by COVID-19, certain grant programs as well as certain payroll expenses for employees whose services are substantially dedicated to mitigating or responding to the COVID-19 pandemic. The guidance clearly states that these funds are not able to be used to offset lost revenue.

Please see the IFA website for additional information. If you have questions pertaining to information found in this alert please contact **Julie C. Bolling,** or reach out to any member of Krieg DeVault's **Public Finance and Municipal Law team**.