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Routes to Recovery Program Guidance Key Takeaways

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The Department of Administration released a <u>Routes to Recovery Program Guidance for Local Governments</u> providing information on what COVID-19 related expenses incurred by municipalities in response to the pandemic are eligible for reimbursement under the \$190 million grant program funded by the federal CARES Act's Coronavirus Relief Fund. With one exception, the Guidance seems to allow more types of COVID-19 related expenses to be reimbursed than Department of Administration staff had initially said would be allowed when the program was first announced two weeks ago. Below are five key takeaways:

- 1. Municipalities may include COVID-19 related expenses not mentioned in the categories or category descriptions listed in the Routes to Recovery grant program. As long as the expenditure meets the general eligibility requirements for the program (i.e., an unbudgeted expenditure necessary to respond to the COVID-19 health emergency and incurred between March 1, 2020 and November 6, 2020) it can be included in the expense reporter even if it is not expressly mentioned in the Guidance. Municipalities should choose the most applicable category for the expenditure, provide enough description in the expense reporter for outside reviewers to understand how the pandemic necessitated the expense. See FAQ 3.2.
- 2. Payroll expenses for "public safety, public health, health care, human services, and similar employees" between March 1 and November 6 are eligible for reimbursement. The Routes to Recovery Guidance points out that the federal guidance "presumes that employees in these types of roles are performing services that are substantially dedicated to COVID-19 mitigation and response efforts, unless specific circumstances indicate otherwise." Payroll expenses for employees from other departments temporarily redeployed to assist in public safety, public health, health care, human services, and similar roles to meet the needs of the public health emergency are also eligible for reimbursement for work hours substantially dedicated to COVID-19 mitigation and response. See FAQ 3.4 and 3.5.
- 3. Long term building modifications to enable COVID-19 health precautions are eligible for reimbursement such as "installing sanitizer stations or touchless soap/towel dispensers; and other expenses incurred to protect the public health and reduce the risks of transmission in public areas and facilities, so long as the local government determines those efforts are reasonably necessary due to the public health emergency." See FAQ 3.13.
- 4. Unanticipated and unbudgeted purchases of services and equipment to enable public employees to perform work duties from home are expenses eligible for reimbursement under the program, including additional licensing costs, subscriptions, or fees, device purchases or leases (e.g., laptops), and IT contractor costs. See FAQ 3.14
- 5. Municipalities may not use Routes to Recovery local government grants to help fund a municipally created COVID-19 grant program for local businesses. See FAQ 2.7.