



June 5, 2020

Dear Community Partners

Thank you for your patience as Salt Lake County (SLCo) has worked through the process of distributing the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding to each municipality. SLCo has been reviewing the allowable uses of these funds, assessing the cost of on-going needs for the primary health purposes of the funds, as well as assessing opportunities to distribute funding.

SLCo will be distributing \$34 Million to municipality's based on the state's formula. This will require an agreement between SLCo and each municipality for direct distribution of the funding. We will be reaching out to each of you to determine who the appropriate signer for your entity will be.

The CARES Act provides that grant funds may only be used for limited purposes, and any funds used for an unallowed purpose would need to be repaid by the County. For this reason, any municipality accepting a subgrant of CARES Act funds from the County must agree to certain terms contained in the agreement. In short, municipalities will be required to adhere to the CARES Act's spending requirements, agree to reporting requirements designed to help ensure that SLCo fulfills its obligations to spend funds appropriately and to prove its compliance to the Department of the Treasury, and agree to reimburse SLCo in the event it must repay any funds expended improperly. Additionally, should municipalities receive funding from the Federal government under the anticipated 4th stimulus package, the municipalities shall return the CARES Act funds to SLCo. Because SLCo intends to implement economic relief grants to businesses with COVID-19 related losses, municipalities shall agree that duplicate grants that exceed the economic loss or are used for losses or expenses reimbursed under any other federal, state, local or private program will not occur.

CARES Act funds have restrictions and requirements associated with their use. The primary limitation is that CARES Act funds may NOT be used to replace lost revenues or resulting budget shortfalls. Other limitations include a prohibition on using funds to pay for damages, legal settlements, or for expenditures that will be compensated by any other emergency COVID-19-related supplemental funding (whether state, federal or private in nature) for that same expense. [The attached Treasury Guidance documents](#) contain additional examples of unapproved use of CARES Act funds. The [FAQ Sheet](#) is also a good resource on appropriate use.

We will process the payments as quickly as possible once SLCo receives the executed agreement from your municipality. Below, we included further information on the process of these payments.

Sincerely,

Jenny Wilson
Mayor

Jennifer Wilson
Mayor

Erin Litvack
Deputy Mayor, County
Services

Darrin Casper
Deputy Mayor, Finance
& Administration

Catherine Kanter
Deputy Mayor, Regional
Operations

Kerri Nakamura
Chief of Staff

Where do we go from here?

1. The agreement to be signed is attached to this email.
2. Return the agreement to Ryan Perry at rperry@slco.org.
3. SLCo will work with you if any additional information is needed to set up your entity in our vendor system.
4. If your entity already has an Electronic Funds Transfer (EFT) account setup with SLCo, you will receive your funds electronically. If your entity does not have an EFT account, you will be sent a check.
5. We will process your payment as quickly as possible.
6. Monthly reporting will be required and can be submitted through an electronic portal that will be created. We will provide more information to you on this process in the coming days.
7. All of your expenditures must be compliant with CARES guidelines and requirements.
8. Contact Ryan Perry at rperry@slco.org or 801-541-0539 for questions or concerns.

How will I report the expenditure of funds?

SLCo will providing an electronic portal to provide reporting on a monthly basis. Reports will provide spending by the following categories:

- Emergency Medical Care
- Public Health and Safety Threat Management
- Public Health Compliance Actions
- Economic Recovery Support (direct grants to businesses)
- Economic Recovery Support (activities other than direct grants to businesses)
- Medical Sheltering
- Other COVID-19 Expenses

How do municipalities report award of economic loss grants?

The online portal will give you an opportunity to provide information on awarding of economic loss grants to businesses. There are requirements that these loans will not duplicate SLCo's economic loss grants and that the total amount of grants to a business cannot exceed the amount that can be shown as a COVID-19 direct loss.

What documentation for CARES Act expenditures needs to be provided?

Any use of COVID-19 funds will need to be fully documented at the municipal level. SLCo expects the expenditures to be audited and scrutinized. With the specific requirements and prohibitions within the CARES funding allocation, municipalities need to make sure they can show a direct relationship between the use of funds and allowable uses.