

Merced County CARES Act Funding Plan



County Executive Office

8/11/2020



MERCED COUNTY CARES ACT FUNDING PLAN

August 11, 2020

BACKGROUND

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The legislation authorized more than \$2 trillion to combat the Coronavirus Disease 2019 (COVID-19) and its economic effects. The CARES Act also established the Coronavirus Relief Fund (CRF) and appropriated \$150 billion for payments to States and local governments. Through California's 2020 Budget Act, Merced County was allocated approximately \$28.9 million in CARES Act CRF funding for COVID-19 expenditures, impacts, and effects with respect to the public emergency.

The following CARES Act Funding Plan outlines the County's proposed use of its \$28.9 million allocation. The amounts stated in each category may be subject to modifications based on operational needs in the COVID-19 pandemic response, as determined by the County Executive Officer (CEO) with Auditor-Controller concurrence; however, the County intends to utilize and allocate these funds in the following categories: continuity of operations and emergency response, community support, and an unallocated contingency for unforeseen expenses or changes under the CARES Act rules. The CEO will allocate specific amounts towards Board-approved categories to meet COVID-19 response in an expedited fashion.

GUIDING PRINCIPLES

In alignment with state and federal requirements for utilization of CARES Act funds, the CEO recommends the following guiding principles in defining Merced County's strategy for allocation of the funds. These guiding principles and funding plan address Countywide impacts, provide mitigations, enhance emergency preparedness and responses, and reduce effects caused by the public health emergency of COVID-19.

1. CRF funds are intended to address COVID-19 related public health and safety while building resilience and fostering economic stability for County residents, employees, community-based organizations, and businesses.
2. Ensure compliance with applicable law and regulations relating to the expenditure of such funds.
3. Allocate funds for one-time uses that avoid ongoing obligations for the County.



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4. Use existing procurement and other County processes where possible to expedite distribution and avoid duplicated administrative burdens.
5. Support County services to soften the economic impact and effects of the COVID-19 pandemic on County residents.
6. Fund programs and/or grants that reduce the burden on residents and businesses from the economic impacts of COVID-19 to the extent possible.
7. The CARES Act provides that payments from the CRF may only be used to cover costs that are:
 - a. Necessary expenditures incurred due to response and mitigation of the COVID-19 public health emergency.
 - b. Not accounted for in the budget most recently approved as of March 27, 2020, for Merced County.
 - c. Were costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.
8. The County is required to agree to all of the following conditions as a receipt of funding:
 - a. Adhere to federal guidance and the State's stay-at-home requirements and other health requirements as directed in gubernatorial Executive Order N-33-20, any subsequent Executive Orders or statutes, and all California Department of Public Health orders, directives, and guidance in response to COVID-19 emergency.
 - b. Use the funds in accordance with all applicable provisions of subdivision (d) of Control Section 11.90 of the Budget Act of 2020.
 - c. Report on expenditures and summarize regional collaboration and non-duplication of efforts within the region by September 1, 2020, and return any funds that are unspent by October 30, 2020 (unless extended by the Department



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of Finance based on reported expenditures to date), and repay the state for any costs disallowed after federal review.

- d. Retain records to support reported COVID-19 eligible expenditures and participate in audits as outlined by the federal government and State.

CARES ACT FUNDING PLAN

1. PROPOSED CONTINUITY OF OPERATIONS AND EMERGENCY RESPONSE: \$18,681,000

The stated amount may be subject to change based on operational needs for COVID-19 pandemic response as determined by the CEO.

Countywide expenditures incurred due to COVID-19 in FY 2019/20 since March 1, 2020 through June 30, 2020. Other eligible expenses related to response and mitigation of COVID-19 from July 1, 2020 through December 30, 2020.

- **Salary and Benefit Costs**

Reimburse or cover costs of salaries and benefits of employees who are dedicated to “substantially dedicated to responding to or mitigating the COVID-19 public health emergency”.

- **Retrofit County Facilities**

County facilities to be retrofitted with physical changes to accommodate social distancing, barriers for public counters, sanitizing dispensers in lobbies, signage, and other improvements to create a safer environment for County employees and Merced County residents who visit County buildings.

- **Telework Technology Upgrade**

Expand and improve the capability of the County’s technology infrastructure, networks, platforms and employee devices to telework and enhance their ability to provide quality service to residents.

- **Personal Protective Equipment (PPE) and Disinfectants Procurement**

Centralized procurement of PPE and sanitizing disinfectants for County and essential workforce and service needs.



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- **Testing Capability and Health Screening**

Expand Countywide testing capability capacity and health screening through December 30, 2020.

- **Expand Contact Tracing**

Expand Countywide contact tracing capacity through December 30, 2020.

- **Expanded services due to COVID-19**

Cover increased costs of County services or programs as a result of the impacts and effects of COVID-19.

- **Upgrade and Rehabilitate Parks**

Rehabilitate County owned parks to meet State issued COVID-19 safety protocols and guidelines.

- **Other Eligible Countywide Expenses**

Other eligible countywide expenses related to response and mitigation of COVID-19 as determined by the CEO.

2. PROPOSED COMMUNITY SUPPORT: \$7,227,000

The stated amount may be subject to change based on operational needs for COVID-19 pandemic response as determined by the CEO.

Community support expenditures due to COVID-19 in FY 2020/21.

- **Small Business Support: \$3,100,000**

Support local small business impacted by COVID-19 pandemic through a COVID-19 Business Assistance Program administered by the Workforce Development Board.

- **Health Care Support**

Reimbursement for unexpected costs due to COVID-19 and other potential operational costs for COVID-19 for healthcare service providers including hospitals, clinics, and skilled nursing facilities for expenses such as equipment and supplies, patient surge capacity, testing, isolation units, and alternative care sites.



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- **Food Assistance**

Administer funding to community-based organizations to assist with food bank purchases and delivery for families impacted by COVID-19, senior citizens, and other vulnerable populations.

- **Homeless and Housing Assistance Services**

Expand and improve Countywide capability to provide emergency shelter and housing assistance to individuals experiencing homelessness and those most impacted by the COVID-19 pandemic, focusing on populations with high transmission rates. May include physical changes to shelter facilities to accommodate social distancing, sanitation equipment and supplies, food and care packages, quarantine and testing capacity, supportive services, and temporary housing assistance.

- **Community Outreach and Education**

Partner with County departments, community organizations, and local businesses to conduct outreach and education in following State issued industry guidelines to operate safely during the COVID-19 public health emergency.

- **Community and Veteran Halls**

Support local community and veteran halls impacted by the COVID-19 pandemic to meet State issued COVID-19 safety protocols and guidelines, including COVID-19 related rehabilitation; building, maintenance, and utility expenses; sanitation supplies and equipment.

- **Other Eligible Community Support Expenses**

Other eligible community expenses related to response and mitigation of COVID-19 as determined by the CEO.

3. RESERVE CONTINGENCY: \$3,000,000

The stated amount may be subject to change based on operational needs for COVID-19 pandemic response as determined by the CEO.

Countywide and community investment expenditures due to COVID-19 in FY 2019/20 and FY 2020/21.



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Contingency funds are designated for unforeseen expenditures or impacts caused by the COVID-19 public health emergency. Contingency funds may be used to increase any previously mentioned allocations, reserved for eligible uses not identified in this plan, or may be retained in the event CARES Act rules and regulations change in relation to the use of Coronavirus Relief Fund monies.