



STATE OF INDIANA

Eric J. Holcomb
Governor

OFFICE OF MANAGEMENT & BUDGET

215 State House
Indianapolis, Indiana 46204-2796
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Cristopher R. Johnston
Director

May 14, 2020

Dear Municipal Chief Executive Officer:

The State of Indiana has received a direct distribution of Coronavirus Relief Funds (CRF) from the United States Treasury that may be used for the limited purposes set forth in section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). As recently announced by Governor Holcomb, \$300,000,000 of these funds will be made available to reimburse certain expenses incurred by Indiana political subdivisions. The funds have been allocated to counties, cities and towns based upon population. Townships seeking reimbursement for eligible COVID-19 expenses should coordinate with their county government. Other political subdivisions should coordinate with their enabling body. School corporations are not eligible for participation in this program. Funding and allocations may be adjusted based upon need.

The Indiana Finance Authority (IFA) has been asked to develop a program to enable eligible (CARES Act) expenditures to quickly be reimbursed. Please go to the IFA web site <https://www.in.gov/ifa/> for additional information as to eligible expenses, the amount allocated to each county and municipality, and to obtain the required documents needed for reimbursement. Questions may be submitted to COVID-19@ifa.in.gov.

Initial guidance from the federal government requires that each state may only reimburse expenditures directly related to addressing the COVID-19 pandemic. The federal guidance provides examples of eligible expenses that include payroll expenses resulting from non-budgeted staffing levels, cleaning or disinfection supplies, medical supplies, personal protection equipment, and testing. A more detailed list of eligible expenses in which the State would like to prioritize can be found on the IFA's web site. Please note: **THE CRF FUNDS MAY NOT BE USED TO OFFSET LOST REVENUES.**

The CARES Act provides that the Inspector General of the United States Department of Treasury shall conduct monitoring and oversight as to the appropriate use of all funds and each state shall be responsible for the appropriate use of all funds, including those disbursed to or on behalf of Indiana political subdivisions. Therefore, the IFA will be asked to implement a strict set of guidelines as to the use of CRF funds and the requirement that each request for reimbursement be supported by appropriate invoices and/or other clear documentation as to their use of funds. Requesting reimbursement for expenses prioritized by the State and set forth in the IFA guidance will limit required third party review and expedite your community's request for reimbursement.

If your community elects to participate in this program, your chief executive must sign and return the Coronavirus Relief Fund Acceptance Certification which can be found on the IFA's website.

Sincerely,

Cristopher R. Johnston