



## COVID SAFE RESTART GRANT Frequently Asked Questions (FAQ)

<b>Program Description</b>	
<b>Question</b>	<b>Answer</b>
What is the purpose of the COVID-19 Safe Restart Grant for Local Governments?	This grant will support local governments as they deal with increased operating costs and lower revenue due to COVID-19. It will also ensure local governments can continue to deliver the services people depend on in their communities throughout the pandemic and the post-COVID recovery period.
Will local governments still be eligible for funding from other COVID-19 programs like Emergency Management BC?	This grant should not impact other funding programs; it is designed to augment other funding programs, not replace them.
Will the COVID-19 Safe Restart Grants be audited?	No, this is a liquidity injection to help local governments deal with COVID related costs. There will be no audit and no clawback provisions. However, the Province will want to know where the money was spent. This will help inform future provincial measures should another state of emergency occur.
<b>Use of Funds</b>	
<b>Question</b>	<b>Answer</b>
What are the eligible use of funds?	Eligible costs are response and recovery costs related to COVID-19 and include, but are not limited to, the following: <ul style="list-style-type: none"> <li>• facility reopening and operating costs;</li> <li>• emergency planning and response costs;</li> <li>• protective services and bylaw enforcement costs;</li> <li>• programs vulnerable populations;</li> <li>• computer and other electronic technology costs;</li> <li>• budgeted revenues that have not been collected.</li> </ul>
Is the grant conditional or unconditional?	The grant is technically conditional, but the conditions are extremely broad and non-exhaustive (see announcement letter).

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<p>Can local governments provide contributions to third-parties from the COVID-19 Safe Restart Grants, like local community organizations providing services to vulnerable populations?</p>	<p>Yes, grants to charitable, philanthropic and not-for-profit organization providing core community services during COVID-19 are acceptable. However, local governments need to be careful about the prohibition on assistance to businesses. If a local government is providing assistance to a business, the business should be providing a local services under a partnering agreement, and that service should be related to one of the eligible COVID costs. When annually reporting such third-party transfers, the local government should report the amount of the transfer, to whom, and for what purpose.</p>
<p>Can the local government use these funds to support a regional response to an issue (i.e. municipal funds paid directly to the regional district).</p>	<p>Yes, a transfer from one local government to another for the provision of a local service is allowable. When annually reporting such intergovernmental transfers, the transferring local government should report the amount of the transfer, to whom, and for what purpose.</p>
<p>Is upgrading internet service in a community an eligible cost?</p>	<p>Yes, that is an eligible cost. However, remember the prohibition on assistance to business. A local government can either provide the service directly or structure the grant as funding through a municipal internet service and contract the servicing to a private party. Either funding technique should be allowable under the CC.</p>
<p>Can we claim staff time - both Union and Management on COVID related tasks (e.g. writing policy, installing signage, cleaning)?</p>	<p>If you can relate labour costs to one of the broad service items in the announcement letter, then yes, that should be acceptable.</p>
<p>Can we use the grant for capital costs?</p>	<p>The primary use of this grant is for operational impacts. Grants can only be used for capital in limited circumstances, including: building restart, upgrade and retrofit costs to address COVID; computer, network, and internet system costs to address COVID; and repayment of funds borrowed from a capital reserve fund to address COVID.</p>
<p>Can local governments use the funds to replenish our statutory reserve funds where the municipality borrowed from these funds to address COVID-19 issues?</p>	<p>Yes, a local government can use the grant funds to replenish any statutory reserve funds or repay outstanding revenue anticipation borrowing that was incurred due to COVID-19. While this can be paid down anytime before the end of 2025, the payment must relate to borrowing that occurred in 2020.</p>
<p>Can grant funds can be allocated to previously outlaid expenses from spring/summer of 2020?</p>	<p>Yes, eligible expenses include outlays that occurred during 2020. The purpose of this grant is to address COVID-19 response and recovery costs.</p>

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<b>Timing</b>	
Question	Answer
When will grant funds be disbursed?	The payments were dispersed in the third week of November 2020.
What is the timeline over which these grant funds must be expended?	There is no time limit in the regulation creating this grant. The Province anticipates local governments will use this money through both the COVID response and post-COVID recovery periods (2020, 2021, and possibly 2022).
<b>Reporting</b>	
Question	Answer
What is the reporting requirements for local governments?	Each local government must do an annual report on the use of COVID-19 Safe Restart funds and this report must be a schedule to the audited financial statements. The report does not need to be audited. The report should outline the money received, the use of funds during the calendar year, and the remaining balance at the end of the year. The reporting can be done at a very high-level. The annual reporting must be done until such time as the COVID-19 Safe Restart Grant is completely utilized.
Is the Province going to produce a standard reporting form for local governments?	No, as an autonomous order of government, local governments may design their own forms providing the reporting forms include a base-level information from the above question. Local governments can work with one another, or with the GFOABC, to design a standardized reporting form if they choose. Please note that the Province does not expect a great deal of detail in these reports; a high-level classification of each spending item is fine. For example: if you spend \$100,000 on system upgrades, it is completely fine to state "\$100,000 for systems upgrades" we don't need to go into detail on those specific upgrades.
What is the broad accounting treatment for the grant?	The accounting treatment is a local government issue. Local governments, the GFOABC, and the accounting firms should come to a broad agreement on the accounting treatment in accordance with Public Sector Accounting Standards.

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<p>How do Regional Districts allocate the money to various services? And what is the reporting requirement on the allocation</p>	<p>In addition to preparing an annual report on how the COVID-19 Safe Restart Grant was spent, regional districts must provide a report on how the funds were allocated to different service. The allocation report must be completed before the end of calendar 2021. It is entirely up to the regional board on how they choose to allocate the money. However, a good starting point would be to examine services that were impacted by COVID-19. e.g. recreation and community centres.</p>
<p>Do local governments have to provide any back up or justification for lost revenue?</p>	<p>You don't have to justify your lost revenue. However, as part of the annual reporting on the use of COVID-19 Safe Restart funds, local governments must report on how the funds were used. Thus, you should indicate how much funding was earmarked for lost revenue. By lost revenue, the Province is referring to any budgeted revenue that was not collected during the pandemic and post-COVID recovery period.</p>