

Authorized Uses of the CARES Act Funding

The use of the CARES Act funds is restricted by both Federal and State law. Federal law requires that the funds be used to *“to prevent, prepare for, and respond to coronavirus, domestically or internationally, for the 2020 Federal election cycle.”* State law further limits the uses of the funds to six broad categories for which the funds can be used, including:

- (1) ensuring the health and safety of election officials and in-person voters, including the purchase of sanitation and disinfectant supplies;
- (2) public outreach and preparations for implementing social distancing guidelines related to voting, including additional signs and staff;
- (3) facilitation, support, and preparation for increased absentee voting, including voter education materials, printing, and postage;
- (4) preparation of training materials and administration of additional training of local election officials;
- (5) preparation of new polling place locations; and
- (6) purchasing an electronic roster system meeting the technology requirements of Minnesota Statutes, section 201.225, subdivision 2, along with equipment necessary to support the system.

Minnesota law also specifies that a political subdivision is eligible to use the funds for no more than 75 percent of the total cost of purchasing an electronic roster system and necessary support equipment, and no more than 80 percent of the total cost of any other authorized activities.

Election Specific CARES Act Funds Q & A

Federal Purpose Requirement:

Q. Can I use these funds on new expenses that are unrelated to the pandemic but would improve the safety of polling places?

A. No, with CARES Act funds you can only cover costs that you are incurring as a result of the pandemic.

Q. Our jurisdiction is facing a budget shortfall, can I use these funds pay the salary of my staff or supplant other costs of my division.

A. No, with CARES Act funds they must be used to pay for costs being incurred because of the pandemic or in response to the pandemic. Examples of allowable costs in this context could include cleaning supplies and protective masks for staff and poll workers, resources to meet an unanticipated increased demand for absentee ballots in response to COVID-19, and temporary staff to process the increased absentee ballot demand. Allowable costs would not include those that are currently paid with state or local election jurisdiction funds, such as the regularly anticipated demand for mail or absentee ballots.

County Grant Applications:

Q. On the County Application, am I to request the maximum for my county even if I am not sure at this time what else I will be purchasing for the General Election, and am not sure if my municipalities have/are purchasing anything additional?

A. You do not have to request the full amount, but our expectation is that most counties will request the full amount because of the increased cost of administering an election in the pandemic.

Q. Our county isn't sure what type of expenses we would incur due to the pandemic, especially since the state is providing hand sanitizer, masks, and disinfectant. Can you help me understand what additional types of expenses would be eligible for CARES Act funds?

A. There are many items that are eligible for CARES Act funds. Please reach out if you have questions or need assistance thinking through how these funds can be used. But common expenses that are eligible for CARES Act funds include:

- Additional polling place supplies such as: face shields, gloves, sneeze guards/Plexiglas dividers, social distancing signs, tape to mark social distancing measurements, additional equipment specific cleaning supplies (alcohol wipes, etc.), fans to help with air circulation, etc.
- Pre-and Post-Election polling place cleaning.
- Information materials for voters on how to vote safely during a pandemic, including translation of those materials into multiple languages.
- Increased postage and printing costs for absentee ballot materials.
- Additional staff to assist in the processing of absentee ballots. **We anticipate a very large increase in absentee balloting due to the pandemic, and we strongly encourage counties to add additional temporary staff to ensure that absentee ballot applications and returned absentee ballots are processed promptly.** \
- Additional election judges in the polling place to assist with cleaning, social distancing, and as back up in case of election judge shortages.
- Additional election judge trainings to ensure an adequate number of election judges are available in case of an election judge shortage.

Q. For the application do I need to have an exact amount that the county and each municipality are planning on spending in order to request and send in the grant application?

A. You do not need the exact amount of what municipalities are planning on purchasing, but just a general description of the intended use of the funds. This description can include broad categories such as – outreach and education on safely voting during a pandemic, increased temporary staffing and supplies to handle increases in absentee voting, increased wages for election judges necessary to recruit election judges in a pandemic, etc.

Mail Balloting Costs:

Q. We've had some precincts move to pure mail balloting in response to the pandemic, can I use the CARES Act funds for this?

A. While the CARES Act would allow the use of funds for this purpose, the state legislature further restricted the use of the funds and intentionally excluded mail balloting from the list of approved expenditures eligible for grant funds. So, these funds cannot be used for new mail balloting costs. However, the funds can be used to ensure "the health and safety of election officials", so if there are increased costs for those processing mail ballots in order to ensure the health of the election officials processing ballots, those would be allowed under both the state and federal legislation. Examples of approved mail ballot costs would be items like gloves, sneeze guards, sanitizer, and additional staffing costs if additional staffing is required due to the inefficiencies created by social distancing and increased burdens of sanitization procedures.

Staffing Costs:

Q. Can I use the CARES Act funds to pay overtime costs for employees or to pay temporary employees if those cost are associated with the increase in absentee balloting due to the pandemic?

A. Yes, the overtime costs and temporary staff costs are allowable as long as the staff are working on activities related to the pandemic. If staff time is going to be paid through CARES Act funds, the jurisdiction should document the time spent on pandemic response.

Q. Can the CARES Act funds be used to bring back furloughed employees from other areas of my jurisdiction if they are brought back to work on increased elections work due to the pandemic?

A. Yes, if the staff are coming back to work on activities related to the 2020 federal elections as a result of the pandemic, the costs would be allowable. For example, if they are needed to manage printing unanticipated large numbers of ballots or processing an increase in absentee materials due to the pandemic.

Q. Can I use CARES Act funds to pay all of my election judge's salary?

A. No, you can only use CARES Act funds to pay costs incurred as a result or in response to the pandemic. So you could not pay your regular election judge salary from the CARES Act funds. However, you could use CARES Act funds to pay any necessary increase in election judge wages in order to attract a sufficient number of election judges. Further, if you have to hire additional election judges or staff to assist with pandemic-related items (cleaning, traffic flow to ensure social distancing, etc.) that individual's salary could be paid from the CARES Act funds.

Election Judge Training:

Q. I am using the on-line election judge training put on by Seachange for the first time this year due to COVID. Will the setup cost and the cost per election judge be an expense I can use towards this

grant as I would not have gone this direction and still offered in person training had it not been for COVID?

A. Yes, additional costs states or local governments incur to conduct virtual trainings and other activities vital to improving the administration of federal elections, can be claimed under the grant.

Q. I have also setup all of my clerk and head judge training through my webpage due to COVID. Could I use a portion of my time that it took me to set that up?

A. Yes, because the costs are due to COVID. However, any staff time that is paid as COVID time must be for tasks in direct response to the pandemic and must be documented.

Printing Costs:

Q. My jurisdiction has incurred costs to communicate changes in absentee balloting rules that resulted from the pandemic. Can we use CARES Act funds to cover those costs?

A. Yes, costs to communicate changes in voting processes due to the pandemic are allowable costs.

Q. My jurisdiction is printing and mailing information about how to safely vote from home, is that an allowable cost?

A. Yes, however general “get out the vote” or other materials designed to increase voting that are unrelated to the pandemic eligible for CARES Act funds.

Polling Place Costs:

Q. We need to move polling places from assisted living facilities to other sites associated with senior citizens and may need to lease the new space. Can we use CARES Act funds to cover those costs?

A. Yes, unanticipated costs to lease polling facilities are allowable costs.

Q. I need to install some temporary Plexiglas barriers, are those allowable costs?

A. Yes, additional equipment to improve the health and safety of the polling place in response to the pandemic is eligible for CARES Act funds.

Q. The state is providing a quantity of masks, sanitizer, and disinfectant. I would like to purchase additional protective equipment for election judges and voters. Are those expenses eligible for CARES Act funds?

A. Yes, although the state is providing some safety and protective equipment, the jurisdiction is free to purchase additional equipment (gloves, face shields, etc.) using CARES Act funds.

Q. Can I use the funds to install a door that will improve social distancing?

A. Yes, improvements to polling places that are in response to the pandemic and to improve voter health/safety in response to the pandemic are eligible for CARES Act funds.

Equipment Costs:

Q. We expect to receive a much higher percentage of absentee ballots and need to purchase more automated letter opening equipment and scanners. Can we use HAVA funds to purchase more equipment? Can we lease the equipment?

A. Yes, those would be allowable costs, with the caveat that you need to ensure the costs are allocated to the grant in appropriate proportions. If you decide to lease the equipment, you must also follow requirements in Section 200.465 of 2 CFR which outline circumstances you should consider in determining whether to lease or buy the equipment.

State Required Match:

Q. Are their stipulations on what funds can be used for the match?

A. No, there are no stipulations on what funds can be used for the match.

Q. Can we use our general local government CARES Act funding for the match?

A. Yes, the general local government CARES Act funding can be used for the match.

Q. Do I need to have my jurisdiction separately allocate funds for the match, or can I use already budgeted funds?

A. You can use already budgeted funds. The only requirement under the state legislation is that only 80% of any cost be paid for by CARES Act funds. So, if you want to hire temporary staff to assist with absentee processing due to the increase in absentees in the pandemic, you could simply pay 80% of their salary out of CARES Act funds and 20% out of your general department funds.

Local Agreements:

Q. What is required to be in the written agreement with the municipalities?

A. The only requirement from the OSS is that there be an agreement and that it be memorialized in writing. The requirement that it be in writing is to ensure that there is evidence of an agreement in case a jurisdiction disputes the allocation. The written agreements do not need to be submitted to the OSS, the county must simply certify that there is an agreement. Agreements themselves should be kept, as well as all other documentation, for the full audit period.

Q. When giving funds to municipalities, are counties required to operate a reimbursement grant for the precincts, or can counties provide municipalities a lump sum similar to how the state is providing funds to the counties?

A. Counties can provide municipalities a lump sum payment, and that sub grant is subject to the same statutory spending limitations and requirements as if it were in the county's hands.

Q. Is there an example request/agreement sheet that Counties are using for their municipalities?

A. We are working on a sample agreement and will share it when it is finalized.

Q. What if the municipalities are requesting \$0.00, as the County provided everything they needed? Are we required to send them anything?

A. If the municipalities do not need anything, then the county can enter into an agreement with the municipality to retain all of the funds allocated. Keep in mind that, even if municipalities are provided with supplies from the state/county, there may be increased staffing costs in the form of additional staff necessary in the polling place for social distancing and cleaning, as well as additional staffing costs in the form of increased wages to ensure retention of election judges.

Q. If municipalities do not use their allocated dollar amounts, is the County able to spend these dollars for eligible expenses, or is the County only eligible to spend what was listed for County Use on the spreadsheet?

A. We encourage counties to work with their municipalities to come up with an arrangement that makes sense within their county. We provide the default allocation only as a last resort – if there is a disagreement between the counties and municipalities as to how the funds should be used. Our hope is that the county and the municipalities can come to an agreement about how to use the funds based on their own needs.

Q. Some of the default allocations to municipalities in my county seem odd or incorrect? How do I handle this?

A. First, if you believe that you can come to an agreement with your local jurisdictions without resorting to the default, we encourage that. However, if you think you will need or want to rely on the default allocations and you believe there is an error in the default allocation, please let us know and we will review the data supporting the allocation.

Q. Our county is providing additional supplies for our polling places along with shields for the check-in stations. I am thinking that many of our municipalities probably will not be purchasing anything additional, and would just have to send back the money if it was issued to them. Am I thinking of this correctly in having more of a request form format for municipalities for what they have already spent or are planning on spending? It would be a mess to distribute all of the money, just to have each municipality send some of it back individually to you.

A. If the municipalities do not have additional expenses, then yes, you should arrange to have the county retain the funds. In addition to supplies, some municipalities may decide to hire additional election judges to assist with line management/social distancing and cleaning, or may decide to increase pay for election judges to ensure they have a sufficient number for the polling places. But if the municipalities truly have no additional costs, then the county should be able to work with them to retain and use the funds at the county level.

Q. By what date do I need to enter into local agreements stating the amount of funds to be allocated to the municipality (or that they forego receiving funds), and by what date does that need to be reported to the Secretary of State?

A. You must reach agreement with your municipalities by September 8, 2020, or the default allocations will apply, and in all cases you must report the amounts provided to the municipalities to Secretary of State by September 15, 2020.

Grant Administration:

Q. When do unused funds need to be returned to the OSS?

A. All election-related CARES Act funds must be spent on the August state primary or the November state general election, and unused funds must be returned to the OSS by December 31, 2020.

Q. Why do we need to report our spending to the OSS so quickly after the November general election?

A. The OSS is requiring counties to report CARES Act spending by November 16, 2020 because the federal Election Assistance Commission is requiring that the OSS provide a report on spending on November 23, 2020.

For further clarification, mail ballot costs would not include the cost of the ballots because we would have them either way nor would it include the programming of the machines because we also would have that cost either way.

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2. public outreach and preparations for implementing social distancing guidelines related to voting, including additional signs and staff;
3. facilitation, support, and preparation for increased absentee voting, including voter education materials, printing, and postage;
4. preparation of training materials and administration of additional training of local election officials;
5. preparation of new polling place locations; and
6. purchasing an electronic roster system meeting the technology requirements of Minnesota Statutes, section 201.225, subdivision 2, along with equipment necessary to support the system.

Local Match Requirements

Per the enabling legislation, a local match of 20% is required for all activities that will be covered by CARES Act funds: *“A political subdivision is eligible to receive a grant of no more than 75 percent of the total cost of purchasing an electronic roster system and necessary support equipment and no more than 80 percent of the total cost of any other activities authorized under subdivision 4.”*

Q. Are their stipulations on what funds can be used for the match?

A. No, there are no stipulations on what funds can be used for the match.

Q. Can we use our general local government CARES Act funding for the match?

A. Yes, the general local government CARES Act funding can be used for the match.

Q. Do I need to have my jurisdiction separately allocate funds for the match, or can I use already budgeted funds?

A. You can use already budgeted funds. The only requirement under the state legislation is that only 80% of any cost be paid for by CARES Act funds. So, if you want to hire temporary staff to assist with absentee processing due to the increase in absentees in the pandemic, you could simply pay 80% of their salary out of CARES Act funds and 20% out of your general department funds.