



# Lebanon County CARES Grants Frequently Asked Questions

## Lebanon County CARES Grants

The CARES Act was signed into law by the President on March 27, 2020 and provides funding for a variety of programs intended to alleviate the impact of COVID-19. Section 5001 of the CARES Act establishes the Coronavirus Relief Fund which offsets necessary expenditures incurred due to the COVID-19 public health emergency.

Act 24 of 2020 was signed by Governor Wolf on May 29, 2020. This legislation provides \$625 million in CARES Act Coronavirus Relief funding by means of block grants for counties in the commonwealth through the Department of Community and Economic Development (DCED). Lebanon County received \$12.8 million in block grant funding. Small business, tourism, and non-profits have \$7.25 million of this funding available as grants.

## FREQUENTLY ASKED QUESTIONS

### 1. **Are Lebanon County CARES Grants awarding grants or loans?**

These are grants that do not have to be paid back. However, recipients will need to file paperwork on how the grant was used.

### 2. **What is the total Lebanon County CARES Grants size?**

Lebanon County has \$7,250,000 available for individual grants, with distribution being broken into three groups (non-profits, tourism & hospitality, and small business (under 100 employees). Applications will be reviewed in two phases.

#### **Program Timeline – Phase One**

- September 1 – Grant application opens at 8:00 a.m.
- September 15 – Grant applications are due by 4:00 p.m.
- September 30 – Grant awards for round one will be announced\*
- December 30 – Deadline for spending grant funds

#### **Program Timeline – Phase Two**

- October 15 – Grant application opens at 8:00 a.m.
- October 30 – Grant applications are due by 4:00 p.m.
- November 15 – Grant awards for round two will be announced\*
- December 30 – Deadline for spending grant funds

\*Subject to change depending on volume of applications.

**3. What can grant funds be used for?**

Grant funds may be used to cover necessary working capital costs or for retrofitting expenses incurred (or to be incurred) until December 30, 2020. Working capital can include payroll, rent, mortgage interest, utility bills, cable, internet, phone, spoilage, PPE purchases, cleaning supplies, unemployment compensation costs, and other operating expenses, with the exception of owner compensation. The grant funds cannot be used to pay back loans to shareholders, partners, the sole proprietor, or family members. For non-profits, additional eligible expenses can include replenishing food pantries and the costs of increasing shelters.

**4. What are ineligible expenses?**

- Expenses incurred outside of the March 1 to December 30, 2020 timeframe
- Expenses that have been or will be reimbursed through another federal program or some other funding source (PPP, SBA EIDL, PIDA CWCA, City of Lebanon, private grants)
- Damages covered by insurance
- Reimbursing donors for donated items or services
- Expenses in preparation for future outbreaks
- Employee bonuses other than hazard pay or overtime
- Severance pay
- Legal settlements

**5. Is there a cap amount on the size of a business grant?**

Grants are capped by annual revenue income as outlined in the chart below. If your situation requires funding beyond your revenue limit, you can request a review of your special circumstances. There is no guarantee that a review will provide any or additional funding. Not all applicants will receive the maximum award.

<b>Annual Business Revenue</b>	<b>Grant Amount Per Business</b>
Up to \$50,000 _____	up to \$5,000
\$50,001 - \$75,000 _____	up to \$10,000
\$75,001 - \$100,000 _____	up to \$15,000
\$100,001 - \$250,000 _____	up to \$20,000
\$250,001 - \$500,000 _____	up to \$25,000
\$500,001 - \$750,000 _____	up to \$35,000
\$750,001 - \$850,000 _____	up to \$40,000
\$850,001 - \$1,000,000+ _____	up to \$50,000

**APPLICATION PORTAL AND ESTIMATED TIMELINES**

**6. When will the grant application process open?**

Businesses may apply at [LebanonCountyCares.com](http://LebanonCountyCares.com) beginning September 1.

**7. How long will the grant application window be open?**

The portal will be open for 15 days for each of two phases.

**8. What is the process for applying?**

All applicants are *encouraged* to apply online at [LebanonCountyCares.com](http://LebanonCountyCares.com) to facilitate processing. Paper applications will be available with drop-off instructions and can be printed from the website or picked-up at Garcia Garman & Shea, CPA (216 S 8th St, Lebanon) during business hours beginning September 1. All applications received by the application deadline will be uploaded to the website portal by the application team.

Once the application window closes, all applications will be reviewed by a Lebanon County Commissioner appointed Review Committee.

Applications will be selected for approval based on the rubric and written narrative. The selection committee will submit suggested applicants for final approval by the Lebanon County Commissioners.

**9. Will telephone assistance be available if I have questions about eligibility or required documents for the application?**

Telephone assistance is available beginning September 1. If you have questions about eligibility, need assistance with required documentation for the application or questions on how to locate information on a tax form, call 717-274-5600 during business hours and request the Lebanon County CARES Coordinator.

**10. Will the application be available in multiple languages? Will there be technical assistance available for non-English speakers, as well?**

The application will be available in Spanish in the online portal and in print. Technical assistance for Spanish speaking applicants will be provided by calling 717-274-5600 during business hours.

**11. Can I save my application and come back to it later?**

There is no process to save an application and return to it. Please make sure you have the information ready when you begin to fill in your application. Once you hit submit, your application is entered and cannot be changed.

**ELIGIBILITY**

**12. Does the business have to be a member of the Lebanon Valley Chamber, a United Way Partner, or a Visit Lebanon Valley member?**

No, the grant funds are available for all businesses in Lebanon County that meet the eligibility criteria regardless of their membership status with any organization.

**13. Who is eligible?**

- Small businesses with fewer than 100 employees
- Tourism businesses of all sizes
- Nonprofit organizations as defined by Section 501(c)(3) or 501(c)(19) of the Internal Revenue Code of 1986.

**14. If I have received other funding assistance, can I still receive grant funding through Lebanon County CARES Grant?**

Yes. If your business received other federal, state, or local loans or grants you are still eligible to apply. This includes, but is not limited to, EIDL Emergency Grant and PPP. A portion of the application will ask you to indicate whether you have received special COVID assistance (such as the items

above). When answering this question, do not include items such as bank loans acquired at market rate or Pandemic Unemployment Assistance. Preference will be given to applicants who have not received previous CARES Act funding.

**15. My business has multiple locations in Lebanon County. May I apply more than once?**

No. You may only submit one application for that business entity.

**16. May I submit an application if I have business locations in multiple counties?**

Applicants can only submit for the location and needs for the business located within Lebanon County.

**17. Should the information provided in the grant application include just my operations in Lebanon County or my companywide information?**

The application should reflect operations for the Lebanon County portion of the business.

**18. If I own more than one business (including common ownership of several entities among a small number of people), am I allowed to apply for each business individually or should I apply as a group?**

Each entity filing a federal tax return is considered an eligible applicant.

**19. As a franchisee, may I apply?**

Yes, however, an eligible franchisee applicant must have a physical operating location in Lebanon County, Pennsylvania. All funds awarded must be used for costs incurred in Lebanon County facilities and operations.

**20. Will businesses in operation for less than a year be eligible?**

Yes, however the business will have to meet the eligibility requirements, submit a current financial statement, and exhibit profit.

**21. May I apply these grant funds against costs that were used to claim forgiveness under another grant or loan program (e.g., PPP loan)?**

No. Funds received under this grant program may not be applied against any costs that were also used to satisfy the requirements of another grant or loan program.

**22. Is there a limit on the amount of grant funds that can be used for owner compensation or other payments to owners or entities related by common ownership (e.g., related party rent)?**

No grant funds may be used for owner compensation. Grant funds can be used to pay rent to related parties for leases in existence prior to February 15, 2020.

**23. Am I an eligible applicant if I was operational during one or more phases?**

Yes, however, all applicants must certify that they are and were in compliance with federal, state and local laws during all phases.

**24. If I own a passive business am I eligible to apply?**

No, passive businesses such as commercial and residential landlords are ineligible.

## **APPLICATION INFORMATION**

### **25. What information will I need to gather to submit a grant request?**

Please have the following information ready to complete the application:

- EIN/SSN number
- Industry by NAICS Code
- The year the business was established
- Number of employees (FT and PT) as of March 1, 2020
- Legal Structure (C-Corp, LLC, LLP, S-Corp, Sole Proprietorship, Partnership)
- Narrative of current and projected future impact on operations and intended use of funds
- March-July 2019 Revenue Statement
- March-July 2020 Revenue Statement
- Copy of the Business' Last Submitted Federal Tax Return (schedule F, C or 990)
- Net Profit or Loss or revenue less expenses on most recent business tax return
- Approximate amount of CARES Act Funding received to-date
- Unbudgeted expenses to-date as a result of COVID
- Current operating status (not open, 25% capacity, etc.)

### **26. On what date do I base the employee headcount? I've laid people off, reduced staff or have people on furlough.**

The headcount is based on your full-time and part-time count on March 1, 2020. If the entity is not fully operational or closed on March 1 (which was a Sunday), use March 2 as the headcount date.

### **27. For employee headcount, is it just permanent full-time and part-time employees? I utilize sub-contractors or do seasonal/job-specific hiring. Do I count them?**

Employee headcount includes full-time and part-time employees for which the entity will issue a form W-2. Third party subcontractors are not included in headcount.

### **28. Is the owner included in the headcount?**

Yes, if the owner works in the business.

### **29. Will my information be publicly released?**

Certain application information will be available publicly for all applicants: name and location of applicant, funding amount awarded. Proprietary business information that will NOT be publicly released includes revenue amounts, operating expense amounts, purpose of funding and whether other funding was obtained.

### **30. Will I receive a grant if my application is incomplete, or contains errors?**

No, a grant will not be awarded if the application is incomplete, not properly executed, contains erroneous information, or lacks proper documentation.

### **31. If you do not receive a grant in the first phase, can you apply in the next phase?**

Yes, however the eligibility and scoring criteria are subject to change.

### **32. If you receive a grant in the first phase, can you apply for a grant in the next phase?**

It is possible that you may be able to apply in the second phase, but those not receiving funding in the first phase are given priority.

**DISBURSEMENT & DOCUMENTATION**

**33. Who will disburse the funds?**

The County of Lebanon will disburse funds following review and approval of the recommended applicants by the County Commissioners.

**34. If I am approved, what type of documentation will be required to receive the funds?**

A final executed grant agreement between the awardee and the County of Lebanon, plus a W-9 form completed by the awardee, will be required. (If you do not have a W-9, one can be created using the IRS form found here: <https://www.irs.gov/pub/irs-pdf/fw9.pdf>. The IRS provides further instructions within the document.)

**35. If I am approved, how long until I get my award?**

Funding disbursement is to be determined.

**36. After receiving grant funds, will I need to provide documentation to prove that the funds were used for their intended purpose?**

Awardees will be required to complete a brief close-out report to outline final use of funds and outcomes from fund utilization. Additional information may be requested per audit.

**APPLICATION SCORING**

37. There are two rubrics being used to score applications. All applications will be scored from 0-100% based on the criteria below.

**Non-profit** applications will be weighted as follows:

Year-over-year revenue decline	Narrative	Cost of unbudgeted expenses as direct result of COVID 19	Revenue loss due to cancelled fundraisers/events	Life sustaining nonprofit organization	Receipt of other funding	Number of employees
20%	20%	15%	15%	15%	10%	5%

**Small Business and Tourism** applications will be weighted as follows:

Year-over-year revenue decline	Narrative	Cost of unbudgeted expenses as a direct result of COVID 19	Receipt of other funding	Number of years in business	Industry Specific Economic Impact	Current business status	Number of employees
20%	20%	15%	10%	10%	10%	10%	5%