

CARES Act: Los Alamos County Small Business Continuity Grants - Frequently Asked Questions

1. Can non-profits apply?

Yes. We have updated the online application for a check box for Non-profit organizations

2. What is the range of funds?

The range of funds has not been established yet – other entities are using a cap of \$10,000 but we are not making this decision until we evaluate the County-wide need. Our best advice is to ask for what you need, but be advised that we may only award fixed amounts in lesser sums. We are trying to maximize the benefit to the community with the fixed award amount that has been awarded to the County for the program, in the total amount of \$1,065,000.

3. Is it an “all or nothing” grant – could we receive partial funding?

This depends on eligibility primarily. The County can only award grants based on eligible criteria to eligible entities, so if you are eligible you will be considered for a grant that may be for a partial amount of what was submitted. The dollar amount of awards is yet to be determined as described above, and the goal is maximize the benefit to all.

4. This looks like a reimbursement form – is it only about past expenditures?

Yes, this is a reimbursement type grant based on eligible expenditures that have occurred since March 1, 2020 through December 30, 2020 as per the CARES Act. For processing clarification, the County funds the grant to eligible applicants, and then will submit a reimbursement request to the Department of Finance & Administration (DFA). We are not allowed to pre-pay future expenditures, so we will be considering those entered on your application from March 1, 2020 through date of application.

5. What about PPP (Paycheck Protection Program) loans – what if we already received assistance?

Per guidance from DFA, if you already received PPP assistance, this may impact a scoring matrix (as opposed to those who have not received assistance), but it does not make you ineligible for a grant. If you had previous program assistance from others, the portion of expenditures covered isn't eligible. For example, if the PPP assistance was 8 weeks of expenses, the application should not include these 8 weeks, but you could include the other months that were not covered.

6. You are asking for employee reports. We just want a month of rent. Do you need those reports?

Ask for what you need; if you are not including requests for payroll, those are not necessary.

You only need to substantiate what you are seeking reimbursement for.

However, all of the same eligibility documentation must be submitted whether you are seeking reimbursement for a certain category, or multiple categories and for a short time frame, or the entire period. The same eligibility criteria will be applied to all.

7. I have a relative who owns my building – I pay to him as I can. Can I apply for that assistance?

If we can't determine it was due to COVID-19 specifically, it may be not be eligible. In general, rent/schedule mortgage payment expenses are eligible expenditures. The nature of the

arrangement may require further verification/clarification from DFA resources, and/or may impact a scoring matrix.

8. Please clarify what to provide under the attachment checklist for “New Mexico Taxation and Revenue CRS Documentation (2019 and 2020)” – are you asking for 12 months for 2019?
Please provide summary information for CRS Filings of gross receipts for the months indicated on the application which are March 2019 – August 2019 and March 2020 – August 2020. You may provide the receipt/cover sheet of the CRS filing that shows gross receipts, deductions, and amounts paid that have been filed through your TAP account, or cover sheet, if done on paper.

9. Why do I have to provide financial information? I have privacy concerns about that.
It is the responsibility of the County to ensure an entity meets the eligibility requirements identified by the CARES Act in order to award a small business continuity grant. In order to identify if an entity meets the requirement of annual income of less than \$2 million, along with having severely curtailed business operations as a result of closure orders due to COVID-19, DFA has advised the County that this is best accomplished by reviewing relevant financial information. A tax return accompanied by financial statements is the best information we can use to support the validity and eligibility requirements. All information submitted for review is subject to record retention guidelines specifically identified by the Department of the Treasury – and will be maintained for 5 years.

Also, as per the application the following applies:

NOTICE REGARDING THE INSPECTION OF PUBLIC RECORDS ACT (N.M. Stat. Ann. § 14-2-1 et. seq.) (“IPRA”) UPON FILING OF AN APPLICATION UNDER THIS GRANT PROGRAM THE APPLICATION AND SUPPORTING DOCUMENTATION BECOME RECORDS SUBJECT TO DISCLOSURE UNDER IPRA. THE ACT DOES PROVIDE THAT THE FOLLOWING PERSONAL IDENTIFIER INFORMATION MAY BE REDACTED BEFORE RELEASE OF ANY DOCUMENT REQUESTED UNDER THE ACT: (1) ALL BUT THE LAST FOUR DIGITS OF A: (a) TAXPAYER IDENTIFICATION NUMBER (b) FINANCIAL ACCOUNT NUMBER (c) DRIVER’S LICENSE NUMBER (2) ALL BUT THE YEAR OF A PERSON’S DATE OF BIRTH, AND (3) A SOCIAL SECURITY NUMBER

10. I had to hire and fire and rehire employees. How do I tell that story in payroll?
You only need to focus on and provide what is being asked to report for items identified in the application. Applicants will not be scored based on the “story” they may or may not provide, and are not being asked to provide a cover letter. This is clarification from what had previously been mentioned in the Zoom business call on Sept. 15.

For this situation, you only need to provide the number of employees that you had at March 1, 2020, and what you have currently. In addition, we ask that you provide what you reported to the State for unemployment insurance taxes for the fourth quarter of 2019 and second quarter of 2020, and provide those backup documents. This information is sufficient to highlight the COVID-19 impact.

11. Why do we have to submit information about how these payroll costs or work performed are related to COVID-19?

In general, because of the eligibility requirements, all expenditures being submitted should be relative to impacts from COVID-19. Governments seeking reimbursement for government payroll expenditures have more stringent reporting requirements that have to be reported using the same template. The column that highlights this on Exhibit B should have a notation, but may be more general for small businesses.

12. Explain Exhibit B and C please?

Exhibit B relates to your non-owner payroll information. Names, SS# and other employee information is not necessary to provide. Exhibit C relates to other eligible types of expenditures where more detail needs to be provided. Both exhibits are meant for you to add more detail of what you reported in totals on the application.

13. Proof of rent – without a full lease – you can't compel this, so, this requirement seems strange and over-reaching? What if you are in a lease that is month-to-month?

We are not compelling anyone to apply for these grants, but strongly encourage businesses seeking relief to do so on a voluntary basis. This may be our only opportunity to provide this assistance. We also need to have valid supporting documentation that allows us to verify validity and eligibility of expenditures claimed. The provision of the supporting lease to backup rent expense has been recommended by DFA, and the County concurs with their recommendation. If you are in an expired long-term lease, and have by default started a month-to-month lease, please provide us with the source of the lease that was in effect in order to establish the month-to-month arrangement. If that cannot be provided, please attach a notarized letter from your landlord regarding your monthly rental arrangement.

14. Should the reimbursement financial information be from the time period of March 1 to the date of the request?

Yes they can be, or any other reimbursement being sought during this time frame covered by the CARES Act. Please do not ask for pre-payment of future expenditures that may occur prior to December 30th. Pre-payments are strictly unallowed, only reimbursements are allowed.

15. How do we get a certificate of good standing?

The NM Secretary of State certificate of status may not be applicable to certain business types. For the most part this is only applicable if you are a corporation or any form of LLC. You can look it up on the State's website here, and provide a screenshot or printout:

<https://portal.sos.state.nm.us/BFS/online/corporationbusinesssearch>



Search Information

Entity Details

Business ID#: [REDACTED]

Status: **Active**

Entity Name: [REDACTED]

Standing: **Good Standing**

DBA Name:

16. What is the timeline for funding to actually be awarded?

The application period closes Friday, Sept. 25 at 5 p.m. – and the County will be working to make award as quickly as we can. We expect to get many applications and plan to start the review process the week after applications close. The review process is anticipated to have multiple steps, first starting with checks for eligibility requirements, followed with panel review/scoring, then the execution of award letters, and finally, entering your vendor information provided on the application which is needed in order for use to process reimbursements through our Accounts Payable staff in Finance. We're not sure how long this process will take, but the County is taking every step to expedite the process.

The review process guidelines provided to the County by DFA are as follows:

Application Submittal:

- Create a deadline for all applications submissions.
- Review all applications for completeness and eligibility. Remove all ineligible applications and distribute the eligible applications to the score panel.
- Application requirements:
 - o The business must be headquartered in NM;
 - o 50 or fewer full time equivalent employees;
 - o Annual revenues of \$2 million or less;
 - o Business start date no later than March 1, 2019; and
 - o The business was either forced to close or had severely curtailed business operations as a result of closure orders due to covid-19. 3.

Application Determinations:

- Applications will be reviewed and scored. Determination will be made for award amounts. Document all decisions for award and keep scores available as backup documentation, or,
- Applications can be reviewed and awarded based on need, business size or other.

17. If I submit, and during the review, you find that something is missing, is the application null and void?

No. There may be some things that won't impede us from reviewing your application but rather are items needed for records and auditing. We will try to be flexible. Staff are recording the applications, with a time stamp, and doing a quick review of the attachments for completeness.

If an application is received in a timely manner (prior to Friday, September 25 at 5 p.m.) and it is determined that some information is missing, the application will not immediately be considered incomplete and therefore ineligible for consideration. Staff will reach out to the applicant and request the missing information be submitted. If the applicant does not respond accordingly, the application may therefore be deemed disqualified.

18. For any questions that have not been answered by the County or DFA, what should a business do?

Given this evolving process and in anticipation that there may additional questions and guidance to local governments from DFA, our best advice is to turn in an application and comply with anything applicable to you on the application. You can also email us at CARESbusiness@lacnm.us or by calling 505-663-1967 from 8:00 a.m. – 5:00 p.m. Monday through Friday. We are checking for completeness, so please ensure your application is complete. We may not have an answer to a specific question before the close of the application deadline – which is 5 p.m. on Sept. 25, 2020. It is really up to the business to make the determination if they want to participate in the program, comply with all requirements, and to do so by the established deadline.