

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

Auditor of State Advisory Memo

To: All County, City, Township, Village Officials and Independent Public Accountants

From: Keith L. Faber, Auditor of State

Date: October 7, 2020

Subject: **Use of Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Funds (CRF) to Support Small Businesses and Provide Housing Assistance**

As the nation, State of Ohio and local governments continue their efforts to provide assistance and support in responding to the impact of the COVID-19 outbreak, the Auditor of State (AOS) hereby issues this Advisory to all County, City, Village and Township officials, and our IPA community encouraging the appropriate use of Coronavirus Relief Funds (CRF) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act – in particular to support local small businesses and provide supportive housing.

Governmental Efforts to Aid Those Impacted by COVID-19 Restrictions

When COVID-19 first appeared, much of the nation shut down non-essential activity to slow the spread and flatten the curve. Thankfully, the federal government reacted with a number of programs and federal funds to help ameliorate the impact of COVID-19 on our economy, including: federal pandemic unemployment assistance, paycheck protection program and other CARES Act funds. While our state has gradually reopened, some health restrictions remain in place which continue to impact our economy, Ohio businesses and many of our citizens. The CRF funds allocated from the Ohio General Assembly will help local governments support programs that further alleviate these lasting impacts on our communities.

Over the past six months, AOS has hosted numerous virtual and in-person round table meetings to discuss the impact of COVID-19 and ways that state and local governments can best provide assistance to Ohio communities. During these meetings we have discussed a number of issues and challenges relative to the purpose, use and administration of federal CRF funds. These meetings have left us impressed by how connected local leaders are to the needs of their communities and the creative use of available resources to meet those needs, but also makes clear that many local governments have questions and concerns about the proper use of CRF funds.

AOS General Guidance on Use of CRF Funds

While the AOS must maintain our audit independence and are restricted in our ability to provide advisory opinions regarding the use of public funds, we are able to share some general guidance on the use of CRF funds. First, CRF funds must be treated just like any other federal award and their use in compliance with the terms and conditions of the award and the Uniform Guidance (UG) Act.¹ Second, local governments should carefully document every program, transaction and expenditure so that our auditors can clearly track the use of CRF funds.² Third, we recommend that local governments receive approval from their legislative body and elected officials affirming that CRF funds are being used for an allowable purpose and for the public welfare. Fourth, local governments should consult their legal counsel to ensure compliance with all applicable legal requirements, including compliance with each of the three prongs of the CARES Act and provisions of the Ohio Constitution concerning permitted use of public funds.

Each use of CRF must comply with the three distinct legal requirements set forth by Congress. When determining whether CRF may be used to pay an expense, the entity must show that the expense satisfies the statute.

The CARES Act requires that the payments from the funds only be used to cover expenses that:

- (1) Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- (2) Were not accounted for in the budget most recently approved as of March 27, 2020 (enactment date of the CARES Act) for the government; and
- (3) Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.³

¹ CRF payments are considered federal financial assistance subject to the Single Audit Act (31 U.S.C. §§ 7501-7507) and related provisions of the Uniform Guidance, 2 C.F.R. § 200.303 regarding internal controls, §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements. The UG is codified and available electronically at: https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl. Additionally, AOS has general UG subgranting guidance available on its COVID-19 Resources page available at: http://www.ohioauditor.gov/resources/COVID19_assistance.html. Local governments should refer to the Ohio Office of Budget and Management's (OBM) resources at: https://grants.ohio.gov/Documents/Coronavirus_Relief_Fund/CRF_Guide_to_Subgranting_Funds_2020-08-19.pdf and consult with their legal counsel, as needed, regarding the specific provisions of UG.

² Guidance suggests local governments should ensure CRF monies are only used to reimburse expenditures that are not otherwise being reimbursed by another federal or state program. See 2 C.F.R. § 200.403 (f) and <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

³ 42 U.S.C. 801(d).

In addition, the expenditure of CRF funds must be for the public welfare and comply with the limitations of aid and credit set forth by the Ohio Constitution. The AOS encourages local governments to use the CRF program consistent with state and federal law and guidance and to consult with their legal counsel for advice on whether an expenditure or program is permitted. The AOS will give all due consideration to a well-reasoned legal opinion provided by a local government's legal counsel to support the expenditure.

Following the guidance detailed above will certainly go a long way in assuring the appropriate use of CRF funds. But, as the federal guidance continues to change and evolve, we strongly encourage you to examine trusted resources for new information and frequently visit the AOS's website for [COVID-19 Resources](#), including information on CRF funding and answers to frequently asked questions.

Local Government's Use of CRF to Support Small Business

According to U.S. Treasury Department guidance and FAQs,⁴ CRF can be used to cover certain unexpected costs related to COVID-19 such as: purchase of personal protective equipment, supportive housing, and payroll expenses for public health and safety workers whose services are substantially related to the mitigation of COVID-19.

Many local governments in Ohio are subgranting⁵ a portion of their federal CRF for small business support, which AOS believes will have a positive impact on our small business community struggling under current health order restrictions. There are many ways to structure a small business grant program, such as an eligibility-based small business grant program or reimbursable grants. The small business grant program must be structured in such a manner as will ensure that such assistance is determined to be necessary in response to the COVID-19 public health emergency and otherwise satisfies the requirements of the CARES Act, the Ohio Constitution, and other applicable law.

Local Government's Use of CRF for Supportive Housing

Additionally, the COVID-19 public health emergency has taken a toll on people's financial stability, leaving some Ohioans unable to keep up with their housing payments. Local governments may use a portion of their federal CRF for housing assistance to maintain housing stability and prevent eviction and homelessness. The housing assistance program must be structured in such a manner as will ensure that such assistance is determined to be

⁴ See Appendix I to this Advisory.

⁵ Local governments should refer to the UG requirements for pass-through entities and subgrants/subawards. Additionally, local governments can obtain a sample CRF Subgrant Agreement format from OBM at: to the Ohio Office of Budget and Management's (OBM) resources at: https://grants.ohio.gov/Documents/Coronavirus_Relief_Fund/CRF_Guide_to_Subgranting_Funds_2020-08-19.pdf and <https://grants.ohio.gov/fundingopportunities.aspx>.

necessary in response to the COVID-19 public health emergency and otherwise satisfies the requirements of the CARES Act, the Ohio Constitution, and other applicable law.

It would not be appropriate for the AOS to recommend a specific program, or answer specific questions raised by a local government when it is crafting a plan, as we must maintain our audit independence. However, the AOS has provided sample grant structure models in Appendix II of this Advisory that local governments can consider as they evaluate their use of the CRF in relation to their administrative capacity and expertise to carry out such programs before the termination of the program on December 30, 2020.

AOS Stands Ready to Provide Assistance

In conclusion, thank you for working hard to support your communities during these challenging times. Please know that the AOS stands ready to provide assistance, address questions as they arise, and will audit with maximum flexibility in accordance with the law and guidance issued at the time of the expenditure and any additional guidance available at the time of audit when evaluating the appropriate use of CRF funds.

Again, we strongly encourage you to frequently visit the [AOS's Coronavirus Resources](#) webpage for updated information on CRF funding and answers to frequently asked questions.

APPENDIX I

Select CARES Act and US Treasury Guidance/FAQ's for Small Business & Housing Assistance Programs for Individuals

The Ohio General Assembly and Governor DeWine recently passed legislation to distribute the remaining \$650 million in federal funds to local governments,⁶ giving a short period of time for local governments to ramp up programs supporting small businesses impacted by public health orders. As explained on our COVID-19 Resources FAQ page and supported by the US Treasury Guidance and FAQs, this may be an appropriate use of these funds.⁷ Eligible expenditures include:

"Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as: Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures."

<https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

Page 3-4, updated September 2, 2020.

Additionally, the US Treasury Program Management Office's September 2, 2020 FAQ's support the use of CRF funds on programs assisting small businesses negatively impacted by COVID-19 and provide some details. While AOS wishes to bring these particular FAQ's and the above guidance example to your attention, they should not be read in isolation. Local governments and their legal counsel, when considering a plan, need to read these FAQ's and guidance with *all* the guidance/FAQs that were issued by Treasury as well as the CARES Act and any other applicable laws:

⁶ Because Ohio's Office of Budget and Management is the administrator of locally distributed CARES Act dollars under HB 481 and HB 614, we encourage you to frequently visit OBM's website for updates on CARES Act funding and answers to FAQ's that OBM updates as the U.S. Treasury Management Office and the Office of Inspector General update and/or issue new guidance and FAQ's. <https://grants.ohio.gov/fundingopportunities.aspx>.

⁷ Additionally, Title VI of the Social Security Act, as amended by Title V of Division A of the CARES Act, provides that the Department of the Treasury (Treasury) Office of Inspector General (OIG) is responsible for monitoring and oversight of the receipt, disbursement, and use of CRF payments, Treasury OIG guidance is available at <https://www.treasury.gov/about/organizational-structure/ig/Audit%20Reports%20and%20Testimonies/OIG-CA-20-028.pdf>.

24. The Guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. What is meant by a “small business,” and is the Guidance intended to refer only to expenditures to cover administrative expenses of such a grant program?

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

25. The Guidance provides that expenses associated with the provision of economic support in connection with the public health emergency, such as expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures, would constitute eligible expenditures of Fund payments. Would such expenditures be eligible in the absence of a stay-at-home order?

Fund payments may be used for economic support in the absence of a stay-at-home order if such expenditures are determined by the government to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency.

32. Must a stay-at-home order or other public health mandate be in effect in order for a government to provide assistance to small businesses using payments from the Fund?

No. The Guidance provides, as an example of an eligible use of payments from the Fund, expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. Such assistance may be provided using amounts received from the Fund in the absence of a requirement to close businesses if the relevant government determines that such expenditures are necessary in response to the public health emergency.

39. May Fund payments be used for expenditures related to the administration of Fund payments by a State, territorial, local, or Tribal government?

Yes, if the administrative expenses represent an increase over previously budgeted amounts and are limited to what is necessary. For example, a State [or local government] may expend Fund payments on necessary administrative expenses incurred with respect to a new grant program established to disburse amounts received from the Fund.

51. If governments use Fund payments as described in the Guidance to establish a grant program to support businesses, would those funds be considered gross income taxable to a business receiving the grant under the Internal Revenue Code (Code)?

Please see the answer provided by the Internal Revenue Service (IRS) available at <https://www.irs.gov/newsroom/cares-act-coronavirus-relief-fund-frequently-asked-questions>.

52. If governments use Fund payments as described in the Guidance to establish a loan program to support businesses, would those funds be considered gross income taxable to a business receiving the loan under the Code?

Please see the answer provided by the IRS available at <https://www.irs.gov/newsroom/cares-act-coronavirus-relief-fund-frequently-asked-questions>.

<https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>

Updated September 2, 2020.

APPENDIX II

Small Business and Housing Assistance Grant Structure Models

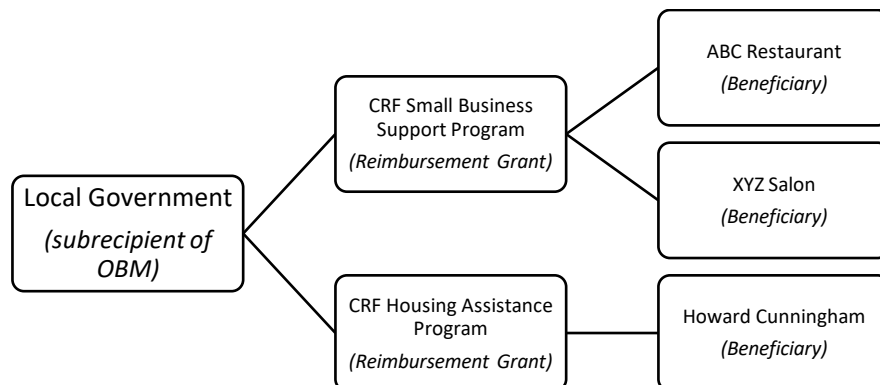
AOS suggests here a few options to local governments for possible grant structure models. Any such program should be designed, in consultation with your legal counsel, to ensure full compliance and limit a local government's risk of exposure to questioned costs, federal funding claw backs and administrative burden. The guidance in this Appendix should be read in conjunction with the CARES Act, applicable portions of the UG,⁸ Ohio law, the Ohio Constitution and other applicable regulations in order to be lawful.

A local government seeking to create a small business and/or housing assistance grant program should take all necessary measures to ensure the expenditure of CRF funds for these purposes are done for the public welfare and comply with the limitations of aid and credit set forth by the Ohio Constitution. To this end, AOS encourages that local governments receive approval from their legislative body and elected officials affirming that CRF funds are being used for an allowable purpose and for the public welfare. The AOS also encourages local governments to consult with their legal counsel for advice on whether its CRF program is consistent with all applicable state and federal law and guidance. The AOS will give all due consideration to a well-reasoned legal opinion provided by a local government's legal counsel.

See Model 1 on next page

⁸ The UG is codified and available electronically at: https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl. Additionally, AOS has general UG subgranting guidance available on its COVID-19 Resources page available at: http://www.ohioauditor.gov/resources/COVID19_assistance.html. Local governments should refer to the Ohio Office of Budget and Management's (OBM) resources at: https://grants.ohio.gov/Documents/Coronavirus_Relief_Fund/CRF_Guide_to_Subgranting_Funds_2020-08-19.pdf and consult with their legal counsel, as needed, regarding the specific provisions of UG.

Model 1 – Local Government Subrecipient /Small Business or Individual Beneficiary Structure Model

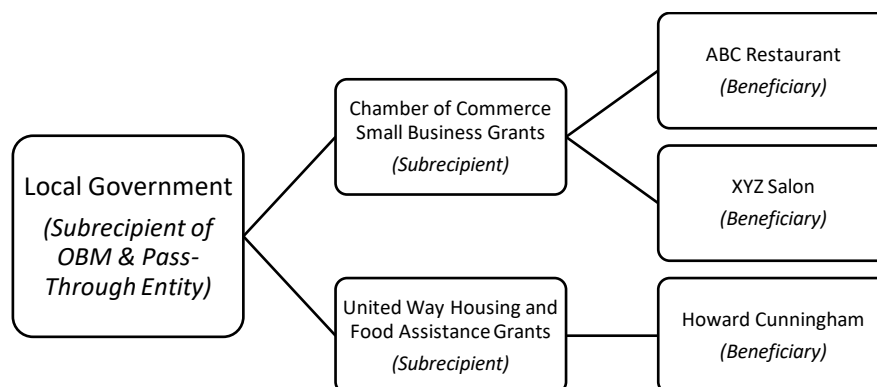


Model 1 assumes the local government is a subrecipient of CRF Distributions under HB 481 and/or HB 614. Under this model, the local government decides to set up two reimbursement grant programs, one for small businesses in need of economic support and the other for housing assistance for individuals. Both programs appear to be authorized, in principle, under the CARES Act Coronavirus Relief Fund and are addressed in the U.S. Department of Treasury’s Frequently Asked Questions. Of course, any local government program utilizing this model’s structure must also comply with the three prongs of the CARES Act, applicable portions of the UG, Ohio law, the Ohio Constitution and other applicable regulations in order to be lawful.

In both programs under this model, the local government has established a one-time reimbursement grant, capped at a determined amount for small businesses and another determined amount for individuals seeking housing assistance. The local government has developed an application that describes the terms and conditions of each program in accordance with the CARES Act, U.S. Department of Treasury’s regulations, OBM regulations, UG, Federal Funding Accountability and Transparency Act (FFATA), and other requirements the local government deemed necessary to administer the programs.

Among the other requirements, the local government has established eligibility criteria for small businesses and individuals seeking assistance and prescribed various forms of documentation required to verify the small business or individual has need for assistance due to the COVID-19 pandemic as required by the CARES Act. The local government further established a deadline by which all applications must be submitted in order to allow the local government adequate time to review the documentation for appropriateness and completeness under the terms and conditions of the programs and make payments to the awarded small businesses and individuals. Upon receiving the local government CRF award, the small business or individual has no further compliance requirements and becomes a beneficiary of the local government CRF program. The local government further retains all application and supporting documentation of eligibility and use of funds documentation for audit in accordance with its record retention schedule.

Model 2 – Local Government Pass-Through Entity /Community Partner Subrecipient/Small Business or Individual Beneficiary Structure Model



Model 2 assumes the local government is a subrecipient of CRF Distributions under HB 481 and/or HB 614. Under this model, the local government decides to set up two reimbursement grant programs, one for small businesses in need of economic support and the other for housing assistance for individuals. Both programs appear to be authorized, in principle, under the CARES Act Coronavirus Relief Fund and are addressed in the U.S. Department of Treasury’s Frequently Asked Questions. Of course, any local government program utilizing this model’s structure must also comply with the three prongs of the CARES Act, applicable portions of the UG, Ohio law, the Ohio Constitution and other applicable regulations in order to be lawful.

However, under this model, the local government quickly realizes that it does not have capacity or resources alone to take on the additional responsibilities of administering the programs and performing subrecipient monitoring and oversight, particularly in light of the CRF period of availability ending on Dec. 30, 2020. For this reason, the local government engages its community partners pursuant to authority provided in the UG to assist in administering the small business and housing assistance reimbursement grant programs in a subrecipient capacity. In this scenario, the local government develops a subaward agreement with its community partners describing the allowable administrative cost reimbursement to the community partner and also the terms and conditions of each program in accordance with the CARES Act, U.S. Department of Treasury’s regulations, OBM regulations, UG, FFATA, Ohio law, the Ohio Constitution, and other requirements the local government deemed necessary to administer the programs. The local government, now acting as a pass-through entity, includes additional language regarding the mutual responsibilities of both the pass-through entity and subrecipient. The local government advances the CRF award amount to each community partner to establish the agreed-upon reimbursement programs in accordance with the subaward agreement.

In both programs under this model, the subaward agreement requires the community partner to create a one-time reimbursement grant, capped at a determined amount for small businesses and another determined amount for individuals seeking housing assistance. The

subaward agreement further requires the community partner to develop an application available on its website that describes the terms and conditions of each program in accordance with the CARES Act, U.S. Department of Treasury's regulations, OBM regulations, UG, FFATA, and other requirements the local government deemed necessary to administer the programs.

The community partners must establish eligibility criteria for small businesses and individuals seeking assistance and prescribed various forms of documentation required to verify the small business or individual has need for assistance due to the COVID-19 pandemic as required by the CARES Act. The community partners further establish a deadline by which all applications must be submitted in order to allow the community partner adequate time to review the documentation for appropriateness and completeness under the terms and conditions of the programs and make payments to the awarded small businesses and individuals. Upon receiving the CRF award, the small business or individual has no further compliance requirements and becomes a beneficiary of the community partner's CRF program. The community partners are further required by the subaward agreement to retain all application and supporting documentation of eligibility and economic losses incurred by small businesses and individuals due to the COVID-19 pandemic for audit in accordance with the subaward agreement. The subaward agreement explicitly identifies the community partners' subrecipient responsibilities to comply with audits by the local government and others, including the AOS, overseeing the CRF program.

Additionally, the local government, acting as a pass-through entity, adopted policies and procedures for active subrecipient monitoring in accordance with UG and performs routine on-site oversight of each community partner to ensure the programs are being administered as required by the subaward agreement.

Eligibility and Documentation Criteria

Local governments wanting to establish CRF Grant programs for small businesses or housing assistance programs for individuals, with approval from their governing authority, should consider the needs of their community and develop eligibility and documentation criteria including, but not limited to, the following for each program. These grant programs must be structured in such a manner as will ensure that such assistance is determined to be necessary in response to the COVID-19 public health emergency and otherwise satisfies the requirements of the CARES Act, applicable portions of the UG, Ohio law, the Ohio Constitution, and other applicable regulations in order to be lawful.

Sample CRF Eligibility Criteria

For One-Time Reimbursement Grants to Small Businesses

(Note: The items in this table are meant to serve as examples and are not exhaustive lists. Local governments should consult with their legal counsel to establish appropriate Eligibility Criteria tailored to the specific CRF grant programs in their communities in accordance with the community needs and program requirements)

Small Business sample eligibility criteria might include (e.g., One-time reimbursement grant up to \$XX per small business):

- Must be a for-profit small business located in the local government jurisdiction or county (*local governments may work with surrounding communities to expand the eligible areas*)
 - This can be evidenced by mortgage statements, utility bills, insurance statements, property tax bills, etc.
- Must have a Federal Taxpayer Identification Number and a DUNS Number
- Must have been in operation since before March 1, 2020 (*or for whatever period the local government establishes.*)
- Business cannot be permanently closed
- Must have less than \$XX in gross revenue/receipts on an annual basis to qualify as a small business in the community. This should be evidence by submitting documentation such as prior year income tax returns and/or annual or monthly profit/loss statements for a period of time as established by the local government.
- Have fewer than XX employees or 1099 workers as of March 1, 2020.
- Has not been approved or likely to be approved for a business interruption insurance or other claim as a result of COVID-19 public health emergency.
- Must attest to its compliance with federal, state, or county and local requirements applicable to its type of business, including tax payments and code enforcement.
- Must attest that it is not currently in bankruptcy.
- Must not have received or been approved for [more than \$XX in] other federal assistance for lost revenue or expenses arising from the pandemic, including the Paycheck Protection Program or Emergency Disaster Loan.
 - *Local governments should work closely with their legal counsels to determine whether this is a strict prohibition or if a limit can be established (e.g., no more than \$XX).*
- Must have the ability to use CRF funding for expenditures over and above those expenses already paid for, or to be paid for, with other federal, state, local or other assistance.

**For One-Time Reimbursement Grants to Individuals for
Housing or Utility Assistance**

(Note: The items in this table are meant to serve as examples and are not exhaustive lists. Local governments should consult with their legal counsel to establish appropriate Eligibility Criteria tailored to the specific CRF grant programs in their communities in accordance with the community needs and program requirements.)

Sample individual eligibility criteria might include:

For Housing (e.g., One-time reimbursement grant up to \$XX per resident, per dwelling):

- Mortgage payments not to exceed \$XX total per eligible residential dwelling as evidenced by monthly mortgage statements
- Rent relief to renters or landlords not to exceed \$XX total per eligible residential dwelling as evidenced by monthly statements from landlord
- Must be a current resident, living within the local government jurisdiction.
- Must be laid off, furloughed, unemployed or experienced decrease in pay or hours as a direct result of COVID-19 business closures or stay-at-home orders.
- Must be at least one month in arrears in mortgage or rent
 - *AOS recommends local governments consider paying CRF assistance directly to landlord/mortgage company*

For Utilities (e.g., One-time reimbursement grant up to \$XX per resident, per dwelling):

- Utility payments not to exceed \$XX total per eligible residential dwelling as evidenced by monthly utility billing statements for gas, electric, water, sewer, and trash removal.
- Funds to be used solely for utility payment assistance
- Must be a current resident, living within the local government jurisdiction.
- Must be laid off, furloughed, unemployed or experienced decrease in pay or hours as a direct result of COVID-19 business closures or stay-at-home orders.
- Must be at least one month in arrears in utility payments
 - *AOS recommends local governments consider paying CRF assistance directly to utility company(ies)*

For local governments subgranting to community partners to help administer programs in their communities, local governments should consider whether the community partner(s) has the resources and expertise managing federal awards to fulfill the programmatic goals of the program. Refer to the UG and general UG guidance on the AOS COVID-19 Resources webpage for additional considerations in a pass-through entity/subrecipient relationship with a community partner.

Sample CRF Documentation Criteria

To Support Eligible Expenses Criteria for Small Business One-Time Reimbursement Grant Programs

(The items in this table are meant to serve as examples. Local governments should consult with their legal counsel to establish appropriate documentation criteria to support eligible expenses necessary for the specific programs in their communities in accordance with the community needs and program requirements.)

Sample documentation for eligible expenses might include:

- Personal Protective Equipment or other COVID-19 related costs such as expenses related to compliance with Responsible Restart Ohio as evidenced by itemized billing statements and packing slips demonstrating goods or services were received/rendered
- Outdoor dining equipment and heaters purchased to comply with Responsible Restart Ohio as evidenced by itemized billing statements and packing slips demonstrating goods were received
- Interior alterations to comply with Responsible Restart Ohio as evidenced by itemized billing statements and packing slips demonstrating goods/services were received/rendered

Sample ineligible expenses may include:

- Cost of vehicle or equipment leased or purchased after March 15, 2020, except if the purchase of equipment is to comply with Responsible Restart Ohio
- Personal, non-business expenses of the business or its owner(s)
- Construction costs for incomplete projects as of the date of application
- Application/permit fees
- Any tax, license or fee obligations payable to any governmental entity businesses
- Expenses related to Marketing, Advertising (including signage) and Insurance

**For Eligible Expenses for One-Time Reimbursement Grants
to Individuals for Housing or Utility Assistance**

(Note: The items in this table are meant to serve as examples and are not exhaustive lists. Local governments should consult with their legal counsel to establish appropriate documentation for eligible expenses tailored to the specific CRF grant programs in their communities in accordance with the community needs and program requirements.)

Sample documentation for eligible expenses might include:

- Documentation from mortgage company / landlord showing rent and/or mortgage payment delinquency
- Documentation providing proof of home ownership or lease agreement for residential address provided on application
- Documentation from mortgage company / landlord providing monthly payment amount required by mortgage company or landlord according to loan or leasing agreement
- Documentation from utility company showing payment delinquency

Sample ineligible expenses may include:

- Property Taxes
- Only one application per dwelling unit. (For example: multiple residents in same household cannot apply for funds for the same unit.)