

Kane County Coronavirus Relief Fund Orientation

For Small Businesses | September 18, 2020

Email questions to CRF@co.kane.il.us

Welcome and Introductions

- Kane County Board CARES Act Allocation Committee (CAAC)
- Joseph H. McMahon, Kane County State's Attorney
- Scott Berger, Director of the Kane County Office of Community Reinvestment
- Faviola Guzman, Program Manager of Kane County Coronavirus Relief Fund
- Bethany Jaeger, KEB
- Josh Shugart, CPA, KEB
- Mitch Parrish, KEB

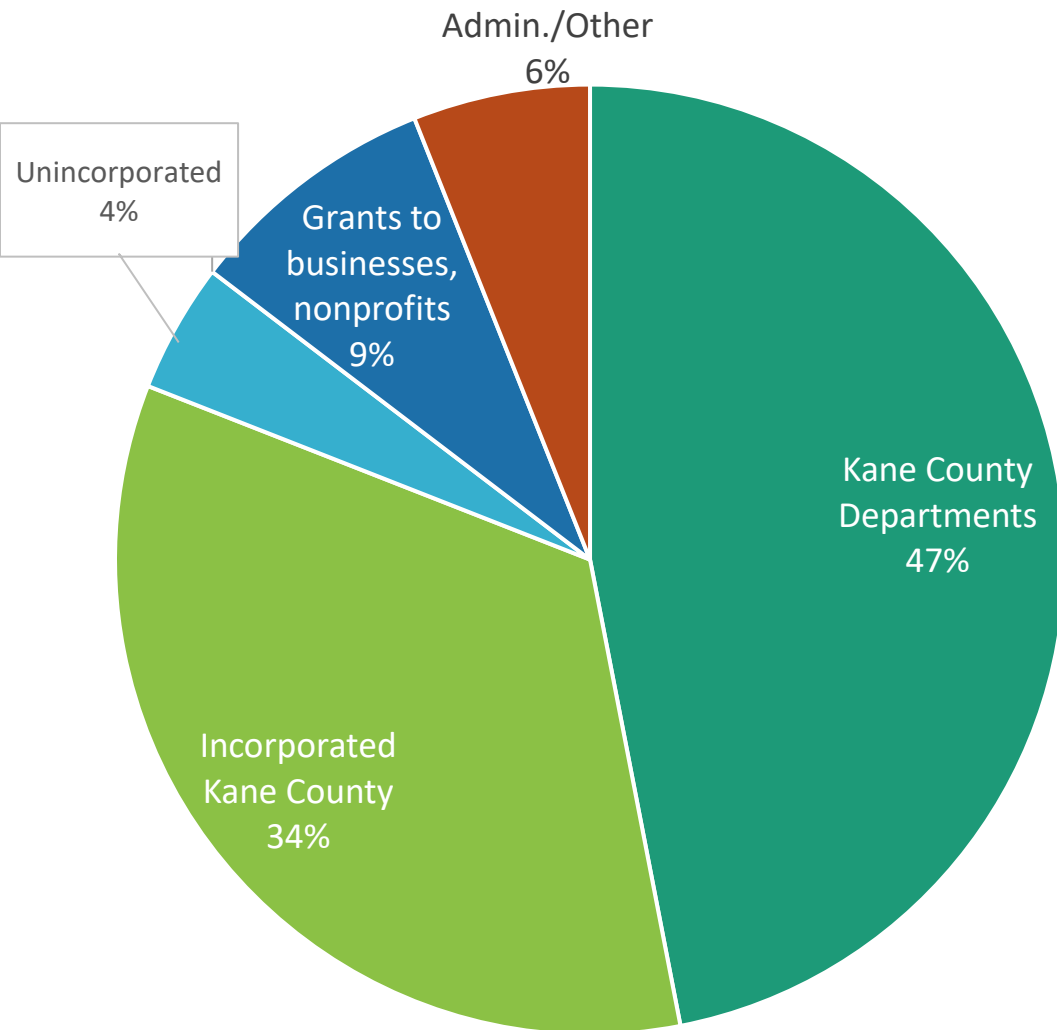
Overview

- Background and Roles
- Timeline
- Eligible Businesses
- Eligible Expenses
- Eligibility Documentation
- Frequently Asked Questions
- Next steps

Background

- Coronavirus Aid, Relief, and Economic Security Act (CARES Act)
- Coronavirus Relief Fund (CRF)
- Kane County allocation of \$92.9 million
- Kane County transfers to other units of government
- Kane County creates potential programs to aid businesses and nonprofits

Kane County CRF Allocations



CRF Budget	Allocations
Total allocation to Kane County	\$92.9 million
Grants to small businesses	(\$8 million)
Grants to nonprofits	(\$2 million)
Administration and discretionary	(\$3.6 million)
Amount to allocate to units of government	\$79.3 million
Of the \$79.3 million:	
Kane County Departments	\$43.6 million (55%)
Units of government	\$35.7 million (45%)
Incorporated	• \$31.5 million
Unincorporated	• \$4.1 million

Recipients cannot transfer CRF awards to other entities

Recipients may not transfer any portion of their Coronavirus Relief Fund award to other entities. The county is providing direct assistance to businesses, nonprofits and units of government.

Timeline for Small Businesses

General Time Period	Activity
October 2, 2020	Applications and CRF Budget spreadsheets are due to Kane County (https://www.countyofkane.org/crf)
November 11, 2020	Issuance of award notices and instructions to small businesses
November 12 – December 30, 2020	Reimbursement requests are processed (paid within 30 days of complete submittal)
December 30, 2020	Date by which all eligible expenses must be incurred
January 15, 2021	Kane County deadline for submitting all final reimbursement requests
January 30, 2021	Grant closeout period

Eligible Businesses

- For-profit businesses (LLC, S Corp, C Corp, Partnership, Sole Proprietorship)
- OR a Chamber of Commerce that is in Kane County and is a nonprofit as determined by the IRS
- Place of business is physically located in Kane County
- No more than 50 FTEs as of March 1, 2020
- Gross revenue for calendar year 2019 of less than \$2.5 million
- Experienced a reduction in revenue during the pandemic
- If closed as a result of the pandemic, reopened by August 1, 2020
- Be in good standing with federal, state and local standards and requirements

Ineligible Businesses

- ⊘ No home-based businesses

What is a home-based business?

A home-based business is any enterprise for which the principal administrative and managerial activities take place within an individual's personal residence.

Examples of activity that may indicate a home-based business include, but are not limited to:

1. Exclusively and regularly as your principal place of business
2. Exclusively and regularly as a place where you meet customers, patients
3. A separate structure that is not attached to your home and used exclusively for your business
4. On a regular basis for storage of inventory or products that you sell
5. For rental use
6. As a daycare facility

Other Ineligible Businesses

- ⊘ No banks
- ⊘ No payday lenders
- ⊘ No title lenders
- ⊘ No business whose primary income is derived from marijuana/vaping/tobacco industries
- ⊘ No corporate chains (unless it is an independent franchise)
- ⊘ Owners of multiple businesses can only submit one application

Small Business Grant Program Terms



Businesses established on or prior to January 1, 2019 are eligible for up to \$20,000 awards



Businesses established on or after January 2, 2019 are eligible for up to \$10,000 awards



Chambers of Commerce are eligible for up to \$10,000 awards



Small Business Applications will be processed on a first come, first served basis



All awards are issued as grants



Eligible expenses will be reimbursed

List of Eligible Expenses

No Payroll



Rent/mortgage payments for the physical place of business purchased before 1/1/20



Leased or purchased equipment purchased before 1/1/20



Utility costs for the physical place of business



Purchase of PPE for employees and/or patrons



The cost of cleaning/disinfecting the place of business



Costs for employees to work remotely (e.g., computer equipment, software, cell phones, internet access)



The cost of minor physical modifications to comply with social distancing requirements

No costs for capital improvements that are unrelated to social distancing standards

Eligibility Documentation – Part 1

To submit with the online Application:

- Completed W-9 Form or 501(c)3 designation
- Most recent (not expired) Certificate of Good Standing from the Illinois Secretary of State
 - For sole proprietors or partnerships operating under a name other than the owner's real name, submit the Certificate of Ownership
- Roster of employees for the pay period that includes March 1, 2020
 - Indicate the number of hours worked by each employee during that pay period



Eligibility Documentation – Part 2

To submit with the online Application (continued):

- Annual financial statements for 2019 that have been audited, reviewed or compiled by an outside accountant, if applicable
- 2019 IRS tax return, if available



Eligibility Documentation – Part 3

To submit with the online Application (continued):

- Monthly Profit & Loss statements, and
- Attachment A: Budget and narrative for costs already incurred between March 1, 2020 and September 30, 2020 (Excel file)

Profit & Loss Statement

Also called an Income Statement:
reports revenues, gains,
expenses, losses and net income
for a period of time

ABC Ltd.	
Income Statement	
For the Year Ended December 31, 2018	
	2018
Revenues	\$
Cash sales	88,750
Credit sales	50,820
Total Revenue	139,570
Cost of goods sold	65,500
Gross profit	74,070
Operating expenses	
Salaries	25,300
Advertising	8,250
Office rent	8,520
Utilities	4,600
Office Supplies	800
Depreciation	2,200
Other expenses	3,600
Total operating expenses	53,270
Operating profit	20,800
Operating income	
Interest Income	800
Interest expenses	2,400
Net Income before Tax	19,200
Income tax expenses	3,840
Net Income after Tax	15,360

Budget Summary for Small Businesses

1. Describe in detail the expense by type.
2. Provide a justification for CRF eligibility.
3. Enter the amount that will be requested for reimbursement.

Kane County Coronavirus Relief Fund Budget Summary for Small Businesses			
Eligible costs incurred between March 1, 2020 through September 30, 2020			
<p>Small businesses meeting eligibility criteria and that were established prior to or on January 1, 2019 are eligible for awards up to \$20,000. Businesses meeting the eligibility criteria that were established on January 2, 2019 or later are eligible for awards up to \$10,000. Chambers of commerce are eligible for awards up to \$10,000. All awards under this program will be issued as a grant and disbursed to grantees on a reimbursement basis. Grantees will be expected to enter into a Recipient Agreement with Kane County and must present appropriate documentation to substantiate their reimbursement requests once submitted. Following is a Budget Summary that must be submitted with the Application to identify the type of expense and the amount that will be requested for reimbursement once a Recipient Agreement with Kane County is approved. Please enter information into the gold cells.</p> <p>Note: Examples are provided in gray font in the cells below. Please delete the examples and enter your organization's actual expenses, justification and amount requested.</p>			
Recipient Information			
Name of Business:		Primary Contact:	
Business Address:		Contact Phone #:	
DUNS Number:		Contact Email Address:	
Budget and Narrative			
Expense Line Item	Description and Justification for CRF Eligibility	Amount Requested	
Rent/Mortgage payments (for physical place of business secured prior to January 1, 2020)			
Example: Rent payment for May 2020 while our business was closed to the public	Example: Our doors were closed during May 2020 due to the stay-at-home order. We were not an essential business and, therefore, remained closed with no income.	\$	2,200.00
		\$	-
		\$	-
Utility cost for the physical place of business			
Example: Utility costs (electric, water, gas) for May 2020 while our business was closed to the public.	Example: Our doors were closed during May 2020 due to the stay-at-home order. We were not an essential business and, therefore, remained closed with no income.	\$	250.00
		\$	-
		\$	-
Personal Protective Equipment			
		\$	-
		\$	-
		\$	-
Cleaning/Disinfecting services and supplies			
		\$	-
		\$	-
		\$	-
Minor physical modifications to the place of business to comply with social distancing standards			
		\$	-
		\$	-
		\$	-
Costs to enable employees to work remotely			
		\$	-
		\$	-
		\$	-
Lease/loan payments for equipment integral to the business's operations (provided the equipment was secured prior to January 1, 2020)			
		\$	-
		\$	-
		\$	-
Total Amount Requested for All Applicable Expense Types			\$2,450.00
Kane County Use		Recipient Certification and Authorization	
Additions:	\$ -	I hereby certify that I have reviewed the costs contained in this request for reimbursement and represent that, to the best of my knowledge all costs included are true and correct. I further certify that all costs included in this request are in accordance with the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), its applicable administrative requirements and the U.S. Treasury's Coronavirus Relief Fund (CRF) and are in compliance with the budget and terms of the underlying the Recipient Agreement and any other contract(s) authorizing the actual costs.	
Deletions:	\$ -		
Less Deductions:	\$ -		
Approved For Payment:	\$ -		
Audited by:			
Approved by:		Signature of Authorized Recipient	Date
Date Received:		Date Submitted to Kane County	

Eligibility Documentation – Part 4

To submit with Application (continued):

- Monthly balance sheets, and
- Attachment B: Budget and narrative for costs anticipated to be incurred between October 1, 2020 and December 30, 2020 (Excel file)

Balance Sheet

Presents the company's financial position at a point in time, including assets, liabilities and equity

XYZ COMPANY
Balance Sheet
12/31/2017

ASSETS

Current Assets:

Cash	\$12,000
Accounts Receivable	35,000
Inventory	120,000
Prepaid Rent	8,000
Total Current Assets	\$175,000

Long-Term Assets

Land	\$126,000
Buildings & Improvements	300,000
Furniture & Fixtures	50,000
General Equipment	125,000
Total Fixed Assets	\$601,000

TOTAL ASSETS **\$776,000**

LIABILITIES

Current Liabilities:

Accounts Payable	\$60,000
Taxes Payable	25,000
Salaries/Wages Payable	30,000
Interest Payable	25,000
Total Current Liabilities	\$140,000

Long Term Liabilities:

Loan 1	\$322,000
Total Long Term Liabilities	\$322,000

TOTAL LIABILITIES **\$462,000**

OWNER'S EQUITY

Paid in Capital	\$64,000
Retained Earnings	250,000

TOTAL OWNER'S EQUITY **\$314,000**

TOTAL LIABILITIES & OWNER'S EQUITY **\$776,000**



Eligibility Documentation – Part 5

If the Applicant is a Chamber of Commerce:

- Most recently filed Form 990; and
- IRS determination letter regarding nonprofit status

Other Application Instructions

What kind of documentation will be required to request reimbursement?

Examples of Supporting Documentation:

- Receipts, invoices, check copies or other proof of payment
- Copies of contracts for services that are necessary to respond to COVID-19
- Copy of mortgage agreement or rental agreement if requesting reimbursement for mortgage or rent payments

What if the procured service will not be completed until after December 30, 2020?

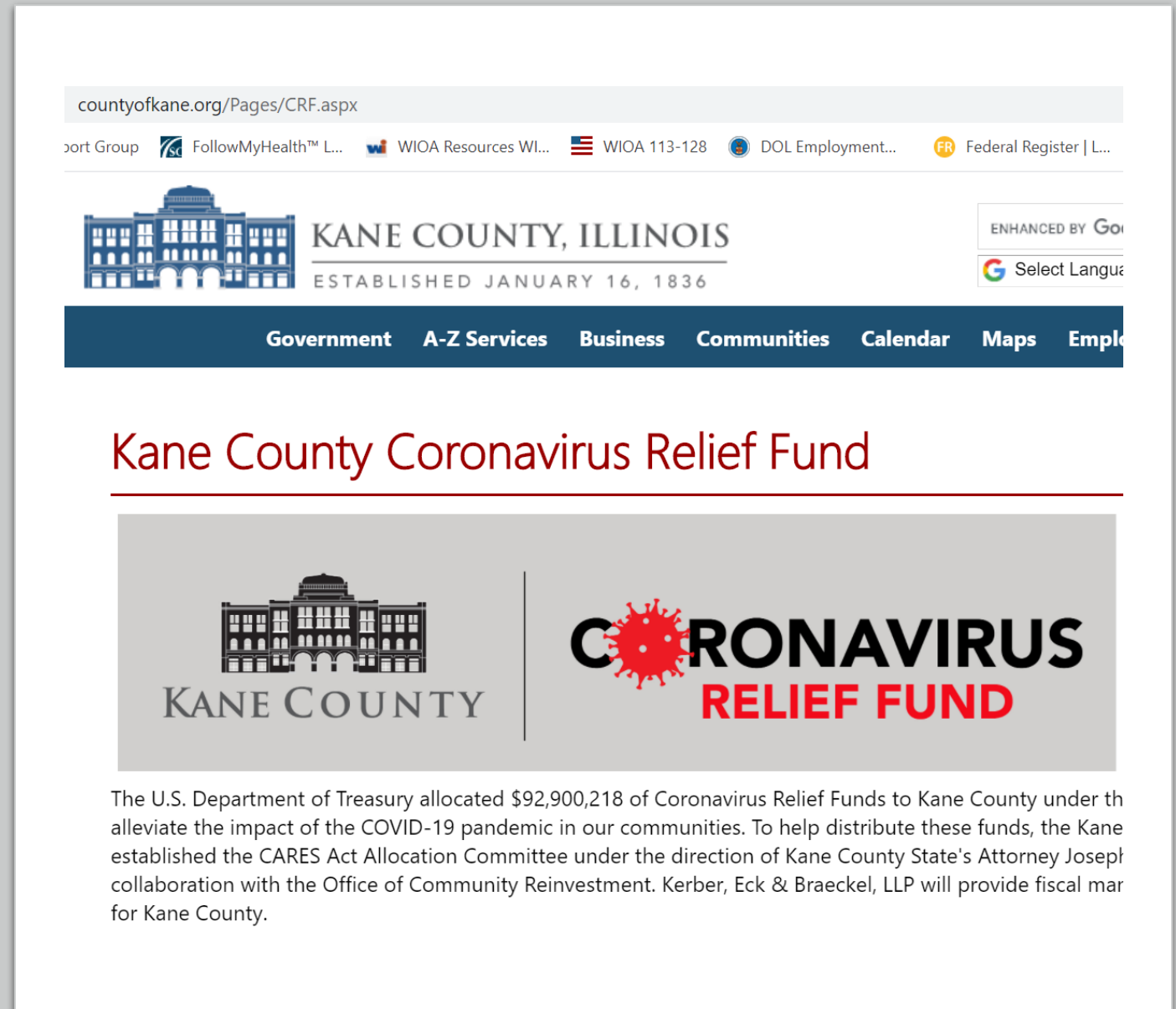
IF the delay is because of the COVID-19 public health emergency:

- U.S. Treasury allows some flexibility IF the cost was incurred before 12/30/20 but the service cannot be delivered until after 12/30/2020 BECAUSE the delay is caused by the COVID-19 public health emergency.
- The purchase or contract must be completed before 12/30/20.
- The cause of delay must be well-documented with the reimbursement request.

Kane County CRF Page

[https://www.countyofkane.org/
Pages/CRF.aspx](https://www.countyofkane.org/Pages/CRF.aspx)

- Online Application
- CRF Budget spreadsheets
- Other required forms
- Small Business Application
FAQ



The screenshot shows the Kane County website interface. At the top, the browser address bar displays "countyofkane.org/Pages/CRF.aspx". Below the address bar, there are several utility links: "Port Group", "FollowMyHealth™ L...", "WIOA Resources WI...", "WIOA 113-128", "DOL Employment...", and "Federal Register | L...". The main header features the Kane County logo (a building icon) and the text "KANE COUNTY, ILLINOIS" and "ESTABLISHED JANUARY 16, 1836". To the right of the header, there is a "Go" button and a "Select Language" dropdown menu. Below the header is a dark blue navigation bar with links for "Government", "A-Z Services", "Business", "Communities", "Calendar", "Maps", and "Emplo". The main content area has a red heading "Kane County Coronavirus Relief Fund". Below the heading is a large graphic with the Kane County logo on the left and the text "CORONAVIRUS RELIEF FUND" on the right, where the "C" in "CORONAVIRUS" is replaced by a red virus icon. Below the graphic is a paragraph of text: "The U.S. Department of Treasury allocated \$92,900,218 of Coronavirus Relief Funds to Kane County under the CARES Act to help alleviate the impact of the COVID-19 pandemic in our communities. To help distribute these funds, the Kane County established the CARES Act Allocation Committee under the direction of Kane County State's Attorney Joseph Kerber in collaboration with the Office of Community Reinvestment. Kerber, Eck & Braeckel, LLP will provide fiscal management for Kane County."

Application and Forms

<https://www.countyofkane.org/Pages/CRF.aspx>

October 2, 2020 is the application deadline Small Business Grants and Nonprofit Grants applications. All previous applications are now closed. Small businesses and non-profit organizations will be able to access the application portal subsequent to an informational webinar on September 18, 2020. Please continue to visit our webpage for updates as they become available. This program does not offer rent/mortgage assistance for residents.



Small Business Grant Application:

Small Business Application Instructions

[Kane County CRF Small Business Budget for Application - March-September 2020.xlsx](#)

[Kane County CRF Small Business Budget for Application - October-December 2020.xlsx](#)

Applicant Eligibility

In order to be eligible to apply for assistance under this program, a business must meet the following criteria:

1. Be a for-profit business (e.g. LLC, S Corporation, C Corporation, Partnership, or Sole Proprietorship) or a Chamber of Commerce.
2. Have a place of business that is physically located within Kane County.
3. Had no more than 50 full-time equivalent employees as of March 1, 2020.
4. Had gross revenue for calendar year 2019 of no more than \$2.5 million. If the business was formed after January 1, 2019, they may apply for a grant of up to \$10,000.
5. Experienced a reduction in revenue and increase of costs during the COVID-19 pandemic.
6. If closed as a result of the pandemic, the business must have been reopened by August 1, 2020.
7. Be in good standing with all applicable federal, state, and local standards and requirements.

Chambers of commerce that are located within Kane County and incorporated as a 501(c)(3) are eligible applicants under this program. Certain businesses are ineligible for this program, including home-based businesses (any enterprise for which the principal administrative and managerial activities take place within an individual's personal residence), adult entertainment/bookstores, banks, payday lenders, title lenders, businesses involved in the marijuana/vaping/tobacco industries (Only businesses that derive the majority of their revenue from such industries will be considered ineligible.) and corporate chains (unless incorporated as an independent franchisee). Owners of multiple businesses may submit only one application under this initiative.

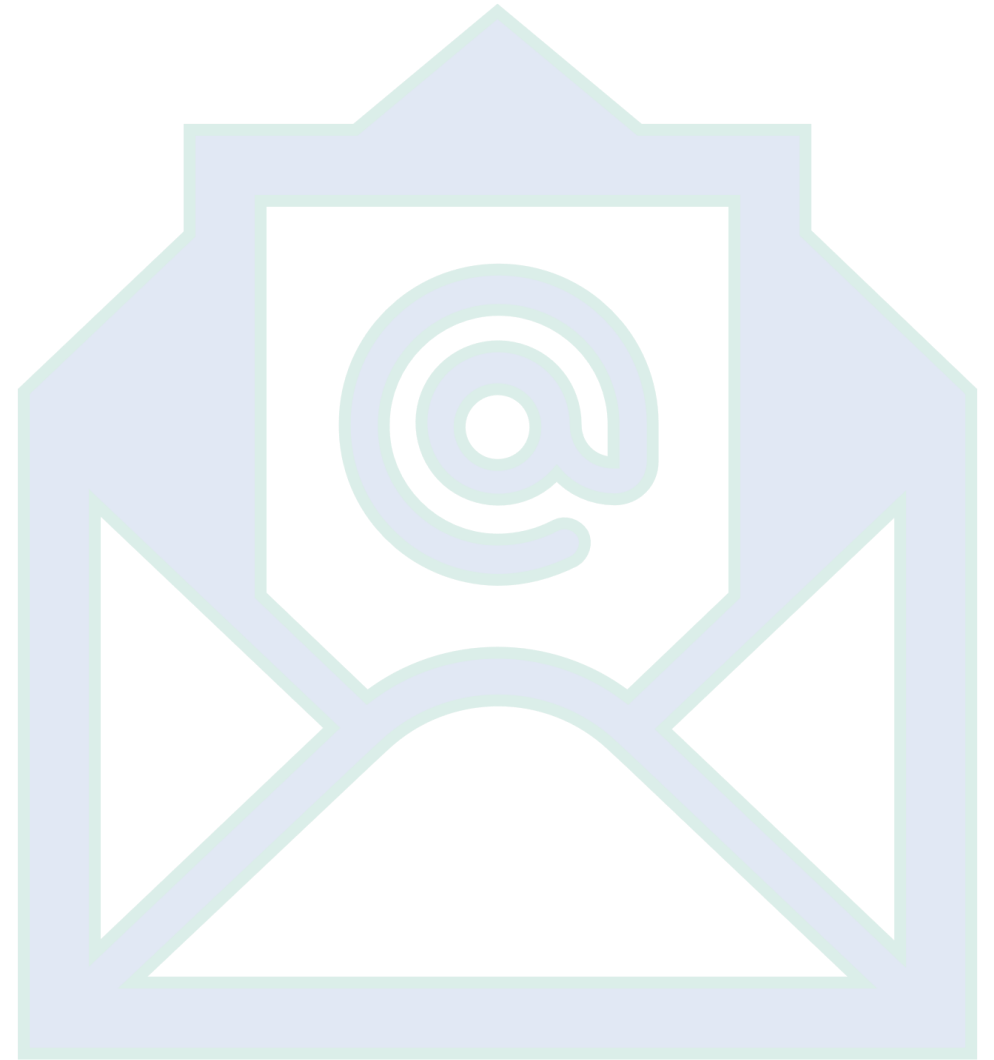
Next Steps

- ❑ Applications are due at 5:00 p.m. October 2, 2020
- ❑ Approved Applications will result in Recipient Agreements
- ❑ Request technical assistance by emailing CRF@co.kane.il.us



Questions?

Email additional questions to
CRF@co.kane.il.us.



Thank you