

## FREQUENTLY ASKED QUESTIONS

### 1. Where can I find the FAA frequently asked questions?

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[https://www.faa.gov/airports/cares\\_act/media/cares-act-airport-grants-fags-redline.pdf](https://www.faa.gov/airports/cares_act/media/cares-act-airport-grants-fags-redline.pdf)

### 2. What is the earliest date that an expense may be incurred and reimbursed under the CARES Act?

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- Operations costs incurred on or after January 20, 2020 (including local share of an existing AIP project)
- New development projects awarded after March 27, 2020;
- Debt service due on or after March 27, 2020.

### 3. May I receive reimbursement for the 25% local share of M&O expenses in the 3rd and 4th quarter of FY 2020?

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Generally, yes. Federally eligible expenses previously submitted under state M&O may be resubmitted under the CARES Act to request the 25% local share. Sponsors may claim their 25% local share for costs incurred on January 20, 2020 through June 30, 2020 if they have already been reimbursed for this time frame under their state M&O grant. Each expense should be itemized indicating the share of the cost that was reimbursed by MnDOT and the remaining amount that is being requested. If the share of an individual expense is unclear, contact your MnDOT representative.

If the airport's state M&O grant balance was \$0.00 after the 2nd quarter (time frame of October 2019 through December 2019), eligible costs incurred from January 20, 2020 through June 2020 may be reimbursed under the federal CARES Act grant at 100%.

Additionally, some expenses listed on the state Ineligible List for M&O may be reimbursed under the federal CARES Act grant. If you have a question on the eligibility of an expense incurred, please contact your ADO Project Manager for clarification.

#### **4. I want to choose which expenses are reimbursed under CARES and which are reimbursed under state M&O – can I do that?**

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No, although CARES funds are not in lieu of state M&O funding, there is a priority of reimbursement. Article 5.1.3 of the amendment states “**Priority of Reimbursement.** Costs that are eligible for both federal and state reimbursement will be reimbursed with federal funds, if available. If the federal funds available under section 5.1.6 of this agreement have been exhausted, these costs will then be reimbursed with state funds, if available.”

#### **5. May I submit Development costs under CARES?**

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Generally, yes. The local share of existing AIP projects may be submitted if incurred after January 20<sup>th</sup>, 2020. Sponsors who wish to submit new development (construction/engineering) costs, should reach out to the ADO Program Manager prior to incurring those expenses as additional restrictions may apply in order to be eligible under the Act.

#### **6. I have maintenance costs that are under contract but I don't receive invoices, what backup documentation is required?**

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The CARES documentation requirement is different than state M&O. Below is the list of acceptable documentation from the FAA's CARES Act website ([https://www.faa.gov/airports/cares\\_act/media/cares-act-airport-grants-faqs-redline.pdf](https://www.faa.gov/airports/cares_act/media/cares-act-airport-grants-faqs-redline.pdf)).

Here, include a copy of the agreement that outlines the fees and services to be provided and evidence of your payment for those services.

For example, provide a copy of the ledger that indicates payment of \$2,500 to ABC Contracting and then an agreement for services for \$2,500 to ABC Contracting – Here, the expense can clearly be tied to the agreement and the scope of services may be reviewed for federal eligibility.

Examples of underlying payment request documentation are:

- Invoices (demonstrating that the goods or services provided directly relate to the airport);
- Bills (demonstrating that the goods or services provided directly relate to the airport);
- Time and effort reports;
- Payroll reports from the payroll system of record;
- General ledger reports and subsidiary ledger reports;
- Current and approved indirect cost rate agreement; or
- Most recently approved local or statewide cost allocation plan

## **7. May I use the old M&O form for submitting CARES expenses?**

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No, all expenses should be submitted under the new spreadsheet. Once CARES funds have been exhausted and requests are made under state M&O, the previous spreadsheet may be used again.

## **8. Who should I submit the CARES credit applications to?**

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Submit CARES credit applications and related questions to the MnDOT Regional Development staff. Jenny Bahneman will continue to process state M&O reimbursements but will NOT process CARES Act applications.

## **9. I have a specific question on eligibility, who do I contact?**

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Reach out to the FAA ADO Program Manager for specific eligibility questions before completing the work that you are requesting reimbursement. If your intent is to use CARES to fund the local share of a state grant, reach out to the ADO Program Manager to determine eligibility prior to incurring the costs.

## **10. What is the difference between CARES operations and CARES development costs?**

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In general, Operational expenses are those expenses necessary to operate, maintain, and manage an airport. They include expenses such as payroll, utilities, service contracts, and items generally having a useful life of less than one year, including personal protective equipment and cleaning supplies. Development generally refers to engineering and construction costs and may require a separate grant and additional restrictions prior to submission of expenses. Contact your FAA ADO Program Manager for more details.

## **11. How do I submit a closeout for CARES?**

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The closeout requirements are outlined in the frequently asked questions on the FAA's CARES Act website and must include an SF-425 federal financial report and a narrative report ([https://www.faa.gov/airports/cares\\_act/media/cares-act-airport-grants-faqs-redline.pdf](https://www.faa.gov/airports/cares_act/media/cares-act-airport-grants-faqs-redline.pdf)).

- The sponsor must submit a complete Standard Form SF-425 along with their final credit application. [https://apply07.grants.gov/apply/forms/sample/SF425\\_2\\_0-V2.0.pdf](https://apply07.grants.gov/apply/forms/sample/SF425_2_0-V2.0.pdf)
- The sponsor must also submit a narrative report along with their final credit application. It should generally be signed and on city letterhead. Here is an example:

“The Municipal Airport utilized CARES grant funds on airport utilities, telephone/internet, airport fuel, janitorial services, FBO and maintenance costs, and debt service. The City certifies that all expenses were incurred in accordance with the FAA’s Revenue Use Policy and 2 CFR part 200. The City certifies that equipment and services were procured in a manner consistent with the terms of the grant. The City certifies that operational expenses were incurred on or after January 20, 2020. The City certifies that debt service payments were due on or after March 27, 2020.”

- Note the final amount requested cannot exceed the amount remaining on the grant. If it goes over by any amount, that excess must be shown in the debit column so that the Net Request lands exactly on the amount remaining.
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