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# Strengthening People and Revitalizing Kansas (SPARK)

## PROGRESS TO DATE



A large, rugged rock formation stands on a sandy beach at sunset. The rock has a prominent natural archway in the center. The sky is a mix of orange, yellow, and purple, with the sun low on the horizon. The wet sand in the foreground reflects the warm colors of the sunset. The text "SPARK PROCESS OVERVIEW" is overlaid in white, bold, sans-serif font, underlined.

# **SPARK PROCESS OVERVIEW**



# SPARK **EXECUTIVE** COMMITTEE MEMBERS & STRUCTURE

NAME	TITLE & ORGANIZATION	LOCATION
Tom Bell	President and CEO, Kansas Hospital Association	Topeka
Lyle Butler	President & CEO, Manhattan Area Chamber of Commerce (retired)	Manhattan
Senator Jim Denning	Vice President, Discover Vision Centers	Overland Park
Jill Docking	Senior Vice President, The Docking Group – Baird Financial	Wichita
Alise Martiny	Business Manager, Greater KC Building and Trades Council	Shawnee

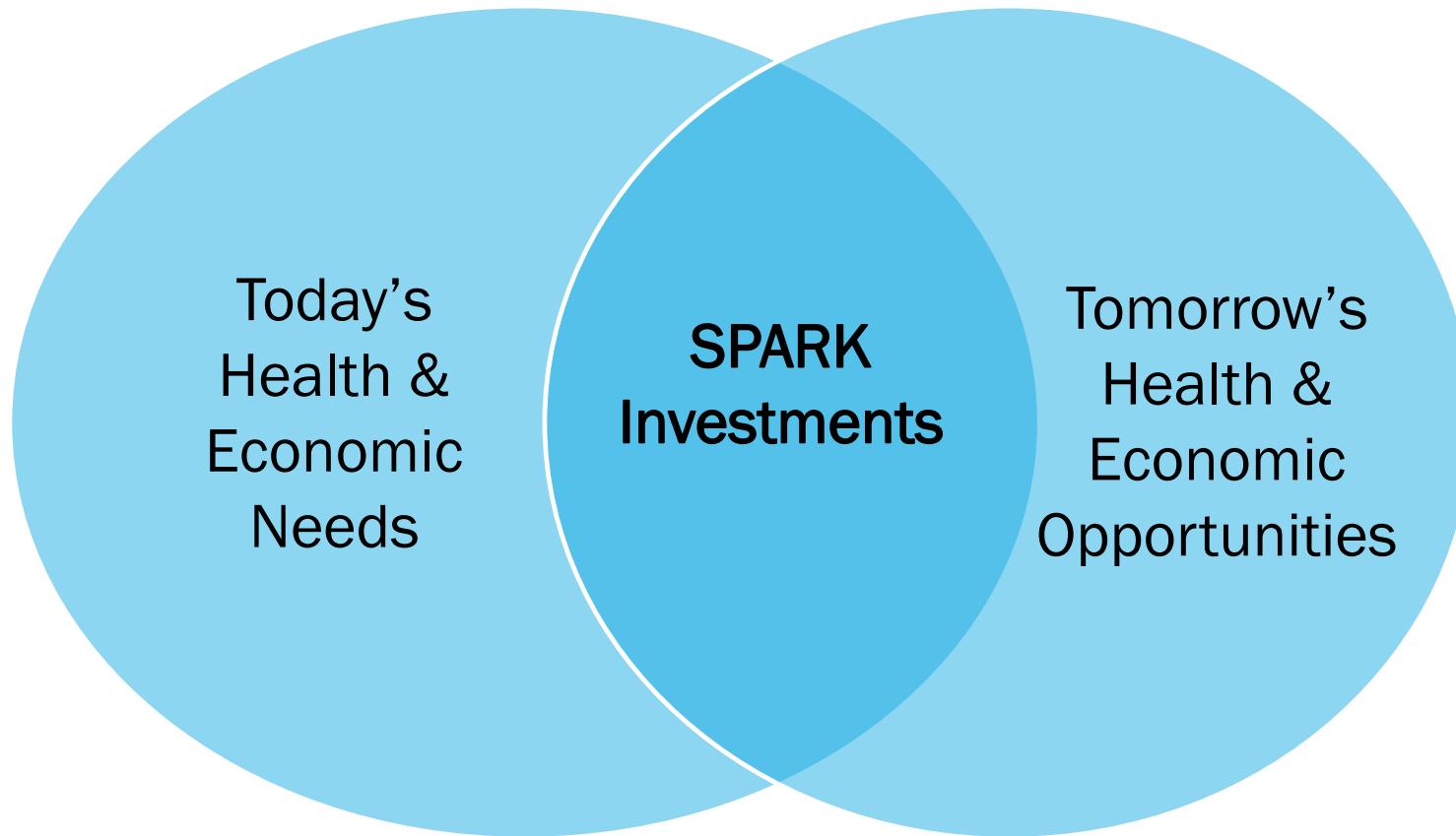
# SPARK **STEERING** COMMITTEE MEMBERS & STRUCTURE

NAME	TITLE & ORGANIZATION	LOCATION
Tom Gentile	CEO Spirit AeroSystems	Wichita
Natalie Haag	Attorney, Capitol Federal Savings	Topeka
David Harwood	Senior VP, Terracon Consultants & Chair, <b>KANSAS</b> Works State Board	Olathe
Senator Tom Hawk	Ranking Minority Member, Senate Ways and Means Committee	Manhattan
Representative Dan Hawkins	House Majority Leader	Wichita
Edward Honesty, Jr	President & Chief Operating Officer, Best Harvest Bakeries	Kansas City
Chuck Mageral	Proprietor, Free State Brewing Company	Lawrence
David McCarty	Owner, McCarty Family Farms	Colby
Senator Carolyn McGinn	Chair, Senate Ways and Means Committee	Sedgwick
Shelia Nelson-Stout	President and CEO, OCCK, Inc	Salina
Neelima Parasker	President & CEO, SnapIT Solutions	Overland Park
Jim Robinson	Partner, Hite Fanning & Honeyman	Wichita
Secretary David Toland	Department of Commerce	Topeka
Representative Troy Waymaster	Chair, House Appropriations Committee	Bunker Hill
Representative Kathy Wolfe-Moore	Ranking Minority Member, House Appropriations Committee	Kansas City

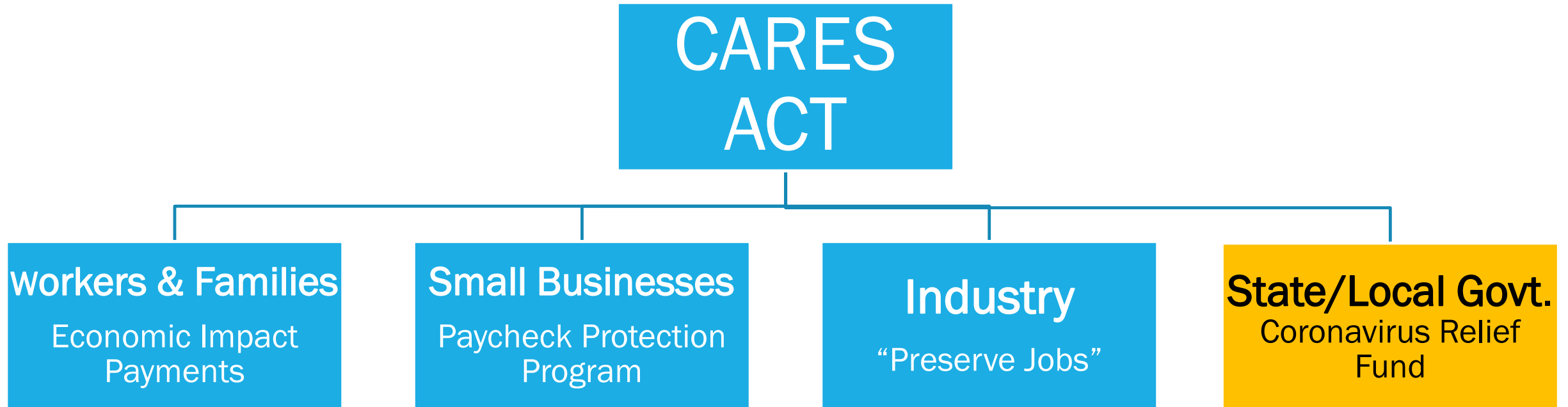
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## **MISSION:**

**TO SERVE OUR IMMEDIATE HEALTH AND ECONOMIC NEEDS & LEVERAGE THESE INVESTMENTS TO CREATE A BETTER, STRONGER FUTURE**



# CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY (CARES) ACT



## CORONAVIRUS RELIEF FUND – KANSAS ALLOCATION

	Allocation Amounts	Status
Johnson County	\$116,311,034	Received directly from Fed.
Sedgwick County	\$99,636,917	Received directly from Fed.
<b>State</b>	<b>\$1,034,052,049</b>	<b>State's discretion to spend/distribute</b>
Total	\$1,250,000,000	

\*SPARK to make recommendations for State's portion

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## PURPOSE & RESTRICTIONS OF CORONAVIRUS RELIEF FUND

- To address medical or **public health needs** related to the emergency & provide **economic support** to those suffering from employment or business interruptions due to COVID-19.
- Payments can only be used for costs:
  - Necessary public health (COVID-19) emergency expenses
  - Not accounted for in the budget approved as March 27,2020
  - Incurred from **March 1 to December 30, 2020**

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## **WE NEED TO MOVE QUICKLY - KANSANS ARE HURTING**

- 240 have died from COVID-19
- 954 have been hospitalized
- 200,000+ have filed for unemployment

# PHASED APPROACH TO IMPROVE HEALTH & ECONOMIC OUTCOMES



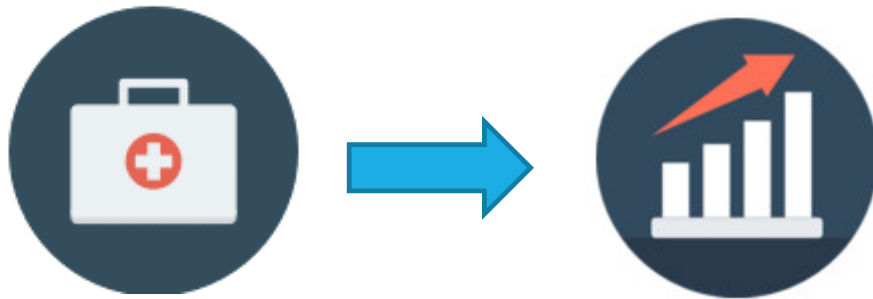
## 1<sup>st</sup> ROUND

- **Strengthen health** to allow our economy to reopen safely **AND** to
- **Remain open**
  - Testing, tracing, PPE could be critical to staying open

## Goals:

- **Fair**
- **Impactful**
- **Timely**

## PHASED APPROACH TO IMPROVE HEALTH & ECONOMIC OUTCOMES



### 2<sup>nd</sup> ROUND

- Strategic investments to **revitalize our economy** in the short & long-term
- Significant input from Executive and Steering Committee provided here




## PHASED APPROACH TO IMPROVE HEALTH & ECONOMIC OUTCOMES



### 3<sup>rd</sup> ROUND

- Reinvest to sustain our health and economy recoveries if COVID-19 reemerges or build on 2<sup>nd</sup> round investments.

## PROCESS OVERVIEW

	1 <sup>st</sup> ROUND:	2 <sup>nd</sup> ROUND:	3 <sup>rd</sup> ROUND:
			
DISTRIBUTED:	June	August	October
ELIGIBLE:	Local Govts.	Public/Private entitles	Public/Private entitles
AMOUNT:	\$400 M	\$310 M to \$525 M	\$109 M to \$324 M
% of TOTAL:	39%	30% to 50%	11% to 31%

\* Legislation restricts Local Governments to only receiving 45% of funding

A landscape photograph featuring rolling green hills in the background. In the foreground, there is a stone wall made of large, weathered stones, with several strands of barbed wire running across the scene. The sky is blue with scattered white clouds. The overall scene suggests a rural or agricultural setting.

# **1<sup>ST</sup> ROUND DISTRIBUTION RECOMMENDATION**

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## **FAIR:** ALL KANSANS DESERVE A SHARE OF FUNDS

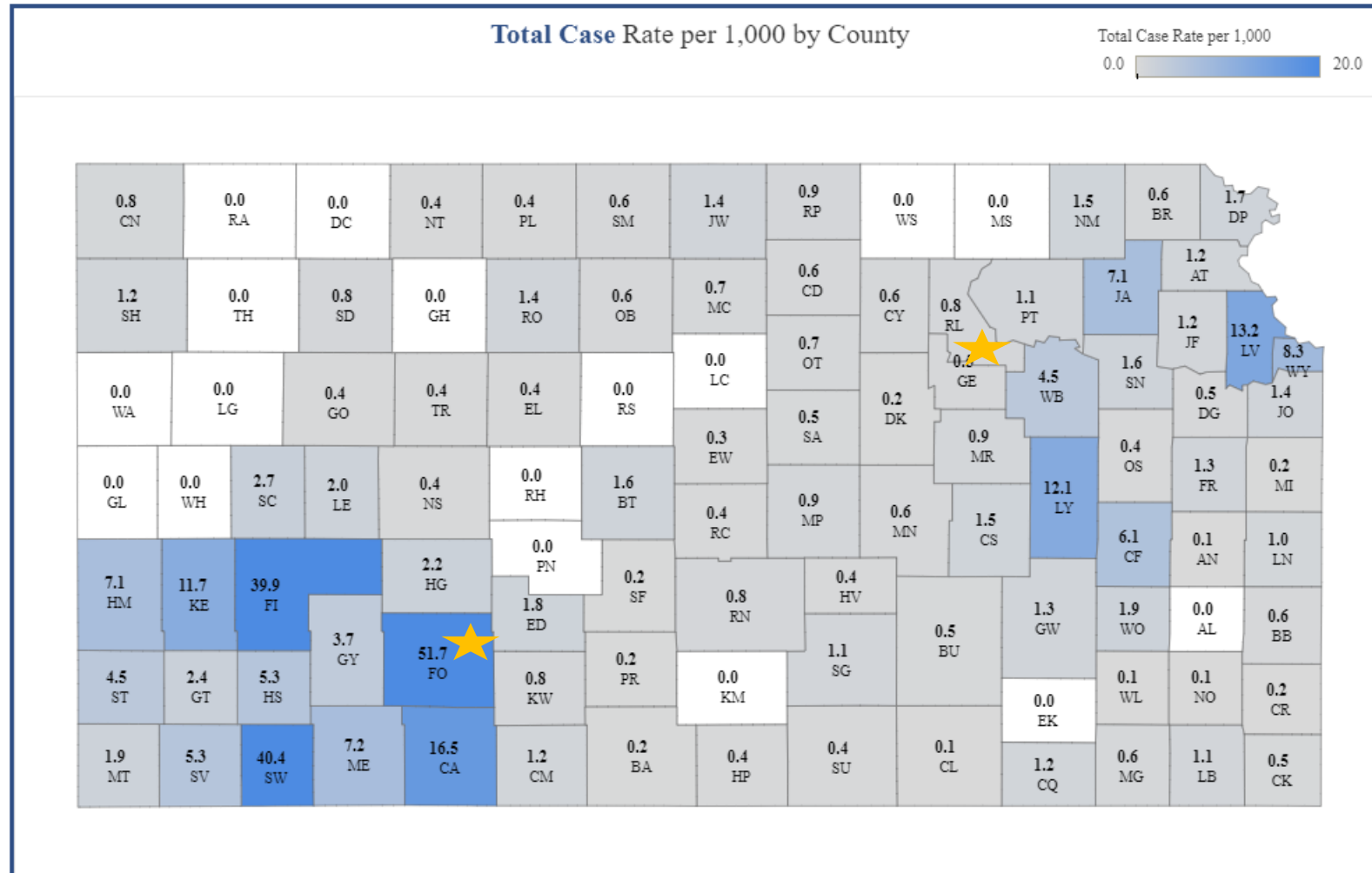
Johnson & Sedgwick  
counties received about

**\$194**  
per person

To give all remaining counties \$194  
per person would equal about

**\$350 M**  
total statewide

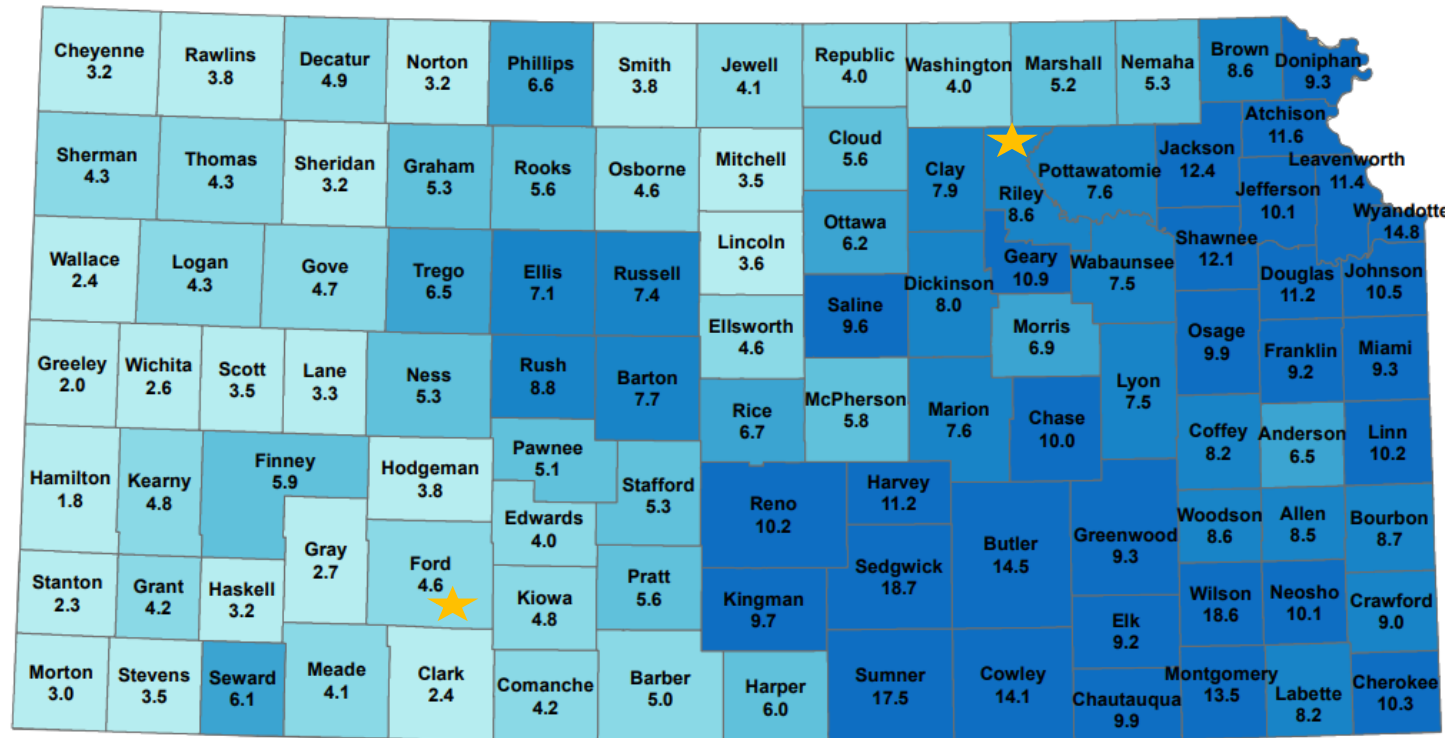
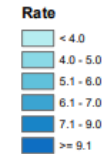
**IMPACTFUL: BUT THE NEEDS ARE NOT EQUALLY DISTRIBUTED BY POPULATION CONSIDER COVID-19 RATES**



**\*As of June 1, 2020**

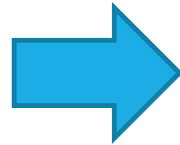
# IMPACTFUL: UNEMPLOYMENT RATES SHOULD BE CONSIDERED TOO

APRIL 2020  
UNEMPLOYMENT RATES



## 1<sup>ST</sup> ROUND FORMULA OVERVIEW

\$350 M  
FAIR

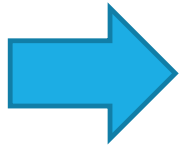


- All counties receive their portions of funds based on population.



\$194 per person in each county

\$50 M  
IMPACT FUND



- All counties evaluated.
- Shares determined by COVID & unemployment rates
- Counties with higher than average rates receive more funds



Amounts vary per county

Avg. COVID-19 rate -	3.3
Avg. Unemployment rate -	11%

## TYPES OF EXPENDITURES FOR 1<sup>ST</sup> ROUND & DISTRIBUTION OPTIONS

- Reimbursements for COVID-19 expenses
- Direct aid without requiring reimbursement
- COVID-19 expenses could include:
  - PPE
  - Testing supplies
  - Contact tracers
  - Quarantine resources
  - Payroll for employees dedicated to the COVID-19 response
  - Medical expenses
  - Public health costs



“Reimbursement doesn’t make sense if cities don’t have the money to pay for their needs in the first place.”

# 1<sup>ST</sup> ROUND DISTRIBUTION RECOMMENDATION

## 50-50 split per County

- 50% made available for **reimbursement**; funds not used returned to a general pot
- 50% goes to **direct aid**, no reimbursement required

## Benefits of this approach:

- Provides counties some flexibility with both direct aid & reimbursements
- It makes recouping funds easier if counties are unable to use all their funds in time. AND we can redistribute them to ensure Kansas doesn't lose any funds.

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## **COUNTIES WILL BE ENCOURAGED TO SHARE THEIR FUNDS WITH:**

- Cities
- School districts
- Local businesses

## ANY QUESTIONS?

### Funding Formula

- \$350 M based on population
- \$50 M bonus pool based on COVID-19 and unemployment rates

### Distribution Type

- 50% - Reimbursement
- 50% - Direct aid

### Schedule

- June 19 – Notify
- July 10 - Resolutions
- July 13 - Distribute
- Sept. 15 - Plans due
- Oct. 1 - Redistribute
- Dec. 30 - Deadline



# 2<sup>ND</sup> ROUND OVERVIEW

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## PROCESS OVERVIEW

### 1<sup>st</sup> ROUND:



June

DISTRIBUTED:

ELIGIBLE:

Local Govts.

AMOUNT:

\$400 M

% of TOTAL:

39%

### 2<sup>nd</sup> ROUND



August

Public/Private entitles

\$310 M to \$525 M

30% to 50%

### 3<sup>rd</sup> ROUND:



October

Public/Private entitles

\$109 M to \$324 M

11% to 31%

## 2<sup>ND</sup> ROUND INVESTMENT CHALLENGES – **EVOLVING** PROCESS

Allowable expenses according to  
**April 22 guidance:**

- Establishing and operating public **telemedicine** capabilities
- Technological improvements to facilitate **distance learning**
- Improving **telework** capabilities

**May 28** clarification:

- Rural broadband expansion can only occur if it is necessary for the **public health emergency**

Bills have been proposed in the House & Senate calling for more flexibility with how the funds can be spent.

# STATE AGENCY COVID-19 EXPENDITURES

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## OVERVIEW OF EXPENDITURES

- In preparation for federal reimbursement funds, State agencies have been required to track and code COVID-19 related expenses since the State's first emergency declaration.
- **Nearly 75%** of the reimbursement funding is requested by the **Adjutant General**, mainly for swabs, testing kits, and other **public health expenses** incurred at the beginning of the pandemic when federal resources were low.
- A detailed description of all agency related expenses can be found in the spreadsheet provided.

Total

\$16,764,667

A photograph of rolling green hills under a bright sky. A herd of cattle is grazing on a hillside in the upper left. The hills are covered in lush green grass, and the overall scene is peaceful and scenic.

# RECOVERY OFFICE BUDGET

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# OVERVIEW OF FY2020 EXPENDITURES

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## RECOVERY OFFICE FY 2020 EXPENDITURES

<i>EXPENDITURE CLASSIFICATION</i>	<i>Estimate</i>
SALARIES AND WAGES	\$ 29,184
COMMUNICATIONS	1,539
FEES - PROFESSIONAL SERVICES	5,000
OTHER - CONTRACTUAL SERVICES	22,655
STATIONARY & OFFICE SUPPLIES	1,000
SUPPLIES,MATERIALS & PARTS	350
<b><u>TOTAL REPORTABLE EXPENDITURES</u></b>	<b><u>\$ 63,000</u></b>

# OVERVIEW OF FY2021 EXPENDITURES

Office of Recovery FY 2021	
EXPENDITURE CLASSIFICATION	Estimate
SALARIES AND WAGES	\$ 836,250
COMMUNICATIONS	9,903
PRINTING AND ADVERTISING	1,000
RENTS	14,832
TRAVEL & SUBSISTENCE	11,250
FEES - OTHER SERVICES	27,955
FEES - PROFESSIONAL SERVICES	30,000
OTHER - CONTRACTUAL SERVICES	53,286
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>\$ 148,225</b>
STATIONARY & OFFICE SUPPLIES	1,250
SUPPLIES, MATERIALS & PARTS	275
<b>TOTAL COMMODITIES</b>	<b>\$ 1,525</b>
<b>TOTAL REPORTABLE EXPENDITURES</b>	<b>\$ 986,000</b>

## OVERVIEW OF FY2021 PROPOSED BUDGET – POSITIONS

- The proposed budget includes estimates for finance, grant, accounting, and administrative staff. The proposal includes a total staff of 20 FTE.

### POSITION TYPES AND (NUMBER OF POSITIONS) BY SALARY LEVEL

Up to 50K (9)	51-100K (8)	100K + (2)
Grant Program Analysts Special Assistant Stakeholder Coordinators Communications Coordinators Accountability Coordinators Public Affairs Liaison	Deputy Executive Director Finance Manager Grants Project Director Public Affairs Director	Executive Director Legal Counsel