7/24 County Webinar

July 24, 2020

Agenda

I.   Meeting Called to Order

II.   Recovery Office Updates

III. Federal Guidance

IV. Round 2 Proposals

V.   FAQs

VI. Next Steps

Agenda Item II

Recovery Office Updates

Office of Recovery Updates

- Round One Updates
  - Payments to all 105 counties have be processed.
  - If you have not received funds in your account please contact the Recovery Office.
  - The first round of guidance interpretation requests are beginning to be answered. Please check your emails for a formalized response over the next week.
  - We will post a more general "frequently asked determinations" document early next week.
  - 7/17 FAQ is online, we will post an additional iteration in the coming week.
- Round Two Updates
  - SPARK Steering and Executive Committees have given initial approval to Round 2 Proposals. The link to the livestream and meeting materials can be found here: https://covid.ks.gov/spark-meetings/
  - The State Finance Council will meet the week of 7/27 to provide final approval of Round 2 funds.

House Keeping

- Please centralize communication and requests for guidance interpretation through your primary point of contact – this includes Requests for Guidance Interpretation.

- Reminder on Requests for Guidance Interpretation – this is to help to determine eligibility of expenses. This is not to answer questions on forms, deadlines, etc. Use the fillable form at https://covid.ks.gov/spark-county-resources/ when submitting a guidance interpretation request. Use recovery@ks.gov for your general questions.

- We'd like to reiterate something the toolkit – a top priority for counties should be to spend funds on **sourcing** and **securing** needed PPE supplies from outside vendors using their funds. State resource's such as KDEM for PPE, are a last resort.

Office of Recovery Updates

- Additional clarifications:
    - **Public educational institutions, cities, etc. in multiple counties:** As stated in the resolution, the county in which the institution's headquarters is housed is the county responsible for that institution. However, this does not mean that *only* that county can provide funds to that institution. Counties can share costs as needed.
    - **Can counties submit direct aid plans or other forms early?** Yes, you may submit your direct aid plan early. Once approved, you may begin spending.
    - **Where do I find federal guidance?** All guidance can be found on the covid.ks.gov website or the Department of the Treasury Website at https://home.treasury.gov/policy-issues/cares/state-and-local-governments

Reporting and Planning Overview for August 15th Deadline

- By **August 15th**, you will submit two documents to the Office of Recovery through the online submission portal:

County Reimbursement Reporting Form	Direct Aid Planning Form
• Presented during the July 9th Webinar • Official reporting document to track reimbursements for the reporting period of **March 1st – July 31st** • Reimbursements can be either for the county or for subrecipients. • To be used for accounting and compliance purposes.	• Presented during the July 10th webinar. • A planning tool used to outline spending plans for remaining funds. Should incorporate all funds not accounted for in the reimbursement reporting form. **Must be approved before direct funds are spent.** • Can include transfers to sub-recipients, county level planned spending, or new programs. • Can be amended as needed beyond August 15th.

Agenda Item III

Federal Guidance

Key Takeaways From 6/30 Guidance

- Clarifies/further defines previous guidance on:
  - Necessary expenditures incurred due to the public health emergency
  - Costs not accounted for in the budget most recently approved as of March 27, 2020
  - Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020
    - Performance or delivery of a cost must occur during the covered period but payment of funds can happen up to 90 days after.
    - All goods delivered during the covered period do not need to be used during the covered period.
      - Some portion is used before 12/30; Bulk purchase is consistent with typical procurement; Impractical to track timing of use
    - Supply chain disruptions allow for additional flexibility in December 30th deadline for receiving at least a portion of goods.
- Also provides a nonexclusive list of eligible and ineligible expenses

Key Takeaways From 7/2 Guidance

- Retention policies

- Quarterly Reports
  - Q2 Report (3/1 - 6/30) - Due July 17th
    - Interim report – Due July 17th
    - Full Quarterly Report – Due September 21
  - Q3 Report (7/1 - 9/30) - Due October 13th
  - Q4 Report
    - Due no later than September 20, 2021
    - *"Reporting shall end with either the calendar quarter after the COVID-19 related costs and expenditures have been liquated and paid or the calendar quarter ending September 30, 2021, whichever comes first."*

7/2 Guidance - Interim Reporting Categories

- Expenditures will need to be reported in the following categories:
    1. *Transferred to other governments*
    2. *Payroll for public health and safety employees*
    3. *Budgeted personnel and services diverted to a substantially different use*
    4. *Improvements to telework capabilities of public employees*
    5. *Medical expenses*
    6. *Public health expenses*
    7. *Distance learning*
    8. *Economic support*
    9. *Expenses associated with the issuance of tax anticipation notes*
    10. *All items not listed above*

Key Takeaways from 7/8 Guidance

- Indicates that CRF funds can be used to cover administrative leave costs associated with a stay-at-home order or a COVID-19 case/contact as long as that cost is over and above the budgeted cost of administrative leave for that employee.

Agenda Item IV

Round 2 Proposals

Round 2 Next Steps

- The Round 2 investment package goes to State Finance Council next week for final approval

- The Executive Committee approved Round 2 work team proposals with the following changes:

  - Add domestic violence and sexual assault providers as eligible applicants for all applicable funds

  - Augment the Nursing Home Rate Increase proposal to $38,000,400. This change alters the formula to provide $20 per day for 120 days for **all** resident beds, not just Medicaid beds.

  - KDC will calculate disaster mitigation funds for businesses under 500 employees by using a fixed cost per FTE.

Round 2 Proposals

Public Health

Public Health Priorities

Top Priorities:

- COVID-19 preparedness & mitigation efforts (PPE, supplies, testing, contact tracing, etc.)

- Providing assistance to nursing homes to respond to COVID-19

- Support for local healthcare facilities and providers

- Healthcare investments for vulnerable populations (elderly, homeless, etc.)

- General mental health resources (counseling, substance abuse treatment, etc.)

Public Health Spending Overview

COVID-19 Preparedness and Mitigation

- **Total:** $26,947,138
- **Components:**
  - Contact Tracing
  - Nurse Transportation
  - Lab Capacity
  - Statewide Courier
  - Business PPE Program
  - EOC Enhancement

Health Investments for Vulnerable Populations

- **Total:** $6,400,000
- **Components:**
  - Testing Instruments for High-Impact Areas
  - Mobile Collection Units
  - Worker Health Fund

Nursing Homes

- **Total:** $23,627,198
- **Components:**
  - Nursing Home Rate Increase

Support for Local Health Facilities

- **Total:** $16,662,000
- **Components:**
  - LHD Support
  - Community Based Services Rate Increase

Mental Health

- **Total:** $12,500,000
- **Components:**
  - Behavioral Health Grants for Providers

Health Work Team Total	$86,136,336

COVID-19 Preparedness & Mitigation

Program/Resources	Proposed Allocation
Expanded Contact Tracing	$2,800,000
Nurse Transportation	$34,138
Expanded Lab Capacity	$20,743,000
Statewide Courier	$500,000
Business PPE Program	$1,250,000
Rural EOC Enhancement	$1,620,000
Total	**$26,947,138**

Health Investments for Vulnerable Populations

Program/Resources	Proposed Allocation
Testing Instruments for High-Impact Areas	$1,000,000
Mobile Collection Units	$400,000
Worker Health Fund	$5,000,000
Total	**$6,400,000**

Nursing Homes

Program/Resources	Proposed Allocation
Nursing Home Rate Increase	$38,400,000
Total	**$38,400,000**

Support for Local Health Facilities

Program/Resources	Proposed Allocation
Support to Local Health Departments	$4,120,000
Community Based Services Rate Increase	$12,542,000
Total	**$16,662,000**

COVID-19 Preparedness & Mitigation

Program/Resources	Proposed Allocation
Behavioral Health Grants for Providers	$12,500,500
Total	**$12,500,500**

Round 2 Proposals

Economic Development

Economic Development Priorities

Top Priorities:

- Protecting the small businesses and Kansas' workforce through financial supports and health investments
- Financial grants and programs targeted towards businesses and non-profits that did not qualify for federal aid
- Financial or technical support for businesses to make the necessary modifications to operate
- Workforce training and education
- Recruiting businesses to Kansas that specialize in public health and healthcare

Economic Development Work Team Overview

Business Retention and Expansion	Securing Local Food Systems	Workforce Support and Retraining

• **Total:** $61,500,000
• **Components:**
  • Grants for Small Businesses
  • Funding for new business operations
	• **Total: $**9,000,000
	• **Components:**
	  • Funds for meat processing, food banks, producers, retail outlets, etc.
		• **Total: $**8,100,000
		• **Components:**
		  • IT training, technical college support, jobseeker support

Eco-Devo Team Total	$78,600,000

Business Retention & Recruitment

Program/Resources	Proposed Allocation
Small Business & Non-Profit Grants	$32,500,000
COVID-19 R&D and Product Development	$7,000,000
In-State COVID-related & PPE Manufacturing	$22,000,000
Total	**$61,500,000**

Securing Local Food Systems

Program/Resources	Proposed Allocation
Funds for meat, processing, food banks, producers, retail outlets, etc.	$9,000,000
Total	**$9,000,000**

Workforce Support & Retraining

Program/Resources	Proposed Allocation
IT training, technical college support, jobseeker support	$8,100,000
Total	**$8,100,000**

Round 2 Proposals

Connectivity

Connectivity Priorities

Top Priorities:

- Increasing access to telehealth and telemedicine
- Increasing broadband access for rural and underserved areas
- Increasing access for continuous, distanced learning
- Affordable, quality broadband for every Kansan
- 5G internet investments

Connectivity Work Team Overview

Broadband Infrastructure Investments	Provider Partnership Support

• **Total:** $50,000,000
 • **Components:**
   • Grants for broadband development to areas unable to access 25/3 Mbps
	• **Total:** $10,000,000
	 • **Components:**
	   • Assistance for low income populations through partnerships with ISPs

Connectivity Team Total	$60,000,000

Round 2 Proposals

Education

Education Priorities

Top Priorities:

- Online learning innovation
- Funding for measures to allow for in-person instruction for early childhood, K-12, and higher education (public health investments, cleaning supplies, PPE, etc. to mitigate the spread of COVID-19 within school systems)
- Early childhood education and childcare
- K-12 investment
- Higher education and community college investment

Education Work Team Overview

Early Childhood Investments	Higher-Education	Community and Technical Colleges
• **Total:** $9,993,750 • **Components:** • Early Childhood Education Consultant Network • Early Childhood Educator Health Fund • Technology for Families	• **Total:** $55,542,023 • **Components:** • Funds for PPE, continuity of instruction, health services, public health facility improvements, aid, etc.	• **Total:** $9,400,000 • **Components:** • PPE, technology costs, and other critical re-opening and remote instruction costs

Education Team Total	$74,935,773

Early Education & Childcare

Program/Resources	Proposed Allocation
ECE Health Consultant Network	$4,882,273
ECE Health Fund	$3,000,000
Technology for Families	$2,111,477
Total	**$9,993,750**

Higher Education

Program/Resources	Proposed Allocation
PPE & Supplies	$7,263,206
Continuity of Instruction	$17,506,497
Changes to Facilities	$11,912,556
On-Campus Healthcare/Student Health Centers	$5,306,192
Campus Testing, Infection Prevention Advice, Surge Contact Tracing & Education Prevention Education	$13,553,572
Total	**$55,542,023**

Community & Technical Colleges

Program/Resources	Proposed Allocation
PPE & Supplies	$2,700,000
Modifications to ensure seat time requirements are met	$1,500,000
Technology infrastructure & remote learning equipment	$5,200,000
Total	**$9,400,000**

What does Round 2 mean for Counties?

- State investments are intended to supplement and augment your work at the county level. They are also intended to provide additional funds for specific services, priorities, and needs.

- Continue to provide reimbursements to institutions even if they are eligible for state investments for other priorities. Rules on duplication of funds still apply – no cost may be reimbursed twice.

- Continue to create business/other grant programs as you deem necessary, the state programs do not have enough funds to cover all the demand and are intended to support your investments.

- Continue to prioritize critical community level investments with your remaining funds to support priorities like rent/utility assistance, business/childcare support, nursing home support, etc. Use the toolkit and webinars for ideas.

Agenda Item V

FAQs

Reminder: Updates to the Direct Aid Template

- New Direct Aid Template and associated memo are posted on https://covid.ks.gov/spark-recovery-office/

- This document should **not** be used to record already incurred expenditures or reimbursements, it is **not** a reporting form

- What has changed?
  - There are now three types of tabs: planned independent expenditures, program tabs, and transfer tabs.
  - The program tab now includes a budget narrative to ensure that there are justifications for all expenditures.
  - All transfers to schools, cities, etc. should now be in a separate transfers tab, with itemized expected expenditures for that transfer.

Additional Selected FAQs

- Can we buy the supplies at the county-level and they provide it to the entity instead of doing a transfer?
  - Yes, this is a county-level decision.

- Can we make reimbursements beyond 8/15?
  - Yes, if the need arises, reimbursements can occur beyond 8/15. Counties should try their best to submit reimbursements during the first reporting deadline.

- If proposed expenditures are denied in the Direct Aid plan, will there be an opportunity to amend planned expenditures before recoupment?
  - Yes, there will be an opportunity to rectify ineligible expenditures before recoupment.

- If I provide grant, transfer, or other types of funds to a sub-recipient, do they have to expend funds by 12/30?
  - Yes, all costs must be incurred by 12/30 regardless of recipient type.

- Are city/county hospitals eligible to receive reimbursement?
  - Yes.

Additional Selected FAQs

- Payroll reporting:
    - All payroll reporting needs to be in a single line item for each job position, on the county and/or the subrecipient expenditure report. Payroll costs cannot be combined into one line item due to the potential complications as a result of ambiguous reporting.
    - If a single employee's entire salary is eligible for reimbursement, even if they were paid bi-weekly, that one employee's salary may be reported in one line item. Note in the comments the dates/pay periods encompassed in the requested reimbursement.
    - EIN Column on Reporting Template
    - The EIN column is highly recommended to be filled out on your report but no required. If the EIN is difficult to obtain, the vendor name is sufficient. For example, the vendor name would be the name of the company providing the product, not Amazon.

- Interest accounts for CRF Disbursements
    - Upon further conversations with counties, some counties do not have options to put funds in a not interest-bearing account. Right now our recommendation is not put CRF funds in accounts that accrue interest due to the complexities with reporting. We will review options for how to record and report interest earned on CRF disbursements for those counties with no other options.

Agenda Item VI

Next Steps

Next Steps

- We are beginning to email guidance interpretation determinations to counties – watch out for an email in the next week

- Continue to streamline questions to one central person at your county – you should be receiving emailed answers to your questions.

- SFC will consider the Round 2 proposals next week. As mentioned, Round 2 will be handled at the state level.

- Next Webinar: July 27th, 2:00PM
  - Cover Economic Development and Additional Questions/FAQs