

**SPARK ROUND 1 - LOCAL GOVERNMENT
 REIMBURSEMENT & DIRECT AID REVIEW
 MEMORANDUM**

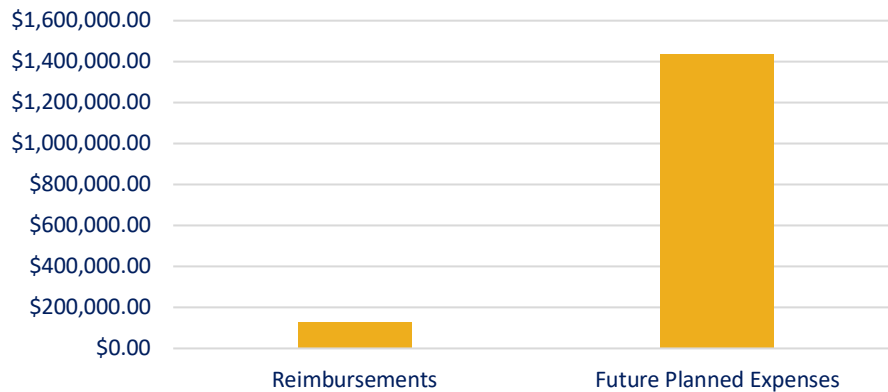
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Anderson County

General Information

Population: 7,858
 COVID-19 Cases 08/17/2020: 32

Total Allocation Amount: \$1,567,228.52
 Total Submitted for Reimbursement: \$129,429.07
 Total Submitted for Future Planned Expenditures: \$1,437,799.93

SPENDING PLAN OVERVIEW



Reimbursement Request Overview

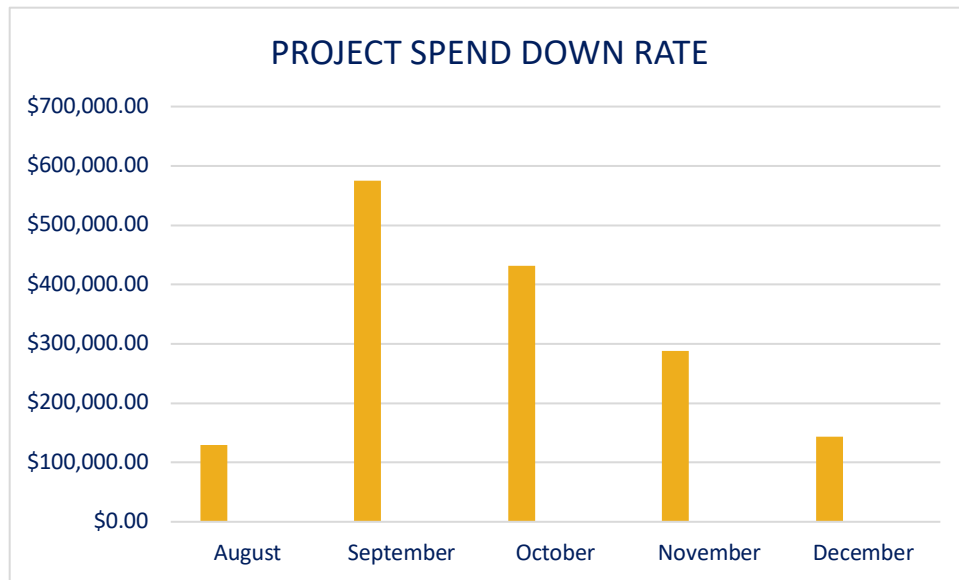
Total Amount for County Expenditures: \$40,441.78
 Total Amount for Subrecipients: \$88,987.29

Subrecipients and Amounts

Subrecipient	Type	Amount
City of Garnett	City	\$6,190.55
City of Kincaid	City	\$928.79
Kincaid Community Building	Nonprofit	\$540.06
Kincaid Library	Library	\$923.19
Kincaid City Recreation	Recreation Center	\$737.15
Southeast Kansas Mental Health Center	Health	\$32,660.77
USD 365	Educational Institution	\$35,534.98
USD 479	Educational Institution	\$11,471.80
Total		\$88,987.29

Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$322,557.00
 Total Amount for Transfers: \$589,553.48
 Total Amount for Programs: \$525,689.45



Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
USD 365	Educational Institution	\$228,489.25
USD 479	Educational Institution	\$238,528.06
City of Garnett	City	\$50,480.00
Tri-Ko, Inc.	Nonprofit	\$357.10
The East Central Kansas Economic Opportunity Corporation	Nonprofit	\$5,000
Anderson County EMS	Health	\$66,699.07
Total		\$589,553.48

Proposed Programs

Program Title	Program Description	Program Budget Amount
Anderson County Small Business Relief Program	This program will allow small businesses and non-profit organizations to receive some income to cover costs or lost wages due to COVID-19. An application process will be required to receive funding.	\$403,479.45

Childcare Providers Grant	This program will allow childcare providers means to facilitate and increase social distancing while maintaining a clean and sanitized environment due to COVID-19.	\$51,500.00
Anderson County Technology Needs due to COVID	Technology purchase and delivery to meet client needs in the community, schools and home.	\$63,710.00
Mask Education	This project seeks to fund a small purchase of masks and educational brochures and flyers to be utilized during a mask education project. Masks have been shown to be effective in limiting the spread of COVID-19 if worn properly and consistently. During the project, the Outreach Coordinator in conjunction with the local Public Health Nurse will: (1) conduct a brief observational survey of mask use by the public and at local businesses to determine baseline usage, (2) provide outreach educational opportunities in conjunction with local businesses, (3) provide a small supply of masks that can be given to the public during the educational process, and (4) conduct a brief observational survey near the end of the project period. The goal of the project is to increase the wearing of masks by 15%. The project will be completed by 11/30/2020.	\$7,000
Total		\$525,689.45

Definitions

- General Considerations – Summarizes county expenditure data.
- Technical Understanding of SPARK Process – Assesses compliance of applicant expenditure information with SPARK guidance.
- Identified Compliance Considerations – Highlights requested items that may present potential complications for CRF support eligibility.
- Spending Plan Request for Additional Information – Specifies what information is still needed from the recipients.
- Modifications Required – Requests any changes still needed to a Reimbursement or Direct Aid plan for proper review.
- Conclusion – Gauges whether the county’s plan has sufficient information to move forward in the eligibility review process and highlights any remaining concerns.

General Considerations

Anderson County has prioritized its reimbursement requests for subrecipients, particularly Southeast Kansas Mental Health Center and USD 365. Total County reimbursement requests amount to about one-third of the \$129,429.07 submitted requests for reimbursement.

Direct aid requests likewise prioritize subrecipient transfers and programs, mostly for educational institutions and the County Government-sponsored Anderson County Small Business Relief Program. Transfers and programs amount to 77.6% of the \$1,437,799.93 in requested future planned expenditures.

The reimbursement and direct aid request forms show a \$649.15 discrepancy in total reimbursement requests.

The County should ensure that this expense responds clearly to purpose and intent of CRF funding, meets all eligibility criteria and will be documented to the county file to support the expense incurred before December 30, 2020.

Technical Understanding of SPARK Process

Anderson County and its subrecipients demonstrate a generally proficient understanding of the intent of the SPARK committee and reporting expectations as exemplified by their detailed reporting of expenditures for reimbursements and direct aid.

Identified Considerations

1. Payroll Expenses

The matter of reimbursement for previously budgeted but substantially dedicated public safety, public health and human services staff to COVID-19 related responsibilities remains an item of subjective interpretation. The Office of Recovery understands that many Counties and Cities are intending to utilize funding provided through CRF to account for this staff time. To mitigate the risk of potential financial modifications should the Treasury's guidance present more restrictive criteria than currently outlined, the Office of Recovery has determined that the County should only proceed with reimbursing the following payroll expenses:

- COVID-19 related FFCRA and FMLA leave costs
- Payroll for budgeted personnel and services diverted to a substantially different use than previously budgeted position (example: utility clerk re-assigned to support contact tracing)
- Previously unbudgeted staff hired to assist with COVID-19 related response or mitigation.
- Payroll for budgeted public safety and public health personnel that are considered substantially dedicated to preparing for, mitigating against or responding to COVID-19, and whose actions can be clearly documented. Public safety employees would include police officers (including state police officers), sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel. Public health employees would include employees involved in providing medical and other health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions, and other support services essential for patient care (e.g., laboratory technicians) as well as employees of public health departments directly engaged in matters related to public health and related supervisory personnel.
- Overtime cost burden associated with public safety, public health, health care, human services, or other employees experienced by the County, Cities or Schools as a result of increased workload associated with mitigating or responding to COVID-19 -or- backfill coverage as a result of staffing shortages tied to COVID-19 (including as a result of staff out due to a qualifying FFCRA or FMLA leave).

The U.S. Treasury’s Office of Inspector General recently released additional guidance on how payroll expenses should be documented (OIG-CA-20-028; #62, 69-71). The County should ensure that all payroll expenses are compliant to the OIG Guidance.

2. County Request for Handwashing Trailer for Events

\$29,000

Direct Aid

The County Commissioners are requesting CRF support for a handwashing trailer to use to promote handwashing at events. While public health expenses such as this are allowable with CARES Act funding, more information is required to understand the types of events this purchase would service. As higher risk gatherings are not currently encouraged by the CDC, items supporting the conduct of such events may present compliance concerns.

Spending Plan Request for Additional Information

The following items require additional information for the State to feel comfortable with proceeding

Item	Recipient	Amount	Comment
Handwashing trailer	Anderson County	\$29,000	More information is needed to ascertain the necessity of this purchase, including what types of events it would service.

Modifications Required

Please ensure reimbursement costs are fully reconciled and resolve the \$649.15 discrepancy in total reimbursement requests in future reporting.

Conclusion

1. Based on the documents provided by Anderson County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have planned spend-down rates that should allow them to meet the required timeline.
2. Anderson County should provide responses to all requests for additional information outlined in this memo, and fully reconcile reimbursement costs as described above.

Subject to review of the additional documentation requested and considerations regarding payroll expenses, Anderson County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.