

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

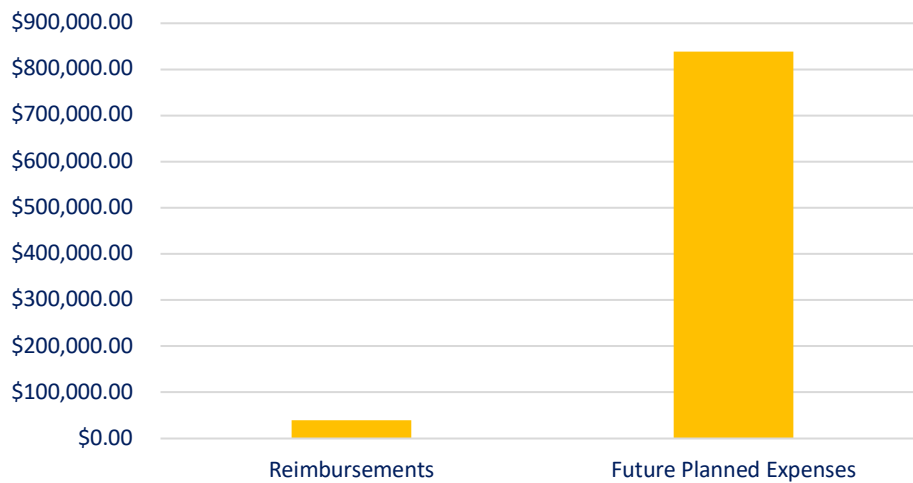
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Barber County

General Information

Population: 4,427
 COVID-19 Cases as of 08/17/2020: 5

Total Allocation Amount: \$878,157.62
 Total Submitted for Reimbursement: \$40,161.38
 Total Submitted for Future Planned Expenditures: \$837,996.62

SPENDING PLAN OVERVIEW



Reimbursement Request Overview

Total Amount for County Expenditures: \$20,105.55
 Total Amount for Subrecipients: \$20,055.83

Subrecipients and Amounts

Subrecipient	Type	Amount
City of Medicine Lodge	City	\$13,288.10
Medicine Lodge United Methodist Church	Religious Institution	\$2,917.85
First Christian Church	Religious Institution	\$3,849.88
Total		\$20,055.83

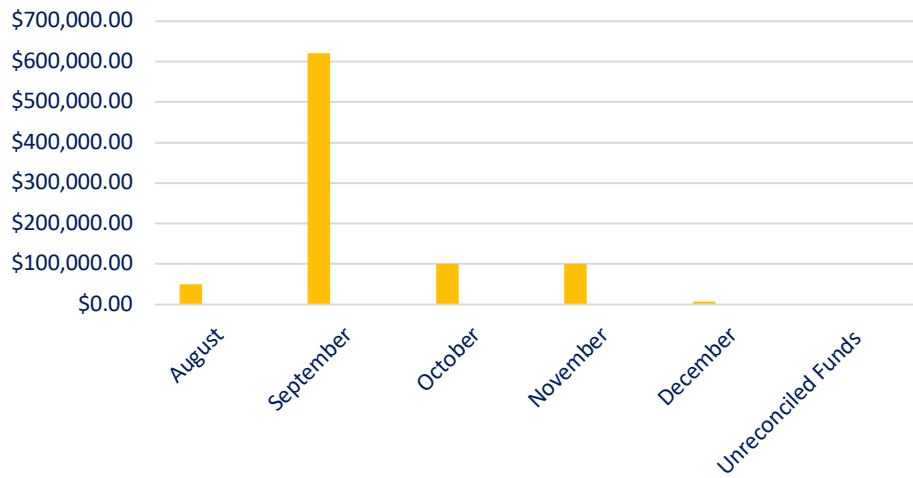
Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$271,682.51

Total Amount for Transfers: \$465,911.68

Total Amount for Programs: \$100,402.43

PROJECT SPEND DOWN RATE



Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
Barber County Extension Council	Higher Education Institution	\$3,256.00
City of Medicine Lodge	City	\$65,192.00
City of Kiowa	City	\$29,850.00
USD 254	Educational Institution	\$143,523.00
USD 255	Educational Institution	\$30,000.00
City of Sharon	City	\$3,100.00
Medicine Lodge Peace Treaty Association	Nonprofit	\$2,157.39
Medicine Lodge United Methodist Church	Religious Institution	\$382.00
Kiowa Public Library	Library	\$600.00
Freedom Gates Boys Ranch	Nonprofit	\$9,827.00
Lincoln Library	Library	\$4,300.00
Helping Hands Preschool	Educational Institution	\$3,990.29
Leisure Time Center	Nonprofit	\$68,884.00
USD 255	Educational Institution	\$101,000.00
Total		\$466,061.68

Proposed Programs

Program Title	Program Description	Program Budget Amount
Phone System Upgrade	Purchase and installation of a hosted-IP phone system to allow for remote work for City staff.	\$3,478.95
Teleconference System	Purchase and installation of Hardware and software required to hold remote meetings, hearings, trials, and other public functions.	\$18,316.00
Local Grant Program	Local grant program open to all businesses, non-profits, public entities, and individuals for eligible needs per federal guidance. This includes PPE, revenue loss, and all COVID-19 related needs that can be met by 12/30/2020. Priority will be given to health, food, and essential needs.	\$78,607.48
Total		\$100,402.43

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

Barber County is splitting its reimbursement requests almost evenly between the County and its subrecipients. Subrecipients account for 49.94% of the \$40,161.38 submitted requests for reimbursement.

The County has a much larger direct aid plan that prioritizes subrecipient transfers. Transfers account for 55.62% of the \$837,996.62 in future planned expenses submitted for CRF support. The bulk of transfers were submitted by Cities and Educational Institutions, while Nonprofits, and Religious Institutions submitted remaining requests. County requests account for 32.42% and programs for 11.98%. The City

of Medicine Lodge is the sponsor for two of the programs and the Barber County Government for the third – a grant program for businesses, nonprofits, public entities, and individuals.

There is a \$150 discrepancy between the reported direct aid transfers total and the review team calculated one.

Technical Understanding of SPARK Process

Barber 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:

- 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 FFRCA or FMLA leave).
- 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 personnel and services that are considered substantially dedicated to preparing for, mitigating against or responding to COVID-19, and whose actions can be clearly documented. The County should also ensure that all payroll records reflect this commitment of time and the tasks performed and/or responsibilities related to COVID-19 are clearly noted in documents supporting the expense.

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. Local Grant Program

\$78,607.48
Direct Aid

As this is identified as a grant program, the County should have a well-qualified plan for how applicants will apply and be selected. Additionally, the County should ensure they have the

appropriate level of administrative capacity to effectively administer the program and/or monitor any 3rd party entity responsible for administering the grant program.

Spending Plan Request for Additional Information

No additional information is requested at this time.

Modifications Required

The following modifications are requested to the provided Reimbursement or Direct Aid plan:

- Resolve \$150 discrepancy in reported direct aid transfers total in future reporting.

Conclusion

1. Based on the documents provided by Barber County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. For the Local Grant Program, if not already in place, Barber County should consider development of an application process and establish a review committee to ensure equal access to funds from potential qualified applications. The County should also appropriately advertise the program within the community.

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