

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

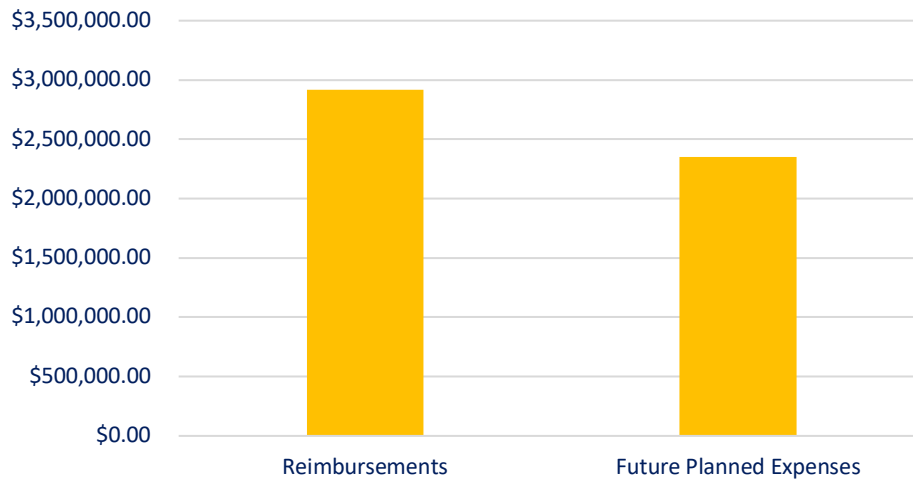
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Barton County

General Information

Population: 25,779
 COVID-19 Cases 08/17/2020: 210

Total Allocation Amount: \$5,268,051.68
 Total Submitted for Reimbursement: \$2,918,883.52
 Total Submitted for Future Planned Expenditures: \$2,349,168.16

SPENDING PLAN OVERVIEW



Reimbursement Request Overview

Total Amount for County Expenditures: \$817,568.35
 Total Amount for Subrecipients: \$2,101,315.17

Subrecipients and Amounts

Subrecipient	Type	Amount
Barton County Community College	Higher Education Institution	\$131,701.30
City of Claflin	City	\$7,767.70
City of Ellinwood	City	\$3,212.09
City of Great Bend	City	\$862,986.11
City of Hoisington	City	\$142,788.08
St. Joseph Catholic School	Educational Institution	\$21,643.01
USD 355	Educational Institution	\$116,539.30

USD 428	Educational Institution	\$657,376.78
USD 431	Educational Institution	\$157,300.80
Total		\$2,101,315.17

Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$628,336.85
 Total Amount for Transfers: \$243,613.03
 Total Amount for Programs: \$1,477,218.60

Project spend down rate currently unavailable as direct aid summary page missing

Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
City of Albert	City	\$2,000
City of Claflin	City	\$27,047.56
City of Ellinwood	City	\$108,799.75
City of Olmitz	City	\$5,015.21
Central Kansas Christian Academy	Educational Institution	\$16,648.47
Holy Family School	Educational Institution	\$53,512.94
USD 431	Educational Institution	\$30,589.10
Total		\$243,613.03

Proposed Programs

Program Title	Program Description	Program Budget Amount
800 MHz radio communications system	Site repeaters and microwave links are designed to operate a 800 MHz communication system, to prohibit dead zones in rural areas and calls from being dropped by critical first responders. This will enhance interoperability amount agencies, operating on common channels while responding to an incident, minimizing phone calls where coverage is sparse.	\$1,213,816.00
Reimbursement grants to for-profit minority businesses and non-profit organizations.	50% of funding will be used for reimbursement grants to nonprofits. Grants are for the reimbursement of COVID related expenses. Ineligible expenditures include payments that have or will be reimbursed under any federal, state, or local programs such as but not limited to PPP, other CARES Act contributions, CDBG, CDBG-CV, GBCF, etc. The other 50% of funding will be used for reimbursement grants to small businesses. Grants are for the	\$263,402.60

reimbursement of COVID related expenses. Ineligible expenditures include payments that have or will be reimbursed under any federal, state, or local programs such as but not limited to PPP, other CARES Act contributions, CDBG, CDBG-CV, etc. Preference will be given to minority owned businesses or businesses with >51% of employees that are minorities. Minorities include African Americans, Latinos, etc. Up to 5% of funding may be used for administrative costs.

Total	\$1,477,218.60
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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

Barton County has prioritized subrecipient requests, especially to Cities and Educational Institutions, in its reimbursement report. Subrecipients account for 71.99% of the \$2,918,883.52 submitted for reimbursement.

The County has submitted a smaller direct aid plan prioritizing program costs, which comprise 62.88% of the \$2,349,168.16 in submitted future planned expenditures. Transfers account for 10.37% while County planned expenditures make up 26.75% of the request. The Barton County Government is the sponsor of a \$1,213,816.00 program to increase cell coverage in rural areas. There is a second requested program, a micro-grants initiative supporting for-profit minority businesses and non-profit organizations; however, no information is provided regarding what entity would oversee the funding or the application and selection process.

The reimbursement and direct aid plan documents are missing summary pages. Thus, information is missing on the timeline for direct aid expenditures.

Technical Understanding of SPARK Process

Barton 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. However, the submitted documents are missing summary pages and detailed information regarding the planned grant program and costs reimbursed to some of the subrecipients. Our identified risks and compliance considerations for these are outlined below.

Identified Considerations

1. Payroll Expenses

The matter of reimbursement for previously budgeted but substantially dedicated public safety and public health 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. At this time, consistent with recently released guidance, the Office of Recovery has determined that the County may 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 is documented compliant to the OIG Guidance.

2. Micro-grant Initiative

\$263,402.60
Program

Currently, the sponsor for this program is listed only as a nonprofit. A specific recipient of funds must be designated for CRF support eligibility. In addition, while it is allowable for a nonprofit to manage such a grant initiative, the recipient of funds, in this case Barton County, will be held responsible for ensuring funds are spent in accordance with CRF funding conditions. 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.

3. Radio Communications System

\$1,213,816.00

Program

The expense represents a significant investment by the County. More information is requested from the County on how the expense relates to the immediate public health emergency in the community and how the communication system will be procured and implemented on or before December 30, 2020.

4. Digital Message Board

\$22,256.56

Direct Aid

More information is required to establish how costs were incurred and what items these funds would help procure.

Spending Plan Request for Additional Information

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

Item	Recipient	Amount	Comment
Digital Message Board	City of Claflin	\$22,256.56	More information required to establish how costs were incurred and what items these funds would help procure
Micro-Grants Initiative	Unknown	\$263,402.60	Information needed on recipient for eligibility and how this grant program will function, including application and acceptance procedures.
800 MHz radio communications system	Barton County Government	\$1,213,816.00	More information required to establish connection to and necessity resulting from the COVID-19 pandemic

Modifications Required

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

- Provide expenditure timeline projections in future reporting.

Conclusion

1. Based on the documents provided by Barton County, it is difficult to determine their level of understanding of the eligibility requirements relative to CARES Act funding and we are unable to evaluate their spend-down rates. Barton County may benefit from additional technical assistance.
2. Barton County should provide missing documentation and responses to all requests for additional information outlined in this memo.
3. For the Micro-grant Program proposed, if not already in place, Barton County should consider development of an application process and establishment of 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, Barton County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.