

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

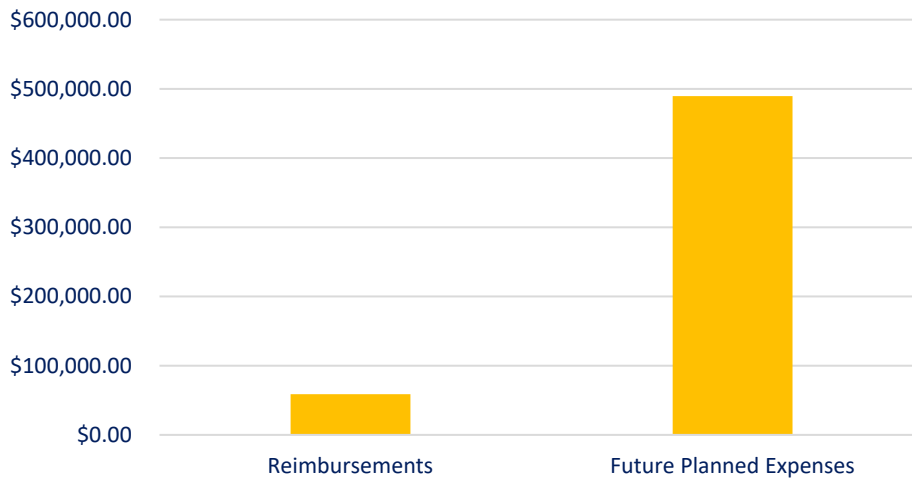
**Date** September 3, 2020  
**Re** Review of Reimbursement and Direct Aid Spending Plan for Chase County

**General Information**

Population: 2,648  
 COVID-19 Cases 08/17/2020: 58

Total Allocation Amount: \$548,245.31  
 Total Submitted for Reimbursement: \$58,843.01  
 Total Submitted for Future Planned Expenditures: \$489,410.99

**SPENDING PLAN OVERVIEW**



**Reimbursement Request Overview**

Total Amount for County Expenditures: \$26,279.33  
 Total Amount for Subrecipients: \$32,563.68

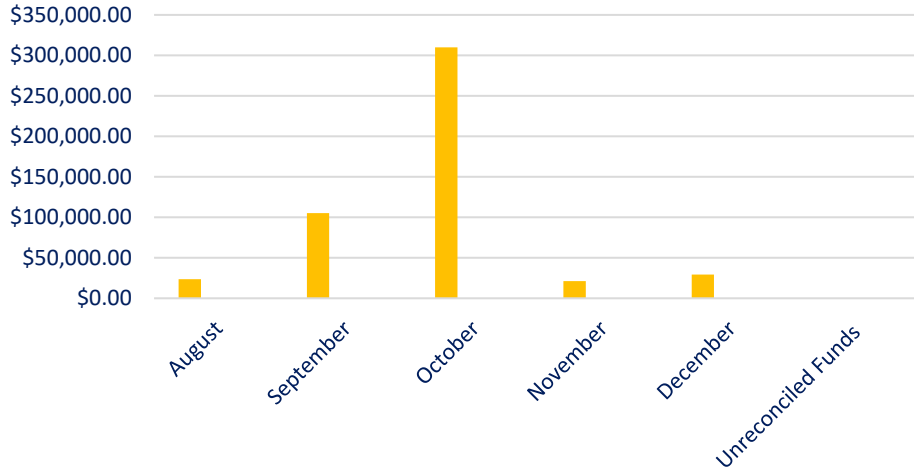
**Subrecipients and Amounts**

Subrecipient	Type	Amount
City of Strong	City	\$4,192.84
USD 284	Educational Institution	\$28,370.84
<b>Total</b>		<b>\$32,563.68</b>

**Direct Aid Overview – Future Spending Plan**

Total Amount for County Expenditures: \$277,781.83  
 Total Amount for Transfers: \$131,629.16  
 Total Amount for Programs: \$80,000.00

**PROJECT SPEND DOWN RATE**



**Subrecipients/Transfers and Amounts**

Subrecipient	Type	Amount
City of Cottonwood Falls	City	\$5,000
City of Strong	City	\$5,000
USD 284	Educational Institution	\$121,629.16
<b>Total</b>		<b>\$131,629.16</b>

**Proposed Programs**

Program Title	Program Description	Program Budget Amount
Chase County COVID-19 Grant Assistance Program	Small businesses, non-profits-churches, daycare providers, and or food pantry/food distribution providers have been significantly impacted by COVID-19, and many need additional public health supplies, innovative social distancing enhancements, and other economic assistance to rebuild our resilient community. We propose the following plan to help businesses not already funded through other programs address their operating expenses due to required closures and ensure that businesses and non-profits can reopen safely and rebound from COVID-19.	\$80,000
<b>Total</b>		<b>\$80,000</b>

## 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

Chase County has prioritized its reimbursement requests for Cities and Educational Institutions. County requests account for 44.66% of the \$58,843.01 of total reimbursement requests submitted. USD 284 submitted the largest reimbursement request, at \$28,370.84.

The County's expenditures account for 56.76%, transfers for 26.9%, and programs for 16.35% of the \$489,410.99 submitted for direct aid requests. USD 284's \$121,629.16 direct aid request accounts for about a quarter of direct aid requests. Future expenses planned for October comprise 63.33% of requested funds, with little planned spending for November and December.

The County should ensure that these expenses respond 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

Chase 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 inclusion of some items in the Reimbursement Report where costs have not yet been incurred presented confusion in reconciling all expenses. This is likely to be resolved in more streamlined future reporting.

## 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 FFRCA 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. Items for Reimbursement Not Yet Purchased

\$23,963.29  
Reimbursement

The instructions provided to the counties indicate that "Reimbursements are expenditures made to reimburse costs previously incurred by a county on COVID-19 related expenses." It is unclear from the information provided whether the costs for the items marked "not yet paid" have been incurred or will be incurred in the future. The County should only reflect paid expenses in future reimbursement reporting.

## 3. Chase County COVID-19 Grant Assistance Program

\$80,000.00  
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**

No modifications for the Reimbursement and Direct Aid Plan are required at this time.

### **Conclusion**

1. Based on the documents provided by Chase County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.

Subject to review of the identified considerations outlined in this memo, Chase County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.