

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

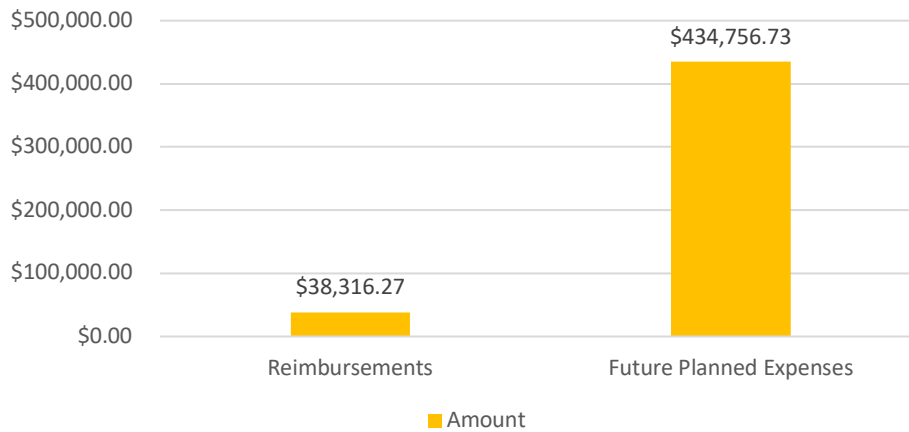
**Date** September 3, 2020  
**Re** Review of Reimbursement and Direct Aid Spending Plan for Clark County

**General Information**

Population: 1,994  
 COVID-19 Cases 08/17/2020: 46

Total Allocation Amount: \$473,073.34  
 Total Submitted for Reimbursement: \$38,316.27  
 Total Submitted for Future Planned Expenditures: \$434,756.73

**SPENDING PLAN OVERVIEW**



**Reimbursement Request Overview**

Total Amount for County Expenditures: \$21,345.36  
 Total Amount for Subrecipients: \$16,970.91

**Subrecipients and Amounts**

Subrecipient	Type	Amount
City of Ashland	City	\$753.30
City of Minneola	City	\$998.02
USD 220	Educational Institution(s)	\$15,219.59
<b>Total</b>		<b>\$16,970.91</b>

**Direct Aid Overview – Future Spending Plan**

Total Amount for County Expenditures: \$70,863.08  
 Total Amount for Transfers: \$222,490.43  
 Total Amount for Programs: \$141,403.22

**Project spend down information was not provided.**

**Subrecipients/Transfers and Amounts**

Subrecipient	Type	Amount
City of Ashland	City	\$3,746.70
City of Minneola	City	\$13,963.32
City of Englewood	City	\$15,000.00
Minneola Long term Care unit	Governmental Organization	\$40,000.00
Minneola Senior Center	Other	\$6,000.00
Ashland Community Center	Other	\$6,000.00
Food Bank - Minneola	Non-Profit	\$1,500.00
Food Bank - Ashland	Non-Profit	\$1,500.00
USD 219	Educational Institution(s)	\$50,000.00
USD 220	Educational Institution(s)	\$84,780.41
<b>Total</b>		<b>\$222,490.43</b>

**Proposed Programs**

Program Title	Program Description	Program Budget Amount
Business Grants	<p>This program will allow businesses affected by COVID to apply for grants from the County COVID funds in accordance with current federal and state guidelines.</p> <p>This program provides economic support to businesses who suffered lost wages or incurred additional expenses as a direct result of COVID-19 and related closures and government policies. This grant will take steps to ensure that recipients are not "double dipping" for the same expenses covered by other federal programs such as the PPP.</p> <p>Program Development: August 15 - September 15;                      Application Period: September 15 - November 1;                      Evaluation Period (rolling basis): September 15 - November 15; Payment Period (rolling basis): September 15-December 1</p>	\$141,403.22
<b>Total</b>		<b>\$141,403.22</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

The majority of Clark County's funding allocation is designated for future expenditures with the largest portion intended for transfers to other entities and a business grant program. The County's local school districts, particularly USD 220, are the entities receiving the majority of the funding between both reimbursements and direct aid.

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

Clark County and its subrecipients demonstrate a generally proficient understanding of the SPARK eligibility standards as exemplified by their detailed reporting of expenditures for reimbursements and direct aid. 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 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. Minneola Long Term Care Whirlpool

\$22,000

Direct Aid

Minneola Long Term Care seeks funds to install a self-cleaning therapeutic whirlpool to replace their existing whirlpool to comply with federal regulations. More information is needed to demonstrate that this expenditure has a nexus with the COVID-19 pandemic.

## 3. City of Englewood Shelter Repairs

\$13,519.39

Direct Aid

The City of Englewood is requesting funds to make repairs to an “emergency/quarantine shelter.” The CRF guidance allows for “Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions”. The County should ensure that all costs associated with the proposed project are incurred before December 30, 2020.

## 4. City of Minneola Door Locks

\$4,767.00

Direct Aid

The City of Minneola is requesting funds to purchase door locks for the senior citizen center. More information is needed to demonstrate a nexus with the COVID-19 pandemic.

## 5. USD 220 Second Lunch Location

\$7,451.89

Reimbursement

USD 220 has a need to establish a secondary lunch location because prior to COVID-19, students from two buildings shared the same facility, with one group of students being bussed to cafeteria location. More information is needed to clarify the district’s plans to “create” a new lunch location. The County should ensure that any such project is completed within the CRF eligibility period, which closes on December 30, 2020.

## Spending Plan Request for Additional Information

For further information is requested.

## Modifications Required

No modifications are required at this time.

## Conclusion

1. Based on the documents provided by Clark County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. Clark County should provide responses to all requests for additional information outlined in this memo.
3. Clark County did not submit monthly expenditure projections. As a result, it was not possible to evaluate their Project Spend Down Rate to ensure it is in accordance with program guidelines and eligibility.
4. For the Business Grant Program, if not already in place, Clark 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, Clark County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.