

County Coronavirus Relief Fund FAQs

Updated: 8/28/2020 (new additions are in red)

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UPDATED REPORTING DEADLINES:

Q: What is the deadline for the next report? Is it Sept. 15 or Sept. 10?

A: Updated deadlines for the next report are as follows:

Wednesday, October 7, 2020	2 nd reconciliation of CRF due. (Reporting Period 09/01/2020-09/30/2020)
Tuesday, November 10, 2020	3 rd reconciliation of CRF due. (Reporting Period 10/01/2020-10/31/2020)
Thursday, December 10, 2020	4 th reconciliation of CRF due. (Reporting Period 11/01/2020-11/30/2020)
Wednesday, December 30, 2020	Deadline for unspent funds to be returned to the State.
Wednesday, January 20, 2021	5 th and final reconciliation of CRF due. (Reporting Period 12/01/2020-12/31/2020). All quarterly reports completed for 03/01/2020-12/31/2020.

Eligible Expenses:

Q: Early on, counties were told that if the state approved our plan, the state would be responsible for the funds if the federal government deemed it not an allowable expense. Why has this changed?

A: In the resolution that the counties passed to receive the funds, the responsibility ultimately lies on the counties. However, the state is working to act in a partnership and provide guidelines and assistance with this process so that counties can be compliant. The state is working to protect both the state and the counties, during the audit process, all of the state responses and reviews will be included, so that the federal government is able to see the process.

Q: When will the state deem funds unused, if, after additional info is provided and the projects aren't approved? When will the state redistribute these funds? What will the timeframe be on this process?

A: The Office of Recovery will provide an opportunity to re-allocate funds before the state recoups funds. The regional technical assistance will help counties work through the review determinations and re-allocate or collect more information as necessary.

Q: If a school wants to hire an assistant health aide, would the payroll cost only be covered until Dec. 30?

A. Yes, all payroll costs must be incurred by December 30th, 2020.

Q: Can utilities be paid with CARES Act funding for households?

A: Fund payments may not be used for government revenue replacement, including the replacement of unpaid utility fees. Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the recipient to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance.

Q: Is a new school bus to adhere to social distancing rules an eligible expense?

A: Investments to increase adherence of social distancing and other public health measures necessary to combat the COVID-19 pandemic are eligible uses of CRF funds. If the county determines that the purchase of a school bus to increase social distancing is necessary to combat the COVID-19 pandemic, they may do so.

Q: Is hazard pay an allowable expense?

A: Hazard pay is an eligible expense if the individual(s) were substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Hazard pay is defined as additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19.

Q: To prepare for a Point of Distribution for vaccinations, possible mass testing, drive-thru election, PPE storage, and storage response trailers that have been directly used for COVID-19 response, can a building be constructed for those needs?

A: As long as the building was built and used by December 30th, it would qualify as an eligible expense.

Q: Are vehicles and Health Department trailers both acceptable expenses, and would there be any restriction on the vehicle?

A: Purchase of vehicles for the Health Department would most likely qualify for funding if the County reasonably determined the equipment was necessary to increase COVID-19 treatment capability. Note that vehicle replacement would not be an eligible expense. The expenditure must be deemed reasonably necessary due to the public health emergency.

Q: Would a new ambulance to meet the demand of responses be an eligible expense?

A: Purchase of EMS medical equipment would most likely qualify for funding as "emergency medical response expenses, including emergency medical transportation, related to COVID-19" if the County reasonably determined the equipment was necessary

to increase COVID-19 treatment capability. Note that vehicle replacement would not be an eligible expense. The expenditure must be deemed reasonably necessary due to the public health emergency.

Q: Would a restaurant who closed their doors but did curbside delivery be eligible for small business/nonprofit grant program funds as a business who closed?

A: Counties have discretion to determine how to tailor assistance programs they establish in response to the COVID-19 public health emergency. However, such a program should be structured in such a manner as will ensure that such assistance is determined to be necessary in response to the COVID-19 public health emergency and otherwise satisfies the requirements of the CARES Act and other applicable law. Based on the most recent federal guidance, there is no requirement that a business have closed due to the public health emergency to be eligible for a grant program.

Q: Can funds be used for infrastructure that will support alternative transportation for access to food, education, and outdoor activities?

A: The determination of what is necessary to respond to the public health emergency is left to the reasonable judgment of the County. However, we do not believe expenses for bike covers would qualify and encourage the County to look to other measures.

Q: Are all public health and public safety employees' payroll an eligible expense?

A: Such expenses should qualify, because federal guidance indicates that "as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise."

Q: Would a project involving the purchase of school supplies be an eligible project for the county?

A: A county must determine if the purchase of such supplies is a necessary expense due to the COVID-19 public health emergency. Generally, supplies for schools should be limited to essential supplies to promote distance learning, public health, and other COVID-19 related priorities to protect students or mitigate spread. A program providing school supplies to all students, without regard to any need created by the public health emergency, would most likely not be eligible.

Q: Are expenses related to paid leave for qualifying reasons designated under the Families First Coronavirus Response Act eligible?

A: Such expenses qualify as the provision of paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.

Q: Are telephone towers for COVID communication an eligible expense?

A: A telecommunications tower should qualify under the current federal guidance as an expense, because it would be an expense to provide emergency medical responses related to COVID-19, to facilitate distance learning in connection with school closings to enable compliance with COVID-19 precautions, as well as to improve telework capabilities for public employee to enable compliance with health precautions. However, such expenditures would only be permissible if performance or delivery takes place during the covered period. Accordingly, to qualify, the project should be reasonably expected to increase capacity for one or all of these functions prior to December 30, 2020.

Q: Can funds be used to upgrade radio systems to improve the county's emergency services communication?

A: If an expense is not clearly addressed in the federal guidance and a county would like a determination on whether or not an expense is eligible a Request for Guidance Interpretation form can be submitted for a formal ruling. The guidance interpretation Request form can be found [here](#). And the submission portal can be found [here](#).

Q: Would school district partnerships with internet providers to deliver basic wired internet service to students for remote learning qualify as an eligible expense?

A: Such expenses should qualify under the current federal guidance as an expense, because it would be an expense to facilitate distance learning in connection with school closings to enable compliance with COVID-19 precautions. The expense would only qualify for service delivered through December 30, 2020.

Q: May funds be used for capital improvement projects necessary to reopen municipal facilities to the public?

A: Such reopening expenses would only qualify if the County determined them to be reasonably necessary due to the public health emergency (which includes measure to achieve social distancing and to enable compliance with COVID-19 public health precautions) and construction was substantially complete by December 30.

Q: Could fund payments be used for capital improvement projects that broadly provide potential economic development in a community?

A: In general, economic development projects do not qualify for CRF funds. If capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects.

Q: Do medical expenses for specialized medical equipment for use by EMS departments qualify?

A: Purchase of EMS medical equipment would most likely qualify for funding as "emergency medical response expenses, including emergency medical transportation, related to COVID-19" if the County reasonably determined the equipment was necessary to increase COVID-19 treatment capability.

Q: Would purchasing and installing secured fencing around facilities qualify for CARES Act funding?

A: We have doubts that general fencing for property unrelated to any specific need related to COVID-19 would qualify for CRF funds. Also, in general, economic development projects do not qualify for CRF funds. If capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects.

Q: Would building a wall and glass payment window to limit the exposure to COVID qualify as an eligible expense?

A: Such expenses should qualify if the County determined them to be reasonably necessary due to the public health emergency (which includes measures to achieve social distancing and to enable compliance with COVID-19 public health precautions) and construction was substantially complete by December 30.

Q: Would items such as tactical vests, body cameras, and dash cam technology for Sheriff's departments qualify as eligible expenditures?

A: Expenditures must be limited to those that are necessary due to the public health emergency. The County must make reasonable determinations about what expenses are necessary. We do not believe that tactical vests or dash cam video technology qualify for CRF funds.

Q: For eligible distance learning or any type of expense that is eligible, if it is common to enter into an annual contract, can the entire contract be taken as CRF eligible or does it have to be prorated and only the months ending in December, therefore, get to be taken as eligible on the CRF Funds?

A: Under the statute, CRF funds may only be used for expenditures that were necessary during the period of March 1 through December 30, 2020. According to the most recent federal guidance, in the case of a lease of equipment or other property, irrespective of when payment occurs, the cost of a lease payment shall be considered to have been incurred only for the period of the lease that is within the covered period. This reasoning would also extend to licensing agreements and similar expenditures.

Q: If PPE for an entire school year is purchased prior to December, is that considered an eligible expense, or does it have to be pro-rated and drop off the portion being used after December?

A: The cost of goods purchased in bulk and delivered during the covered period may be covered using payments from the Fund if a portion of the goods is ordered for use in the covered period, the bulk purchase is consistent with the recipient's usual procurement policies and practices, and it is impractical to track and record when the items were used.

Reimbursements:

Q: How closely will the future reimbursement reports have to tie to the Direct Aid Plan? (by program, line-by-line on transfer, etc.) How large of a variance in the plan would create the need for an amendment? When will the amendment process be addressed on how to do so?

A: The Office of Recovery is still working on the amendment process, and the regional technical assistance will help with this process. The current vision is by program and by transfer, and those expenses will be seen. We'd ask that reports are as detailed as possible. Contact Doug Gerber at Doug.gerber@ks.gov for minor changes.

Q: Can the county pay vendors directly for cities & schools instead of reimbursing them?

A: Yes, if this expenditure is illustrated in the county expenditure report.

Q: Do all reimbursements need to be approved by the state or can we begin to distribute the funds?

A: At this time, the Office of Recovery must review and approve the Reimbursement Reporting Spreadsheet before funds are distributed.

Q: Is there a from where all requested reimbursements should be totaled?

A: Yes, there is a line on the Direct Aid form that lets you put the total for all reimbursements from your Reimbursement Reporting Spreadsheets.

Q: Please advise of any backup documentation which will need to be submitted with the county direct aid plan and reimbursements.

A: The Office of Recovery is currently reviewing additional reporting requirements issued by the United States Department of Treasury on 7/31. As of this time, counties will only need to submit the spreadsheets for the direct aid form and the reimbursement reporting form. Per federal law, counties must keep all supplemental records associated with contracts, proposals, invoices, etc. at the county level for 5 years.

Q: Our economic development board gave \$500 to small businesses in our county in April to help with the COVID-19 expenses and are planning on doing another round today. Is that a reimbursable expense?

A: If the expense was made during the incurred period and was a necessary expense due to the COVID-19 emergency, it would be a reimbursable expense.

Q: If an item was paid by the county using a check, should the reimbursement form be filled with “paid by check?”

A: If the county used a check for a COVID related expenditure, please record “check” in payment method column.

Q: Do county’s reimbursement receipts need to be approved by the state before counties pay the reimbursement?

A: The Office of Recovery plans to release new information in the coming week to provide counties additional flexibility for expedited utilization of Round 1 funds. As of now, please do not transfer funds for reimbursement until the report has been submitted for approval to the Office of Recovery.

Q: Are city owned hospitals considered public entities eligible for reimbursement of FMLA/sick leave, and improvements to telework infrastructure?

A: Hospitals owned by cities can be considered public entities.

Q: Will the state allow encumbrances for expenditures for reimbursements?

A: Performance or delivery of a cost must occur during the Covered Period of March 1 – December 30, 2020. There is some flexibility in payment of funds past 12/30, but the goods or services still have to be incurred during the allowed period of 3/1 – 12/30. For example, if you buy PPE in November, you must reasonably expect the PPE will be delivered and available for use prior to 12/30”. Accordingly, if the expenditure is for something that cannot be delivered and used during that time period, it is not eligible. The guidance gives some flexibility for unforeseeable delays during delivery, but if you know the good or service cannot be delivered and used before December 30, it is not an eligible expense.

Q: Does a county have to submit all reimbursement requests made by other entities (schools, cities)?

A: All reimbursement requests must be compiled by the county and submitted in one report. Municipalities and additional entities that would like reimbursement funds must coordinate and provide receipts to the county- in the specified format that we will provide. Q: What does the August 15th Reimbursement Report cover? A: The August 15th Reimbursement Report cover expenses a county will reimburse that took place between March 1, 2020 to July 31, 2020. (updated reporting deadlines at top of FAQ sheet)

Q: Is there a sample of an agreement between counties and other taxing entities?

A: Yes, these documents can be found on the covid.ks.gov website or the Kansas Association of Counties website.

Q: If the subrecipient does not submit their report, is the county still responsible? What if the subrecipient buys something that isn't allowed?

A: Counties are responsible for making sure subrecipients submit their report and for ensuring all funds are meeting the Federal requirements. This is section 9 of the county resolutions, "...[COUNTY] agrees to cooperate with any audits or inquiries by the Department of the Treasury concerning CRF funds and agrees to pay any debt incurred to the Department of the Treasury due to ineligible expenditures of appropriated CRF funds". Counties can choose to require prior certification for appropriate use of subrecipient expenditures.

Q: Is establishing a small business grant program to make up for costs of business interruption an eligible expense, and what limits or stipulations must be followed?

A: Business grant programs are both eligible and encouraged. If a business can show business interruption costs that are related to the COVID-19 public health emergency, counties can provide funds to those small businesses to compensate for such losses.

Counties have discretion in determining conditions and limitations for these programs. Counties should develop these programs with the understanding that the program may be audited to ensure that grants were provided and expended for eligible expenses.

Q: Is the August 15th Reimbursement Report ONLY for reimbursing costs that have already been spent?

A: Yes. This report is only for expenses that have already been incurred.

Q: Would it be acceptable to not pay a subrecipient until the actual subrecipient report is provided to the designated agent?

A: A county can decide what mechanisms to put in place prior to distribution of funds to subrecipients, so long as compliance with reporting deadlines is followed.

Q: Can Reimbursement Reports or Direct Aid Plans be submitted early?

A: Yes, Reimbursement Reports and Direct Plans can be submitted anytime between August 1, 2020 and August 15, 2020.

Q: Is a report required even if the county did not expend funds during the respective reporting period?

A: Yes. A report must still be filed -- even if no expenses have been made. The report would just indicate "\$0" in expenditures in the summary.

Q: Can the county create a fund using CRF allocations to cover costs that might come up over the next few months, including costs associated with ineligible expenses?

A: Counties may not set aside funds using CRF allocations to pay for the costs of ineligible expenses. Counties may budget funds for a specific COVID-19 related

priorities. For example, they may budget \$10,000 in their direct aid plan for future PPE purchases.

Q: Can you define what a recipient is in terms of the reporting document?

A: Yes, if a county purchases a good or service from any vendor they are considered the recipient of CRF. The EIN of recipients of the CRF is required for reporting processes.

Q: Are EIN required on reports?

A: Counties must make a best attempt to find and report the EIN for vendors, but the EIN is not required if it is not obtainable.

Q: Why do counties need the vendor's EIN?

A: Initially, vendor EIN numbers required to simplify the determination of a vendor's address and contact information. The Office of Recovery revised this guidance to make the EIN number optional. If an EIN is not easily accessible, counties may simply record relevant business name and contact information.

Q: When are reports due, and what do they cover?

A: Below is a chart that indicates the dates, reporting periods and contents necessary for each report due date. In all reports following the first can include reimbursements if necessary, additionally they will record expenditure receipts that were previously approved via the direct aid plan.

Wednesday, October 7, 2020	2 nd reconciliation of CRF due. (Reporting Period 09/01/2020-09/30/2020)
Tuesday, November 10, 2020	3 rd reconciliation of CRF due. (Reporting Period 10/01/2020-10/31/2020)
Thursday, December 10, 2020	4 th reconciliation of CRF due. (Reporting Period 11/01/2020-11/30/2020)
Wednesday, December 30, 2020	Deadline for unspent funds to be returned to the State.
Wednesday, January 20, 2021	5 th and final reconciliation of CRF due. (Reporting Period 12/01/2020-12/31/2020). All quarterly reports completed for 03/01/2020-12/31/2020.

Q: What if a sub-recipient requests reimbursement for a July expense in September? Is that permissible?

A: It is recommended that all reimbursements from March 1st-July 31st be reported in the August 15th Reimbursement Report, however, yes, reimbursement are permissible in future reports as long as the expenditure meets federal guidance Reimbursements that were not included in the August 15th Reimbursement Report should be reported as made on the date the reimbursement is completed, not on the date the initial transaction was made. (updated reporting deadlines above)

Q: Does a county only submit the Reimbursement Report Excel spreadsheet or do we submit copies of all the supporting documents?

A: The submission of reports must be done through the online portal via an excel spreadsheet. The supporting documents must be managed and maintained by the county for the following 5 years, based upon federal regulations.

Q: If a school districts recently ordered PPE but has yet to receive the order, would these be reimbursement or direct expenses?

A: This is a county-level decision as to how a county would like to report the cost incurred. Whatever decision is made, it must be accounted for in either the Reimbursement Report or Direct Aid Plan by August 15th.

Q: Do loss of donations to non-profits qualify for reimbursement?

A: Counties may make grants to small businesses, including non-profits, to reimburse the costs of business interruption, so long as the expenditures are reasonably determined to be necessary due to the public health emergency. Non-profits are also eligible for public health related funds such as grants for PPE, cleaning supplies, etc.

Q: Will private schools get reimbursements?

A: Private schools can apply directly to a county to receive funds or reimbursements just as any other business or other entity would. According to the County resolution, counties are only *required* to provide reimbursements to public educational institutions and municipalities. Counties have the option to provide reimbursements to other entities such as private schools, subject to the requirements of the CARES Act.

Q: For non-profits eligible for public health related funds such as grants for PPE, cleaning supplies, etc., are counties allowed to reimburse non-profit quasi-municipalities for COVID-19 related expenses? If so, how are those requests to be submitted?

A: Non-profits are also eligible for public health related funds such as grants for PPE, cleaning supplies, etc. Counties can determine the best distribution mechanism for funds to non-profits as long as all expenditures are reported to the State.

Q: Can non-profits be reimbursed for loss of fundraising revenue?

A: Counties may make grants to small businesses, including non-profits, to reimburse the costs of business interruption caused by required closures, so long as the expenditures are

reasonably determined to be necessary. Non-profits are also eligible for public health related funds such as grants for PPE, cleaning supplies, etc.

Q: If employees are sent home for safety concerns, are budgeted wages eligible for reimbursement?

A: The statute requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. According to federal Guidance, a cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. If the cost of an employee was allocated to administrative leave to a greater extent than was expected, the cost of such administrative leave may be covered using payments from the Fund.

Q: If we give grants to businesses in our direct aid plan, will we later be required to use the reimbursement form to report details of how they use that money? I.e., we give them \$5000 direct aid, do we need to report unique expenses (rent, payroll, supplies) as they use it?

A: Counties have discretion to determine how to tailor assistance programs they establish in response to the COVID-19 public health emergency. However, such a program should be structured in such a manner as will ensure that such assistance is determined to be necessary in response to the COVID-19 public health emergency and otherwise satisfies the requirements of the CARES Act and other applicable law. Where businesses seek reimbursement for COVID-related expenses, they should provide documentation of those costs. If they are seeking economic support, they should provide sufficient information to allow the County to reasonably determine that such support is necessary due to the public health emergency.

Q: Will the duplication of reimbursement be left to auditors for discovery or is there a requirement to confirm this somehow prior to paying funds other than the place on the worksheets to mark that funds are duplicated?

A: We will be working to implement a system that tracks all CRF expenditures to help prevent duplication of reimbursement. Until that time, first line of defense is to have entities self-report and certify that they have not and will not receive reimbursement from any other state or federal program.

Q: The hospital in our county is not county owned, can we reimburse any eligible expenses for them?

A: Counties may use Fund payments to support public or private hospitals to the extent that the costs are necessary expenditures incurred due to the COVID-19 public health emergency.

Q: Are reimbursed wages based off of gross wages or benefit wages?

A: Reimbursement is based on payroll expense, that can include benefits that are in the payroll. Payroll expenses for public employees whose services are substantially dedicated to mitigating or responding to the COVID-19 emergency are eligible for reimbursement.

Q: If counties ask for a formal ruling for an expense, the state approves the project as eligible, and it is later deemed non-eligible by the federal government, will the state help with those associated costs?

A: The guidance interpretation is a tool for counties to use for a formal ruling based upon federal guidance. If the state determines the expense is eligible, then the state is responsible for reimbursement of funds.

Q: Non-profits are eligible for reimbursements?

A: Yes, counties are encouraged but not required to reimburse nonprofits.

Q: Can a business be reimbursed for losses occurred during a mandatory closure?

A: If a county chooses to, yes. Any program for such reimbursement for non-public entities like businesses would need to be included in the Direct Aid Plan.

Q: Can the funds be placed in an interest-bearing account until distributed for Reimbursement and/or Direct Aid?

A: Counties are discouraged from putting the funds into interest bearing accounts because of complexities of investing, reporting, and accounting for interest payments in the short timeframe of this program. All interest earned must be reported to the state and is still subject to the same restrictions and approval processes. If a county chooses to place funds in an interest-bearing account, please notify the Recovery Office.

Direct Aid Plan:

Q: When the Recovery Office is going through the Round 1 submissions, are they going to be directing counties to change some of the funding to better address that concerns about businesses and non-profits that committee members had? Or is that being thought about?

A: Although the business categories show 4%-6% across counties, that is a bit misleading because within categories like “local government units,” they have their own version of direct aid to businesses within that percentage. The Office of Recovery’s direction continues to be, that counties put their funds towards the most beneficial use in your counties. Thinking through strategic objections of the counties and the state, and meeting the needs of your counties.

Q: During Governors Kelly's Zoom meeting with the teachers earlier this week, teachers indicated to the Gov that their schools had not received any Round 1 funding yet and that it was a concern they had. Can there be something provided to the schools and especially

teachers that indicates that we are all under orders from the Recovery Office to NOT spend any monies or send them down to schools until we have your permissions?

A: We can touch base with KSDE and make sure school districts understand the process/on the next call with school leadership clarify how the SPARK funding process works in terms of Recovery Office approval.

Q: Can county governments reserve the right to reallocate funds to a different program or transfer? E.g. priorities change due to a resurgence or if there is an unforeseen problem with a program or transfer where the sub-recipient is unable to spend their funds, and there is an unexpected need elsewhere?

A: If a subrecipient is unable to spend their funds, counties are able to shift and reallocate funding, as is also true for if a plan is denied, the funds are able to be reallocated and shifted.

Q: Can direct transfers be made to only cities/schools? Can they be made to non-profits such as a county hospital or non-profit mental health agency?

A: Yes, direct transfers to non-profits is allowed as long as the appropriate tab in the direct aid plan is completed.

Q: What if there are expenditures after recoupment of unspent funds on 9/7 that were not included in the Direct Aid Plan?

A: If unplanned COVID-19 related expenses occur, a county may amend their direct aid plan as needed, given that the expenses are eligible. The amended expenditures would simply be reported through the applicable month's expenditure reporting spreadsheet. At this point, there is no process for retrieving funds that have been recouped. We will review requests of this nature on a case by case basis as they arise. Regardless, counties are strongly encouraged to be as complete as possible when completing their direct aid plans.

Q: If the direct aid plan and reimbursements are supposed to be submitted Aug 15th for the full amount of the county allocation. What do we do about costs incurred for COVID response beyond July 31st?

A: The direct aid plan is simply a way to report what you intend to spend the money on. If you have unintended costs incurred, you can amend the plan and illustrate that expense in your monthly expenditure report.

Q: So, we can create a Direct Aid Plan that has a general fund for Fall COVID-19 response?

A: To the best of their ability, counties must be specific about planned expenses in the direct aid plan. If a county decides to budget funds for COVID-19 response, they should include specific information on the purpose of that fund, including what types of potential purposes are eligible for spending.

Q: Clarifying, we need to have a direct aid plan to budget for all dollars by August 15 in order not to lose the funds, which can then be verified through a later reimbursement report that matches up with that direct aid plan?

A: That is correct.

Q: Are local businesses that received PPP funds eligible for grant funds through the county's direct aid plan?

A: There is nothing that is legally barring businesses who receive Paycheck Protection Program funds from receiving county or state funds, so that is the decision of the county.

Q: Is the Direct Aid Plan for Round 1, 2 and 3? Or just Round 1?

A: The Direct Aid plan is for all county level spending through December. Counties are the only entities receiving money in Round 1 and future rounds do not impact or apply to that funding. The state is responsible for Round 2 and Round 3 funding.

Q: Can counties receive the KDOC email address for submitting a grant for review?

A: Counties do not need to submit grant programs for review by the Kansas Department of Commerce. County level programs should be included in the direct aid plan.

Q: If a county provides a direct grant for cleaning supplies for businesses, do they need to submit proof of supplies after August 1?

A: This is a county level grant administration decision. Counties could require a proof of purchase for each expenditure made using awarded grant funds, or, as a matter of administrative simplicity, simply designate the cost as a grant to respond to second-order effects of the emergency, such as by providing economic support to businesses suffering due to the increased costs of doing business created by COVID.

Q: Is there a clearer differentiation between "County Direct Aid Transfer Applications" and "County Direct Aid Program Applications?" Specifically, across different scopes such as county to county departments, or county to city.

A: Please consult the [Direct Aid Form Memo](#) on the covid.ks.gov website for definitions of requested information in the Direct Aid Form.

Rounds 2 & 3:

Q: Is the MOU developed by Office of Recovery available on Recovery website?

A: The MOU Template can be found at: <https://www.kansascounties.org/>
If counties are using a version of the resolution to develop an MOU, that is acceptable as the documents will be very similar. The sample MOU is provided to save counties time in adjustments later.

Q: Will Round 3 funds be spent and used on the state level for state activities?

A: Currently, yes. Round 3 is intended to be for outside proposals or state level programs. The State is not currently expecting to provide another influx of county money, however we understand that priorities could possibly change. The timeline for Round 3 is mid to end of Sept. so we'll get more detail after that time.

Q: Are private colleges getting some of the Phase 2 money allotted for education?

A: Higher education funds allocated in Round 2 of CRF investments are provided to the Kansas Board of Regents, for public higher educational institutions. Private colleges can apply for the county level money and reimbursement.

Q: Does Phase 2 funding need to be spent before December 30 as well?

A: Yes.

Q: Will counties know the focuses of Rounds 2 and 3 before making a decision on Round 1 funding plans?

A: Yes. The SPARK Steering and Executive Committees will review Round 2 funding proposals during the week of July 20th. All information regarding the SPARK Committee's priorities, meeting materials, video recordings, etc. can be found on the covid.ks.gov website here. All SPARK Committee deliberations on Round 3 will be available in the coming weeks.

Q: Are businesses part of Round 1 or Round 2?

A: Round 1 funding was provided specifically to counties. Counties may use their Round 1 allocations to provide grants or loans to small businesses within the parameters of federal guidance. Additional funds to businesses will be provided through Rounds 2 and 3, which are handled entirely at the State level.

Q: How will round 2 funds be made available to businesses?

A: Funds from Round 2 that are allocated for small business grants will be made available through a centralized web portal from the Department of Commerce. Businesses will apply directly. More details will be available in the coming weeks concerning the specific timeline and applications processes for these programs.

Q: For businesses that did not qualify through CDBG-CV during round 2 SPARK funding due to Lenders Mortgage Insurance restrictions, will these limitations be lifted?

A: There will not be LMI restrictions on the Department of Commerce economic development funding.

Q: Are Round 2 business grants from the Department of Commerce first come, first serve?

A: Pending approval from the SPARK task force, small business grants will likely be awarded on a first come, first serve basis.

Q: Since our local nursing home facilities will get funding in Round 2, can we know what percentage they will get in Round 2, so we can balance the difference in Round 1?

A: Under the current plan approved by the SPARK Task Force, nursing homes will get \$20 per day, for 120 days, for all of their beds. Work with your nursing homes to see what amount they will be receiving through the Department of Aging and Disability Services. This does not bar them from additional county funds or reimbursement requests.

Q: Will Phase 2 funding be limited in the amount of requests submitted by all eligible in a county or is that open ended?

A: We're still working on the details for implementation for Phase 2 funding. We will provide more information as it is available.

Q: Do private colleges need to be supported at the county level? Are they not included in Round 2? Do we support private schools, like local Catholic schools? Are they included in reimbursements and direct aid funding?

A: Private schools are eligible for grants and should be treated similar to any other business or private entity.

Grants:

Q: For small business grants, is a 1099-G required to be sent on any recipient receiving amounts greater than \$600?

A: The Office of Recovery encourages counties to check with county attorney, local tax consultant, legal advisory, etc. to ensure that the county determination is correct.

Q: Are local CRF funds able to be used as part of the match for connectivity grants?

A: The latest update will be on the Connectivity Webinar. We will check information with the Dept. of Commerce.

Q: Can counties give loans to for-profit entities rather than only grants?

A: Counties may provide loans to for-profit or non-profit entities if they choose to do so. However, grants are highly encouraged due to the difficulty of loan repayment because the economic stresses of the pandemic and the complexities of managing a loan program during the short expenditure period of 3/1 – 12/30.

Q: Will funds provided by grants to replace business revenue losses be taxable at the federal and/or state level?

A: Grants to businesses may be considered taxable. Businesses applying for grants should consult their tax adviser for more information.

Q: Are all grants in arrears for expenses already made, or are some forward facing?

A: Grants can be forward facing for eligible COVID-19 related expenses that will be incurred before December 30, 2020.

Q: Do business grants need to have certain restrictions, such as Appendix A to 24 CRF 570, which determines the feasibility of a project? Same question for non-profit support.

A: Counties have discretion to determine what payments are necessary. The federal guidance does not contain any feasibility requirements for grant programs. However, any program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses that need it, and it should require businesses to provide sufficient information for the County to reasonably conclude that the grant is necessary due to the public health emergency.

Q: If a hotel lost 90% of their revenue, but didn't have to close – are they eligible for a business grant for operating expenses?

A: Yes, they are eligible for a business grant program under the federal guidance if the expenditures are determined by the government to be necessary. This may include grants for small businesses affected by decreased customer demand as a result of the COVID-19 public health emergency, even in the absence of a required closure.

Q: How robust must new grant programs be? What are basic requirements to ensure compliance?

A: Counties have discretion to determine how to tailor assistance programs they establish in response to the COVID-19 public health emergency. However, such a program should be structured in such a manner as will ensure that such assistance is determined to be necessary in response to the COVID-19 public health emergency and otherwise satisfies the requirements of the CARES Act and other applicable law. We suggest creating a standardized application that lets the county know if they've received funds from any other place. Further, ensure that the applicant submits a budget to you, including the narrative and administrative costs. Finally, ensure accountability at the county level, through an MOU or other agreement. Make sure you have a clear reporting structure and look to the direct aid structure for examples on creating grant programs.

Payroll:

Q: How should payroll expenses be reported?

A: All payroll expenditures need to be in a single line item for each job position. Payroll costs cannot be combined into one line item due to the potential complications as a result of ambiguous reporting

Q: If a salaried employee is not substantially dedicated to COVID-19 and must spend some time planning around COVID-19, is that planning time reimbursable?

A: Expenses associated with conducting a recovery planning project or operating a recovery coordination office would be eligible. However, counties may only reimburse wages for time spent specifically on planning activities related to COVID-19. If the majority of an employee's time was spent dedicated to combatting COVID-19, their payroll expenses are eligible for reimbursement. For the payment of an entire salary, an employee must spend the majority of their time dedicated to COVID-19.

Q: For workers who have been working on COVID-19 since February and March whose jobs revolve around taking care of emergencies (health department, emergency management, etc.), can counties reimburse their salaries from March 1 to July 31, 2020 since their salaries were already budgeted?

A: Coronavirus Relief Funds can only be used for performance or delivery of costs during the period of March 1st to December 30th. Counties may only reimburse salary expenses for COVID-19 related activities during the eligible period.

Q: Can a municipality be reimbursed for payroll expenses for meetings with their department heads (public works, city clerk, etc.) to discuss strategies for community response to COVID-19? For example, if an employee spends a few hours in meetings talking about COVID strategies, is that time reimbursable?

A: Expenses associated with conducting a recovery planning project or operating a recovery coordination office would be eligible. However, counties may only reimburse wages for time spent specifically on planning activities related to COVID-19.

Q: If employees are salaried, how can it be illustrated that they were not budgeted regardless of how much time they spend on COVID related works?

A: As a matter of administrative convenience, the entire payroll cost of an employee whose time is substantially dedicated to mitigating or responding to the COVID-19 public health emergency is eligible, provided that such payroll costs are incurred by December 30, 2020. An employer may also track time spent by employees related to COVID-19 and apply Fund payments on that basis but would need to do so consistently within the relevant agency or department.

Q: Can counties calculate a percentage of time spent working on COVID-19 related issues rather than breaking it down by hours?

A: Reporting as a percentage is acceptable.

Q: Can the 5% administrative fee be given to county employees because of the hours they have dedicated to reporting and planning for SPARK?

A: The allocation of 5% of program costs for administration is a recommendation by the Office of Recovery to ensure appropriate accounting, management, and implementation of CRF funds. Bonuses for county employees would not be an eligible expense.

Q: Can the 5% administrative fee be given to EMS employees who have treated every call and potentially come in contact with COVID-19?

A: The allocation of 5% of program costs for administration is a recommendation by the Office of Recovery to ensure appropriate accounting, management, and implementation of CRF funds. This question most likely refers to providing EMS employees with hazard pay, which is an allowable expense for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

Q: Rather than hiring an outside firm, can county employees who have been selected to administer and report SPARK funds receive that money individually?

A: This is a county level decision. There are no federal guidelines that bar county officials from receiving additional payments for administration of funds as long as those employees are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

Q: If a county is handling all administrative components themselves, can they use the recommended 5% of allocated CRF for administrative costs to recover cost of using current employees?

A: Refer to the payroll guidance in the latest round of federal guidance to determine if a public employee can be considered as "substantially dedicated to COVID-19". If so, the salary can be covered by your funds.

Schools:

Q: In regard to school funding, do counties transfer funds to the county where the district headquarters reside? And what kind of documentation does that require?

A: Counties can either transfer funds directly to the school district or to the county where the school district resides, as long as the transfer is accounted for. All transfers should be outlined in the transfer tab.

Q: Does higher ed include private colleges?

A: Higher Education funding in Round 2 will be provided through the Kansas Board of Regents and is only for public institutions.

Q: Will private schools request funds through their locality’s district or can they submit directly to the county?

A: Schools should submit requests directly to the county. Note that the resolution does not require Counties to reimburse private school funding

Q: If a school provided hotspots for students with county funding, would only the monthly fees associated with that be covered up until December 30th, or can they pay a for a year’s service in advance?

A: Under the federal guidance, funds may be used only for expenditures incurred during the Covered Period of March 1 – December 30, 2020, which requires performance or delivery the covered period. Fees for services after that date are generally not eligible.

Q: Schools could claim endless costs, so how does a county avoid getting excessive requests from schools? How does a county manage this if it is a requirement to cover ALL costs from schools? I.e., what if a school submits reimbursement for technology, laptop, etc. purchased for every single student?

A: There is no requirement that Counties cover all costs from schools. Rather, Counties have discretion in determining what expenses they will cover with CRF funds. Schools will be receiving some funds for expenses that may otherwise be eligible for CRF funding, but it’s likely they will have additional expenses related reopening. Ask schools to first ensure they have access to federal funds through KSDE and then only to come to the County for unmet reimbursement.

Q: In regard to schools serving students in 2 different counties, can counties work directly with schools or do they need to go through the district in the other county?

A: You can work directly with that school as needed, however let the other county know, or work with them to avoid duplication of expenditures.

Q: Some school districts are wanting to use county allocations of CRF funds first, before using the funds direct provided to districts by the Federal government through KSDE. Are they able to do that?

A: That is a county-level decision. However, schools are encouraged to use direct federal funds provided to districts before accessing county-allocated funds.

Q: Is there any recommendation on which school districts and cities counties should allocate funds to? Specifically asking about cities and school districts where only part of the city or school district is located within a county.

A: As stated in the resolution, the county in which the institution’s headquarters is housed is the county responsible for that institution. However, this does not mean that only that county can provide funds to that institution. Counties can share costs as needed.

Q: Schools received some CARES Act funding directly. Do counties reimburse expenses over and above the amount they received or any expenses they submit?

A: Schools should not be reimbursed for the same expense twice. If federal funds were used to pay for any one cost, that cost cannot be claimed by the school at the county level.

Q: Can a school district directly purchase additional laptops/learning devices for potential distance learning or does the City/County need to make that purchase and then distribute the devices to that district?

A: Counties can provide the school district with the funds to buy the supplies as long as that transfer is accounted for in your direct aid plan and subsequent expenditure report.

Materials:

Q: Where can the federal guidance be found that outline eligible COVID-19 related expenditures?

A: All materials will be posted online at <https://covid.ks.gov/spark-county-resources/>.

Q: Where are all the resources and templates posted that are reviewed in webinars?

A: All materials will be posted online at <https://covid.ks.gov/spark-county-resources/>

Q: Where will updated FAQs be posted?

A: Updated FAQs are posted in the webinars section.

Q: Where on the website will presentation slides from county webinars be posted?

A: Webinar slides and materials can be found on the state's COVID website at <https://covid.ks.gov/spark-webinar-materials/>

Q: Who should people email at Recovery Office to receive notification of upcoming meetings per KOMA?

A: The Office of Recovery posts on Public Square 24-48 hours before the meeting happens. Email doug.gerber@ks.gov in order to request notification of upcoming meetings with the Office of Recovery.

Q: Why aren't meeting agendas posted for the public? And is there a reason PowerPoint slides aren't posted for the public to follow along with during the meeting?

A: All meeting agendas and items are posted on the official website – covid.ks.gov/spark. While we try to post them before the meeting, if they are not, the Youtube link allows individuals to follow along with the slides at that time.

Point of Contact:

Q: Is there a way to change the point of contact that was designated or confirm a point of contact?

A: Please contact the Office of Recovery at recovery@ks.gov to file or confirm a point of contact.

Q: If the county hires an accounting/compliance firm, who would be the designated signer for the expenditure/reimbursement reports?

A: The primary contact who signs the document should be a member of the county government or other designated public employee noted on the initial primary contact form.

General/Uncategorized:

Q: What is the red category? Can counties call in and see if they have anything in this category?

A: Categories are as follows:

Green: Go ahead, expenses comply.

Yellow: Proceed, however there are questions from the Office of Recovery that need to be answered.

Red: Reimbursements are ineligible and must be reallocated.

The state will not recoup states until counties have the opportunity to reallocate funds and answer any questions. Technical assistance will partner and walk through this portion with counties. As memos go out, these categories will be clearer and counties will be able to proceed.

Q: Is a federal audit is required if 750k is expensed or allocated?

A: If the state has transferred 750k or more, the county is subject to a federal audit. The Office of Recovery recommends that counties speak to county representatives and experts on specifics, to ensure compliance.

Q: How is the state managing the conflict of interest if a county is also using those firms?

A: The Office of Recovery has reached out to these counties about potential conflict of interest. At the completion of these counties' plans, those firms will not review their plans, so the separation is kept and there is no conflict of interest.

Q: What documentation will be required of subrecipients?

A: As of now, they will have to report their expenditures through the reimbursement reporting form, as the counties are also required to do. We ask that you keep that focused on the county level. The idea is to ensure that all groups have the right documentation in the event that there is a federal audit.

Q: Will there be any guidance on suggested documentation to obtain for verification on things like small business grants, medical care for uninsured, etc.. items that wouldn't have a valid receipt.

A: The Office of Recovery would recommend that counties track things as they seem fit to ensure that documentation exists in the case of a federal audit. State programs, such as the one put together by the Dept. of Commerce, can be used as a model.

Q: What will the Sept. 10th report consist of? (updated reporting deadlines at the top of document)

A: The Office of Recovery is working on an updated spreadsheet for the next iteration of reporting. The Office of Recovery will review expenditures and ask for additional information, deem eligible/ineligible expenditures. The Office of Recovery is working to split questions into more localized regions, so that questions will be answered quicker and focused on regions.

Q: Is it possible to do zero percent forgivable loans or interest and principal payment abated for one or two years, especially with hospitality firms?

A: Loans are a permissible expense, but not recommended. Loans are considered to be incurred during the covered period of 3/1 to 12/30 if (i) the full amount of the loan is advanced to the borrower within the covered period and (ii) the proceeds of the loan are used by the borrower to cover expenses incurred during the covered period.

Q: Is EIDL (economic impact direct loan) funding considered duplication of funds?

A: EIDL funding is within the same category as PPP. Businesses should check with their accounting staff and their terms of service for EIDL. Generally, the Office of Recovery recommends that CARES Act funds are not be used to pay for EIDL loans, however there are no specific federal guidelines at this time.

Q: Who in the Office of Recovery do counties report the interest or information to if our Treasurer put the funds in an interest-bearing account? How do counties do this?

A: Counties will not be required to report interest earned on CRF funds until the September Expenditure Report. More details on how that should be reported will be released soon. (updated reporting dates at top of document)

Q: How can counties be sure that guidance interpretations have been received?

A: The Recovery Office Team is working to check and process guidance interpretation requests. Responses are being sent out in groups of 15-20 every day, and are being answered as soon as possible.

Q: When considering infrastructure investments to make the December 30th timeline, is it sufficient to have funds obligated? Or would having a signed contract and putting funds into escrow be acceptable?

A: Under the federal guidance, a contract and escrow is not sufficient. Performance or delivery must occur during the Covered Period of March 1 – December 30, 2020. Accordingly, if the expenditure is for something that cannot be delivered and used during that time period, it is not eligible. The guidance gives some flexibility for unforeseeable delays during delivery, but if you know the good or service cannot be delivered and used before December 30, it is not an eligible expense.

Q: Is there confirmation for submissions? How will we know if our submissions have been received?

A: Yes. For direct aid forms and reimbursement forms, there will be confirmation that your forms have been received.

Q: How can we confirm that a request isn't being duplicated? Is there a report of what has already come into various agencies in the county that we can double check?

A: The first line of defense is to have entities self-report and certify that they have not received reimbursement from any other state or federal program. We will be working on this in the future.

Q: Do the connectivity plans that the Department of Commerce is pondering have a match making service of funding?

A: There will likely be a cost sharing service in the range of 50/50, but these percentages are not yet determined and will depend on the service provider.

Q: How should counties provide funding to LTC facilities that are holding on to previously received funds and are being advised from financial offices to pursue reimbursement from SPARK funds instead of using those funds already received?

A: CRF funds may not be used for expenses that have been reimbursed under any other federal program. Counties should require applicants for grants to certify that they have not received reimbursement from any other sources.

Q: Is it justifiable to add in administrative fees for the agencies that are administering the programs? For example, if we build a program that supports businesses, can the Chamber receive funds to administer the program?

A: Yes, and we are asking that those be capped at 5%.

Q: If using an outside company to manage, what is the allowable percentage they can charge the counties?

A: Overall administration for the program should be capped at 5%.

Q: For counties that have 2 entities doing the administration and dividing the 5% of the total grant fund on those from what was understood, would each subrecipient be allowed to use 5% of their direct aid allocation to go toward 5%, or will that need to come out of the gross 5% of the total county allocation?

A: 5% for your county administration and 5% for your subrecipients. The 5% does not need to be taken out of the county percentage. However, please try to manage this as much as possible and keep administrative costs to what it is needed.

Q: Is there a percentage set for indirect or administrative costs at the county level?

A: The recommended percentage for administrative costs is 5% of the total CRF funds allocated to the county. Administrative costs must be reflected on the direct aid plan and approved accordingly.

Q: If a county transfers funds to a subrecipient, who completes the subrecipient report?

A: For direct subrecipients of county funds, subrecipients are required to record and report all expenditures to counties prior to the reporting deadline. Counties are responsible for compiling all subrecipient maintaining records of subrecipient expenditures

Q: Are subrecipients subject to a single audit for their received funds or is the county audit going to cover that and just request documentation of those expenditures from their subrecipients?

A: According to current federal guidance, the State will be subject to potential audit by the Office of the Inspector General at the United State Department of the Treasury. In the event of such an audit, Counties will be expected to cooperate and provide whatever supporting documentation is requested by the OIG. Accordingly, Counties should require subrecipients to document and report as much as possible regarding their expenditures. You may use MOUs or other legal documentation to share accounting responsibility between the county and the sub-recipient.

Q: Will individual nursing homes apply for the bed money or is it a direct transfer from the State based on beds, etc?

A: They don't need to apply, it's a direct transfer from KDADS.

Q: Does a business have to have been closed either voluntarily or as the result of a closure order to get money from county in Round 1?

A: No. Federal guidance allows fund payments to be used for economic support in the absence of a stay-at-home order if such expenditures are determined by the County to be necessary. This may include grants for small businesses affected by decreased customer demand as a result of the COVID-19 public health emergency, even in the absence of a required closure.

Q: What is the difference between a “business disruption” and “revenue shortfalls”?

A: The CARES Act specifically allows funds to reimburse small businesses for the costs of “business interruptions/disruptions” caused by required closures. Required closures can be due to a state or a local stay-at-home or similar order. The definition of a “small business” is at the discretion of the entity managing CARES Act funds.

The term “revenue shortfalls” refers only to public institutions, such as state and local governments, who are not eligible to supplant losses in revenue (taxes, fees, etc.) incurred due to COVID-19. In other words, only businesses may receive grants or loans to cover operating losses due to COVID-19.

Q: Can applicants apply for funds to cover revenue shortfalls?

A: No. CRF may not be used to fill revenue shortfalls of public institutions based on federal guidance.

Q: Can monies be allocated for 2021 response activities (ie. contact tracers, nurses, etc.)?

A: Only if the expenses or goods and services are incurred prior to December 30, 2020. Reference federal guidance for further instruction.

Q: What will be considered as duplication of funds or is there any?

A: Counties should ensure that recipients who have received reimbursements from the federal government for COVID-19 costs do not receive reimbursements from the county for those same costs. Additionally, Counties should ask in any program application what funds the applicant has received from other CARES Act sources to ensure that the same COVID-19 expense is not being reimbursed or rectified using direct aid expenses more than once.

Q: If a contractor has difficulty sourcing particular resources for a building project that causes completion to be pushed past December 30, would this be considered a supply chain disruption?

A: Yes, as long as the building project is necessary to combat the COVID-19 emergency and there is a supply chain disruption that delays the ability of that contractor to complete the performance or delivery of a cost during the eligible period of March 1st to December 30th. But at the time of entry into a procurement contract specifying a time for completion, that completion date must be reasonably expected to be before December 30. Projects that cannot be completed before December 30, 2020, where the recipient knows that at the time of contracting, do not qualify for CRF funds.

Q: Are sealed bids required for the procurement of construction costs over \$250,000? Or, can counties use a noncompetitive proposal process because the condition is met that there is a public emergency and a sealed bid will cause a delay?

A: Federal guidance includes no stated restrictions regarding applicable procurement standards. The Office of Recovery has no specific procurement requirement for CRF funds. However, the funds must be used for necessary expenses and performance or delivery of the cost must occur during the required period. Counties should follow local procurement practice and laws.

Q: Is there anything in the CARES Act that waives the State of Kansas bid law so school district bids over \$20,000 do not have to occur by Kansas State Statutes?

A: This is a county-level determination. Consult your county counsel for more guidance.

Q: If a State transfers Fund payment to its political subdivisions, would the transferred funds count toward the subrecipients' total funding received from the federal government for purposes of the Single Audit Act?

A: Yes. The Fund payments to subrecipients would count toward the threshold of the Single Audit Act and 2 C.F.R. part 200, subpart F re: audit requirements. Subrecipients are subject to a single audit or program- 11 specific audit pursuant to 2 C.F.R. § 200.501(a) when the subrecipients spend \$750,000 or more in federal awards during their fiscal year.

Q: Are counties permitted to use payments from the Fund to cover the expenses of an audit conducted under the Single Audit Act?

A: Yes. Recipients are permitted to use payments from the Fund to cover the expenses of an audit conducted under the Single Audit Act. Subrecipients are subject to a single audit or program- 11 specific audit pursuant to 2 C.F.R. § 200.501(a) when the subrecipients spend \$750,000 or more in federal awards during their fiscal year.