

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

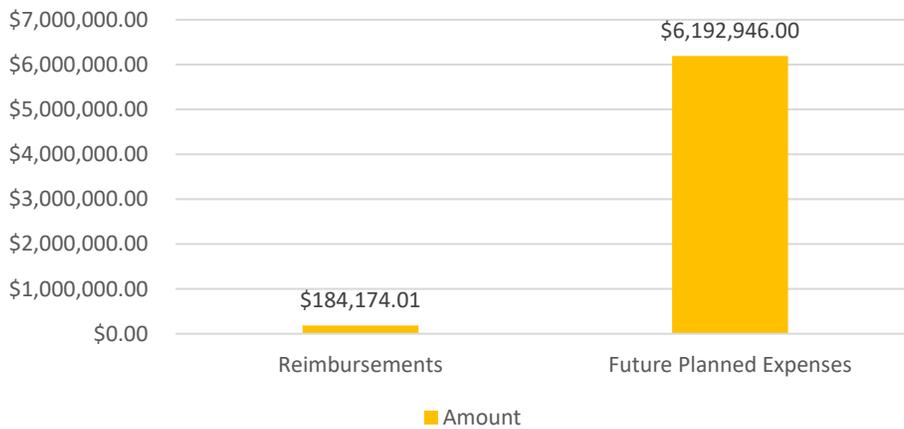
**Date** September 3, 2020  
**Re** Review of Reimbursement and Direct Aid Spending Plan for Geary County

**General Information**

Population: 31,670  
COVID-19 Cases 08/17/2020: 244

Total Allocation Amount: \$6,377,119.74  
Total Submitted for Reimbursement: \$184,174.01  
Total Submitted for Future Planned Expenditures: \$6,192,946.00

**SPENDING PLAN OVERVIEW**



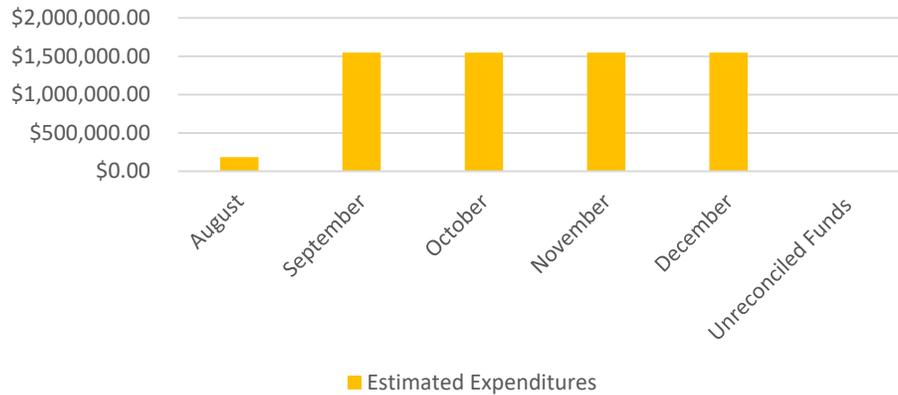
**Reimbursement Request Overview**

Total Amount for County Expenditures: \$184,174.01  
Total Amount for Subrecipients: \$0

**Direct Aid Overview – Future Spending Plan**

Total Amount for County Expenditures: \$3,072,124.00  
Total Amount for Transfers: \$1,492,547.00  
Total Amount for Programs: \$1,628,275.00

### PROJECT SPEND DOWN RATE



### Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
Cloud County Community College-Geary County Campus	Higher Education Institution	\$33,187.00
Grandview Plaza City Clerk	Governmental Entity	\$10,000.00
City of Junction City	City	\$1,047,283.00
USD 475	Educational Institution	\$340,142.00
RWD #4	Taxing Authority	\$41,252.00
<b>Total</b>		<b>\$1,471,864.00</b>

### Proposed Programs

Program Title	Program Description	Program Budget Amount
Konza Community Health Transfer for COVID-19 Response	This program will protect members of the public and ensure continuity of government functions during the COVID-19 pandemic.	\$61,228.00
Geary Community Health/Hospital Transfer for COVID-19 Response	This program will protect members of the public and ensure continuity of government functions during the COVID-19 pandemic.	\$1,496,449.00
Dorothy Bramlage Public Library	This program will protect members of the public and ensure continuity of government functions during the COVID-19 pandemic.	\$20,598.31
YMCA Transfer for COVID-19 Response	This program will protect members of the public and ensure continuity of	\$20,683.75

	government functions during the COVID-19 pandemic.	
Business Programs to Assist with the Impacts of COVID-19	This program will protect members of the public and ensure continuity of government functions during the COVID-19 pandemic.	\$25,000.00
	<b>Total</b>	<b>\$1,623,959.06</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**

Geary County has prioritized its reimbursement requests for the County. Total County reimbursements equal 100% of all eligible expenditures, while subrecipient requests total none of what was submitted for reimbursement review.

Geary County’s substantially larger direct aid request prioritizes county-level expenditures, which amounts to 49.61% of the \$1,492,547.00 submitted for direct aid review. However, transfers to subrecipients and future programs altogether comprised a larger spread of planned expenditures at \$3,120,822.00. Notably, the Geary Community Health/Hospital accounts for \$1,496,449.00 of program requests with the City of Junction accounting for \$1,047,283.00 of transfer requests.

Geary County should ensure that all expenses respond clearly to purpose and intent of CRF funding, meet 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**

Geary 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. However, the payroll expenses and County’s modification to an existing facility may not meet SPARK eligibility standards and therefore carry increased levels of risk.

## 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. Modification to an Existing Facility

**\$32,500.00**

Direct Aid

As this represents a capital improvement, the County should ensure that the proposed project is bid appropriately, meets uniform guidance standards outlined in 2CFR 200, is cost reasonable, and can be substantially completed prior to December 30, 2020.

### 3. Duplication of Costs

**\$133,000.00**

Reimbursement & Direct Aid

The County has a reimbursement expense for \$50,000 in Testing Supplies, \$25,000 for construction to modify a homeless shelter, and \$58,000 for a COVID-19 testing machine, totaling \$133,000. These

three items, with identical descriptions are also listed in Direct Aid request from the County. More specific information is requested if these items are needed for more than one entity, or if they are an erroneous duplication.

### Spending Plan Request for Additional Information

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

Item	Recipient	Amount	Comment
Duplication of Costs	Geary County	\$133,000.00	More information is required to determine whether these costs are an erroneous duplication or are required for more than one entity.

### Modifications Required

- The total amount for county expenditures, programs, and transfers (located in the Direct Aid Plan's summary page) should be further investigated to determine the correct amount for each form of planned expenditure and, thus, total planned expenditures.
  - When generated through each program tab, programs are estimated to potentially have \$1,623,959.06 in planned expenditures rather than the \$1,628,275.00 laid out in the summary page. When generated through each transfer's tab, transfers for subrecipients are estimated to potentially spend approximately \$1,471,864.00 in planned expenditures rather than the \$1,492,547.00 laid out in the summary page. The following factors explain the reasoning behind such discrepancies:
    - The Business Programs to Assist with the Impacts of COVID-19 program appears to have been incorrectly described in the summary page to have \$50,000.00 in planned expenditures rather than the \$25,000.00 as detailed in its tab.
    - The YMCA Transfer for COVID-19 Response is documented as a program in its tab and titled as 'Program 4' rather than 'Transfer 6' as labeled in the summary page, causing the total planned expenditures for transfers to be incorrectly higher by \$20,683.75 and such expenditures for programs to be incorrectly less by \$20,683.75. However, if YMCA Transfer for COVID-19 Response is intended to be a transfer as it describes in the summary page, necessary changes should be made to ensure proper documentation for this transfer request.
    - The planned expenditures for Cloud County Community College-Geary County Campus's transfer were incorrectly inputted as \$1.00 less than it was written as in the summary page.
  - The County's planned expenditures were totaled to be \$3,255,872.38 but were incorrectly inputted as \$3,072,124.00 in the summary page.
- The entries for 'Date Expected' begins at year 2020 to 2044. It appears that this was an error, but due to the December 30, 2020 deadline set through the CRF, this may be of concern and need correction.

3. The Reimbursement Report's summary page should be further investigated to determine the need to fill in its missing information.
4. The YMCA Transfer for COVID-19 Response is incorrectly described as 'Funding made available to Dorothy Bramlage Public Library for COVID-19 response,' despite describing in other sections its nexus to YMCA.
5. If the \$133,000.00 expenses listed above are a duplication of already reimbursed expenses, then they need to be removed from the Direct Aid document.

## Conclusion

1. Based on the documents provided by Geary County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. Geary County should provide responses to all requests for additional information outlined in this memo.
3. Geary County has an appropriate Project Spend Down Rate representing a low risk of funds not being expended on or before December 30, 2020.
4. Geary County has proposed many potential subrecipient arrangements. The County should ensure they have the appropriate level of administrative capacity to effectively monitor these subrecipients.
5. Geary County should consider developing a templated sub-recipient monitoring plan to ensure consistent monitoring of subrecipients (cities, schools, non-profits) for compliance use of funds.
6. For the Business Program, if not already in place, Geary 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.

Geary County needs to provide responses and documentation for the above Requests for Additional Information and resolve issues with the potential unallocated/duplicative funds represented in both the reimbursement tab and the direct aid workbook. Concurrent to these modifications, the County may proceed with implementing use of its CRF allocation.