

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

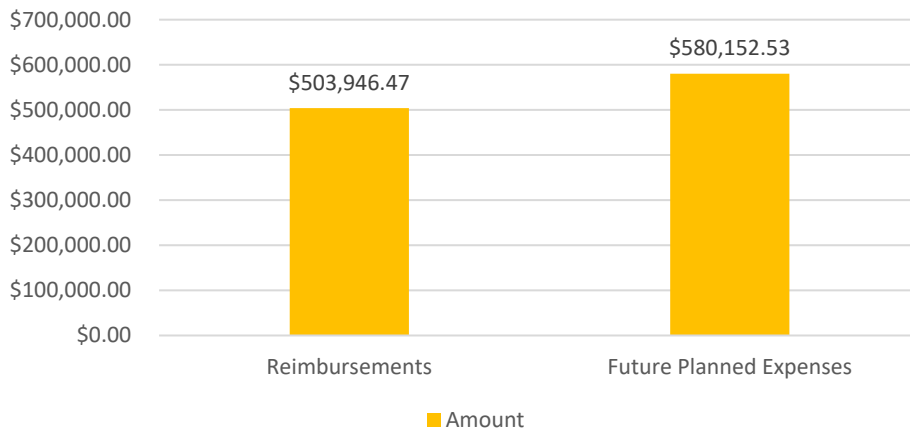
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Harper County

General Information

Population: 5,436
 COVID-19 Cases 08/17/2020: 42

Total Allocation Amount: \$1,084,998.60
 Total Submitted for Reimbursement: \$503,946.47
 Total Submitted for Future Planned Expenditures: \$580,152.53

SPENDING PLAN OVERVIEW



Reimbursement Request Overview

Total Amount for County Expenditures: \$492,165.31
 Total Amount for Subrecipients: \$11,781.36

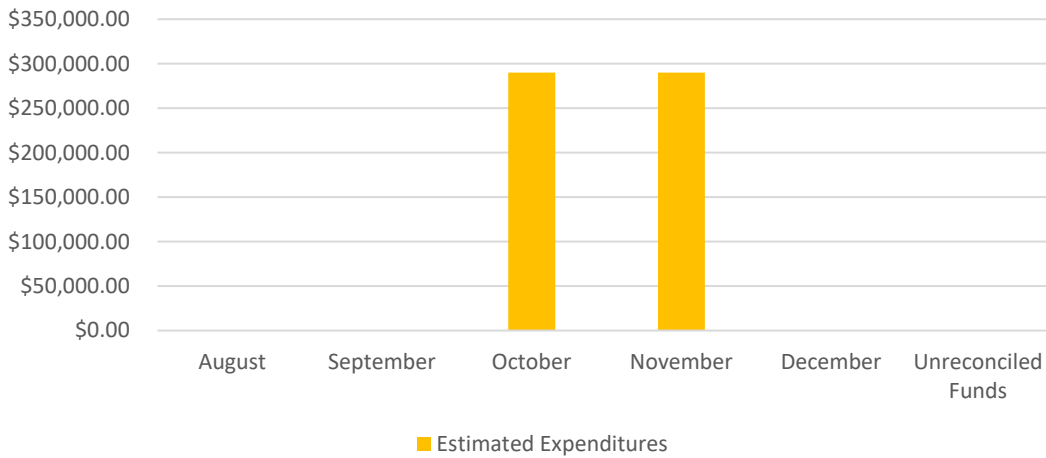
Subrecipients and Amounts

| Subrecipient | Type | Amount |
|-----------------------------|----------------------------|--------------------|
| City of Anthony | City | \$2,084.35 |
| City of Attica | City | \$409.88 |
| City of Harper | City | \$931.39 |
| USD 361 | Educational Institution(s) | \$1,548.48 |
| USD 511 | Educational Institution(s) | \$2,512.57 |
| Attica Hospital District #1 | Taxing Authority | \$4,294.69 |
| Total | | \$11,781.36 |

Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$163,044.40
 Total Amount for Transfers: \$366,040.13
 Total Amount for Programs: \$50,478.00

PROJECT SPEND DOWN RATE



Subrecipients/Transfers and Amounts

| Subrecipient | Type | Amount |
|-------------------------------|----------------------------|---------------------|
| City of Anthony | City | \$17,382.64 |
| City of Attica | City | \$20,000.00 |
| City of Harper | City | \$17,370.00 |
| USD 361 | Educational Institution(s) | \$179,398.14 |
| USD 511 | Educational Institution(s) | \$100,892.59 |
| Anthony Community Care Center | Non-Profit | \$15,000.00 |
| Attica Hospital District 1 | Taxing Authority | \$15,996.76 |
| Total | | \$366,040.13 |

Proposed Programs

| Program Title | Program Description | Program Budget Amount |
|--|---|-----------------------|
| Part-time Open Air Physical Education Teacher | Hire a part-time teacher to take the student outside for PE, giving students time in the fresh air and classrooms time to air out and be disinfected. | \$10,239.00 |
| | Although the position will continue through the end of the school year, CRF funding will only be | |

used during the eligibility period with the school covering the remainder of the expenses.

| | | |
|--|--|--------------------|
| Part-time Remote Learning Liaison | <p>We are hiring a person to be responsible for the facilitation of our remote learning platform as we will have students working from home. With our teaching staff being occupied with teaching the students in their classroom, we will need a person solely responsible for the facilitation of the students who are having to learn remotely for COVID reasons.</p> <p>Although the position will continue through the end of the school year, CRF funding will only be used during the eligibility period with the school covering the remainder of the expenses.</p> | \$10,239.00 |
| Part-time School Nurse | <p>We need a school nurse on campus any time we have students and staff on campus. This will ensure if someone becomes ill, we have someone who knows the safety protocols and can take care of the ill student/staff member. When a student or staff member presents any kind of COVID symptoms, we will need someone on staff to take care of their needs as well as keep the infected persons isolated from the rest of the student population. Having a school nurse on staff will be vitally important for this purpose.</p> <p>Although the position will continue through the end of the school year, CRF funding will only be used during the eligibility period with the school covering the remainder of the expenses.</p> | \$20,000.00 |
| COVID Screener/Sanitizer | <p>This person will be responsible for daily COVID screenings as well as much of the sanitizing that will be performed through the day due to COVID. Screening and cleaning will be of utmost importance in keeping our students and staff safe and healthy during this time of possible COVID exposure. This person will be needed so that someone is responsible for the screening of anyone coming into the building as well to help sanitize as needed.</p> <p>Although the position will continue through the end of the school year, CRF funding will only be used during the eligibility period with the school covering the remainder of the expenses.</p> | \$10,000.00 |
| Total | | \$50,478.00 |

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 County should ensure that all 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.

The only programs submitted as part of the direct aid applications are to fund the payroll for four new positions with USD 511. These expenditures would be better reflected through a transfer of funds instead of as a program.

The calculated value for direct aid transfers differs from the total provided in the direct aid summary spreadsheet. This can be attributed to the transfer for USD 361 that was listed as \$179,988.14, which is \$590 more than what is listed on their transfer submission. Additionally, the amount calculated for reimbursements is \$.20 higher than the value provided in the direct aid summary. This means that there is \$589.80 in unreconciled funds available to the County.

The 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.

| Category | Total Provided | Total Calculated | Difference |
|----------------------------------|-----------------------|-----------------------|-----------------|
| Reimbursements | \$503,946.47 | \$503,946.67 | \$-.20 |
| Planned Independent Expenditures | \$163,044.40 | \$163,044.40 | \$0.00 |
| Programs | \$50,478.00 | \$50,478.00 | \$0.00 |
| Transfers | \$366,630.13 | \$366,040.13 | \$590.00 |
| Total | \$1,084,099.00 | \$1,083,509.20 | \$589.80 |

Technical Understanding of SPARK Process

Harper 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, all of the programs submitted for Harper County are actually

payroll expenses that would be better reflected as transfers, given that the intent is only to hire one individual in each case. Additionally, there are some numerical discrepancies between the summary information provided by Harper County and the calculated totals from the individual submissions.

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. Training and other Equipment for EMS – 4 items

\$85,676.84

Direct Aid

The items outlined in the County's direct aid plan for EMS training and general service need to demonstrate how the need for these items was brought on by the COVID-19 pandemic. These items include the following: an IV simulator arm, a child simulator, training mannequins, and an item described as assisting with lifting patients. Given that these items seem generally necessary to efficient training and workflow needed prior to the COVID-19 pandemic, there may be risk that such

items were previously budgeted and/or are unrelated to COVID-19 response. The County should appropriately document the nexus to COVID-19 in its procurement file for these purchases.

Spending Plan Request for Additional Information

No further information is requested.

Modifications Required

1. The expenses listed as a Program should be changed to a transfer.
2. The calculation errors listed above should be corrected.

Conclusion

1. Based on the documents provided by Harper County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. Harper County has an appropriate Project Spend Down Rate representing a low risk of funds not being expended on or before December 30, 2020.
3. Harper County has proposed many potential subrecipient arrangements. The County should ensure they have the appropriate level of administrative capacity to effectively monitor these subrecipients.
4. Harper 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.
5. The 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.

Subject to review of the noted modifications outlined above, and considerations regarding payroll expenses, Harper County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.