

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

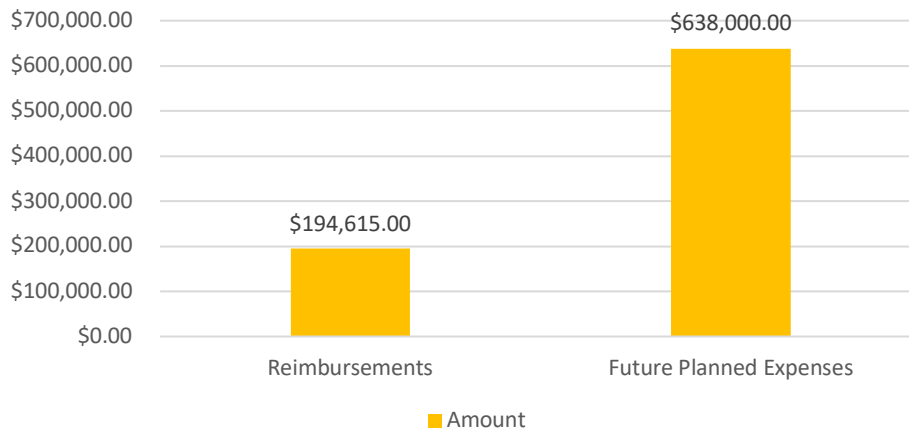
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Haskell County

General Information

Population: 3,968
 COVID-19 Cases 08/17/2020: 53

Total Allocation Amount: \$832,614.74
 Total Submitted for Reimbursement: \$194,615.00
 Total Submitted for Future Planned Expenditures: \$638,000.00

SPENDING PLAN OVERVIEW



Reimbursement Request Overview

Total Amount for County Expenditures: \$65,982.93
 Total Amount for Subrecipients: \$128,632.07

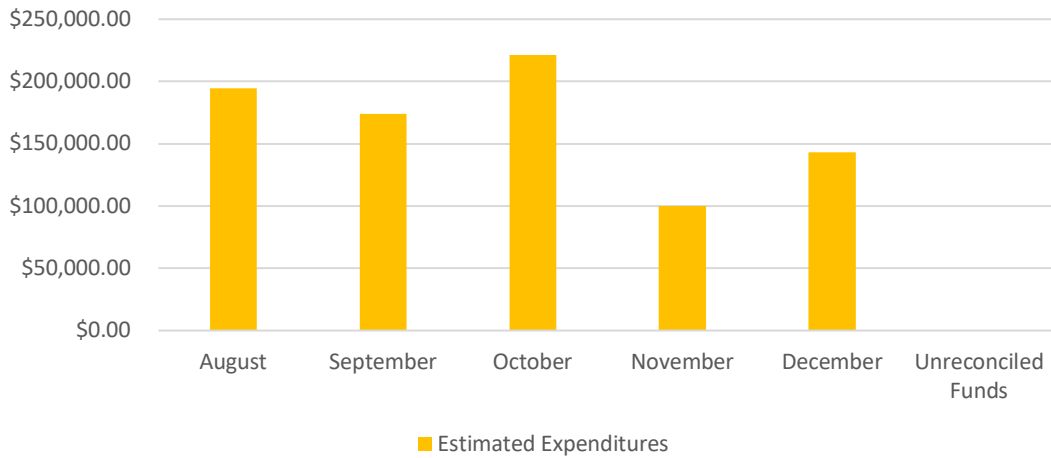
Subrecipients and Amounts

Subrecipient	Type	Amount
City of Sublette	City	\$8,724.04
City of Satanta	City	13,970.38
USD 374	Educational Institution(s)	\$96,113.44
USD 507	Educational Institution(s)	\$6461.14
Dudley TWP Library	Library	\$1,356.58
Haskell TWP Library	Library	\$2,006.49
Total		\$128,632.07

Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$58,825.00
 Total Amount for Transfers: \$272,175.00
 Total Amount for Programs: \$307,000.00

PROJECT SPEND DOWN RATE



Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
USD 507	Educational Institution(s)	\$201,709.00
USD 374	Educational Institution(s)	\$70,466.00
Total		\$272,175.00

Proposed Programs

Program Title	Program Description	Program Budget Amount
City of Sublette - Social Distance Capabilities	Remote Meetings and conference call capabilities. Social distancing for meetings and to limit the number of employees in the city office by allowing remote recording of meter readings.	\$14,500.00
City of Satanta - Social Distance Capabilities	Remote Meetings and conference call capabilities. Social distancing for meetings and to limit the number of employees in the city office by allowing remote recording of meter readings.	\$14,500.00
Haskell County Health Dept – Incident Trailer	Health Incident Trailer for COVID-19 testing, vaccination, POD and incident command	\$40,000.00

including contact tracing

Satanta District Hospital and LTCU - Local Small Business Public Health Expenses	Childcare for Medical/Essential workers. Expenses for building, land, and renovation for community daycare in anticipation of possible school shutdown due to COVID-19. Essential services, including the hospital, 2 health care clinics & public health staff need daycare for employees.	\$50,000.00
Pride of Life Senior Center – Food services to the elderly and PPE	Elderly and disability Services. Meals for Elderly in prepared food foam containers. Purchase of disinfection products, supplies and services	\$1,500.00
Happy Agers Senior Center - Food services to the elderly and PPE	Elderly and disability Services. Meals for Elderly in prepared food foam containers. Purchase of disinfection products, supplies and services	\$1,500.00
Community Grant Committee-sub-committee of the SKARK Committee - Small business and not for profit grant program	Grants to be applied for by small businesses and not for profit organizations within Haskell County for up to \$5,000 each for reimbursement of expenses and/or loss of revenue during the COVID-19 pandemic	\$185,000.00
Total		\$307,000.00

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.

Several items submitted as programs would be more accurately reflected as transfers given that they are one-time purchases.

Technical Understanding of SPARK Process

Haskell County and its subrecipients demonstrate a generally proficient understanding of the SPARK eligibility standards. 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 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. Local Small Business Public Health Expenses

\$50,000
Direct Aid

The project description states that the funds will be used for "building, land, and renovation," for a daycare facility. As this may represent a significant 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. Small Business and not-for-profit Grant program

\$185,000
 Direct Aid

As this is identified as a grant program, the County should have a well-qualified plan for how applicants will apply and be selected. Additionally, the County should ensure they have the appropriate level of administrative capacity to effectively administer the program and/or monitor any 3rd party entity responsible for administering the grant program.

4. Dudley Library Summer Reading and After School items

\$740.78
 Reimbursement

Dudley Library is requesting funds for several expenditures for prizes for a summer reading program and DVDs for an after-school program in lieu of their regular summer reading celebration and in-person programs. The County should ensure that the proposed use of funds is necessary to address impacts of the COVID-19 public health emergency.

Spending Plan Request for Additional Information

The following items require additional information from the County prior to proceeding with utilizing CRF proceeds for each.

Item	Recipient	Amount	Comment
Satanta District Hospital DayCare Building	Satanta District Hospital and LTCU	\$50,000.00	More information is requested on the necessity related to the COVID-19 pandemic event and the project development timeline associated with the proposed building renovation/construction.

Modifications Required

1. All dates listed as December 31st, 2020 should be changed to reflect the correct eligibility date of December 30th, 2020 in future reporting.
2. The programs outlined above that are better suited as direct transfers should be represented accordingly in future reporting.

Conclusion

1. Based on the documents provided by Haskell County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. Haskell County has an appropriate projected project spend down rate in accordance with program guidelines and eligibility, however, the County should make note that the covered period for expenditures ends on December 30, 2020.
3. Haskell 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. Haskell 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. For the Grant Program, if not already in place, Haskell 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, Haskell County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.