

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

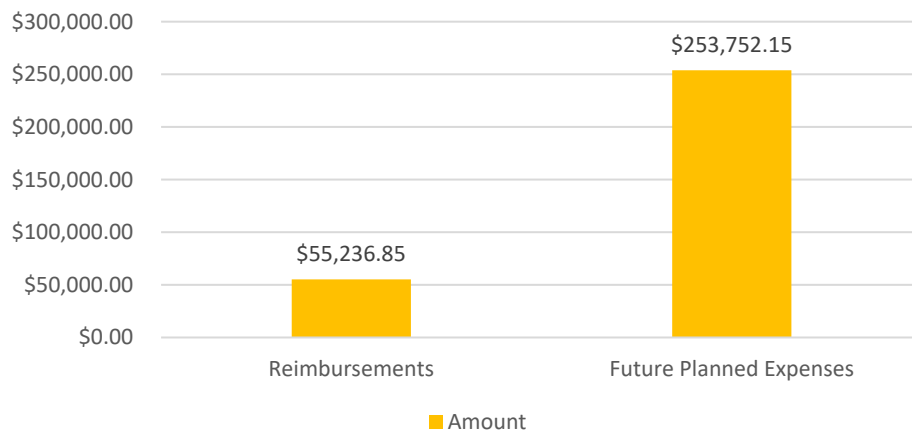
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Lane County

General Information

Population: 1,535
 COVID-19 Cases 08/17/2020: 7

Total Allocation Amount: \$308,989.22
 Total Submitted for Reimbursement: \$55,236.85
 Total Submitted for Future Planned Expenditures: \$253,752.15

SPENDING PLAN OVERVIEW



Reimbursement Request Overview

Total Amount for County Expenditures: \$35,449.05
 Total Amount for Subrecipients: \$19,787.80

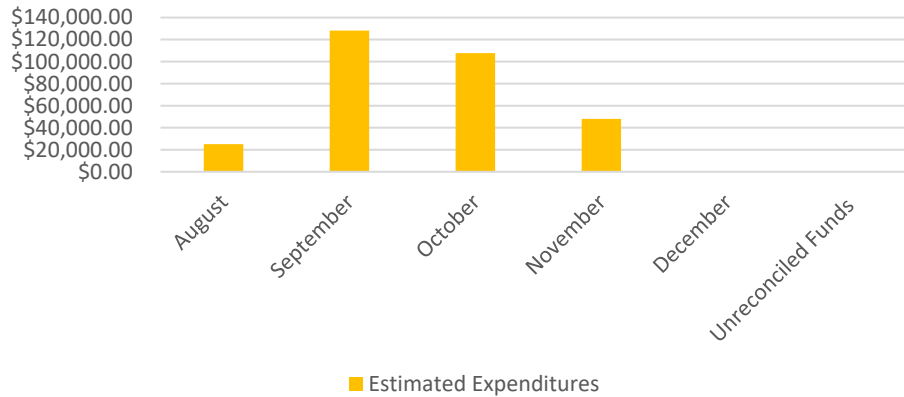
Subrecipients and Amounts

Subrecipient	Type	Amount
City of Dighton	City	\$7,622.88
Walnut Creek Extension	Taxing Authority	\$49.68
USD 468	Educational Institution	\$12,115.24
Total		\$19,787.80

Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$80,076.00
 Total Amount for Transfers: \$107,676.15
 Total Amount for Programs: \$66,000.00

PROJECT SPEND DOWN RATE



Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
USD 482	Educational Institution	\$89,334.29
City of Dighton	City	\$9,399.87
Walnut Creek Extension	Taxing Authority	\$241.99
Lane County District Court	Taxing Authority	\$8,700.00
Total		\$107,676.15

Proposed Programs

Program Title	Program Description	Program Budget Amount
Local Small Business, Non-Profit, and Individual COVID-19 Grant Program	Grant program dedicated to providing economic support to small businesses and non-profits that have been significantly impacted by COVID-19 and need to address its impacts.	\$66,000.00
Total		\$66,000.00

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

Lane County has prioritized its reimbursement requests for the County. Total County reimbursements equal 64.18% of all expenditures, while subrecipient requests total 35.82% of the \$55,236.85 submitted for reimbursement review. In particular, cities make up 13.8% of the reimbursement requests and educational institutions comprise 21.93%.

Lane County's substantially larger direct aid request prioritizes transfer expenditures, which amounts to 42.3% of the \$253,752.15 submitted for direct aid review. Transfers to cities decreased from the reimbursement request, accounting for 8.73% of transfer requests. Conversely, educational institutions account for 82.97% of transfer requests with \$89,334.29 planned in expenditures.

The County should ensure that all expenses, transfers, and programs respond clearly to purpose and intent of CRF funding, meets all eligibility criteria, and will be documented to the county file to support the expense incurred before December 30, 2020.

Technical Understanding of SPARK Process

Lane 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.

Identified Considerations

1. Payroll Expenses

The matter of reimbursement for previously budgeted but substantially dedicated public safety and public health staff to COVID-19 related responsibilities remains an item of subjective interpretation. The Office of Recovery understands that many Counties and Cities are intending to utilize funding provided through CRF to account for this staff time. At this time, consistent with recently released guidance, the Office of Recovery has determined that the County may proceed with reimbursing the following payroll expenses:

- COVID-19 related FFCRA and FMLA leave costs
- Payroll for budgeted personnel and services diverted to a substantially different use than previously budgeted position (example: utility clerk re-assigned to support contact tracing)

- Previously unbudgeted staff hired to assist with COVID-19 related response or mitigation.
- Payroll for budgeted public safety and public health personnel that are considered substantially dedicated to preparing for, mitigating against or responding to COVID-19, and whose actions can be clearly documented. Public safety employees would include police officers (including state police officers), sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel. Public health employees would include employees involved in providing medical and other health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions, and other support services essential for patient care (e.g., laboratory technicians) as well as employees of public health departments directly engaged in matters related to public health and related supervisory personnel.
- Overtime cost burden associated with public safety, public health, health care, human services, or other employees experienced by the County, Cities or Schools as a result of increased workload associated with mitigating or responding to COVID-19 -or- backfill coverage as a result of staffing shortages tied to COVID-19 (including as a result of staff out due to a qualifying FFRCA or FMLA leave).

The U.S. Treasury's Office of Inspector General recently released additional guidance on how payroll expenses should be documented (OIG-CA-20-028; #62, 69-71). The County should ensure that all payroll is documented compliant to the OIG Guidance.

2. Chevrolet Suburban

\$43,675.70
Direct Aid

As this represents a significant purchase, 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 acquired prior to December 30, 2020.

3. Local Small Business, Non-Profit, and Individual COVID-19 Grant Program

\$67,000.00
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.

Spending Plan Request for Additional Information

No additional information is requested at this time.

Modifications Required

There are no modifications required at this time.

Conclusion

1. Based on the documents provided by Lane County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. Lane County has an appropriate Project Spend Down Rate representing a low risk of funds not being expended on or before December 30, 2020.
3. Lane 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.
4. For the Grant Program, if not already in place, Lane 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.
5. Lane 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 additional documentation requested and considerations regarding payroll expenses, Lane County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.