

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

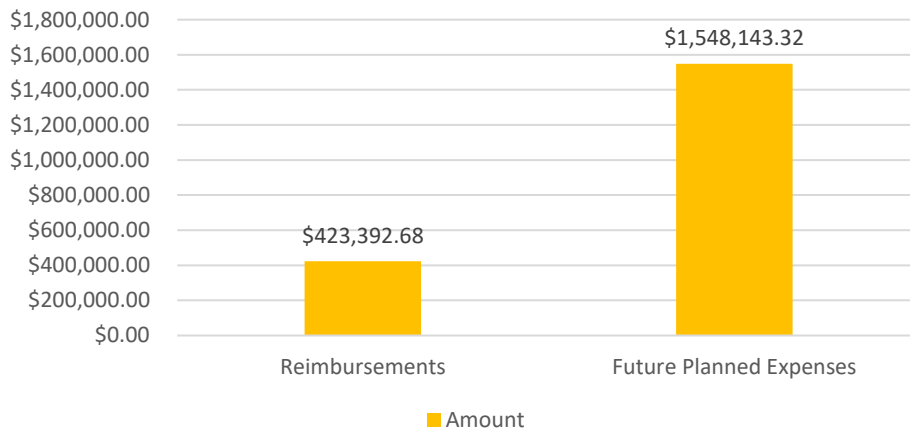
**Date** September 5, 2020  
**Re** Review of Reimbursement and Direct Aid Spending Plan for Linn County

**General Information**

Population: 9,703  
 COVID-19 Cases 08/17/2020: 52

Total Allocation Amount: \$1,971,536.21  
 Total Submitted for Reimbursement: \$ 423,392.68  
 Total Submitted for Future Planned Expenditures: \$ 1,548,143.32

**SPENDING PLAN OVERVIEW**



**Reimbursement Request Overview**

Total Amount for County Expenditures: \$ 311,301.72  
 Total Amount for Subrecipients: \$ 112,090.96

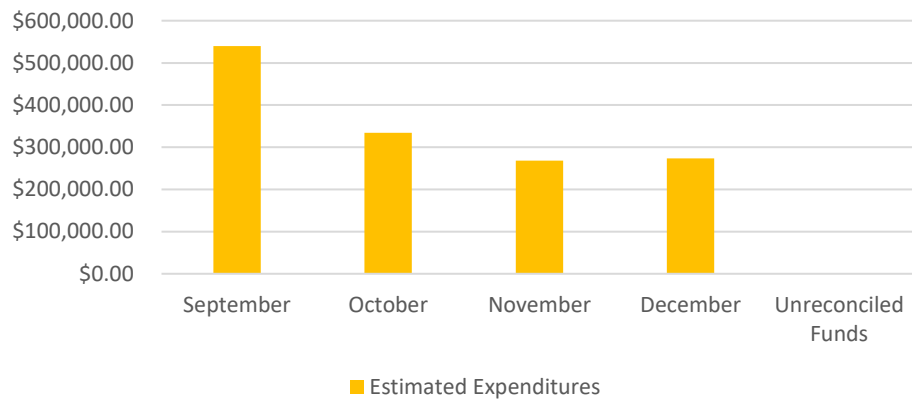
**Subrecipients and Amounts**

Subrecipient	Type	Amount
City of Blue Mound	City	\$42.40
SEK Mental Health Center	Health	\$9,438.35
City of Pleasanton	City	\$32,441.15
USD 344	Educational Institution	\$54,113.44
USD 346	Educational Institution	\$4,942.09
USD 362	Educational Institution	\$11,113.53
<b>Total</b>		<b>\$112,090.96</b>

## Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$ 0  
Total Amount for Transfers: \$ 158,357.90  
Total Amount for Programs: \$ 1,389,785.42

### PROJECT SPEND DOWN RATE



### Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
USD 344	Educational Institution	\$31,886
USD 346	Educational Institution	\$50,000
USD 362	Educational Institution	\$49,912.84
Southeast Kansas Mental Health Center	Health	\$1,300
City of Blue Mound	City	\$500
City of Pleasanton- Safeguards	City	\$7,509.06
City of Pleasanton- Medical	City	\$10,000
City of Pleasanton- Telework	City	\$7,250
<b>Total</b>		<b>\$ 158,357.90</b>

### Proposed Programs

Program Title	Program Description	Program Budget Amount
Linn County Sheriff COVID-19 Response Efforts- Quarantine and Enforcement	This program is developed to deliver Quarantine order and enforcement thereof.	\$11,344
Linn County Sheriff COVID-19 Response Efforts- Administration Project	This program is developed to assure the COVID-19 Response is directed effectively and products are ordered responsibly.	\$4,000

Linn County Sheriff COVID-19 Response Efforts- Grocery and Medical Delivery Project	This program is developed to deliver groceries and medication to the vulnerable population of Linn County, KS.	\$23,485
Linn County Sheriff COVID-19 Response Efforts- Test Delivery Project	This program is developed to deliver COVID-19 testing to various laboratories in the State of Kansas. Linn County Sheriff's personnel delivers each test from the test site to the laboratory for testing.	\$14,767.50
Linn County Sheriff COVID-19 Response Efforts- PPE	This program is developed to provide PPE and supplies for disinfectant to the staff of the Office and Jail.	\$6,000
Linn County COVID-19 Direct Aid	This program will respond to COVID-19 occurrences.	\$87,800
Linn County/Mound City Communications Tower	This project would allow the county to maintain the separation of county departments to help prevent a larger shutdown of governmental functions should a COVID-19 outbreak happen with government employees. More importantly this would allow the large area of the Linn County Fairgrounds to be used more effectively in the event of a COVID-19 outbreak in the Linn County; and would allow for better communications/security in the event the area is need to dispense medications or supplies due to COVID-19.	\$80,100
Linn County Commission Room Audio	This project could allow the county to continue to live stream the commission (and other) meetings and be heard clearly by any viewers. Which in return allows the county to more easily restrict access to the Commission room due to COVID-19 concerns.	\$17,850
Linn County Court Room	This project would allow for a portable audio system, camera, recording system, and security.	\$26,000
Linn County Courtroom Live Stream	This project would allow the general public to view/participate in court hearings without having to come to the courthouse physically; and still meet COVID-19 best practices.	\$3,400
Linn County Telework Computers	This project would allow Linn County to provide remote connectivity and computers to employees to work remotely due to COVID-19 and/or COVID-19 emergency response.	\$21,340
Linn County Server Upgrade/Redundancy	This project would help to support to operations of the counties critical response entities including Sheriff, Health Department, Fire, and Emergency Management.	\$14,300
Linn County Temperature Sensors	This project would allow Linn County to easily screen the temperature of public/employees entering the buildings.	\$51,500

Contact Tracing Staffing for Public Health Dept.	This program provides additional nursing staff allocated to do contact tracing and health monitoring of persons in isolation and quarantine.	\$43,320
Linn County Emergency Management- Personal Protective Equipment Acquisition	This program assists response and reopening of government and other facilities by acquiring and providing PPE to medical workers, first responders and other public health and safety workers responding to the COVID-19 pandemic.	\$48,500
Linn County Emergency Management- Disinfectant Supplies & Equipment	This program assists response and reopening of government and other facilities by acquiring and providing disinfection of public areas and facilities required in response to the COVID-19 pandemic.	\$19,345
Testing Equipment & Lab Supplies	This program provides rapid, local testing capabilities for COVID-19.	\$139,500
Phase 1 - Public Health/EOC Construction Project	Phase 1 of this project will purchase the property, renovate the existing structure, add the outer shell for the remaining structure to meet square footage needs, and finish enough of the interior to meet the immediate needs of the Public Health Department and complete Phase 1 of the project.	\$855,000
<b>Total</b>		<b>\$ 1,389,785.42</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

Linn County has prioritized its reimbursement requests for the County. Total County reimbursements equal 73.5% of all eligible expenditures, while educational institution requests total 16.6% of the \$ 423,392.68 submitted for reimbursement review.

Linn County's direct aid request prioritizes various programs, which amounts to 89.8% of the \$1,548,143.32 submitted for direct aid review. Transfers to subrecipients to a total of \$158,357.90. Educational institutions account for 83.2% of transfer requests while cities and health institutions account

for the remainder of requests.

Linn County should ensure that their 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 expenses incurred before December 30, 2020.

## **Technical Understanding of SPARK Process**

Linn 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. 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. Linn County/Mound City Communications Tower**

\$ 80,100  
Direct Aid

As this represents a significant capital expense, 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. Testing Equipment & Lab Supplies**

\$ 139,500  
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.

**4. Phase 1 - Public Health/EOC Construction Project**

\$ 855,000  
Direct Aid

As this represents 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.

This is identified as a two phase project, with the first phase funding source identified as CRF and no funding source outlined for phase 2. Additionally, a timeline was not provided for overall project completion.

**Spending Plan Request for Additional Information**

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

Item	Recipient	Amount	Comment
<b>Phase 1 - Public Health/EOC Construction Project</b>	Linn County Health and Emergency Management Departments	\$ 855,000	The County should provide an overall accounting of both phases of the project including funding sources and provide a timeline for overall project completion.

**Modifications Required**

In several instances, Linn County has listed Direct Aid Funding as Programs when they should be either direct transfers or appear to be county expenditures. In future reporting, the County should ensure that the expenses are categorized correctly.

**Conclusion**

1. Based on the documents provided by Linn County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding but did not correctly complete the Direct Aid plan as instructed. However, enough information was provided to ascertain the intended use of funds.

2. Linn County should provide responses to all requests for additional information outlined in this memo.
3. Linn County has an appropriate Project Spend Down Rate representing a low risk of funds not being expended on or before December 30, 2020.
4. Linn County should ensure that their 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 expenses incurred before December 30, 2020.
5. Linn County has proposed many potential subrecipient arrangements. The County should ensure they have the appropriate level of administrative capacity to effectively monitor these subrecipients.
6. Linn 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.
7. For the Linn Grant Program, if not already in place, Linn 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.

The State requires additional consultation with Linn County prior to its proposed use of funds on the proposed EOC improvement. A member of the Office of Recovery will be contacting you soon to discuss this project and outline next steps. In the interim, the County should prepare responses for the requests for additional information outlined in this memo.

Subject to review of all other considerations noted in this memo and with the exception noted above, Linn County may proceed with implementation of its remaining CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.