

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

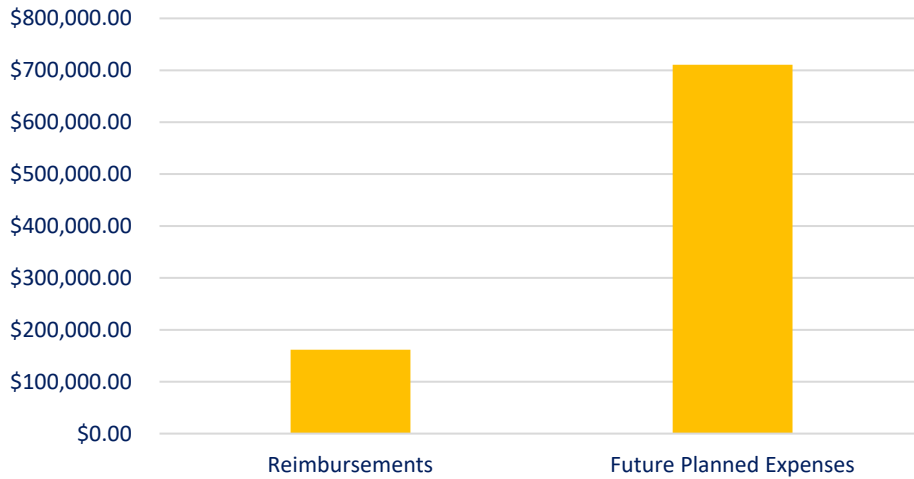
**Date** September 3, 2020  
**Re** Review of Reimbursement and Direct Aid Spending Plan for Meade County

**General Information**

Population: 4,033  
 COVID-19 Cases August 24, 2020: 65

Total Allocation Amount: \$872,369.00  
 Total Submitted for Reimbursement: \$161,735.62  
 Total Submitted for Future Planned Expenditures: \$710,633.38

**SPENDING PLAN OVERVIEW**



**Reimbursement Request Overview**

Total Amount for County Expenditures: \$102,265.33  
 Total Amount for Subrecipients: \$59,470.29

**Subrecipients and Amounts**

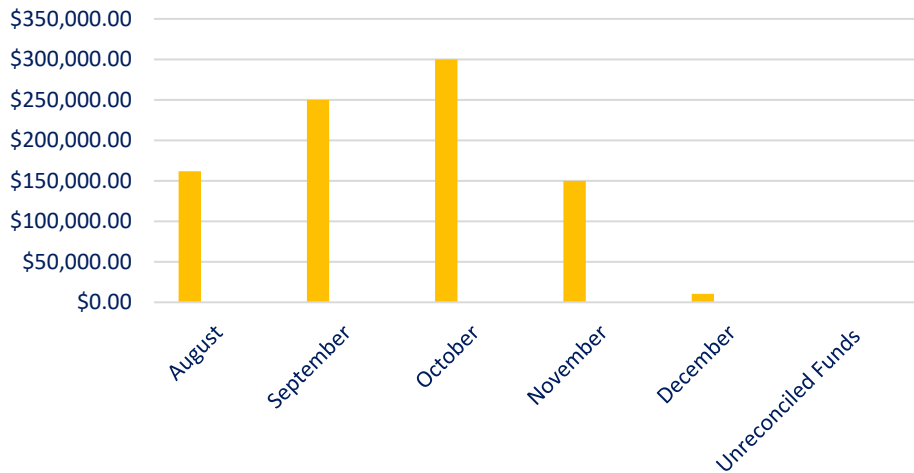
Subrecipient	Type	Amount
City of Meade	City	\$15,033.07
Meade Library	Library	\$245.80
County Clerk	Governmental Entity	\$1,107.92
Meade County Economic Development Committee, Inc.	Nonprofit	\$1,754.84
USD 226	Educational Institution	\$19,408.07
City of Fowler	City	\$586.71
Fowler Recreation Commission	City	\$419.57
USD 225	Educational Institution	\$12,802.54
Plains Library	Library	\$1,315.35

Plains Senior Center	Assisted Living Facility	\$47.96
Plains Recreation Commission	City	\$2,464.51
City of Plains	City	\$4,283.95
<b>Total</b>		<b>\$59,470.29</b>

**Direct Aid Overview – Future Spending Plan**

Total Amount for County Expenditures: \$234,000.00  
 Total Amount for Transfers: \$326,633.38  
 Total Amount for Programs: \$150,000.00

**PROJECT SPEND DOWN RATE**



**Subrecipients/Transfers and Amounts**

Subrecipient	Type	Amount
City of Meade	City	\$35,471.65
Meade Library	Library	\$1,000.00
Meade County	Governmental Entity	\$2,626.20
Meade County Historical Society	Nonprofit	\$1,105.33
Meade County Jail	Governmental Entity	\$9,317.00
Meade County Health Department	Public Health Entity	\$35,750.00
Meade County Extension Office	Higher Education Institution	\$1,850.00
USD 226	Educational Institution	\$60,894.16
City of Fowler	City	\$30,400.00
Fowler Library	Library	\$1,200.00
Fowler Residential Care	Assisted Living Facility	\$35,000.00
USD 225	Educational Institution	\$81,667.00
Plains Senior Center	Assisted Living Facility	\$352.04
City of Plains	City	\$30,000.00
<b>Total</b>		<b>\$326,633.38</b>

## Proposed Programs

Program Title	Program Description	Program Budget Amount
Business Grant Program	Reimburse Meade County businesses for direct expenses and costs of business disruptions due to COVID-19.	\$150,000.00
<b>Total</b>		<b>\$150,000.00</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

Meade County has prioritized its reimbursement requests for County expenditures. Cities, Educational Institutions, Libraries, Meade County Economic Development Committee, Inc., the County Clerk, and Plains Senior Center comprise the subrecipients, which account for 36.77% of the \$161,735.62 in total submitted reimbursement requests.

The County has prioritized transfers and programs in its direct aid plan. Transfers account for 45.96% of the \$710,633.38 in total submitted future expenditures while programs account for 21.11%.

There is a miscalculation for the total cost of the program listed in the Direct Aid plan. The County, its Health Department and Clerk Office are listed as separate subrecipients in the Reimbursement Report and Direct Aid plan.

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.

## Technical Understanding of SPARK Process

Meade 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, there is a miscalculation in the direct aid plan program tab and some County entities are listed as subrecipients.

## Identified Compliance 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. Grant Program

\$150,000  
Direct Aid

A nonprofit organization, Meade County Economic Development Committee, Inc., is sponsoring the County's business grant program. While this is allowable, the County is responsible for ensuring this money will be spent in accordance with CRF funding conditions.

## 3. Telephone System Upgrade, Distance Learning, Server Upgrade, Sign Repair

\$66,179.21  
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. Antimicrobial Chairs Relevance

\$1,920.00  
Direct Aid

The County should ensure that this expense responds clearly to purpose and intent of CRF funding, meets all eligibility criteria and will be documented to the county file to support the expense.

## Spending Plan Request for Additional Information

No additional information is requested at this time.

## Modifications Required

The following modifications are requested to the provided Reimbursement or Direct Aid plan in future reporting:

1. Ensure expenditures for County entities are listed in the "County Reimbursements Report" or "Plan Independent Expenditures" tab in the Reimbursement and Direct Aid plan documents, respectively.
2. Resolve the miscalculation for the total cost of the program listed in the Direct Aid plan

## Conclusion

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