

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

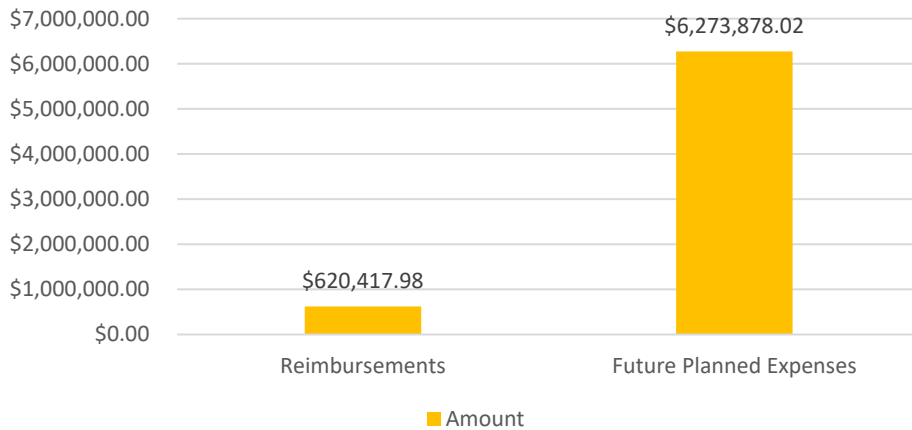
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Miami County

General Information

Population: 34,237
 COVID-19 Cases 08/17/2020: 177

Total Allocation Amount: \$6,894,295.89
 Total Submitted for Reimbursement: \$620,417.98
 Total Submitted for Future Planned Expenditures: \$6,273,878.02

SPENDING PLAN OVERVIEW



Reimbursement Request Overview

Total Amount for County Expenditures: \$356,335.67
 Total Amount for Subrecipients: \$264,082.31

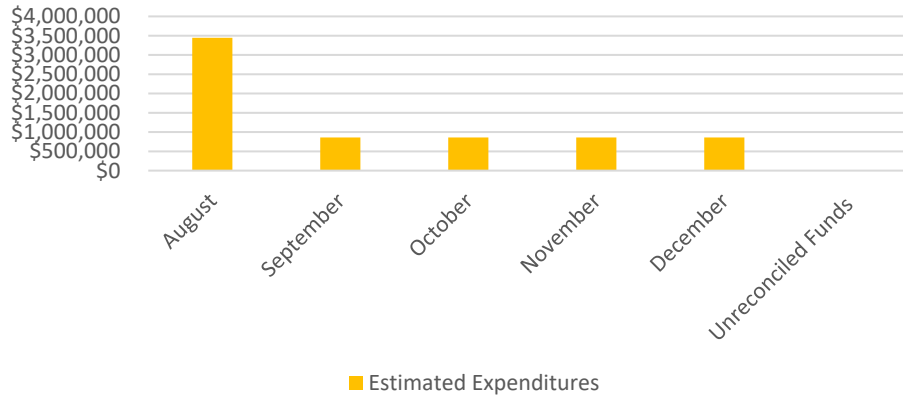
Subrecipients and Amounts

Subrecipient	Type	Amount
USD 368	Educational Institution	\$40,309.19
USD 367	Educational Institution	\$36,641.37
USD 416	Educational Institution	\$52,448.58
USD 230	Educational Institution	\$32,738.44
City of Louisburg	City	\$28,839.92
City of Osawatomie	City	\$33,312.21
City of Paola	City	\$30,769.67
City of Spring Hill	City	\$9,022.93
Total		\$264,082.31

Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$2,365,883.60
 Total Amount for Transfers: \$1,257,994.42
 Total Amount for Programs: \$2,650,000.00

PROJECT SPEND DOWN RATE



Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
USD 368	Educational Institution	\$407,431.81
USD 367	Educational Institution	\$200,994.63
USD 230	Educational Institution	\$155,424.56
USD 416	Educational Institution	\$335,469.42
USD 362	Educational Institution	\$37,674.00
City of Louisburg	City	\$29,000.00
City of Osawatomie	City	\$29,000.00
City of Paola	City	\$29,000.00
City of Spring Hill	City	\$29,000.00
City of Fontana	City	\$5,000.00
Total		\$1,257,994.42

Proposed Programs

Program Title	Program Description	Program Budget Amount
Business Grant Program	This program will provide economic support to businesses in the County that have been significantly impacted by COVID-19 with economic hardship and face new expenses related to supplies and operational assistance.	\$100,000.00

Early Detection, Prevention and Community Testing for Infectious Disease	This project provides rapid and accurate testing on a regular basis for COVID-19 – regardless of ability to pay for testing - through a testing machine established in Paola, Osawatomie and Louisburg.	\$450,000.00
Addressing COVID-Related Behavioral Health Needs in Miami County	Through the Elizabeth Layton Center, this program will address COVID-19-related mental health and substance use disorder needs through two components: co-location of behavioral health specialists within community settings and establishment of a scholarship fund to financially supplement COVID-19-related behavioral health service access.	\$300,000.00
Direct Payments for COVID-19 Recovery	This program will help residents avoid eviction, foreclosure, utility disconnects, hunger, and risky conditions during the pandemic through childcare business grants, emergency assistance payments, voucher/gift card payments, and GED/certification support.	\$1,800,000.00
Total		\$2,650,000.00

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

Miami County has prioritized its reimbursement requests for the County. Total County reimbursements equal 57.43% of all expenditures, while subrecipient requests total 42.57% of the \$620,417.98 submitted for reimbursement review. In particular, educational institutions account for 26.13% of all reimbursement requests and, specifically, 61.40% of all subrecipient requests.

Miami County’s substantially larger direct aid request prioritizes both program and county-level expenditures, which amounts to 42.24% and 37.71% of the \$6,273,878.02 submitted for direct aid review, respectively. Transfers to subrecipients increased significantly to a total of \$1,257,994.42. Educational institutions account for 90.38% of transfer requests while cities account for 9.62% of transfer requests.

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

Miami 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 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. Additional Ambulance

\$243,609.00

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. Business Grant Program

\$100,000.00

Direct Aid

As a grant program, additional information is requested on how applicants will apply and be selected, and who will be administering the proposed program. Additionally, the County should ensure they have the appropriate level of administrative capacity to effectively monitor these subrecipients.

6. Direct Payments for COVID-19 Recovery

\$1,800,000.00

Direct Aid

As a sub-grant program, additional information is requested, including a description of how applicants will apply and be selected. Additionally, the County should ensure they have the appropriate level of administrative capacity to effectively monitor these subrecipients. Provision to businesses should also be administered in the form of grants to address increased costs incurred to COVID-19 or to assist with business interruption as a result of mandated closures.

Spending Plan Request for Additional Information

No additional information is requested at this time.

Modifications Required

No modifications are required at this time.

Conclusion

1. Based on documents provided by Miami County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. Miami County should provide responses to all requests for additional information outlined in this memo.
3. Miami County has an appropriate Project Spend Down Rate representing a low risk of funds not being expended on or before December 30, 2020.
4. Miami County has proposed many potential subrecipient arrangements. The County should ensure they have the appropriate level of administrative capacity to effectively monitor these subrecipients.
5. Miami 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.
6. For the Grant Program, if not already in place, Miami 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.

7. 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.

Miami County needs to provide responses and documentation for the above Requests for Additional Information. The County also needs to make the modifications suggested above. After these items are addressed, the Reimbursement and Direct Aid requests can be reassessed.