

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

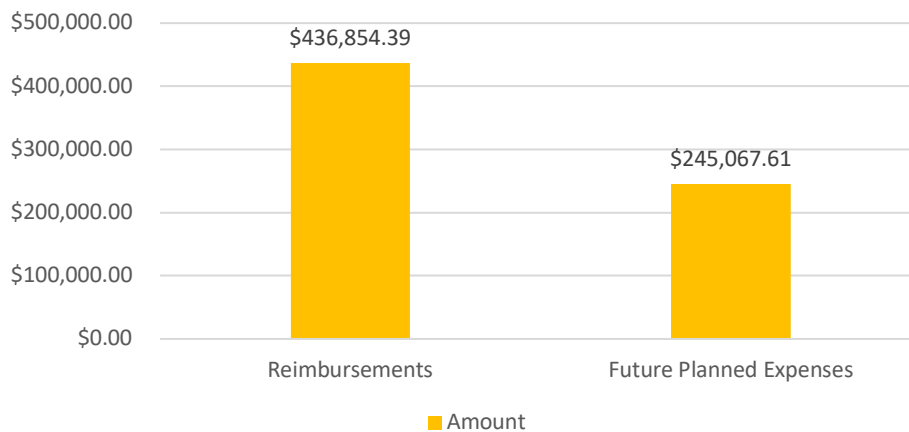
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Osborne County

General Information

Population: 3,475
 COVID-19 Cases as of 8/21/2020: 4

Total Allocation Amount: \$681,922.00
 Total Submitted for Reimbursement: \$436,854.39
 Total Submitted for Future Planned Expenditures: \$245,067.61

SPENDING PLAN OVERVIEW



Reimbursement Request Overview

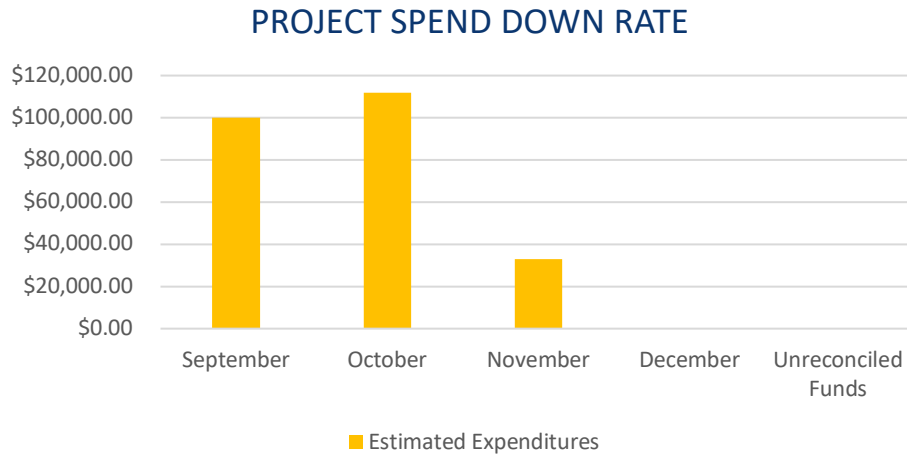
Total Amount for County Expenditures: \$33,926.22
 Total Amount for Subrecipients: \$402,928.17

Subrecipients and Amounts

Subrecipient	Type	Amount
USD 272	School District	\$155,427.52
USD 392	School District	\$123,368.23
USD 399	School District	\$121,237.91
Osborne Public Library	Library	\$652.39
District Court	Taxing Authority	\$2,242.12
Total		\$402,928.17

Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$0
 Total Amount for Transfers: \$0
 Total Amount for Programs: \$245,067.61



Subrecipients/Transfers and Amounts

Osborne County has not identified any subrecipients, instead focusing on Programs.

Proposed Programs

Program Title	Program Description	Program Budget Amount
Community Economic Support	A Grant Program to businesses and non-profits to offset costs and losses related to the COVID-19 shutdown and safety reopening efforts.	\$100,000.00
Continuity of Government	A Grant Program to County and Local Government entities to ensure remote work capabilities are in place in case of shutdown related to COVID-19 public health orders or disruption, funds to Osborne Library to include safe checkout to anyone, sanitizing equipment and supplies for the facility.	\$33,067.61
School Reopening	A Grant Program to meet costs associated with KSDE guidance for COVID-19 mitigation, as well as health department guidance and state government guidance or orders through December 30, 2020."	\$112,000.00
Total		\$254,067.61

Definitions

General Considerations – Summarizes county expenditure data.

Payroll Considerations – Summarizes county expenditure data on payroll expenses.

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

Osborne County has prioritized its reimbursement requests for school districts. Total county reimbursements equal 7.8% of all expenditures, while school district requests total 91.6% of the \$436,854.39 submitted for reimbursement review.

Osborne County's substantially smaller direct aid request similarly prioritizes school reopening expenditures, which amount to 44% of the \$245,067.61 submitted for direct aid review. There are no planned transfers to subrecipients. All future spending of funds is planned to be distributed through grant programs. The community economic support program accounts for 39.4% of planned program expenditures while the continuity of government program accounts for the remainder of requests.

The County should ensure that all expenses are clearly identified, respond to the 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

Osborne 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 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.

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 documents provided by Osborne County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. Osborne County has an appropriate Project Spend Down Rate representing a low risk of funds not being expended on or before December 30, 2020.
3. Osborne County has proposed several Grant Programs. The County should ensure they have the appropriate level of administrative capacity to effectively monitor these subrecipients. If not already in place, each of these Grant Programs 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.
4. 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, Osborne County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.