

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

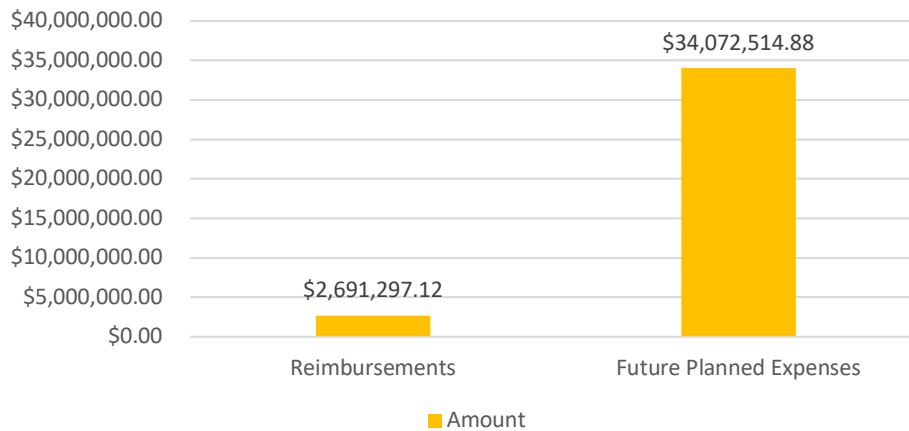
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Shawnee County

General Information

Population: 176,875
COVID-19 Cases 08/17/2020: 1,928

Total Allocation Amount: \$36,763,813.45
Total Submitted for Reimbursement: \$2,691,297.12
Total Submitted for Future Planned Expenditures: \$34,072,514.88

SPENDING PLAN OVERVIEW



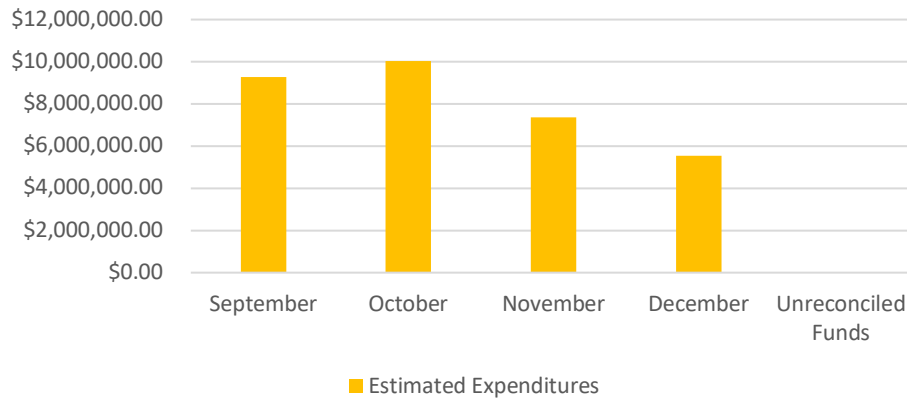
Reimbursement Request Overview

Total Amount for County Expenditures: \$2,691,297.12
Total Amount for Subrecipients: \$0

Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$12,565,683.88
 Total Amount for Transfers: \$15,808,440
 Total Amount for Programs: \$5,698,391

PROJECT SPEND DOWN RATE



Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
City of Rossville	City	\$79,995
City of Topeka	City	\$8,918,302
City of Auburn	City	\$86,187
City of Silver Lake	City	\$100,065
City of Willard	City	\$6,405
USD 321	Educational Institution	\$95,723
USD 345	Educational Institution	\$867,330
USD 372	Educational Institution	\$151,989
USD 437	Educational Institution	\$1,391,604
USD 450	Educational Institution	\$837,730
USD 501	Educational Institution	\$3,273,110
Total		\$ 15,808,440

Proposed Programs

Program Title	Program Description	Program Budget Amount
Shawnee County Community Programs for COVID-19 Response	The program expenditures will ensure the health and safety of members of the public during the COVID-19 public health crisis and/or address both direct and indirect	\$5,514,572

Shawnee County Taxing Authorities Programs for COVID-19 Response	impacts on individuals and entities within our County. This program will allow for TA's to submit reimbursement including but not limited to: PPE, temporary facility modifications, disinfecting supplies, labor or equipment, and any other expense or cost outlay not previously budgeted that has a clear nexus to COVID-19 and fits the Treasury guidelines.	\$183,819
Total		\$ 5,698,391

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

Shawnee County has prioritized all its reimbursement requests for the County.

Shawnee County’s direct aid request prioritizes transfers to cities and educational institutions, which amount to 46.4% of the \$ 34,072,514.88 submitted for direct aid review. County expenditures total of \$12,565,683.88. Programs listed in the direct aid plan account for 16.7% of the requests.

The County should ensure that these 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

Shawnee 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; however, several line items in the Direct Aid Plan indicate funding is for “emerging needs with a clear nexus to COVID-19”, which the County will need to ensure meet the requirements for CRF funding. Also, many of the transfers and some of the programming costs planned have expenditure dates listed as “TBD”. This makes it difficult to validate the Project Spend Down data. 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. Shawnee County Community Development and Taxing Authority Grant Programs

\$5,698,391
 Direct Aid

As these seem to be grant programs, 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.

Spending Plan Request for Additional Information

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

Item	Recipient	Amount	Comment
Annual subscription services	Shawnee County	\$ 17,789.41	Annual subscriptions must be prorated for the covered period ending December 30, 2020 to

			remain eligible under the CARES Act.
Group Violence Project Intervention Project Manager	Shawnee County District Attorney's Office	\$23,418.33	Additional information is requested on the responsibilities of the Project Manager to establish eligibility for funding.

Modifications Required

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

- In the Direct Aid Plan, include dates for all planned transfers and estimated dates when programming costs will be incurred (within the covered period which ends December 30, 2020).
- Ensure that updated dates provided accurately support monthly Project Spend Down estimates on the Summary Page of the Direct Aid Plan, or adjust Project Spend Down estimates, as necessary.

Conclusion

1. Based on the documents provided by Shawnee County, it appears they have an adequate understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. Shawnee County has an appropriate Project Spend Down Rate representing a low risk of funds not being expended on or before December 30, 2020.
3. 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 expenses incurred before December 30, 2020.
4. For the Shawnee County Community Development and Taxing Authority Grant Programs, if not already in place, Shawnee 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.

Subject to review of the additional documentation requested and considerations regarding payroll expenses, Shawnee County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.