

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

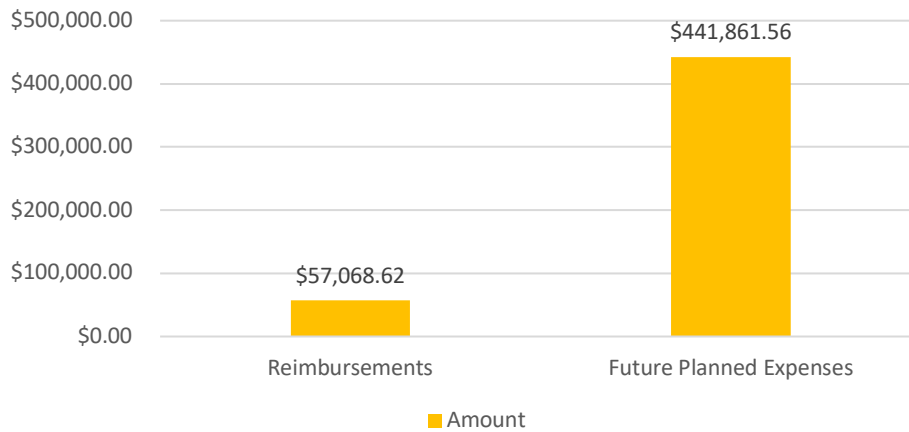
**Date** September 3, 2020  
**Re** Review of Reimbursement and Direct Aid Spending Plan for Sheridan County

**General Information**

Population: 2,521  
 COVID-19 Cases 08/17/2020: 7

Total Allocation Amount: \$500,620.92  
 Total Submitted for Reimbursement: \$57,068.62  
 Total Submitted for Future Planned Expenditures: \$441,861.56

**SPENDING PLAN OVERVIEW**



**Reimbursement Request Overview**

Total Amount for County Expenditures: \$0  
 Total Amount for Subrecipients: \$57,068.62

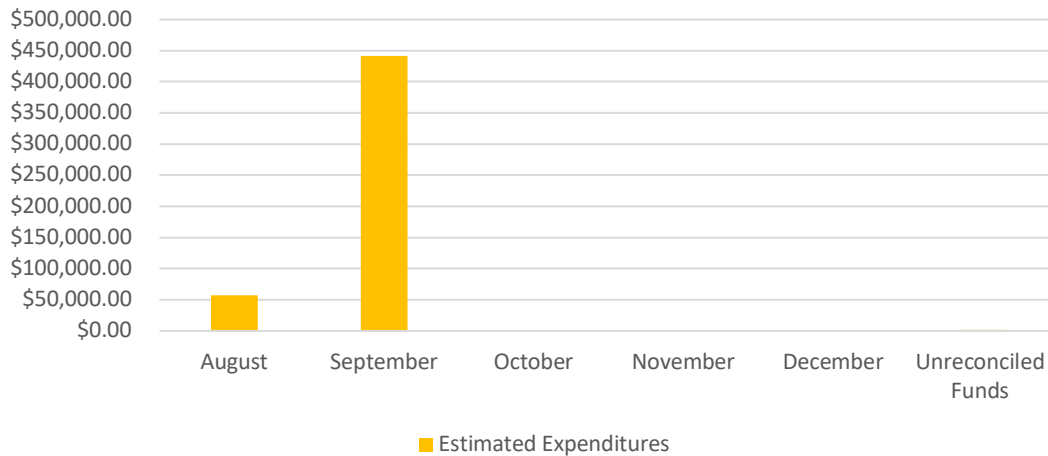
**Subrecipients and Amounts**

Subrecipient	Type	Amount
Hoxie Recreation	Health	\$775.03
USD 412	Educational Institution	\$47,829.60
EMS	Health	\$8,463.99
<b>Total</b>		<b>\$57,068.62</b>

### Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$321,977.84  
 Total Amount for Transfers: \$119,883.72  
 Total Amount for Programs: \$500,621

#### PROJECT SPEND DOWN RATE



### Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
Sheridan County Library	Library	\$1,760.79
City Police	Local Government	\$ 279.99
City of Hoxie	City	\$11,595.71
City of Selden	City	\$12,869.52
USD 316	Educational Institution(s)	\$8,935.61
Hoxie Recreation Center	Health	\$12,071
USD 412	Educational Institution(s)	\$72,371.10
<b>Total</b>		<b>\$ 119,883.72</b>

### Proposed Programs

Program Title	Program Description	Program Budget Amount
Sheridan County, City and School Assistance	This program reflects items wanting to be purchased that will insure all school children are able to continue learning, whether at home or in the school setting, allows the cities and counties to continue business and be able to attend necessary meetings with appropriate and updated computers, and many of the supplies such as disinfecting	\$500,621

lamps, will be utilized throughout the County,  
including the hospital

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**Total** **\$ 500,621**

## 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

Sheridan County has prioritized its reimbursement requests for their subrecipients. The County did not submit reimbursements. Health institutions equal 16.2% of all eligible expenditures, while educational institution requests total the remainder of the \$ 57,068.62 submitted for reimbursement review.

Sheridan County’s direct aid request prioritizes County expenditures, which amounts to 72.87% of the \$441,861.56 in total submitted direct aid requests. The County has left unlisted \$1,690.82 of its \$500,621 allocation, amounting to 0.34% of unreconciled funds in surplus. The County monthly spending plan indicates all future expenses would be incurred in August and September.

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 incurred before December 30, 2020.

## Technical Understanding of SPARK Process

Sheridan County and its subrecipients demonstrate a generally fair 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, all future planned expenses are listed as independent expenditures despite the inclusion of several transfers. The costs in the program tab appears to duplicate the allocation total. 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.

### **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. In the Direct Aid plan, each subrecipient needs to be parsed out into a separate tab, currently they are all in one tab.
2. It appears that Sheridan County duplicated the Direct Aid plan expenditures both as expenditures, and as a program. In which case the program information needs to be removed from this reporting.
3. Sheridan County has \$1,690.82 in allocation funds that have not been accounted for in the submitted Direct Aid plan. The County needs to allocate these funds to eligible expenditures.

### **Conclusion**

1. Based on the documents provided by Sheridan County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. Sheridan County has an appropriate Project Spend Down Rate representing a low risk of funds not being expended on or before December 30, 2020.

3. Sheridan 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. Sheridan 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.
5. Sheridan 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, Sheridan County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.