

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

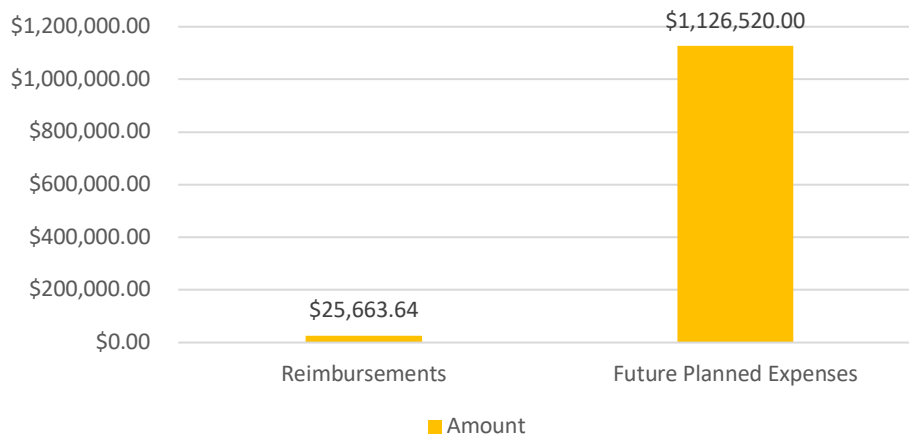
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Stevens County

General Information

Population: 5,485
 COVID-19 Cases 08/17/2020: 53

Total Allocation Amount: \$1,150,593.50
 Total Submitted for Reimbursement: \$25,663.64
 Total Submitted for Future Planned Expenditures: \$1,126,520.00

SPENDING PLAN OVERVIEW



Reimbursement Request Overview

Total Amount for County Expenditures: \$ 11,738.26
 Total Amount for Subrecipients: \$ 12,229.96
 Unreconciled Funds: \$ 1,695.42

Subrecipients and Amounts

Subrecipient	Type	Amount
Stevens County Library	Library	\$2,354.18
City of Hugoton	City	\$8,646.64
City of Moscow	City	\$1,229.14
Total		\$ 12,229.96

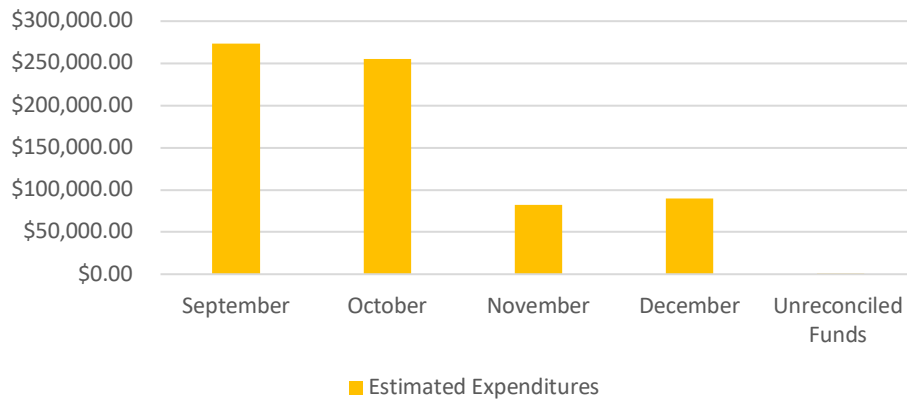
Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$781,920.00

Total Amount for Transfers: \$504,600.00

Total Amount for Programs: \$552,000.00

PROJECT SPEND DOWN RATE



Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
USD 209	Education Institution	\$80,194.34
USD 210	Education Institution	\$177,757.89
Heritage Christian Academy	Education Institution	\$37,047.77
HUG Rec	Recreation	\$9,600.00
High Plains Educational Coop	Education Institution	\$5,000.00
City Assistance Program	Unreported	\$10,000.00
City of Moscow	City	\$7,700.00
City of Hugoton	City	\$2,300.00
Stevens County Hospital/Pioneer Manor	Health	\$150,000.00
Pioneer Communications	Business	\$25,000.00
Total		\$504,600.00

Proposed Programs

Program Title	Program Description	Program Budget Amount
CRF County Direct Aid Program	This program aims to help those affected with COVID-19 to pay mortgage, rent and utilities for the months of March thru May 31, 2020.	\$35,000
Small Business Grant for profit and non-profit (essential and non-essential)	This program aims to provide assistance with health supplies to re-open/remain open as well as utility/rent expenses for non-essential businesses who were shut down or had restrictions in place. The plan is to help businesses NOT already funded through other programs to assist in their expenses due to closures and restricted business.	\$200,000
Food Distribution Aid	This program aims to help those affected with COVID-19 to receive food as well as those unable to get food during COVID Pandemic. Also to help food banks receive food and other distributors for the needy and elderly along with COVID patients/quarantined persons.	\$92,000
Re-Opening Procedural Aid	This program aims to help non-profit entities re-open for business by granting funds for PPE and disinfecting procedures safely for public use.	\$25,000
Medical Expense Grant	This program aims to help those underinsured/uninsured with medical expenses due to COVID including treatment, tests and transportation - payable to medical bills and medical transport	\$200,000
Total		\$552,000

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

Stevens County has prioritized its reimbursement requests for the County. Total County reimbursements equal 52.3% of all eligible expenditures, while city requests total 38.5% of the \$25,663.64 submitted for reimbursement review. There is a difference of \$1,695.42 between the total reimbursement expenditures submitted for review and the detailed amounts described for reimbursement.

Stevens County's direct aid plan includes requests for a total of \$1,838,520.00, which exceeds their total allocation by \$687,926.50. This figure is arrived at by adding the detailed tabs describing planned county expenditures, transfers and programs. The information on the summary page of the direct aid plan does not align with the data included in the tabs describing each planned expenditure. Stevens County prioritizes County expenditures, which amount to 42% of the total submitted for direct aid review. Total planned transfers to subrecipients were mistakenly included in the County Expenditures tab, and the figures provided there do not match those provided in the individual transfer tabs. Educational institutions account for 59.4% of transfer requests while a healthcare provider accounts for the majority of the remaining transfer requests.

The County should ensure that all expenses, transfers, and programs respond 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

Stevens 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, some considerations regarding the direct aid plan provided are outlined in further detail 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 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. Stevens County Grant Programs

\$425,000
Direct Aid

At least 3 of the 5 programs included in Stevens County's direct aid plan are identified as grant programs. As this is identified as a grant program, the County should have a well-qualified plan for how applicants will apply and be selected. Additionally, the County should ensure they have the appropriate level of administrative capacity to effectively administer the program and/or monitor any 3rd party entity responsible for administering the grant program.

Spending Plan Request for Additional Information

1. Stevens County needs to submit a corrected Direct Aid Spending Plan.

Modifications Required

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

1. Stevens County needs to evaluate their Direct Aid Plan and account for all additional future expenditures in the totals reported for County expenditures, transfers and planned programs.
2. The total requested in the Direct Aid Plan needs to be reduced, as it exceeds the County's overall allocation by \$687,926.50.
3. Stevens County's proposed programs must be fully described and the method each will use to administer funds needs to be included in the Direct Aid Plan.
4. The County needs to account for the \$1,695.42 discrepancy between the total reimbursement requested and the detailed information provided in the reimbursement report tabs.

Conclusion

The proposed use of the total amount allocated to Stevens County has not been fully outlined in the provided Reimbursement Report and Direct Aid Plan. The State requires additional consultation with the County prior to its proposed use of funds received. A member of the Office of Recovery will be contacting you soon to discuss these considerations and outline next steps. In the interim, the County should prepare responses for the requests for additional information outlined in this memo.