

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

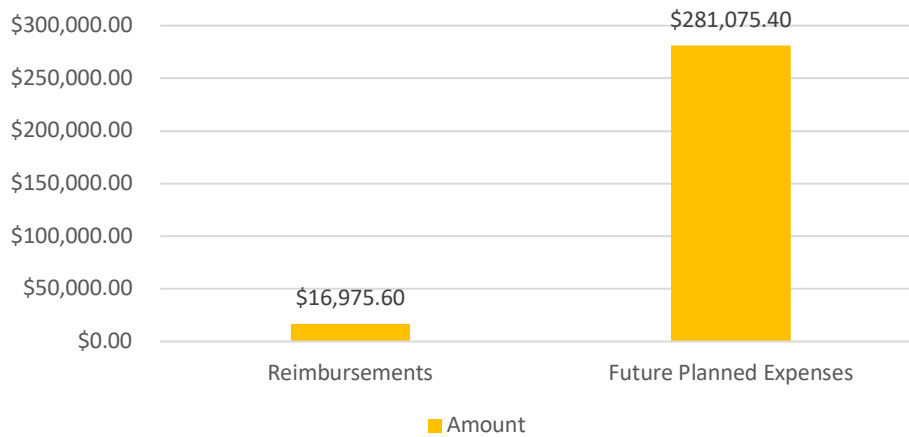
Date September 3, 2020
Re Review of Reimbursement and Direct Aid Spending Plan for Wallace County

General Information

Population: 1,518
 COVID-19 Cases 08/24/2020: 1

Total Allocation Amount: \$298,051.33
 Total Submitted for Reimbursement: \$ 16,975.60
 Total Submitted for Future Planned Expenditures: \$ 281,075.40

SPENDING PLAN OVERVIEW



Reimbursement Request Overview

Total Amount for County Expenditures: \$6,672.01
 Total Amount for Subrecipients: \$10,303.59

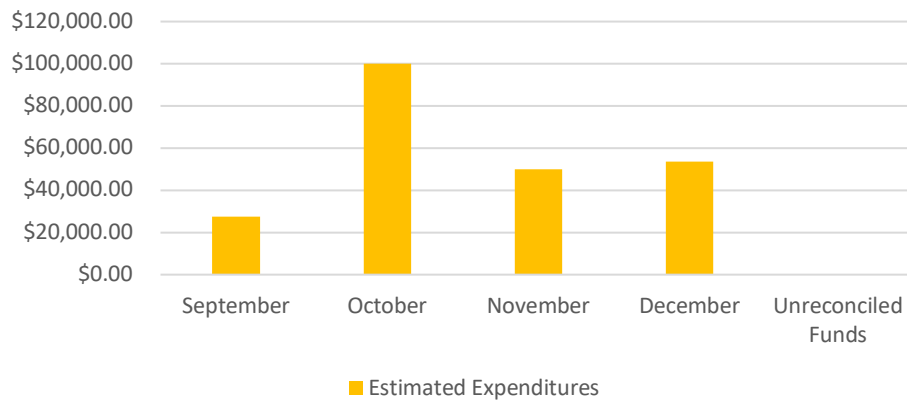
Subrecipients and Amounts

Subrecipient	Type	Amount
USD 241	Educational Institution(s)	\$8,355.78
USD 242	Educational Institution(s)	\$1,549.21
City of Sharon Springs	City	\$398.60
Total		\$10,303.59

Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$68,523.40
 Total Amount for Transfers: \$212,552
 Total Amount for Programs: \$0

PROJECT SPEND DOWN RATE



Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
City of Sharon Springs	City	\$4,000
Wallace County Family Practice	Health	\$4,185
Wallace County Community Care Center	Health	\$56,576
USD 241	Educational Institution(s)	\$70,003
USD 242	Educational Institution(s)	\$77,788
Total		\$212,552

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

Wallace County has prioritized its reimbursement requests for subrecipients. Total County reimbursements equal 39.3% of all eligible expenditures, while educational institution requests total 58.3% of the \$ 16,975.60 submitted for reimbursement review.

Wallace County's direct aid request prioritizes transfers to subrecipients, which amounts to 75.6% of the \$ 281,075.40 submitted for direct aid review. Transfers to health institutions total of \$ 60,761, which is 28.6% of total transfers. Educational institutions account for 69.5% of transfer requests while cities account for the remainder of requests.

Technical Understanding of SPARK Process

Wallace 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, there are some expenditures with identified risks and compliance considerations outlined below.

Identified Considerations

Several items in the County's reimbursement and direct aid plan present possible risk:

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. Grants for Non-Profits

Direct Aid
\$1,885.40

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.

3. Van for County Health Department

Direct Aid
\$35,000.00

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, is necessary to prepare for, respond to or mitigate against COVID-19 and can be acquired prior to December 30, 2020.

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 the documents provided by Wallace County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding and have appropriately followed this process.
2. Wallace County has an appropriate Project Spend Down Rate representing a low risk of funds not being expended on or before December 30, 2020.
3. For the Grant Programs, if not already in place, Wallace County should consider development of an application process and establishment of a review committee to ensure equal access to funds from potential, qualified applicants. The County should also appropriately advertise the program within the area.
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, Wallace County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.