

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

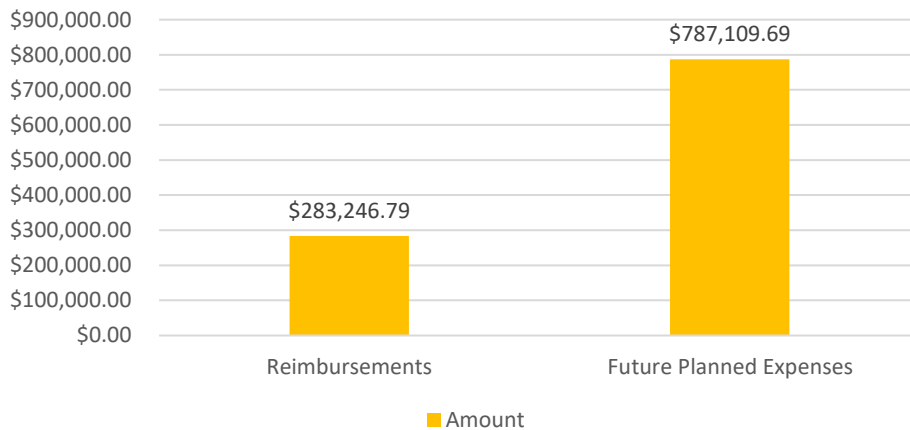
**Date** September 5, 2020  
**Re** Review of Reimbursement and Direct Aid Spending Plan for Washington County

**General Information**

Population: 5,406  
 COVID-19 Cases 08/17/2020: 2

Total Allocation Amount: \$1,066,274.46  
 Total Submitted for Reimbursement: \$283,246.79  
 Total Submitted for Future Planned Expenditures: \$787,109.69

**SPENDING PLAN OVERVIEW**



**Reimbursement Request Overview**

Total Amount for County Expenditures: \$34,568.61  
 Total Amount for Subrecipients: \$248,678.18

**Subrecipients and Amounts**

| Subrecipient                | Type                    | Amount              |
|-----------------------------|-------------------------|---------------------|
| USD 108                     | Educational Institution | \$60,620.57         |
| USD 223                     | Educational Institution | \$101,933.14        |
| USD 224                     | Educational Institution | \$35,378.51         |
| Linn Lutheran School        | Educational Institution | \$9,456.04          |
| St. Johns Hanover           | Educational Institution | \$30,025.85         |
| City of Hanover             | City                    | \$1,746.75          |
| City of Linn                | City                    | \$1,352.36          |
| City of Washington          | City                    | \$4,082.48          |
| Linn Community Nursing Home | Healthcare Institution  | \$4,082.48          |
| <b>Total</b>                |                         | <b>\$248,678.18</b> |

Office of Recovery  
Eisenhower State Office Building  
700 SW Harrison Street, Suite 1234  
Topeka, KS 66603



Phone: (785) 368-8507  
[recovery@ks.gov](mailto:recovery@ks.gov)  
[covid.ks.gov](https://covid.ks.gov)  
[governor.kansas.gov](https://governor.kansas.gov)

Laura Kelly, Governor

## Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$295,492.42  
Total Amount for Transfers: \$ 411,617.27  
Total Amount for Programs: \$80,000

Washington County did not submit a Spend Down Rate Plan.

## Subrecipients/Transfers and Amounts

| Subrecipient                       | Type                    | Amount              |
|------------------------------------|-------------------------|---------------------|
| City of Barnes                     | City                    | \$960               |
| City of Haddam                     | City                    | \$3,677.89          |
| City of Hanover                    | City                    | \$24,209.30         |
| City of Washington                 | City                    | \$40,957.69         |
| USD 108                            | Educational Institution | \$118,855.32        |
| USD 223                            | Educational Institution | \$43,541.75         |
| USD 224                            | Educational Institution | \$79,286.40         |
| Linn Lutheran                      | Educational Institution | \$23,723.64         |
| St. John Catholic-Hanover          | Educational Institution | \$24,209.30         |
| Centennial Homestead Nursing Home  | Healthcare Institution  | \$26,656.85         |
| Linn Community Nursing Home        | Healthcare Institution  | \$23,863            |
| Pawnee Mental Health               | Healthcare Institution  | \$676.13            |
| Twin Valley Developmental Services | Non-Profit              | \$1,000             |
| <b>Total</b>                       |                         | <b>\$411,617.27</b> |

## Proposed Programs

| Program Title  | Program Description | Program Budget Amount |
|--|---------------------|-----------------------|
| Washington County Partnership For Growth Grant Program | Grant Program       | \$80,000              |
| <b>Total</b>   |                     | <b>\$80,000</b>       |

## 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

Washington County has prioritized its reimbursement requests for subrecipients, representing 87.7% of the total. The County should review the Reimbursements form, reflecting a total of \$279,164.31, but the total reflected in the Summary is \$283,246.79. This is a difference of \$4,082.46 which may represent an expense duplication of City of Washington and Linn Nursing Home.

Washington County's direct aid request prioritizes transfers to subrecipients, which amounts to 52.3% of the \$ 787,109.69 submitted for direct aid review. Transfers to subrecipients total \$411,617.27. Transfers to cities account for 17% of all transfers, while educational institutions account for 70.4% of all transfers.

The County should review all dates of incurred expenses in the requests are incurred between March 1 and December 30, 2020 and documentation supports the expense.

The County should also ensure that "medical supplies" noted in several line items are items utilized specifically for preparation, mitigation and response to the COVID-19 pandemic.

## Technical Understanding of SPARK Process

Washington 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. Our identified risks and compliance considerations for these are 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. Centennial Heating and Cooling System Upgrade

\$26,656.85  
Direct Aid

As this represents a capital improvement, the County should ensure that the proposed project is bid appropriately, meets uniform guidance standards outlined in 2CFR 200, is cost reasonable, and can be substantially completed prior to December 30, 2020.

## 3. COVID-19 Vaccine Cooler and Storage

\$7,500.00  
Direct Aid

Washington County is requesting direct aid for future vaccine freezer storage. Given that there is not currently a vaccine for COVID-19 or a date by which a vaccine can be expected, these storage items may present a compliance concern related to utilizing CRF proceeds.

## Spending Plan Request for Additional Information

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

| Item                                       | Recipient                   | Amount      | Comment  |
|--|-----------------------------|-------------|--|
| <b>Chevy Tahoe Vehicle</b>                 | Washington County           | \$40,000.00 | More information on how vehicle will be used to prepare, mitigate and response to COVID-19 needed, along with competitive bid process to purchase. |
| <b>Mobile Aging Interaction Station</b>    | Linn Community Nursing Home | \$6,959.00  | More detail requested on how item prevents spread of COVID-19 infections or has a nexus to COVID-19.   |
| <b>COVID-19 Vaccine Cooler and Storage</b> | Washington County           | \$7,500.00  | Additional information is needed as to date(s) when County expects to conduct mass immunization with these supplies.                               |

## Modifications Required

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

1. The County should submit a Spend Down Rate Plan as requested.
2. The Direct Aid form did not contain a separate page (tab) representing expense for the Washington County Partnership for Growth Grant Program. The County should include this information in the form.
3. The County should review all tabs in the Reimbursement form and reconcile to the Summary Page to accurately reflect total expenses.

## Conclusion

1. Based on the documents provided by Washington County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding but failed to complete components of the requested Direct Aid plan.
2. Washington County should provide responses to all requests for additional information and modifications required as outlined in this memo.

3. Washington County has proposed a Grant Program, if not already in place, they should consider development of an application process and establish 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.

Washington County must provide responses to the items outlined in this memo requiring additional clarification. Washington County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan with the following exceptions:

- Chevy Tahoe Vehicle
- Mobile Aging Interaction Station
- COVID-19 Vaccine Cooler and Storage

Office of Recovery  
Eisenhower State Office Building  
700 SW Harrison Street, Suite 1234  
Topeka, KS 66603



Phone: (785) 368-8507  
[recovery@ks.gov](mailto:recovery@ks.gov)  
[covid.ks.gov](http://covid.ks.gov)  
[governor.kansas.gov](http://governor.kansas.gov)

Laura Kelly, Governor