

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

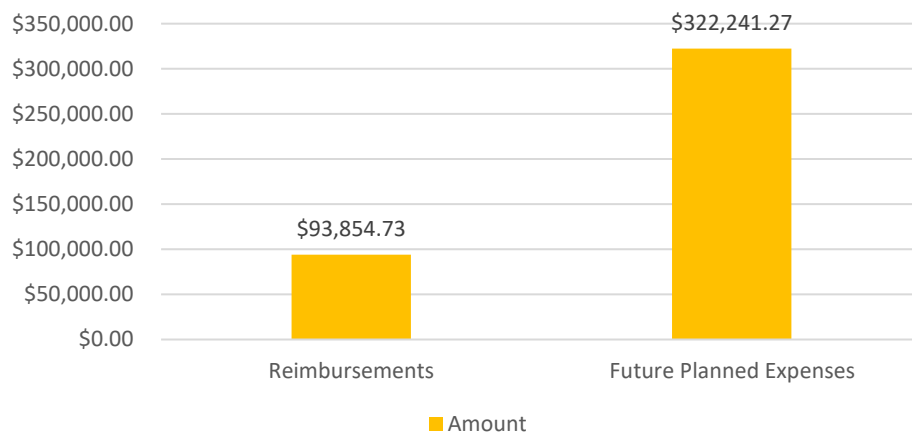
**Date** September 5, 2020  
**Re** Review of Reimbursement and Direct Aid Spending Plan for Wichita County

**General Information**

Population: 2,119  
 COVID-19 Cases 08/17/2020: 4

Total Allocation Amount: \$416,096.16  
 Total Submitted for Reimbursement: \$ 93,854.73  
 Total Submitted for Future Planned Expenditures: \$322,241.27

**SPENDING PLAN OVERVIEW**



**Reimbursement Request Overview**

Total Amount for County Expenditures: \$ 14,657.41  
 Total Amount for Subrecipients: \$ 79,197.32

**Subrecipients and Amounts**

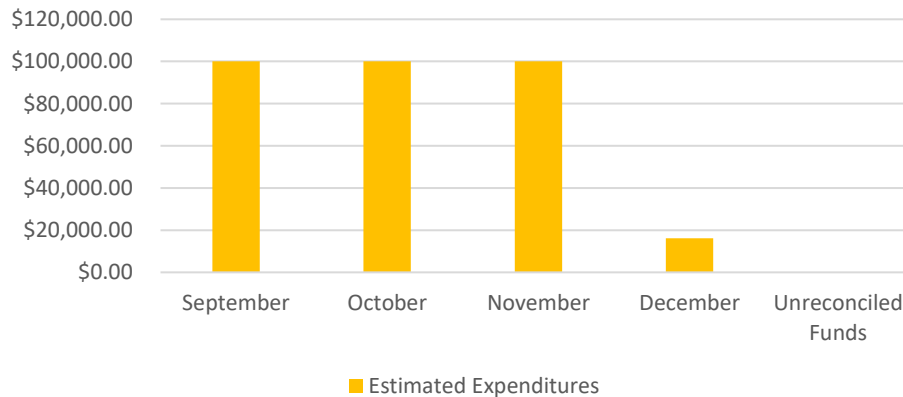
Subrecipient	Type	Amount
Carwood Community Church	Religious Institution	\$1,790.24
Wichita County Hospital	Health	\$342.02
West Bethany Free Methodist Church	Religious Institution	\$953.03
Abundant Life Church	Religious Institution	\$859.91
Chandra's Salon Effects	Business	\$273.67
Wichita County Health Dept	Health	\$2,468.25
High Plains Educational Cooperative	Educational Institution(s)	\$4,024.32
Pioneer Communications	Business	\$6,666.51

Great Plains Family Dentistry	Business	\$4,443.38
USD 467	Educational Institution	\$52,447.81
Amy's Hairsay	Business	\$501.08
Wichita County Pharmacy	Business	\$1,356.29
Wichita Library	Library	\$102.29
Charlie's Restaurant	Business	\$205.41
Heartland Mill	Business	\$392.18
City of Leoti	City	\$2,370.93
	<b>Total</b>	<b>\$79,197.32</b>

### Direct Aid Overview – Future Spending Plan

Total Amount for County Expenditures: \$122,346.60  
 Total Amount for Transfers: \$126,576.19  
 Total Amount for Programs: \$73,318.48

### PROJECT SPEND DOWN RATE



### Subrecipients/Transfers and Amounts

Subrecipient	Type	Amount
USD 467	Educational Institution	\$99,552.19
City of Leoti	City	\$27,024
	<b>Total</b>	<b>\$126,576.19</b>

### Proposed Programs

Program Title	Program Description	Program Budget Amount
Costs for Businesses for disinfecting, PPE, and	This program aims to help with extra expenses that will occur during the covid-19 pandemic	\$12,483.49

technology for working during COVID-19		
Wichita County Churches	This program would help the church reach the church members who may not be able to attend or who are afraid to attend church during the covid-19 pandemic	\$18,020
Decon Trailer Covid-19 Testing Site	This program aims to provide a Decon trailer that would prevent individuals that may have COVID from entering the clinic or the hospital and containing the exposure to one room on the outside of the facility.	\$5,600
Long Term Care Needs for Shut Down	This program would allow the purchase of some equipment that would greatly help them during the next shut down within the Long-Term Care Unit.	\$22,032
Outside Drop Box for County Treasurer	This program would allow for the installation of a drop box would implement social distancing within the courthouse	\$15,182.99
<b>Total</b>		<b>\$73,318.48</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

Wichita County has prioritized its reimbursement requests for the subrecipients. Total County reimbursements equal 15.6% of all eligible expenditures, while independent business requests total 14.7% of the \$ 93,854.73 submitted for reimbursement review.

Wichita County’s direct aid request prioritizes transfers, which amount to 45.7% of the \$ 322,241.27 submitted for direct aid review. Direct County expenditures total \$ \$101,541.60. Programs account for 22.8% of direct aid requests. Total planned expenditures listed in the direct aid plan summary page provides a breakdown of their total reimbursements and future planned expenses, not solely the future planned expenditures.

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

Wichita 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

### 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. Area Businesses Reimbursement

**\$7,172.01**  
Reimbursement

Wichita County has indicated that they have made direct payments to area businesses to reimburse various costs. It is not clear what the process was for businesses to request and or receive awards of CRF payments. Should the county choose to continue participating in direct payments to area businesses, a formal grant program with an application process and review committee is recommended.

**3. Wichita County Businesses COVID-19 Costs**

\$12,483.49  
 Direct Aid

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 3<sup>rd</sup> party entity responsible for administering the grant program.

**4. Wichita County Churches COVID-19 Costs**

\$18,020  
 Direct Aid

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 3<sup>rd</sup> party entity responsible for administering the grant program.

**5. Long Term Care Needs for Shut Down**

\$22,032  
 Direct Aid

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.

**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>Area Business Reimbursements</b>	Chandra's Salon Effects, Great Plains Family Dentistry, Amy's Hairsay, Wichita County Pharmacy, Charlie's Restaurant, Heartland Mill	\$7,172.01	More information is requested to better understand how these businesses were chosen for direct reimbursement.

**Modifications Required**

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

1. The outside drop box for county treasurer is currently listed as a Program but it is a one-time purchase that should be changed to a direct transfer.

## **Conclusion**

1. Based on the documents provided by Wichita County, it appears they have a good understanding of the eligibility requirements relative to CARES Act funding.
2. Wichita County should provide modifications and responses to all requests for additional information outlined
3. Wichita County has an appropriate Project Spend Down Rate representing a low risk of funds not being expended on or before December 30, 2020.
4. Wichita County has proposed many potential subrecipient arrangements. The County should ensure they have the appropriate level of administrative capacity to effectively monitor these subrecipients.
5. Wichita 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.
6. For the Grant Programs, if not already in place, Wichita 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.
7. 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.

Wichita County needs to provide responses and documentation for the above Requests for Additional Information. Subject to review of all considerations noted in this memo, Wichita County may proceed with implementation of its CARES Act funding allocation as outlined in its provided reimbursement and direct aid plan.