

2020 CARES ACT FUNDING MANUAL

A Step-by-Step Guide for
Oklahoma Cities & Towns

SEPTEMBER 2, 2020 UPDATE



**Oklahoma Municipal
Management Services**

Compiled by Frank Crawford & David Weatherford

In Collaboration With



OMAG

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For Assistance Contact

Crawford & Associates
frank@crawfordcpas.com
(405) 691-5550

OMMS

Northeast/Southeast Regions
Steve Garrett
steve_garrett1964@yahoo.com
918-743-8018

North Central/South Central Regions
Rick Rumsey
rrumsey@okmms.org
918-743-8018

Northwest/Southwest Regions
Tracy Judd
tjudd@okmms.org
918-743-8018

General Assistance:
Brittany Long, OMMS
blong@okmms.org
(918) 743-8018

OMAG

Clerks/Treasurers
Dorie Spitler
dspitler@omag.org
(405) 657-1418

Human Resources
Suzie Paulson
spaulson@omag.org
(405) 657-1444

Human Resources
Monica Coleman
mcoleman@omag.org

City Attorneys
Jeff Bryant
jbryant@omag.org

A special thanks to the City of Sand Springs Finance Department and the City of Mannford for their assistance in compiling samples.

CARES Act Funding Guide: State of Oklahoma

1. **No later than Sept. 8**, local governments must be registered for an account with the State's online grants management platform for filing CRF reimbursement requests. If you have not received log in credentials, please submit your information here as soon as possible: www.governor.ok.gov/crfgrants.
2. **Before Sept. 15**, local governments must submit through the State's grants management platform at least one documentation for reimbursement. The receipt can be of any size and represent a single eligible expense while you gather documents for all qualifiable expenses dating back to March 1, 2020. This creation of a financial activity is important to begin the process for the risk assessment.
3. **By Sept. 15**, local governments must complete the State's risk assessment form. This could take several days to complete. Please do not wait until the deadline to begin this critical step. Attached to our letter is a blank risk assessment form as well as a FAQ about the risk assessment process.

NOTES:

In order to register **prior to Sept 1, 2020**, you will need to be registered with SAM.gov (most cities are likely already registered)

Before you can apply for any grants you need to register with System for Award Management (sam.gov), which can take up to 10 days. To register with SAM, you must have:

- DUNS Number, Legal Business Name and Physical Address from your Dun & Bradstreet (D&B) record. The DUNS Number is free and is typically assigned within 1 day. Request a DUNS Number here: <https://fedgov.dnb.com/webform>
 - Your Taxpayer Identification Number (TIN) and Taxpayer Name associated with your TIN.
 - Your bank's routing number, account number and bank type (checking, savings, etc) to set up Electronic Funds Transfer (EFT).
 -
4. Determine the expenses you may be allowed to claim, including the following:

- a. Payroll expenses incurred for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. The payroll expense period began on March 1, 2020, and expires December 31, 2020. (An application must include amounts already incurred and not expected future payroll). For public safety reimbursement, see the attached proposed draft resolution A and for “similar employee” reimbursement, see proposed draft resolution B.
 - b. Public safety measure expenses, including actual purchases of masks, hand sanitizer and similar expenses.
 - c. Emergency medical response expenses, including masks or protective equipment.
5. Execute a “Federal Funding Certification” that will be provided to you when you register.
6. Federal Guidelines state that “The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.” In order to ensure compliance with this provision, it is recommended the governing body approve a resolution finding that public safety costs were substantially dedicated to mitigating the COVID emergency. (See attached sample resolution).

Eligible Expenses

The guidelines provide for the recovery of actual expenses related to the COVID response, including safety equipment that was actually purchased to respond to the crisis. Reimbursement may be sought for actual amounts spent on items such as protective equipment, sanitizer, and other necessary supplies that were used to provide safe public areas.

Additionally, the guidelines allow for the recovery of employee related expenses in two categories. First, for documented time spent, an application should be submitted outlining the actual payroll costs.

Further, public safety and other similar employees are treated differently, with the guidelines providing that “as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.” In order to ensure compliance with this provision, it is recommended the governing body approve a resolution finding that public safety costs were substantially dedicated to mitigating the COVID emergency. (See sample resolution A).

In addition to public safety employees, the guidelines allow reimbursement for employees who perform services “substantially similar” to public safety. In those towns with limited public safety expenses, other town employees have provided the services necessary for the response. A sample resolution (B) is attached for that situation, providing for the elected officials to determine (a) which employees were substantially similar and (b) how much time, by percentage, was substantially dedicated to the COVID response. The substantially similar employees may vary by location and circumstance. Although there is a presumption that all public safety time was dedicated to the response, no guidance is provided for the allowable percentage of reimbursement, and the elected officials should review their unique circumstances and make that determination for purposes of their application by completing the sample resolution. It is anticipated that “substantially similar” employees in Towns either with no public safety employees, or with limited public safety employees, would have responded to the crisis by having other employees fulfill some of the roles performed by public safety, including but not limited to communication with the public about the safeguards in place, reviewing safety measures throughout the community, providing contact with the business community, and coordinating the response with other public entities.



John Budd
Chief Operating Officer

Mike Mazzei
Secretary of Budget

Sept. 1, 2020

Dear city and county leaders,

We are writing to remind you that three critical deadlines are approaching that will impact your city's or county's ability to claim CARES Act Coronavirus Relief Funds (CRFs) this year. **Currently more than 300 cities and counties have not fulfilled one or more of these requirements:**

- **No later than Sept. 8**, local governments must be registered for an account with the State's online grants management platform for filing CRF reimbursement requests. If you have not received log in credentials, please submit your information here as soon as possible: www.governor.ok.gov/crfgrants
- **Before Sept. 15**, local governments must submit through the State's grants management platform at least one documentation for reimbursement. The receipt can be of any size and represent a single eligible expense while you gather documents for all qualifiable expenses dating back to March 1, 2020. This creation of a financial activity is important to begin the process for the risk assessment.
- **By Sept. 15**, local governments must complete the State's risk assessment form. This could take several days to complete. Please do not wait until the deadline to begin this critical step. Attached to our letter is a blank risk assessment form as well as a FAQ about the risk assessment process.

As a reminder, Governor Stitt and the CARES *FORWARD* team announced last month a new CRF allocation model for cities and counties. With this model, Governor Stitt dedicated \$250 million in CRF to cities and counties based on a formula of \$77 per capita. While these funds will be available to you for reimbursements until Nov. 1, the steps listed above are required in order to successfully capture your funds over the next couple months. Our process is rigorous so that we can ensure all parties are in compliance from the onset in preparation for federal and state audits. For more information on the funds your city or county could qualify for, please click here: <https://caresact.ok.gov/grant-programs/crf-support-cities-counties>.

In closing, we have heard from a number of cities and counties that they have been contacted by consultants offering to assist you in capturing CRF. While you are welcome to hire a firm to assist with your own auditing needs, please know that you do not need a third party to communicate with our team. We have a strong system in place for the State to directly support city and county governments. If you need assistance, please contact us at any time via e-mail, CRFhelp@omes.ok.gov, with your questions and the best contact information to provide timely support.

Sincerely,

Handwritten signature of John Budd in black ink.

John Budd
Chief Operating Officer
State of Oklahoma

Handwritten signature of Mike Mazzei in black ink.

Mike Mazzei
Secretary of Budget
Office of the Governor

CARES FORWARD

**Frequently Asked Questions:
The Process to Complete a Risk Assessment**

Last updated: September 1, 2020

- 1. Do I have to fill out a risk assessment for every claim?**
No. One is plenty.
- 2. Why is my email/telephone number/etc. not being accepted by the system?**
We are not sure why this happens. Logging out and logging back in usually solves the issue.
- 3. What do I enter in the fiscal year fields?**
The correct input is the four-digit year. Consider “Last” Fiscal Year to mean the most recently completed fiscal year.
- 4. Who is my executive director/chief financial officer/grant program officer?**
This varies by organization, but the information being solicited is who is involved with the administration of federal funds. The executive director could be a mayor, county commissioner, or any individual who would be closest to having ultimate authority over decisions within the jurisdiction. The chief financial officer would be the person whose most responsible over financial matters. The grant program officer is who is most responsible for the administration of the funds.

If applicable, the same individual may be entered for more than one of these categories. However, this could have a negative impact on the risk score due to segregation of duty concerns.
- 5. How many audits/SEFA reports/etc. should I upload?**
No more than three.
- 6. The system is not accepting my uploads, what should I do?**
Logging out and logging back into the system usually solves the issue. In the event this does not resolve the situation, the documents can be emailed to matt.clarkson@omes.ok.gov and they will be forwarded to the person reviewing the risk assessment form.

7. What is the indirect cost rate?

An indirect cost rate is a way to recover cost of administrating federal grants. For instance, the a/p clerks or treasurer of your city do not bill their time to the grants whose expense they pay, but their workload is effected as result of grant administration. Most grant administrators use a “de minimis” amount (which is 10% of direct costs) in order to get those basically unknown cost reimbursed.

More advanced grant administrators, however, may negotiate a more specific rate with the federal government.

Generally, when cities and counties are unsure of what an indirect cost rate is, the likely answer to that question is “no.”

8. How many years back should we report for lawsuits?

Only currently active lawsuits are needed for our assessment.

Status Report

Edit

Clone

Change Record Type



Details

Subrecipient Background Information

Subrecipient Agreement ⓘ

Stage

In Progress

Subrecipient

Type of Organization

Subrecipient Agreement Contact

Type of Organization (Other)

Street

Approximate Total Operating Budget

Street 2

Month of Fiscal Year End

City

Last Fiscal Year (Non-Federal)

State

Last Fiscal Year (Federal)

Zip Code

Current Fiscal Year (Non-Federal)

Telephone Number

Current Fiscal Year (Federal)

Email

Major Organizational Functions ⓘ

Senior Officers and Tenure in Office

Executive Director Name

Executive Director Years

Chief Financial Officer Name

Chief Financial Officer Years

CRF Grant Program Officer Name

CRF Grant Program Officer Years

Other Grant Contact Name

Other Grant Contact Years

Other Grant Contact 2 Name

Other Grant Contact 2 Years

Internal Controls

Describe Segregation Responsibilities

Specific Officials Designated?

Designated Official

Receipt qualifications met?
Status Report

Bank statement qualifications met?

Edit Clone Change Record Type ▼

All disbursements are pre-numbered?

Supporting document qualifications met?

Checks drawn qualifications met?

Multiple signatures required?

Employees in position of trust?

Individuals required to take vacations?

Positions performing duties on vacation

Experience with federal funding

Proposals Approved by Management

How to account for funds?

Indirect cost rate approved and current?

Audit in last 3 years?

Lawsuits filed against them?

Lawsuit Reason

Suspended or debarred from fed contracts

Suspend/Debarred Reason

Jailed or Convicted?

Additional Comments

▼ Evaluation of Risk

Experience administering federal funds ⓘ

Experience with single audit ⓘ

Clean audit reports ⓘ

Highly qualified staff ⓘ

Staff jailings/convictions ⓘ

Duties are segregated ⓘ

Disbarment from federal contracts ⓘ

Funds accounted for separately ⓘ

Average Score
0.0

Level of Risk

Notes

Additional Notes

Status Report

Edit

Clone

Change Record Type

[Files \(0\) \(/lightning/r/a0i5w00000BvhhqAAB/related/AttachedContentDocuments/view\)](#)

 Upload Files

Click 'Next' to continue to the Evaluation of Risk Assessment form.

Next