

## **Coronavirus Relief Fund Appropriation Use Agreement**

**WHEREAS**, securing the health, safety, and economic well-being of all Riley County citizens is Riley County's top priority;

**WHEREAS**, the state of Kansas is facing both a public health and economic crisis – the pandemic and public health emergency of COVID-19 – which has resulted in illness, quarantines, school closures, and temporary closure of businesses resulting in lost wages and financial hardship to Kansas citizens locally;

**WHEREAS**, the World Health Organization declared a pandemic on March 11, 2020;

**WHEREAS**, on March 13, 2020, the President of the United States pursuant to Sections 201 and 301 of the National Emergencies Act, 50 U.S.C. § 1601, et seq. and consistent with Section 1135 of the Social Security Act, as amended (42 U.S.C. § 1320b-5), declared a national emergency that the COVID-19 outbreak in the United States constitutes a national emergency beginning March 1, 2020;

**WHEREAS**, Riley County must remain flexible to account for the evolving nature and scope of the unprecedented public health emergency posed by COVID-19, while also simultaneously beginning the process of safely, strategically, and incrementally reopening business and facilitating economic recovery and revitalization;

**WHEREAS**, for the aforementioned and other reasons, and in recognition and furtherance of my responsibility to provide for and ensure the health, safety, security, and welfare of the people of the community, Riley County has determined that the evolving public health and economic threats posed by COVID-19 require a proactive approach to provide immediate financial relief and long-term economic investment in the community;

**WHEREAS**, in these challenging times, Riley County will do what it can to avoid immediate dangers to the health, safety, and welfare of all Riley County citizens and prepare for future waves of COVID-19;

**WHEREAS**, on June 16, 2020 the State Finance Council approved the Strengthening People and Revitalizing Kansas (SPARK) Taskforce's proposal to distribute money to Riley County to help address the health and economic challenges inflicted by COVID-19 based on Riley County's population and impact from COVID-19 with funds provided for reimbursement of COVID-19 related costs and as direct aid unless otherwise approved by the SPARK Taskforce.

**WHEREAS**, to ensure that all educational and municipal entities within counties receive Coronavirus Relief Funds to meet their respective health and economic challenges, the SPARK Taskforce Executive Committee passed a motion on June 2, 2020, to direct counties to allocate and share Coronavirus Relief Funds with public educational and municipal entities within their counties.

**WHEREAS**, Riley County adopted a Resolution to accept and distribute funds to cities and

other entities within Riley County.

**THEREFORE**, pursuant to the authority vested in the Board of Riley County Commissioners, sitting as the Riley County Board of Health, in order to begin the process of safely, strategically, and proactively providing the resources the community needs to both mitigate the spread of COVID-19 and invest in long-term economic recovery, (\_\_\_\_\_) accepts any funds appropriated to the (\_\_\_\_\_) by the State of Kansas through the State's Coronavirus Relief Fund and distributed by Riley County pursuant to the following terms designed to ensure the lawful use of funds and transparency, equity, and accountability:

1. Section 5001 of the Coronavirus Aid, Relief, and Economic Security ("CARES") Act, as codified in 42 U.S.C. § 801, provides the eligible purposes for which Coronavirus Relief Fund ("CRF") payments may be used. Under 42 U.S.C. § 801(d) funds may be used for:
  - a. necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19);
  - b. not accounted for in the budget most recently approved for the county as of March 27, 2020; and
  - c. incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.
2. The following are examples of public health expenditures allowed pursuant to paragraph 1.a. above and 42 U.S.C. § 801(d):
  - COVID-19 related expenses of public hospitals or clinics
  - COVID-19 testing and quarantine costs
  - Payroll of employees substantially dedicated to COVID-19 mitigation or response
  - Payroll of employees required to back-fill positions of employees reassigned to positions substantially dedicated to COVID-19 mitigation or response
  - Expenses for establishing and operating public telemedicine capabilities
  - Technological improvements to facilitate distance learning
  - Improving telework capabilities
  - Grants to small businesses to reimburse the costs of business interruption caused by required closures
  - Government payroll support program for costs necessary to respond to, prevent or mitigate against COVID-19

- Unemployment insurance costs related to COVID-19
3. The following are examples of public health expenditures NOT allowed pursuant to paragraph 1.a. above and 42 U.S.C. § 801(d):
    - Damages covered by insurance
    - Payroll or benefits for employees not substantially dedicated to mitigating or responding to COVID-19
    - Expenses that will be reimbursed under any federal program
    - Reimbursement to donors for donating items or services
    - Workforce bonuses other than hazard pay or overtime
    - Severance pay
    - Legal settlements
    - Reimbursement of forgiven loan proceeds
  4. Additionally, as outlined in guidance issued by the Congressional Research Service on April 14, 2020, “Coronavirus Relief Fund payments may not be used to directly account for revenue shortfalls related to the COVID-19 outbreak. Such funds, however, may indirectly assist with revenue shortfalls in cases where expenses paid for by the Coronavirus Relief Fund would otherwise widen the gap between government outlays and receipts.”
  5. In consideration of Riley County’s appropriation of funds to the (\_\_\_\_\_) as described herein, and to ensure effective and timely oversight of local spending, the (\_\_\_\_\_) will comply with reporting requirements established by Riley County and agrees to be solely responsible for the lawful use of that appropriation.
  6. To ensure transparency and accountability in the deliberation, expenditure, and oversight processes associated with CRF funds, the (\_\_\_\_\_), will comply with all applicable requirements of the Kansas Open Meetings Act and Riley County.
  7. The COVID-19 pandemic has disproportionately impacted racial minorities within the State of Kansas, illustrating long-standing health disparities for African-American, Latino, and other racial minority populations in the United States. Accordingly, the (\_\_\_\_\_) will consider and incorporate efforts to address such disproportionate impacts on racial minorities in its proposed plan.
  8. As provided in 42 U.S.C. § 801(f), the Inspector General of the Department of the Treasury determines whether CRF payments have been used for eligible purposes. Fund payments that are deemed to have been used for ineligible purposes are treated as a debt owed by the implementing government to Treasury. This Memorandum of Agreement signifies that,

upon approval, the (\_\_\_\_\_) agrees to cooperate with any audits or inquiries by the Department of the Treasury concerning CRF funds and agrees to pay any debt incurred to the Department of the Treasury due to ineligible expenditures of appropriated CRF funds.

9. The (\_\_\_\_\_) understands that the United States Department of the Treasury or the Governor's Office of Recovery may issue guidance regarding the transfer, expenditure, reimbursement, or other use of CRF funds. Local programs administered by (\_\_\_\_\_) will be allowed administrative fees for actual expenses incurred.
10. The (\_\_\_\_\_) understands and agrees to maintain internal controls, accounts and records, including personnel, property, financial, and programmatic records and other such records as may be deemed necessary by Riley County, consistent with Uniform Guidance as described in the Federal Terms and for a period of six (6) years to ensure proper accounting for all grant funds and compliance with this Agreement. The (\_\_\_\_\_) acknowledges that records may be subject to disclosure under the Kansas open Records Act K.S.A 45-216(a).
11. The (\_\_\_\_\_) understands and agrees that Riley County or any duly authorized representatives, shall have, at any time and from time to time during normal business hours, access to any work product, books, documents, papers, and records of the Recipient which are related to this Agreement, for the purpose of inspection, audits, examinations, and making excerpts, copies and transcriptions.
12. The (\_\_\_\_\_) understands and agrees that any unspent funds must be returned to the State for recoupment. The (\_\_\_\_\_) understands that Riley County must return all unspent funds no later than December 30, 2020, and the (\_\_\_\_\_) agrees to forfeit any unspent funds to Riley County no later than November 30, 2020. That will allow Riley County to consider reallocating such unspent funds. All reconciliation documents submitted to the SPARK Taskforce will be made publicly available by the Governor's Office of Recovery, including supporting documentation submitted by the (\_\_\_\_\_) to Riley County.

This document shall be filed with the County Clerk. It shall become effective as of [\_\_\_\_\_].

(\_\_\_\_\_)

By: \_\_\_\_\_  
Acting Chairman/President

BOARD OF RILEY COUNTY COMMISSIONERS,  
SITTING AS THE BOARD OF HEALTH

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Marvin Rodriguez, Chairman

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Rich Vargo, Riley County Clerk