



CARES Act / ARPA Task Force Audit & Compliance Committee Meeting
Meeting Minutes – Wednesday, June 8, 2022
11:00 a.m. Virtual Zoom Webinar

Attendance:

Committee Members Present: Co-Chair Bob Wasserbach (County Auditor), Co-Chair Michael Smith (NCC Chief Financial Officer), County Councilwoman Janet Kilpatrick, NCC Audit Committee member Dr. Karl Brockenbrough, Tarik Haskins (Morris, Nichols, Arshat & Tunnell, LLP), NCC Housing Management Analyst Nicole Waters and Past NCC Audit Committee Chair Martin Taylor.

Committee Members Absent: None.

Others in Attendance: NCC Chief of Staff Aundrea Almond, Ben Morris-Levenson (NCC ARPA Coordinator), NCC Deputy Chief Administrative Officer Erik Raser-Schramm, Assistant County Attorney Nicholas Brannick, Dustin Hinkel (Grant Thornton), Bradford Johnson (Grant Thornton) and 4 other NCC staff members/members of public.

Proceedings:

- Co-Chair Bob Wasserbach started the meeting at 11:00 a.m.
- Co-Chair Smith made a motion to approve the previous meeting's minutes (April 20, 2022), which was seconded by Councilwoman Kilpatrick. The minutes were passed unanimously.
- Mr. Hinkel presented Grant Thornton's update on subrecipient monitoring.
 - Other CRF Grant Programs: Mr. Hinkel said that GT has been working with Apothic Revenue in assuming its close-out role. He shared GT's "CRF Grants – Subrecipient Tracker". GT has done an initial QA/QC of the supporting documentation available in the County's dashboard. Apothic Revenue has also been providing GT the desk review documents from its reviews. That transition is about 63% complete. Mr. Hinkel said that GT has been focusing on closing out and reconciling the Health Equity and Innovation grants. GT is trying to gather all the information first, so that the subrecipients are only asked pertinent questions and not having to repeat information already provided. Co-Chair Wasserbach clarified that the 'Number of Desk Review Documents Transitioned from Apothic' referred to the number of documents received from Apothic, and once all documents are received, GT will be reviewing the documents for adequacy. Mr. Hinkel agreed that that was indeed the case. Dr.

Brockenbrough asked about the difference between the columns 'Support Document QA/QCs Completed from the Dashboard' and 'Number of Desk Review Documents Transitioned from Apothic'. Mr. Hinkel explained that the first column referred to the documents initially uploaded to the County's dashboard. During Apothic Revenue's desk review, additional documents were provided to Apothic which were being maintained by Apothic in their own separate system. Now, these documents are being transitioned to GT. Co-Chair Wasserbach added that for some of the applications reviewed by the Auditor's Office, there might have been documents that Apothic had received but had not uploaded to the County's dashboard. Mr. Hinkel agreed and added that early in the transition, GT had learned that Apothic Revenue had a server (with their email system) crash and Apothic has been working to restore it so that communications with subrecipients are not lost.

- Internal Transactions: GT has worked with the County to clarify 7 transactions totaling about \$300,000. GT is still questioning 21 transactions that total \$735,875. Mr. Hinkel noted that GT is trying to further leverage the County's CRF funds by seeking reimbursement of approximately \$2.6 million in eligible expenses from the FEMA program. Mr. Hinkel shared a slide giving the breakdown of risk bulletins by category and status.
 - FEMA: Five projects have been obligated for funding so far and the County has received close to \$7.3 million in payments from FEMA. Mr. Hinkel said that one of the Hope Center projects has been declined. Councilwoman Kilpatrick clarified that reimbursements received from FEMA were on top of the CARES money received by the County. Mr. Hinkel replied yes, the FEMA reimbursements were additional funds for the County and the CARES CRF funds for the project can be used for another allowable purpose. Co-Chair Wasserbach asked a question asked in the meeting's chat – is the denied Hope Center project on the chart? Mr. Hinkel replied that he would update the chart and send it.
 - Fire Companies and Municipalities: Mr. Hinkel noted that municipalities have stopped utilizing this program. Since last month, 8 additional fire company projects have been completed while 16 are in queue for completion. There are 20 more closeouts to go for fire companies that have completed their participation in the program.
 - State Transfers: Documentation of desk reviews and their policies and procedures have been completed and GT is moving into expenditure testing.
- Mr. Morris-Levenson presented an update on ARPA to the committee. He noted that of a total of 34 projects, 29 have been approved, 5 were under review and 6 were in subrecipient monitoring. Mr. Morris-Levenson also shared that of the 10 ARPA positions approved by Council, 4 have been filled – 1 being his (ARPA coordinator) and 3 project SEED positions. He also said that the next ARPA reporting to Treasury is due on July 31st. Co-Chair Wasserbach asked when the second tranche of ARPA money would be coming in. Mr. Morris-Levenson that the Treasury has been saying that the second tranche

would be available 12 months after the first tranche and the Treasury would let the County know when to go to the portal to accept the money.

- Co-Chair Wasserbach provided an update on the FY2021 Single Audit. He said that there wasn't much to report on the Single Audit as the external auditors, CliftonLarsonAllen (CLA) , are concentrating on the financial statement audit which has been delayed this year due to a change in the County's financial system. Co-Chair Smith agreed that the external auditors have been focusing on the financial statement audit and noted that the Single Audit is not due until September.
- It was decided that the next meeting would be held on Wednesday, July 13th 2022 at 11 a.m.
- Councilwoman Kilpatrick made a motion to adjourn the meeting. Mr. Taylor seconded the motion. The motion was approved unanimously.

The meeting ended at 11:25 a.m.