

CARES ACT STEERING COMMITTEE MEETING MINUTES

ZOOM Meeting

January 19, 2021 / 4:00 p.m.

IN ATTENDANCE

STEERING COMMITTEE MEMBERS

Chair, Elizabeth Smith, Secretary of the Department of Inspector General
Vice Chair, Dr. Greg Bledsoe, Surgeon General (Department of Health Designee)
Larry Walther, Secretary of the Department of Finance and Administration
Mike Preston, Secretary of the Department of Commerce
Cindy Gillespie, Secretary of the Department of Human Services
Amy Fecher, Secretary of the Department of Transformation & Shared Services
Jami Cook, Secretary of the Department of Public Safety
Johnny Key, Secretary of the Department of Education
Bill Gossage, Governor's Office Representative
Senator Missy Irvin
Senator David Wallace
Representative Michelle Gray
Representative Fred Allen
Representative Lane Jean

ADDITIONAL ATTENDEES

Dr. Laura James, UAMS

AGENDA

- 1.) Welcome and Opening Remarks – Elizabeth Smith
- 2.) Department of Finance & Administration: Report regarding funds – Sec. Walther
- 3.) Department of Human Services: Report regarding funding request to DHS – Sen. Stubblefield and Sec. Gillespie
- 4.) Department of Corrections: Request for funds – Sec. Graves

WELCOME & OPENING REMARKS

Secretary Elizabeth Smith noted that additional items for consideration, including documents from DHS describing senior center proposal, as well as an updated spreadsheet from DFA regarding funding and a request from UAMS to continue their antibody testing had been provided to committee.

Secretary Smith requested that the members allow DFA to present the requests for extension of time to expend funds as a batch, rather than requiring in the individuals who proposed the request to present. She noted that each agency, request, and department has been spoken to directly in order to ensure needs are understood.

Secretary Smith presented the minutes from the CARES Act Steering Committee meeting on December 9, 2020. Representative Lane Jean motioned to approve; Senator Missy Irvin provided a second; Secretary Smith called for a vote; the minutes were approved.

DEPARTMENT OF FINANCE AND ADMINISTRATION

Request to Extend Funding Deadlines

Secretary Larry Walther noted that the most recent federal stimulus action was House Bill 133, which was approved by Congress and signed by President Donald Trump, extending the deadline for utilization of state's \$1.25 billion Coronavirus Relief Fund dollars to the end of December 31, 2021.

Secretary Walther recommended to extend the deadline to March 30, 2021 for the attached list on today's agenda to allow full utilization of those funds, with the exception of the first two lines under the Department of Commerce, titled "AR Rural Connect Broadband and AR Rural Connect – Administrative Costs." He noted that those two programs should be extended to June 15, 2021 to allow full utilization of CRF dollars.

Secretary Walther motioned to approve.

Senator Irvin asked if the AR Rural I.D. Broadband money at UAMS could be extended to June, as well. Secretary Smith noted that it was her understanding that UAMS currently has those funds and is utilizing them.

Representative Jean provided a second.

Secretary Michael Preston clarified a discrepancy of deadline extension dates in the agenda.

Secretary Cindy Gillespie requested to discuss the Community Outreach Investment Grants and the Crisis Stabilization Units/Veteran Mental Health. She noted that both are areas that were originally scheduled to receive another round of funding but encountered setbacks due to difficulty of timing. Secretary Gillespie asked if those two items could receive an extension date later than March 31, 2021, as well. She noted the possibility of getting into a cycle of a rapid grant process that wouldn't allow for the money to be properly used by grant recipients.

Secretary Walther noted he had no issues extending the deadline and modified his recommendation for those two items to be extended to June 15, 2021.

Secretary Smith noted that modification was permissible.

Representative Fred Allen clarified that the federal government extended the deadline to December 31, 2021. Secretary Smith noted that because they had originally allocated these funds to be used by December of 2020, they saw it fit to utilize the funds to take care of the present needs. She also noted that the appropriations run through June 2021.

Secretary Smith called for a vote; the motion was passed.

Request to Continue Funding

Secretary Walther noted that the dispersing officer also requested an extension of funding until funds are expended for the following: the reimbursement for state agencies for the purchase of PPE, the reimbursement for UAMS continuing antibody testing, purchase of PPE for the Arkansas Department of Emergency Management, and reimbursement for the cost associated with statewide marketing campaign to slow the spread of COVID-19. He noted that these have been sent to the agencies including the DFA, allowing them to continue to pay for PPE, antibody testing, and the marketing campaign until dollars are expended. Secretary Walther motioned to approve.

Secretary Johnny Key provided a second; Secretary Smith called for a vote; the motion was passed.

Secretary Smith noted to Dr. Laura James at her good work and continuance of antibody testing at UAMS.

Unallocated Funds

Secretary Walther reported a current balance of \$86.442 million that has been allocated but not spent. He noted the remaining balance after the previously discussed funding including interest is \$41.917 million.

Department of Human Services

Secretary Smith noted one discrepancy on the agenda: the request from DHS for continuity of care and reimbursement shows approved for \$1.255 million on the agenda. However, DHS had returned a significant amount from that.

Secretary Gillespie noted that DHS will wait and use the current allocated funds to reimburse for PPE. She noted that the department had returned about \$13 million.

Request for Funding for Senior Centers

Secretary Gillespie noted the included proposal to use \$1 million as reimbursement to senior centers for direct beneficiary activities, such as serving meals and providing transportation. She noted that the money would be drawn by the triple A's of the state, which would then be required per the formula to ensure that every senior center in the state received the moneys. Secretary Gillespie noted there are 165 senior centers around the state and are present in every county. She also noted this would be done as allocations, with each senior center choosing whether to draw

its allocation. There would be a period of time given to use the allocation with documentation of incurred expenses required. If unable to use funding, they would be required to return.

Secretary Gillespie noted that they are not allowed to get reimbursed for something already reimbursed by federal or state.

Representative Michelle Grays inquired of the nature of these expenses. Secretary Gillespie noted some expenses not reimbursed by federal or state are due to reimbursements on a per person basis, rather than per purchase. Mark White of DHS noted additional expenses incurred included PPE, additional equipment and supplies due to more home meals, etc.

Secretary Gillespie noted this would be set up as a reimbursement, rather than funds provided upfront.

Senator Irvin motioned to approve; Representative Allen provided a second; Secretary Smith called for a vote; the motion was passed.

DEPARTMENT OF CORRECTIONS

Request for Funding

Secretary Smith noted that the Department of Corrections needs \$29,544 for a temporary climate-controlled storage unit to hold the PPE for their department.

Senator Irvin motioned to approve; Representative Allen provided a second; Secretary Smith called for a vote; the motion was passed.

CLOSING DISCUSSION

Senator Irvin noted a concern from Senator Ballenger regarding the fact that people did not have turkey at their Thanksgiving dinner, per our COVID-19 guidelines. She noted this was also due to the closing of plants, which left turkey farmers in a bad situation. Senator Irvin noted she encouraged Senator Ballenger to write a letter to this committee and the Department of Agriculture.

The meeting was adjourned.