



STATE OF ARKANSAS
**Department of Finance
and Administration**

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Memo

To: Elizabeth Smith, Chair, CARES Act Steering Committee

From: Larry W. Walther, Secretary

Date: April 29, 2020

Re: Funding Proposal Review and Recommendation

**Arkansas Department of Commerce
Secretary Preston**

Proposal Title: Arkansas Open for Business Grant Program

Amount requested: \$15,000,000

DFA Review: Program is critical to addressing the needs of businesses to ensure the health and safety of employees and patrons as they reopen to the public and provides financial support for the one time expenses associated with resuming normal business operations.

Under U.S. Department of Treasury Guidance, it is determined the request meets the criteria for funding under eligible expenditures

Category 5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency and more specifically, expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.

DFA Recommendation: Approval

**Arkansas Department of Parks, Heritage and Tourism
Secretary Hurst**

Proposal Title: Arkansas Economic Recovery: Public Education Campaign

Amount Requested: \$700,000

DFA Review: The Arkansas Economic Recovery Task Force has determined that consumer education and awareness is critical to the economic future of Arkansas as restrictions are removed and business activity is allowed to proceed.

Under U.S. Department of Treasury Guidance, it is determined the request meets the criteria for funding under eligible expenditures

Category 2. Public Health expenses such as: Expenses for communication and enforcement by State governments of public health orders related to COVID-19.

Category 5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency.

Category 6. Any other COVID-19 related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

DFA Recommendation: Approval

This draft is a working document. All information contained herein is subject to change and may differ substantially from the final document. The information contained in this document should not be considered the position or views of the agency or the Governor.

**Arkansas Department of Human Services
Secretary Gillespie**

Proposal Title: COVID-19 Care Continuity Emergency Response Reimbursement Payments

Amount Requested: \$23,425,000

DFA Review: Reimbursements will address costs primarily associated with serving the needs of Medicaid and other vulnerable populations within Arkansas. DHS has identified this as a critical need of the state for which other funding is not immediately available.

Under U.S. Department of Treasury Guidance, it is determined the request meets the criteria for funding under eligible expenditures

Category 1. Medical expenses such as COVID-19 related expenses of public hospitals, clinics and similar facilities.

Category 2. Expenses for disinfection of public areas and other facilities in response to the COVID-19 public health emergency, as well as expenses for public safety measures undertaken in response to COVID-19.

DFA Recommendation: Approval

Proposal Title: Caregiver Payment for Children in Foster Care

Amount Requested: \$1,200,000

DFA Review: The purpose of the Caregiver Payment proposal is to address the unanticipated costs associated with the public health emergency, to Foster Parents caring for children who may have higher incidences of physical health issues and medical frailty. Children in the Foster Care System often have experienced higher levels of trauma and behavioral health challenges than their peers. DHS has determined this as a critical need to address placement stability and continue the ability of families to accept new foster care placements during this time.

Under U.S. Department of Treasury Guidance, it is determined the request meets the criteria for funding under eligible expenditures

Category 6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

DFA Recommendation: Approval

Proposal Title: Fund Payments to Nursing Facilities Due to COVID-19 Emergency

Amount Requested: \$45,000,000

DFA Review: Nursing facilities in Arkansas serve a high Medicaid resident population. Other funding has primarily been directed based on Medicare payments leaving many facilities in the state in a financial crisis. Purpose of the request has been to address the significant and unexpected costs associated with caring for those diagnosed with COVID-19 as well as the cost of maintaining separation/isolation measures within their facilities. DHS has determined this to be a critical need of the State to maintain viability of facilities to serve a vulnerable population.

Under U.S. Department of Treasury Guidance, it is determined the request meets the criteria for funding under eligible expenditures

Category 1. Medical expenses; COVID-19-related expenses of public hospitals, clinics, and similar facilities.

Category 2. Public Health Facilities; Expenses for disinfection, public safety measures, quarantining individuals, and technical assistance as well as the acquisition and distribution of medical and protective supplies.

DFA Recommendation: Approval