



LESSONS LEARNED FROM COUNTY COVID-19 GRANT PROGRAMS

**COVID-19 ASSISTANCE
EFFORTS**

On March 27, 2020, the President signed into law the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). To date, the CARES Act has provided \$183 million in aid to Montgomery County to assist with COVID-19 related relief programs.

As of September 18, 2020, Montgomery County has appropriated over \$163 million in response to the COVID-19 pandemic.

PHEG PROGRAM

Through the Public Health Emergency Grant (PHEG) Program, the County Council appropriated \$25 million from the general fund’s undesignated reserve to assist local businesses that could demonstrate significant financial loss caused directly or indirectly by the public health emergency.

On April 15, 2020, the County Executive published temporary regulations for the PHEG. The regulations detailed eligibility criteria, funding limits, method for calculation of revenue loss, grant limits, and additional requirements.

PHEG Statistics:

Applications Received:	6,754
Approved applications:	2,345
Total funds Obligated:	\$20.95M

The Montgomery County Office of the Inspector General (OIG) initiated a review of Montgomery County’s Public Health Emergency Grant (PHEG) Program to determine whether adequate policies, procedures, and controls were in place to efficiently and effectively manage the administration of PHEG awards. Though the review is still on-going, we noted several opportunities to help strengthen current and future County grant programs.

RECOMMENDED ENHANCEMENTS

- Clearly define and communicate eligibility criteria
- Avoid changes to eligibility criteria and processing methodology
- Provide sufficient training to application processors
- Consider implementing an application tracking system
- Require applicants to attest that information provided is true

CLEARLY DEFINE AND COMMUNICATE ELIGIBILITY CRITERIA

Grant administrators should clearly define eligibility criteria well in advance of accepting grant applications. Opening grant programs without clearly defining eligibility criteria will minimize the effectiveness of assistance efforts, lead to errors in processing applications, and potentially lead to eligible applicants being denied assistance.

Grant administrators should also make every effort to communicate eligibility criteria to as broad of a segment of the affected population as possible in order to ensure that all qualified applicants are given an equal opportunity to apply.

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AVOID CHANGES TO ELIGIBILITY CRITERIA & PROCESSING METHODOLOGY

Grant administrators should avoid changing eligibility criteria and processing methodology after a program has started accepting applications. In progress changes can result in potentially qualified applicants missing the opportunity to apply, applicants failing to provide required documentation, and processors making errors in award decisions.

If modifications occur, they must be properly communicated to the affected population and to application processors. Grant administrators should also consider extending application deadlines or reopening applications, to ensure affected populations have time to adjust to the changes.

CONSIDER IMPLEMENTING AN APPLICATION TRACKING SYSTEM

Grant Administrators should consider implementing a real-time application tracking system to provide applicants with the status of their application. For varying reasons, applications can often take longer to process than anticipated by applicants. The perceived delay can be a source of stress for those suffering as a result of public emergencies. Presumably, many applicants desperately need the financial assistance provided by the grants. Providing a mechanism for applicants to check the status of their application may help alleviate some unease and allow them to formulate other plans.

PROVIDE SUFFICIENT TRAINING TO APPLICATION PROCESSORS

Grant administrators should provide application processors with sufficient training to allow them to make proper award/eligibility decisions. The training should include information about the purpose of the grant program; eligibility criteria; an explanation of required documentation and relevance, including where to find support for eligibility; a discussion of unique circumstances affecting eligibility; and direction to document all communications with applicants, including uploading all emails into the database used to process applications. To avoid personal bias from affecting award decisions, application processors should also be discouraged from using personal discretion when evaluating applications. Insufficient training for application processors and the allowance of personal discretion can lead to the utilization of inconsistent and improper evaluation methods and result in erroneous payments, improper denials, and biased decisions.

REQUIRE APPLICANTS TO ATTEST THAT INFORMATION PROVIDED IS TRUE

Grant administrators should require applicants to certify that the information they provide is true and correct. They should also advise applicants that they may be prosecuted, required to refund grant moneys, and or pay penalties as a result of any false statements. Both actions will help to discourage would-be fraudsters and enable the County to seek prosecution and restitution should intentional wrongdoing be discovered.

REPORT FRAUD, WASTE, AND ABUSE



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<http://montgomerycountymd.gov/oig/hotline.html>



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