

American Rescue Plan Act

Allowable Activities/Costs and Procurement Process

THURSDAY, JULY 28, 2022

Introductions

- ▶ Debbie Gregg, Grants Manager
(dgregg@co.marion.or.us)
- ▶ Camber Schlag, Contracts and
Procurement Manager
(cschlag@co.marion.or.us)
- ▶ ARPA Recovery E-mail
(arparecovery@co.marion.or.us)

Agenda

- Introductions
- ARPA Overview
- Allowable Activities/Costs
- Procurement
- Resources



ARPA/SLFRF Overview

- ▶ American Rescue Plan Act (ARPA) - signed into law on March 11, 2021 and established the Coronavirus State and Local Fiscal Recovery Fund (SLFRF)
- ▶ Marion County was directly allocated \$67,559,569 for the SLFRF program
- ▶ Purpose is to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses.
- ▶ Board of Commissioners held meetings in summer and fall of 2021 to determine needs of community
- ▶ Application process and work session with the Board to ultimately award the funds
- ▶ Most awards were executed in June/July 2022

ARPA Funds Awarded to Subrecipients

- ▶ Subrecipient Definition
 - ▶ A nonfederal entity that receives a subaward from a pass-through entity to carry out part of a federal program
 - ▶ Subrecipients make programmatic decisions, such as eligibility determinations, or some determination on how they spend the funds
- ▶ Subrecipients are required to:
 - ▶ Comply with Federal Regulations (2 CFR 200) & U.S. Treasury Reporting Requirements
 - ▶ Report federal expenditures annually on the Schedule of Expenditures of Federal Awards (SEFA)
 - ▶ Obtain Annual Single Audit if expended \$750,000 or more in federal funds

Exhibit C – Federal Funding Info for Subrecipients

1. Federal Award Identification	
(i) Subrecipient Name:	Bridgeway Recovery Services, Inc.
(ii) Subrecipient DUNS #:	183654524
(iii) Federal Award Identification Number (FAIN):	NA
(iv) Federal Award Date:	7/1/2015
(v) Subaward Period of Performance (Start & End Date):	7/1/2015 – 6/30/2017
(vi) Federal Funding Obligation	
a) Total Amount of Federal Funds Obligated by this Agreement:	\$399,870
a.1) A&D Services	\$45,990
a.2) SE 81	\$283,688
a.3) SE 61	\$51,000
a.4) SE 66	\$19,192
b) Total Amount of Federal Funds Obligated to Subrecipient by Pass-Through Entity (PTE), including this agreement:	\$399,870
c) Total Amount of Federal Award committed to Subrecipient by PTE:	\$399,870
(vii) Federal Award Project Description:	See A&D 66 Service Description
(viii) Identify the following:	
a) Federal awarding agency	State of Oregon
b) Pass-Through Entity,	Marion County Health Dept
c) Contact info for awarding official:	Roderick P. Calkins
(ix) Identify Program Information	
a) Catalog of Federal Domestic Assistance (CFDA) #:	93.959
b) Program Name:	Community Behavioral and Substance Use Disorder Services
c) Is the award Research & Development? (Yes/No)	No
d) Indirect Cost Rate for Federal award:	None
2. Subrecipient Indirect Cost Rate	
Indirect cost rate passed through to subrecipient:	N/A
3. Additional Requirements or Comments (if any)	

Allowable Activities

- ▶ Eligible Expenditures Allowed for each specific federal program
- ▶ Eligible Categories for ARPA
 - ❑ Public Health
 - ❑ Negative Economic Impacts
 - ❑ Premium Pay
 - ❑ Infrastructure (Water, Sewer, and Broadband)
 - ❑ Revenue Replacement/Government Services
 - ❑ Administrative and Other
- ▶ Each Agreement's scope of work/application will outline the allowable activities



Allowable Costs

- ▶ Costs associated with federal awards are allowable and in compliance with the award agreements and applicable laws & regulations.
- ▶ Direct – costs that can be directly traced or assigned to a particular program or program objective.
- ▶ Indirect – costs incurred for a common or joint purpose benefitting more than one cost objective.
 - ❑ Administrative costs charged to grant based on cost allocation plan or indirect cost rate
 - ❑ No ARPA Agreements were approved for Indirect Costs
- ▶ Unallowed – costs that are not allowed to be charged to the federal program.

Allowable Costs Criteria (2 CFR 200.403)

- ▶ Be necessary and reasonable
- ▶ Conform to exclusions in Federal Agreement or Uniform Guidance
- ▶ Consistent with entity P&P's
- ▶ Be given consistent treatment
- ▶ Comply with Generally Accepted Accounting Principles (GAAP)
- ▶ Not be used to meet cost-sharing or matching requirements
- ▶ Be adequately documented
- ▶ Comply with Costs Principles
- ▶ Incurred during the approved budget or performance period
- ▶ Receive prior written approval (if required)

Allowable Costs Examples - ARPA

Direct Cost Examples:

- ▶ Equipment or Capital Purchases
- ▶ Contracted Services/Professional Services
- ▶ Materials and Services
- ▶ Personnel Costs – direct project oversight



Allowable Costs – Equipment

- ▶ Equipment and real property (200.313 and 200.311)
 - ▶ Capital purchases over \$5,000
 - ▶ Preapproved (budget/agreement or grantor approval)
 - ▶ Assign Asset #, tracking system, safeguard assets
 - ▶ Inventory every 2 years
 - ▶ Disposal of federal equipment (200.313 (e))
 - ▶ Approval or directive from awarding agency or pass-through entity
 - ▶ Proceeds Under \$5,000 – subrecipient retains
 - ▶ Proceeds Over \$5,000 – awarding agency or pass-through entity retains



Allowable Costs – Personnel

- ▶ Personal Compensation (Payroll Costs) - 2 CFR 200. 430 (i)
 - ▶ Supported by a system of Internal Control
 - ▶ Incorporated into the official record (i.e. timesheet)
 - ▶ Reasonably reflect total activity for which the employee is compensated
 - ▶ Encompass both federally assisted and all other activities
 - ▶ Comply with established accounting policies
 - ▶ If employee works on more than one cost objective – support the distribution of wages
 - ▶ ***Budget estimates alone do not qualify as support for federal awards***

MARION COUNTY FINANCE - EXEMPT



Employee Name Buddy the Elf

Employee ID 1234

Supervisor Santa Claus

Pay Period (26) November 28 - December 11, 2021

I have worked only my regularly scheduled bi-weekly hours except for the hours entered below.

WEEK ONE Hours Type	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sub Total
073911 ARPA Admin		1.500		8.000	8.000	6.000		23.500
WEEK TWO Hours Type	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sub Total
073911 ARPA Admin			4.500					4.500
Comments	073911 ARPA Admin activities include: APRA grant review committee - review round 1 applications, compile results, review ARPA compliance requirements, follow up on ARPA grant applicant questions, etc...						Total Hours of Leave Taken	28.000

I have reviewed the hours worked and leave taken and am certifying that the above is correct.

Employee Signature / Date Buddy the Elf, Toy Worker, 12-10-21

Supervisor Approval / Date Santa Clause, Supervisor, 12/10/21

Print Name Signature

Please document # of hours worked per day for activities directly related to administering Marion County's American Rescue Plan Act (ARPA/CSLFRF) on your time-sheet, per pay period. Please identify the project # and provide a brief description of those activities. Time-sheets are considered the official record of an employee's time and effort reporting for the county and must be signed by the employee and supervisor, attesting to the direct hours worked on the federal grant. (2 CRF 200.413 & 2 CRF 200.430 (i))

Allowable Costs – Personnel

- ▶ Personal compensation example
 - ▶ Employee works on multiple cost objectives
 - ▶ Directly coded on timesheet (program/project code)
 - ▶ Reviewed & Approved by employee and supervisor
 - ▶ Traced to Labor Distribution Reports or General Ledger
- ▶ Fringe Benefits are allowed provided that (200.431):
 - ▶ Reasonable
 - ▶ Required by law, employee agreement or entity policy



Allowable Costs – Adequate Supporting Documentation

- ▶ Direct Invoices or Purchase Orders
- ▶ Reminders on documentation:
 - ▶ Signatures & Approvals – by someone familiar with project
 - ▶ Include PO # or Contract #, if applicable
 - ▶ If invoice is unclear on services, add description
 - ▶ If P-Card, must have detailed receipt and documentation of services provided to ensure allowability



Procurement with Federal Funds

Procurement – Federal Regulations

- Conducted in a manner providing full and open competition (2 CFR 200.319)
- Five Methods of Procurement (next slide)
- Entity must have written Policies or Procedures over:
 - ❑ Procurement transactions (2 CFR 200.319(d))
 - ❑ Conflict of Interest (2 CFR 200.318(c)) Employee cannot participate in selection, award or administration of federal award if a real or apparent conflict of interest exists with:
 - Employee
 - Immediate Family Member
 - Organization which employs employee or immediate family member

Procurement Methods – Federal Dollar Thresholds (2 CFR 200.320)

Micro Purchases	\$0 - \$10,000	No quote required. (200.320(a)(1))
Small Purchases	\$10,000.01 - \$250,000	Obtain price or rate quotations from an adequate number of qualified sources. (200.320(a)(2))
Simplified Acquisitions (Large Procurement Purchases)	\$250,000.01 and above	Follow documented procurement procedures that comply with 200.320(b), which require sealed bids and proposals. Subrecipient must perform a price or cost analysis with every procurement greater than simplified acquisition threshold (\$250,000).
Sole Source	\$10,000.01 and above	For purchases under Procurement by Noncompetitive Proposals, Subrecipients will need to document how the procurement meets the requirements as defined in 2 CFR 200.320(c).
Contract Modifications	\$250,000 and above	If the Subrecipient needs to make a modification to an existing contract where the total amount of the contract and related modification is in excess of the simplified acquisition threshold (\$250,000), a cost or price analysis must be obtained and documented before the contract is modified. (2 CFR 200.324(a))

Exhibit B – Federal Contract Provisions

EXHIBIT B

APPENDIX II TO PART 200—CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS

- Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian County Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be affected and the basis for settlement.
- Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

Procurement – SAM Search

- Federal contracts greater than \$2,000 (or for any contract involving federal awards to subrecipients):
 - Subrecipients will review the System of Award Management (www.SAM.gov) to ensure that the contracted parties are not suspended, debarred or otherwise listed on the excluded parties list; and
 - Subrecipients will need to document the results of that review in the contract files.
 - Login required for www.SAM.gov search

Prevailing Wage Requirements

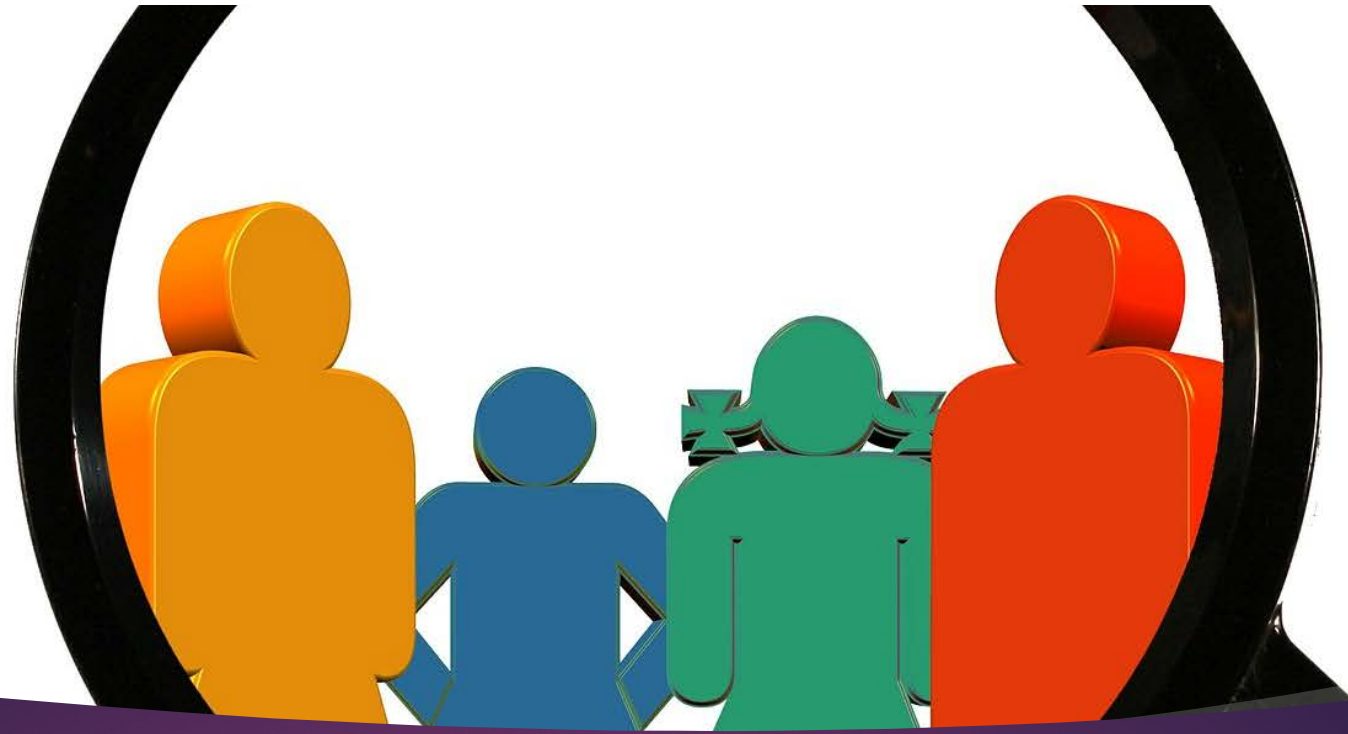
- ▶ State of Oregon Prevailing Wage Laws apply to construction projects funded with ARPA. (ORS 279C.800 – 279C.870)
- ▶ Davis-Bacon Act requirements do not apply to projects solely funded by ARPA or other non-federal funds. (SLFRF Final Rule FAQ 6.15)
 - ▶ If an agency is using ARPA funds in conjunction with another form of federal funding, Davis-Bacon Act requirements apply on construction contracts greater than \$2,000.
 - ▶ If an ARPA project is over \$10M, Davis-Bacon Act requirements apply.

In Summary

- Very Complicated Area
- Many Players Involved (Federal, State, Other Govts)
- Lots of regulations & rules to follow (Feds, State, Audits)
- Cooperative Effort (County, Employees, PTE, Subs)
- Timely communication is key!

Please, Please, Please ask Questions

arparecovery@co.marion.or.us



Upcoming Training – SAVE THE DATE!

Subrecipient Monitoring - August 11, 2022, 3:00PM

Questions?

