



# COUNTY OF WASHINGTON, VIRGINIA

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## DEPARTMENT OF BUDGET & FINANCE

On March 11, 2021, the American Rescue Plan Act was signed into law, and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund, which together make up the Coronavirus State and Local Fiscal Recovery Funds ("SLFRF") program. This program is intended 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.

In May 2021, Treasury published the interim final rule ("IFR") describing eligible and ineligible uses of SLFRF, as well as other program requirements. On January 6, 2022, the U.S. Department of the Treasury, ("Treasury") adopted the final rule implementing the SLFRF program. The final rule will be effective on April 1, 2022. Until that time, the IFR remains in effect; funds used consistently with the IFR while it is in effect are in compliance with the SLFRF program. However, recipients can choose to take advantage of the final rule's flexibilities and simplifications now, even ahead of the effective date.

Recipients under the SLFRF program are eligible entities identified in sections 602 and 603 of the Social Security Act as added by section 9901 of the American Rescue Plan Act of 2021 (the "SLFRF statute") that receive a SLFRF award. Subrecipients under the SLFRF program are entities that receive a subaward from a recipient to carry out the purposes (program or project) of the SLFRF award on behalf of the recipient. Recipients are accountable to Treasury for oversight of their subrecipients in accordance with 2 CFR 200.332, including ensuring their subrecipients comply with the SLFRF statute, SLFRF Award Terms and Conditions, Treasury Interim Final Rule and Final Rule, applicable federal statutes, regulations, and reporting requirements.

Treasury has recommended in the Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds that the County establish written policies and procedures to administer the American Rescue Plan Act Funds.

### **ARPA Policies and Procedures for Local Administration:**

Washington County policies and procedures for administering the American Rescue Plan Act (ARPA) Funds are as follows:

1. **Eligible Costs Timeframe.** ARPA Funds shall be used only for eligible projects or expenses that occur within the eligible costs timeframe, which begins on March 3, 2021 and ends on December 31, 2024, as long as the award funds for the obligations incurred by December 31, 2024, are expended by December 31, 2026.
2. **ARPA Request Form.** A department, organization, or agency shall complete an ARPA Request Form providing:
  - a. a brief description of the project or expense being requested,
  - b. the amount being requested,
  - c. identification of the project or expense as meeting one of the four statutory categories as defined by Treasury (specifically, Public Health/Negative Economic Impacts; Premium Pay; Revenue Loss; and Investments in Water, Sewer, and Broadband),
  - d. the section in the Interim Rule, FAQs and other Treasury guidance that shows the project or expense meets the requirements for the use of the ARPA funds.
3. **Review of ARPA Request Form.** The County Administrator and Department of Budget & Finance will review the ARPA Request Form and the support provided to determine if the project or expense is an eligible use of the ARPA funds. If the project or expense is deemed an eligible use of the ARPA funds by the County Administrator and Department of Budget



- & Finance, then the ARPA Request will be recommended to the Board of Supervisors for approval. The County Administrator has the discretion to approve ARPA requests for COVID-19 related purchases that are an eligible use that are under \$5,000 threshold.
4. Procurement and Contract Review. For each procurement with ARPA funds, the Director of Budget & Finance reviews the procurement to make sure it's in compliance with Treasury guidance and County purchasing policies. The County Attorney reviews the contract to make sure it is in proper form and that the County is following County, State, and Federal procurement laws and regulations.
  5. Board of Supervisors Approval of ARPA Request. The ARPA Request is presented to the Board of Supervisors for Approval. The Board of Supervisors is requested to approve the procurement, to approve the contract, and to approve the request for ARPA funding.
  6. Certification Form for Subrecipients and Beneficiaries. For allocations approved to subrecipients and beneficiaries (including nonprofit organizations), a Certification for Receipt of Coronavirus State and Local Fiscal Recovery Fund must be signed indicating the organization's understanding of the use of ARPA funds and requirements of the use of the ARPA funds.
  7. Other Required Forms for Subrecipients and Beneficiaries. For allocations approved to subrecipients and beneficiaries for over \$50,000, the form for ARPA Subawards greater than \$50,000 must be completed and, for all awards, a Form W-9 must be provided if a recent one is not on file in the Department of Budget & Finance.
  8. Reporting Requirements. For reporting requirements to the Treasury, the departments, organizations, and agencies receiving ARPA funding shall provide the information necessary to complete the ARPA Project and Expenditures Report. Depending on the project identified on the ARPA Request Form, the department, organization, and agency shall provide information requested on the (1) ARPA Broadband Projects Form, (2) ARPA Water and Sewer Projects Form, and (3) ARPA Projects Other Than Infrastructure Projects Form.
  9. Subrecipient Monitoring. SLFRF recipients that are pass-through entities as described under 2 CFR 200.1 are required to manage and monitor their subrecipients to ensure compliance with requirements of the SLFRF award pursuant to 2 CFR 200.332 regarding requirements for pass-through entities.

### **Procurement for Federal ARPA Funds:**

Recipients are responsible for ensuring that any procurement using SLFRF funds, or payments under procurement contracts using such funds are consistent with the procurement standards set forth in the Uniform Guidance at 2 CFR 200.317 through 2 CFR 200.327, as applicable. The Uniform Guidance establishes in 2 CFR 200.319 that all procurement transactions for property or services must be conducted in a manner providing full and open competition, consistent with standards outlined in 2 CFR 200.320, which allows for non-competitive procurements only in circumstances where at least one of the conditions below is true: the item is below the micro-purchase threshold; the item is only available from a single source; the public exigency or emergency will not permit a delay from publicizing a competitive solicitation; or after solicitation of a number of sources, competition is determined inadequate. Recipients must have and use documented procurement procedures that are consistent with the standards outlined in 2 CFR 200.317 through 2 CFR 200.320. The Uniform Guidance requires an infrastructure for competitive bidding and contractor oversight, including maintaining written standards of conduct and prohibitions on dealing with suspended or debarred parties. Washington County shall require all recipients to adhere to all applicable local, State, and federal procurement laws and regulations.



1. Procurement Policies. Washington County maintains a Purchasing Procedures Manual (amended January 1, 2020) that gives general guidance to the Department of Budget and Finance as well as other County departments and agencies when purchasing goods and services. The Washington County Purchasing Procedures Manual, the Virginia Public Procurement Act of the Code of Virginia, 1950, as amended, and the Uniform Guidance at 2 CFR 200.317 through 2 CFR 200.327 govern all Washington County purchasing transactions with ARPA funds. In the case of discrepancies between the Washington County Purchasing Procedures Manual, the VPPA and the Uniform Guidance, the most restrictive policy will take precedence.
2. Ethics in Public Contracting. The provisions of the Virginia Public Procurement Act, Article 6 (Va. Code §§ 2.2-4367 – 2.2-4377), relating to ethics in public procurement, and the Virginia State and Local Government Conflicts of Interest Act (Va. Code §§ 2.2-3100 – 2.2-3132), shall apply to all Washington County procurements.
3. Small Business and Business Owned by Women and Minorities (SWAM) and Disabled Veterans. (Va. Code § 2.2-4310)—Washington County shall not discriminate against any bidder or offeror because of race, religion, color, sex, sexual orientation, gender identity, national origin, age, disability, status as a service disabled veteran, or any other basis prohibited by state law relating to discrimination in employment. In order to facilitate the participation of small businesses and business owned by women and minorities and disabled veterans in procurement transactions, Washington County shall post the solicitations that exceed the small purchase threshold on the Commonwealth of Virginia's electronic procurement website (eVA).

### County Award and Use of SLFRF Awards

As a recipient of ARPA funds, the County has substantial discretion to determine use of the funds for purposes in compliance with the regulatory requirements that best suit the needs of the County's constituents. The County priorities for use of ARPA funds will be for provision of government services to the extent of the reduction in revenue of the County and to make necessary investments in water, sewer, or broadband infrastructure. County grants of ARPA funds will be made to end-user beneficiaries that will use the funds for eligible purposes as described in such beneficiary's application and approved by the County Board of Supervisors. The County does not anticipate award of ARPA funds to subrecipients or non-entitlement units of government. The County and all entities that receive a grant of ARPA funds from the County shall comply with all applicable laws and regulations.

### Uniform Administrative Requirements

The SLFRF awards are generally subject to the requirements set forth in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200 (the "Uniform Guidance"). The County will review the Uniform Guidance requirements applicable to your organization's use of SLFRF funds, and SLFRF-funded projects. Recipients should consider how and whether certain aspects of the Uniform Guidance apply.

The following sections provide a general summary of the compliance responsibilities under applicable statutes and regulations, including the Uniform Guidance, as described in the most recent compliance supplement issued by OMB. The following are the sections that provide the County's compliance responsibilities under applicable statutes and regulations, including the Uniform Guidance, as described in the most recent compliance supplement issued by the OMB.

1. Allowable Activities.
2. Allowable Costs/Cost Principles.
3. Cash Management.
4. Eligibility.
5. Equipment and Real Property Management.
6. Matching, Level of Effort, Earmarking.
7. Period of Performance.
8. Procurement, Suspension & Debarment.
9. Program Income.
10. Reporting.
11. Subrecipient Monitoring.
12. Special Tests and Provisions.

**Award Terms and Conditions:**

The Award Terms and Conditions of the SLFRF financial assistance agreement sets forth the compliance obligations for recipients pursuant to the SLFRF statute, the Uniform Guidance, Treasury's Final Rule and applicable federal laws and regulations. Recipients should ensure they remain in compliance with all Award Terms and Conditions. These obligations include the following items in addition to those described above:

1. SAM.gov Requirements. All eligible recipients are also required to have an active registration with the System for Award Management (SAM) (<https://www.sam.gov>) pursuant to 2 CFR Part 25. To ensure timely receipt of funding, Treasury has stated that Non-entitlement Units of Government (NEUs) who have not previously registered with SAM.gov may do so after receipt of the award, but before the submission of mandatory reporting.
2. Recordkeeping Requirements. Generally, your organization must maintain records and financial documents for five years after all funds have been expended or returned to Treasury, as outlined in paragraph 4.c. of the Award Terms and Conditions. Treasury may request transfer of records of long-term value at the end of such period. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats. Your organization must agree to provide or make available such records to Treasury upon request, and to the Government Accountability Office ("GAO"), Treasury's Office of Inspector General ("OIG"), and their authorized representative in order to conduct audits or other investigations.



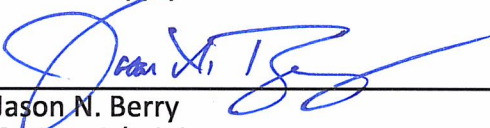
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3. Single Audit Requirements. Recipients and subrecipients that expend more than \$750,000 in Federal awards during their fiscal year will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements. Recipients and subrecipients may refer to the Compliance Supplement which provides information on existing, important compliance requirements that the federal government expects to be considered as a part of such audit. The Compliance Supplement is routinely updated, and is made available in the Federal Register and on OMB's website: <https://www.whitehouse.gov/omb/office-federal-financial-management/>. Recipients and subrecipients should consult the Federal Audit Clearinghouse to see examples of Single Audit submissions.
4. Civil Rights Compliance. Recipients of Federal financial assistance from the Treasury are required to meet legal requirements relating to nondiscrimination and nondiscriminatory use of Federal funds. Those requirements include ensuring that entities receiving Federal financial assistance from the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23. In order to carry out its enforcement responsibilities under Title VI of the Civil Rights Act, Treasury will collect and review information from non-Tribal recipients to ascertain their compliance with the applicable requirements before and after providing financial assistance. Treasury's implementing regulations, 31 CFR part 22, and the Department of Justice (DOJ) regulations, Coordination of Non-discrimination in Federally Assisted Programs, 28 CFR part 42, provide for the collection of data and information from recipients (see 28 CFR 42.406). Treasury may request that recipients submit data for post-award compliance reviews, including information such as a narrative describing their Title VI compliance status. This collection does not apply to Tribal Governments.

Reviewed and Approved:

  
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Jason N. Berry  
County Administrator