**Guilford County has shared this summary of required ARPA policies with SOG. This document was presented to the board to provide an overview of the various policies that must be adopted to ensure compliance with the Uniform Guidance and the ARPA award terms and conditions.**

**Summary of Required Policies Pertaining to Expenditure of ARPA/CSLFRF**

Guilford County has been allocated $104,339,752 from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARPA/CSLFRF). CSLFRF funds are subject to the U.S. Department of Treasury (“Treasury”) regulations, including the Final Rule, the Award Terms and Conditions, and the Title VII implementing regulations at 31 C.F.R. Part 22. Further, ARPA/CSLFRF funds are subject to the compliance requirements as listed in the Award Terms and Conditions and the Assistance Listing (21.027) which are primarily focused on the federal Uniform Grant Guidance, 2 CFR Sect. 200 (UG).

Many of the compliance measures outlined in these policies are already existing practices or an extension of existing policies of Guilford County. It is a requirement of the ARPA/CSLFRF that these policies be adopted /reaffirmed as it relates to the expenditure of this specific pot of funds.

* **Eligible Use Policy:** This policy defines the permissible and prohibited uses of the ARPA/CSLFRF funds. It also outlines the procedures for determining how the county will spend its ARP/CSLFRF funds.Permissible expenditure categories include: 1) support COVID-19 public health expenditures; 2) address negative economic impacts caused by the public health emergency; 3) to provide governmental services through the revenue calculation; 4) provide premium pay for essential workers; and 5) invest in water, sewer, and broadband infrastructure.

Pandemic Recovery Team will review
* Funding requests, which include project descriptions, identification of ARPA/CSLFRF expenditure categories, proposed budget, project implementation plan and timeline
* Pre-approved project budget
* Project and expenditure reports
* **Cost Principles Policy:** Defines those items of cost that are allowable, and which are unallowable. The tests of allowability under the cost principles are: (a) the costs must be reasonable; (b) they must be allocable to eligible projects; (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the ARP/CSLFRF grant award as to types or amounts of cost items.

Pandemic Recovery Team will:

* Answer questions on the allowability of costs
* Determine cost allowability with pre- and post-expenditure cost allowability reviews
* **Records Retention Policy:** Outlines Treasury’s five-year record retention requirement for documents related to expenditures ARPA/CSLFRF funds. This record retention requirement is longer than the traditional three-year record retention requirement. The county shall retain relevant records for a period of five years beyond the final expenditure of ARP/CSLFRF funds.

Pandemic Recovery Team will:

* Identify documents that Guilford County should retain and arrange for proper storage
* Ensure that personnel subject to subaward/contract are aware of record retention requirements
* **Nondiscrimination Policy:** Reaffirms that the unit will ensure that no person shall, on the ground of race, color, national origin (including limited English Proficiency), familial status, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise, subject to discrimination under any program or activity administered by the local government, including programs/activities funded in whole or part with ARPA/CSLFRF.
* **Conflict of Interest Policy:** Establishes conflict of interest standards that apply when the unit enters into a contract or makes a subaward.

Pandemic Team will review:
* Duty to Disclose and Disclosure Forms
* Compliance Checklist
* **Subaward and Monitoring Policy:** A subaward is entered for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. A subaward policy establishes procedures for entering a subaward agreements. The unit shall conduct a risk assessment to establish a subrecipient’s risk of noncompliance with Federal statues, regulations, and terms of conditions of the subaward. The results of the assessment will be used to dictate the tyles and degree of subrecipient monitoring.

Pandemic Recovery Team will review:

* Documentation for project expenditures
* Quarterly financial and performance reports as spelled out in subaward
* Administration capacity and financial management
* Risk assessment and audits
* **Property Management Policy:** A property management policyestablishes property management standards (title, use, insurance, and disposition) for real property and equipment purchased with ARPA/CLSFRF funds. Any purchase of equipment or real property with ARP/SLFRF funds must be consistent with the Uniform Guidance at 2 CFR Part 200, Subpart D. Consistent with 2 CFR 200.311 and 2 CFR 200.313, any equipment or real property acquired using SLFRF funds shall vest in the non-Federal entity. Any acquisition and maintenance of equipment or real property must also be in compliance with relevant laws and regulations.

Pandemic Recovery Team will review:
	+ Proper insurance and use of property
	+ Required data records for equipment and conduct periodic inventories
* **Program Income Policy:** Establishes procedures to account for the use of program income earned from an expenditure of ARP/CSLFRF funds.

Pandemic Recovery Team will review:
	+ Collection of fees for services preformed
	+ Payments for use of real/personal property
	+ Sale of commodities fabricated under Federal award
	+ Payment of principle/interest on loans made under Federal award