

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.8
(ID # 13492)

MEETING DATE:

Tuesday, September 29, 2020

FROM : EMERGENCY MANAGEMENT DEPARTMENT:

SUBJECT: EMERGENCY MANAGEMENT DEPARTMENT: Ratify and Approve the Subrecipient Agreement with Reach Out West End for Coronavirus Communication Outreach without seeking competitive bids through December 30, 2020; All Districts [Total Cost \$500,000] 100% Federal Funding.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve Subrecipient Agreement No. EM-COVID-RO with Reach Out West End, a California nonprofit, for coronavirus communication outreach without seeking competitive bids in the amount not to exceed \$500,000 for the period August 5, 2020 through December 30, 2020, and authorize the Chairman of the Board to sign the Agreement on behalf of the County.


ACTION:


Ramon A. Leon, DEPUTY DIRECTOR OF EMERGENCY MGMT DEPT 9/14/2020

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Hewitt and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: September 29, 2020
xc: EMD

Kecia R. Harper
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 500,000	\$ 0	\$ 500,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% Federal Funds			Budget Adjustment: No	
			For Fiscal Year: 20/21	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The purpose of the Subrecipient Agreement with Reach Out West End is to provide Coronavirus Communication Outreach and to encourage all Riverside County residents and business owners to take public health precautions to stop the spread of COVID-19.

Reach Out West End will regrant funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act to nonprofit 501(c)(3), community-based organizations that serve hard-to-reach communities that are more likely to be impacted by the Coronavirus pandemic, such as youth (12-25 years old), Native American, Hawaiian/Pacific Islanders, Latinx, Black/African American, LGBTQ communities and others. In addition, Reach Out West End will launch and coordinate a social media campaign and health ambassador program to amplify the public health message among the same populations.

Impact on Residents and Businesses

Reach Out West End will regrant funds to platform agencies that have a demonstrated ability to reach large numbers of targeted hard-to-reach populations.

Additional Fiscal Information

The programs and personnel provided by Reach Out West End to support the regranting program through December 30, 2020 pursuant to the Subrecipient Agreement are fully funded by the County's allocation of the Coronavirus Relief Fund (CARES Act Funding).

Contract History and Price Reasonableness

The requested service was initiated as a result of the COVID-19 pandemic. As per the Director of Emergency Services Emergency Procurement Order dated March 26, 2020, the competitive bidding process was suspended for necessary goods and services immediately needed in the County of Riverside's operations for the preservation of life and property during the existence of a Local Emergency in the County of Riverside regarding COVID-19.

ATTACHMENT – Agreement #EM-COVID-RO

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA


Teresa Summers, Director of Purchasing 9/18/2020


Cheryl Williams 9/21/2020


Gregory Priarios, Director County Counsel 9/17/2020

SUBRECIPIENT AGREEMENT

for

**CARES ACT RELIEF FUNDING FOR CORONAVIRUS COMMUNICATION
OUTREACH**

between

COUNTY OF RIVERSIDE

and

REACH OUT WEST END, a California nonprofit



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This Subrecipient Agreement ("Agreement"), made and entered into this 5th day of August, 2020, by and between Reach Out West End, a California non-profit organization (herein referred to as "SUBRECIPIENT"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, on behalf of its Emergency Management Department (herein referred to as "COUNTY").

RECITALS

WHEREAS, on March 4, 2020, the State of California proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19;

WHEREAS, on March 10, 2020 the Board of Supervisors of the County of Riverside via Resolution No. 2020-062 proclaimed the existence of a Local Emergency in the County of Riverside regarding COVID-19;

WHEREAS, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law by the President of the United States on March 27, 2020, thereby establishing the Coronavirus Relief Fund;

WHEREAS, COUNTY has received an allocation of the Coronavirus Relief Fund ("CARES Act Funding") from the United States Federal Government under section 601(b) of the Social Security Act, as added by section 5001 of the CARES Act;

WHEREAS, the CARES Act provides that payments from the CARES Act Funding may only be used to cover costs that (1) are necessary expenditures incurred due to the public health emergency with respect to COVID-19; (2) were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or local government; and (3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020;

WHEREAS, the Department of Treasury has issued guidance that eligible expenses include expenditures incurred to allow the local government to respond directly to the emergency, including outreach to hard-to-reach communities impacted by COVID-19; and

WHEREAS, COUNTY desires the services and expertise provided by SUBRECIPIENT in order to coordinate a coronavirus communications campaign to market to hard-to-reach communities to raise awareness and enlist participation in public health measures related to COVID-19;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. Description of Services

1.1 SUBRECIPIENT shall provide all services as outlined and specified in Exhibit A, Scope of Services, at the prices stated in Exhibit B, Payment Provisions, and subject to the provisions in Exhibit C, Nonprofit Organization Funding Requirements, Exhibit D, Federal Provisions, Exhibit E, Guidance for State, Territorial, Local, and Tribal Governments dated June 30, 2020, and Exhibit F, Coronavirus Relief Fund Frequently Asked Questions rev. July 8, 2020, to the Agreement.

1.2 SUBRECIPIENT represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. SUBRECIPIENT shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.3 SUBRECIPIENT affirms that it is fully apprised of all of the work to be performed under this Agreement; and the SUBRECIPIENT agrees it can properly perform this work at the prices stated in Exhibit B. SUBRECIPIENT is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the SUBRECIPIENT's performance under this Agreement does not operate as a release of SUBRECIPIENT's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

This Agreement shall be effective upon signature of this Agreement by both parties ("Effective Date") and continues in effect through December 30, 2020, unless terminated earlier. SUBRECIPIENT shall commence performance upon Effective Date and shall diligently and continuously perform thereafter.

3. Compensation

SUBRECIPIENT will retain the amount as specified in the Payment Provision Exhibit B attached. COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of SUBRECIPIENT's expenses related to this Agreement. One hundred percent (100%) of CARES Act funding allocated to SUBRECIPIENT, pursuant to this Agreement, shall be expended by December 31, 2020. Any CARES Act funding paid to SUBRECIPIENT, but not expended by December 31, 2020 or not expended because of early termination of this Agreement, shall be returned to COUNTY immediately upon termination of this Agreement.

4. Availability of Funds/Non-Appropriation of Funds

The obligation of COUNTY for payment of this Agreement is contingent upon and limited by the availability of funding from which payment can be made. This Agreement is valid and enforceable only if sufficient funds are made available to COUNTY by the United States Federal Government. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify SUBRECIPIENT in writing; and this Agreement shall be deemed terminated, have no further force, and effect. In the event funding is reduced, COUNTY shall immediately notify SUBRECIPIENT in writing and it is mutually agreed the option to immediately terminate this Agreement or to amend this Agreement to reflect the reduction of funds. COUNTY shall make all payments to SUBRECIPIENT that were properly earned prior to the unavailability for reduction of funding.

5. Termination for Convenience

5.1. COUNTY may terminate this Agreement without cause upon 10 days written notice served upon the SUBRECIPIENT stating the extent and effective date of termination.

5.2 After receipt of the notice of termination, SUBRECIPIENT shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination; and

- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.3 After termination, COUNTY shall make payment only for SUBRECIPIENT's performance up to the date of termination in accordance with this Agreement.

5.4 In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

6. Termination for Cause

6.1 COUNTY may, at any time, upon five (5) days written notice terminate this Agreement for cause, if SUBRECIPIENT refuses or fails to comply with the terms of this Agreement, or fails to make progress that may endanger performance and does not immediately cure such failure. Causes shall include, but is not limited to:

- (a) SUBRECIPIENT's failure to comply with the terms or conditions of this Agreement;
- (b) use of, or permitting the use of CARES Act funding provided under this Agreement, for any ineligible expenses, as determined by the Department of Treasury;
- (c) any failure to comply with the deadlines set forth in this Agreement;
- (d) violation of any federal or state laws or regulations; or
- (e) withdrawal of federal expenditure authority.

This Agreement may be terminated and/or funding suspended, in whole or in part, for cause in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Section 200.339).

6.2 If the Agreement is federally or State funded, SUBRECIPIENT cannot be debarred from the System for Award Management (SAM). SUBRECIPIENT must notify the COUNTY immediately of a debarment. Reference: System for Award Management (SAM) at <https://www.sam.gov> for Central SUBRECIPIENT Registry (CCR), Federal Agency Registration (Fedreg), Online Representations and Certifications Application, and Excluded Parties List System (EPLS)). Excluded Parties Listing System (EPLS) (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM) is the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.

6.3 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

7. Ownership/Use of Contract Materials and Products

SUBRECIPIENT agrees that all materials, reports or products in any form, including electronic, created by SUBRECIPIENT for which SUBRECIPIENT has been compensated by COUNTY pursuant to this Agreement shall be the sole property of COUNTY. The material, reports or products may be used by COUNTY for any purpose that COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within COUNTY or to third parties. SUBRECIPIENT agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of COUNTY.

8. Conduct of Subrecipient/ Conflict of Interest

8.1 SUBRECIPIENT shall comply with all applicable requirements of State, Federal, and County of Riverside laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this Agreement, including but not limited to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200), 42 U.S.C. § 801, subsection (d), and the provisions set forth in Exhibit C of this Agreement. Additionally, SUBRECIPIENT shall comply with all applicable regulations and guidelines, including guidance issued by the Department of Treasury, which includes but is not limited to Guidance for State, Territorial, Local, and Tribal Governments dated April 22, 2020 (attached as exhibit E) and Coronavirus Relief Fund Frequently Asked Questions Updated as of July 8, 2020 (attached as Exhibit F).

8.2 SUBRECIPIENT covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with SUBRECIPIENT's performance under this Agreement. SUBRECIPIENT further covenants that no person or subcontractor having any such interest shall be employed or retained by SUBRECIPIENT under this Agreement. SUBRECIPIENT agrees to inform the COUNTY of all SUBRECIPIENT's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

8.3 SUBRECIPIENT shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the SUBRECIPIENT is doing business or proposing to do business, in fulfilling this Agreement.

8.4 SUBRECIPIENT and its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

9. Inspection, Records, and Audits

9.1 All performance, including services, workmanship, materials, facilities or equipment utilized in the performance of this Agreement, shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. SUBRECIPIENT shall provide adequate cooperation to any inspector or COUNTY representative reviewing compliance with this Agreement and permit access to all necessary materials or other requested items. SUBRECIPIENT shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate SUBRECIPIENT's performance under this Agreement at any time, upon reasonable notice to the SUBRECIPIENT.

9.2 SUBRECIPIENT shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the SUBRECIPIENT's costs related to this Agreement. All such books, documents and records shall be maintained by SUBRECIPIENT for at least five years following termination of this Agreement and be available for audit by the COUNTY. SUBRECIPIENT shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

10. Confidentiality

10.1 SUBRECIPIENT shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term

“privileged or confidential information” includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of SUBRECIPIENTS, subcontractors or suppliers in advance of official announcement.

10.2 SUBRECIPIENT shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. SUBRECIPIENT shall not use such information for any purpose other than carrying out SUBRECIPIENT’s obligations under this Agreement. SUBRECIPIENT shall promptly transmit to the COUNTY all third party requests for disclosure of such information. SUBRECIPIENT shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particulars assigned to the individual, such as finger or voice print or a photograph.

10.3 SUBRECIPIENT is subject to and shall operate in compliance with all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, enacted August 21, 1996, and the related laws and regulations promulgated subsequent thereto. Please refer to Attachment I of this Agreement.

11. Mutual Hold Harmless/Indemnification

11.1 SUBRECIPIENT shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of SUBRECIPIENT, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of SUBRECIPIENT, its officers, employees, subcontractors, agents or representatives Indemnitors from this Agreement. SUBRECIPIENT shall defend, at its sole expense including all costs and fees (including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such acts, omissions or services.

11.2 With respect to any action or claim subject to indemnification herein by SUBRECIPIENT, SUBRECIPIENT shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes indemnification to Indemnitees as set forth herein.

11.3 SUBRECIPIENT’s obligation hereunder shall be satisfied when SUBRECIPIENT has provided to COUNTY the appropriate form of dismissal relieving C from any liability for the action or claim involved.

11.4 The specified insurance limits required in this Agreement shall in no way limit or circumscribe SUBRECIPIENT’S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

12. Insurance

12.1 Without limiting or diminishing the SUBRECIPIENT'S obligation to indemnify or hold the COUNTY harmless, SUBRECIPIENT shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

A. Workers' Compensation:

If SUBRECIPIENT has employees as defined by the State of California, SUBRECIPIENT shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of SUBRECIPIENT'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment is used in the performance of the obligations under this Agreement, then SUBRECIPIENT shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

E. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) SUBRECIPIENT must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to COUNTY, and at the election of the County's Risk Manager, SUBRECIPIENT'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) SUBRECIPIENT shall cause SUBRECIPIENT'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by County Risk Manager, provide original Certified copies of policies including

all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. SUBRECIPIENT shall not commence operations until COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the parties hereto that SUBRECIPIENT'S insurance shall be construed as primary insurance, and COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the SUBRECIPIENT has become inadequate.

6) SUBRECIPIENT shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

8) SUBRECIPIENT agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

13. Independent Contractor

The SUBRECIPIENT is, for purposes relating to this Agreement, an independent SUBRECIPIENT and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the SUBRECIPIENT (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. COUNTY shall not be required to make any deductions for SUBRECIPIENT's employees from the compensation payable to SUBRECIPIENT under this Agreement. There shall be no employer-employee relationship between the parties; and SUBRECIPIENT shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that SUBRECIPIENT in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

14. No Debarment or Suspension

SUBRECIPIENT certifies that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a federal department or agency; has not within a three-year period preceding this Agreement been convicted of or and a civil judgment rendered against it for the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction; violation of federal or state anti-trust status; commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making statements, or receiving stolen property; is not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission or any of the offenses enumerated herein; and has not within a three-year period preceding this Agreement had one or more public transactions (federal, state, or local) terminated for cause or default.

15. Supplantation

All monies associated with this Agreement cannot be used to supplant current funding of existing COVID-19 related activities nor use payments from the funding of this Agreement to cover expenditures for which they will receive reimbursement.

16. Non-Discrimination

SUBRECIPIENT shall not discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.) and all other applicable laws or regulations.

17. Disputes

17.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous to imply bad faith. SUBRECIPIENT shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

17.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

Emergency Management Department
 Contracts Unit
 4210 Riverwalk Parkway, Ste. 300
 Riverside, CA 92505

SUBRECIPIENT

Reach Out West End
 8300 Limonite Avenue, Suite D
 Jurupa Valley, CA 91786

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

20. General

20.1 SUBRECIPIENT shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

20.2 Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

20.3 SUBRECIPIENT shall comply with all applicable Federal, State and local laws and regulations. SUBRECIPIENT will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the SUBRECIPIENT shall comply with the more restrictive law or regulation.

20.4 SUBRECIPIENT shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

20.5 SUBRECIPIENT shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

20.6 SUBRECIPIENT shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. SUBRECIPIENT warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

20.7 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

20.8 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and

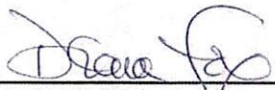
contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

REACH OUT WEST END, a California non-profit corporation


By: 
Name: **George Johnson**
Title: **CEO**

By: 
Name: **Diana Fox**
Title: **Executive Director**

Dated: 8/5/2020

Dated: 8/3/2020

RATIFIED BY:

By: 
Name: **V. Manuel Perez**
Title: **Chairman of the Board**

ATTEST: **Kecia Harper, Clerk of the Board**

By: 

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: 
Susanna Oh, Deputy County Counsel

EXHIBIT A SCOPE OF SERVICES

Purpose: The purpose of this Agreement is to provide Coronavirus Communication Outreach and to encourage all Riverside County residents and business owners to take public health precautions to stop the spread of COVID-19. SUBRECIPIENT will regrant funds from CARES funding to nonprofit 501(c)(3), community-based organizations that serve hard-to-reach communities that are more likely to be impacted by the Coronavirus pandemic, such as youth (12-25 years old), Native American, Hawaiian/Pacific Islanders, Latinx, Black/African American, LGBTQ communities and others. In addition, SUBRECIPIENT will launch and coordinate a social media campaign and health ambassador program to amplify the public health message among the same populations.

I. SUBRECIPIENT Responsibilities:

- A. **Provide regrants to eligible nonprofit organizations serving hard to reach communities** (Maximum of 5 grants of \$20,000 each to platform agencies that have a demonstrated ability to reach large numbers of targeted hard-to-reach populations; and the remainder of the regrants will be done up to maximum amount of \$7,500 per recipient, subject to the provisions in Exhibit B of this Agreement)
1. Provide outreach and promotion of CARES Act funding availability to all eligible nonprofit organizations serving hard to reach communities in Riverside County. Each location within an organization can apply for and receive funds.
 2. Provide information to interested, eligible organizations on how to apply for CARES Act funding, including providing copies of the grant application and budget template, if applicable.
 3. Establish nonprofit regranting criteria, vet applications.
 4. Subrecipient shall have the discretion to distribute regrant funds in a noncompetitive process to qualified nonprofit agencies.
 5. Collect and review completed applications and budgets, and verify funding requests match pre-identified criteria.
 6. Subcontract with each eligible organization outlining use of funds and reporting requirements.
 7. Distribute 20,000 face masks to agencies receiving regrant funds. Set up 3 distribution points throughout the county to distribute masks twice during the project term (total of 6 distributions).
 8. Distribute funds in full to qualified organizations, and if applicable, intervene if redistribution of funds becomes necessary.
 9. If more applications for regrant funds are received than there are funds available, Subrecipient will use its discretion in regranting funds to those nonprofits who have a proven reach to the targeted hard to reach populations.
 10. Receive and compile monthly progress reports from subcontractors and email to COUNTY by the 15th of the following month, along with a description of administrative oversight activities related to the CARES Act funding and related costs to date.
 11. The County representative to whom reports will be sent is Brooke Federico, whose email address is bcfederico@rivco.org.
 12. Share impact stories/photos.
 13. Create webpage for nonprofits to get more information on grants available.

B. Market and execute a social media challenge

1. Residents of Riverside County create a 30 second video with one or more of the three simple steps to protect themselves and loved ones from coronavirus.
2. Winners will be chosen in different categories (Most Humorous, Most Memorable, Most Dramatic, etc). Create panel of judges and evaluate entries. Videos must be disqualified if they contain profanity, pornography, violence, racist, sexist or homophobic messaging. Videos may not endorse or condone a political party or candidate.
3. As an incentive, the COUNTY will purchase airtime for the winning videos on cable, network, streaming devices and social media sites. One will be shown per week, for 12 weeks.
4. Entries may be from students, adults, community-based organizations, schools, businesses, etc.
5. Submissions to be uploaded on website created by subrecipient.

C. Market and execute the health ambassador program

1. Community members to use art and creative expression to promote the three simple steps.
2. Weekly prompts may include:
 - a. "Most creative mask contest"
 - b. "Reasons I wear a mask"
 - c. Best educational poster (students K-12)
 - d. "What I miss most during the COVID pandemic"
 - e. "Riverside Rising Above the Pandemic"
 - f. Original inspired artwork, photography, music, etc.
3. Winning static art entries will be displayed in a place of honor at local hospital or place frequented in the community; music will be played on the radio with ad purchases; winning poetry or written work will be featured in newspaper or magazine ads. Create panel of judges and evaluate entries. Entries must be disqualified if they contain profanity, pornography, violence, racist, sexist or homophobic messaging. Videos may not endorse or condone a political party or candidate.
4. All entries will be posted or archived on a submission website, created by subrecipient.

II. COUNTY Responsibilities:

1. Provide CARES Act funding to SUBRECIPIENT for distribution to nonprofit organizations.
2. Provide CARES Act funding to SUBRECIPIENT to use for administrative oversight for notifying, awarding, subcontracting, monitoring, and reporting, etc., activities related to this funding and for the social media campaign and health ambassador program.
3. Purchase airtime for winning videos for the social media campaign.
4. Secure ad space or display space for winning Health Ambassador submissions.
5. Review monthly status reports and work with SUBRECIPIENT in the event that redistribution of funds becomes necessary.

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**EXHIBIT B
PAYMENT PROVISIONS**

- A. SUBRECIPIENT will receive the following compensation for services performed under the terms of this Agreement:
- a. Provide regrants to eligible nonprofit organizations serving hard to reach communities. SUBRECIPIENT may retain up to a maximum of 15% of CARES Act Funding amounts allocated to eligible non-profit organizations to cover administrative costs, not to exceed \$68,385.
 - b. Additional activities to support regranting program, social media campaign and health ambassador program, not to exceed \$44,100 (see table below). Hourly rates are fully loaded costs of the staff working on the different activities.

Additional Activities to Support Regranting Program	
<ul style="list-style-type: none"> • Marketing to other nonprofits for the grant – Primarily staff time to promote through email, webinars, social media, and phone calls 	34 hours @ \$48 =\$1,632
<ul style="list-style-type: none"> • Regranting webpage 	\$2,000
<ul style="list-style-type: none"> • Establishing nonprofit regranting criteria, vetting applications, collecting reporting documentation 	52 grantees x 8 hours @ \$27 = \$11,232
<ul style="list-style-type: none"> • Mask Distribution to Agencies receiving regrant funds 	6 events x 5 staff x 10 hours @ \$27 = \$8,100
Social Media Challenge	
<ul style="list-style-type: none"> • Social Media Challenge webpage 	\$2,000
<ul style="list-style-type: none"> • Vetting and judging submissions 	4 weeks x 20 submissions x 2 hours per x \$27 = \$4,320
Health Ambassador Program	
<ul style="list-style-type: none"> • Health Ambassador Program webpage 	\$2,000
<ul style="list-style-type: none"> • Vetting and judging submissions 	4 weeks x 20 submissions x 2 hours per x \$27 = \$4,320
<ul style="list-style-type: none"> • Marketing to Reach Out clients for social media challenge and health ambassador challenge 	34 hours per month x 4 months @ \$48 = \$6,528
<ul style="list-style-type: none"> • Evaluation -tracking and final report 	41 hours @ \$48 = \$1968
<ul style="list-style-type: none"> • TOTAL 	\$44,100

- c. The amount allocated to SUBRECIPIENT will be distributed as follows:

Non-profit organization regrant allocation	\$387,515
Subrecipient maximum 15% administrative fee	\$ 68,385
Program Costs for Health Ambassadors/Media Campaign	\$ 44,100
 Total Amount of Allocation	 \$500,000

- B. All funds will be paid to SUBRECIPIENT once the Agreement is executed. Funds received are to be held in a uniquely identified class/account within SUBRECIPIENT'S accounting system in a non-interest-bearing account.
- C. Any funds not distributed by December 30, 2020 must be returned to the COUNTY.
- D. The COUNTY and SUBRECIPIENT will comply with all audit requirements outlined in the agreement.

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EXHIBIT C
NON-PROFIT ORGANIZATION FUNDING REQUIREMENTS

- A. SUBRECIPIENT will distribute CARES Act funding to each eligible non-profit organization (grantees) located in Riverside County following the completion of an application process.
1. Re-grants will be up to \$20,000 to cover positions, salaries, marketing materials, and communication materials.
 2. Grants/re-grants cannot be used to fund cash incentives or in-kind prizes for the communications deliverables. Any such incentives must be funded through a different funding source.
 3. Coronavirus communications marketing efforts include fliers, emails, social media posts, website posts and videos that address the coronavirus pandemic in the community, including the protective actions that all residents must take (i.e., wear a face covering, keep 6 feet of distance from others and wash hands regularly).
- B. Funds may be used only for expenditures necessary to address the current COVID-19 public health emergency. Funds may be used for the following COVID-Related activities but may not be used to supplant other current funding of existing COVID-19 related activities. These are the activities covered by the grant:
1. Education and Outreach
 - Providing outreach to hard-to-reach communities
 - Purchasing educational materials
- C. Grantees will provide monthly updates including the amount of funds spent, the remaining balance and brief bullet points on how funds were used (e.g., number of persons contacted through outreach, items purchased, etc.).
- D. If 50% or more of funds are not spent by September 30, 2020, the SUBRECIPIENT and/or COUNTY reserves the right to reallocate the funds to another grantee within Riverside County, preferably within the same parent organization, if applicable.
- E. No funds are to be spent on COVID-19 related activities not identified in the application nor reallocated among an Organization's participating locations without first notifying the SUBRECIPIENT and the COUNTY of the intention.

**EXHIBIT D
FEDERAL PROVISIONS**

1. **ORDERS OF LOCAL, STATE OR FEDERAL HEALTH OFFICIALS; EXECUTIVE ORDERS.** COUNTY and SUBRECIPIENT mutually acknowledge that local, state, or federal authorities may issue official orders related to the COVID-19 epidemic, or take other official actions, subsequent to the execution of this Agreement that Parties to this Agreement cannot presently predict. COUNTY and SUBRECIPIENT mutually acknowledge and agree that this Agreement shall be subject to the provisions of any such official action or order, particularly but not limited to Executive Orders of the Governor of the State of California and Orders of the County Public Health Officer, and the like ("Official Actions"), and if the provisions of any such Official Actions materially impact the terms of this Agreement, the provisions of those Official Actions shall govern.

a. In the event that such Official Actions make the services provided to the COUNTY under this Agreement illegal, unlawful, or contrary to public policy, COUNTY shall provide written notice to SUBRECIPIENT in the manner described herein, and COUNTY and SUBRECIPIENT mutually agree that this Agreement shall terminate as of the date of that Official Action, at no penalty to COUNTY. In such an event, COUNTY shall pay outstanding rent to due to SUBRECIPIENT pro-rated from the date of the Official Action, along with all other remaining sums due to SUBRECIPIENT, within thirty (30) calendar days from the date of that Official Action.

b. The parties acknowledge that SUBRECIPIENT is providing the services for emergency purposes at the request of the COUNTY under the California Emergency Services Act (the "Act" (California Government Code §§ 8550 et seq.)). Pursuant to California Government Code §8655, the COUNTY and as such, is subject to certain immunities with respect thereto and shall not be liable for any claim based upon the exercise or performance, or the failure to exercise or perform, a discretionary function or duty on the part of the COUNTY or any employee of the COUNTY in carrying out the provisions of the Act.

c. This is an acknowledgement that FEMA financial assistance will be requested by the COUNTY or State and if provided will be used to fund all or a portion of this Agreement. The SUBRECIPIENT will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives.

2. **NON-DISCRIMINATION.** SUBRECIPIENT shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

3. **FAIR EMPLOYMENT PRACTICES/FEDERAL PROVISIONS.** During the performance of this Agreement, the SUBRECIPIENT shall not deny benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age, or sex. SUBRECIPIENT shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

a. SUBRECIPIENT shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.), the regulations promulgated thereunder (California Code of Regulations, Title 2, Section 11000 et seq.), the provisions of Executive Order 11246 of Sept. 23, 1965 and of the rules, regulations, and relevant orders of the Secretary of Labor, the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Government Code, Sections 11135-11139.8), and of the rules, regulations or standards adopted by the COUNTY to implement such article.

b. The SUBRECIPIENT shall comply with the provisions of the Copeland "Anti-Kickback" Act, 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this Agreement.

4. OTHER FEDERAL PROVISIONS. SUBRECIPIENT acknowledges and agrees that this Agreement is subject to the federal requirements for seeking FEMA reimbursements, including the federal provisions provided below.

4-1. CLEAN AIR ACT

The SUBRECIPIENT agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq.

The SUBRECIPIENT agrees to report each violation to the COUNTY and understands and agrees that the COUNTY will, in turn, report each violation as required to assure notification to the California Governor's Office of Emergency Services, Federal Emergency Management Agency (FEMA), and the appropriate Environmental Protection Agency Regional Office.

The SUBRECIPIENT agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

4-2. FEDERAL WATER POLLUTION CONTROL ACT

The SUBRECIPIENT agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. Sections 1251 et seq.

The SUBRECIPIENT agrees to report each violation to the COUNTY and understands and agrees that the COUNTY will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency (FEMA), and the appropriate Environmental Protection Agency Regional Office.

The SUBRECIPIENT agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

4-3. DEBARMENT AND SUSPENSION CLAUSE

This Agreement is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the SUBRECIPIENT is required to verify that none of the SUBRECIPIENT, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

The SUBRECIPIENT must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

This certification is a material representation of fact relied upon by the COUNTY. If it is later determined that the SUBRECIPIENT did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the COUNTY, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

4-4. BYRD ANTI- LOBBYING AMENDMENT, 31 U.S.C. § 1352 (AS AMENDED)

SUBRECIPIENTs who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the COUNTY.

APPENDIX A, 44 C.F.R. PART 18- CERTIFICATION REGARDING LOBBYING

The undersigned [SUBRECIPIENT] certifies, to the best of his or her knowledge, that:

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

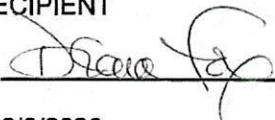
B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

C. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The SUBRECIPIENT certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the SUBRECIPIENT understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

SUBRECIPIENT

By 
Date 8/3/2020

4-5. PROCUREMENT OF RECOVERED MATERIALS

In the performance of this Agreement, the SUBRECIPIENT shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired—

- i. Competitively within a timeframe providing for compliance with the contract performance schedule;
- ii. Meeting contract performance requirements; or

- iii. At a reasonable price.

Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>

The SUBRECIPIENT also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

4-6. ACCESS TO RECORDS

The following access to records requirements apply to this Agreement:

- i. The SUBRECIPIENT agrees to provide the COUNTY, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the SUBRECIPIENT which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions.
- ii. The SUBRECIPIENT agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- iii. The SUBRECIPIENT agrees to provide the FEMA Administrator or his or her authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.
- iv. In compliance with the Disaster Recovery Act of 2018, the COUNTY and the SUBRECIPIENT acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

4-7. DEPARTMENT OF HOMELAND SECURITY SEAL, LOGO, FLAGS

The SUBRECIPIENT shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

4-8. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS

This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The SUBRECIPIENT will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives.

4-9. NO OBLIGATION BY FEDERAL GOVERNMENT

The Federal Government is not a party to this Agreement and is not subject to any obligations or liabilities to the non-Federal entity, SUBRECIPIENT, or any other party pertaining to any matter resulting from the contract.

4-10. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

The SUBRECIPIENT acknowledges that 31 U.S.C. Chapter 38 (Administrative Remedies for False Claims and Statements) applies to the SUBRECIPIENT's actions pertaining to this Agreement.

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EXHIBIT E
Coronavirus Relief Fund
Guidance for State, Territorial, Local, and Tribal Governments
Updated June 30, 2020¹

The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The CARES Act established the Coronavirus Relief Fund (the “Fund”) and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.²

The guidance that follows sets forth the Department of the Treasury’s interpretation of these limitations on the permissible use of Fund payments.

Necessary expenditures incurred due to the public health emergency

The requirement that expenditures be incurred “due to” the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be “necessary.” The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

Costs not accounted for in the budget most recently approved as of March 27, 2020

¹ This version updates the guidance provided under “Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020”.

² See Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act.

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The “most recently approved” budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

Finally, the CARES Act provides that payments from the Fund may only be used to cover costs that were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020 (the “covered period”). Putting this requirement together with the other provisions discussed above, section 601(d) may be summarized as providing that a State, local, or tribal government may use payments from the Fund only to cover previously unbudgeted costs of necessary expenditures incurred due to the COVID-19 public health emergency during the covered period.

Initial guidance released on April 22, 2020, provided that the cost of an expenditure is incurred when the recipient has expended funds to cover the cost. Upon further consideration and informed by an understanding of State, local, and tribal government practices, Treasury is clarifying that for a cost to be considered to have been incurred, performance or delivery must occur during the covered period but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred). For instance, in the case of a lease of equipment or other property, irrespective of when payment occurs, the cost of a lease payment shall be considered to have been incurred for the period of the lease that is within the covered period, but not otherwise.

Furthermore, in all cases it must be necessary that performance or delivery take place during the covered period. Thus the cost of a good or service received during the covered period will not be considered eligible under section 601(d) if there is no need for receipt until after the covered period has expired.

Goods delivered in the covered period need not be used during the covered period in all cases. For example, the cost of a good that must be delivered in December in order to be available for use in January could be covered using payments from the Fund. Additionally, the cost of goods purchased in bulk and delivered during the covered period may be covered using payments from the Fund if a portion of the goods is ordered for use in the covered period, the bulk purchase is consistent with the recipient’s usual procurement policies and practices, and it is impractical to track and record when the items were used. A recipient may use payments from the Fund to purchase a durable good that is to be used during the current period and in subsequent periods if the acquisition in the covered period was necessary due to the public health emergency.

Given that it is not always possible to estimate with precision when a good or service will be needed, the touchstone in assessing the determination of need for a good or service during the covered period will be reasonableness at the time delivery or performance was sought, *e.g.*, the time of entry into a procurement contract specifying a time for delivery. Similarly, in recognition of the likelihood of supply chain disruptions and increased demand for certain goods and services during the COVID-19 public health emergency, if a recipient enters into a contract requiring the delivery of goods or performance of services by December 30, 2020, the failure of a vendor to complete delivery or services by December 30, 2020, will not affect the ability of the recipient to use payments from the Fund to cover the cost of such goods or services if the delay is due to circumstances beyond the recipient’s control.

This guidance applies in a like manner to costs of subrecipients. Thus, a grant or loan, for example, provided by a recipient using payments from the Fund must be used by the subrecipient only to purchase (or reimburse

a purchase of) goods or services for which receipt both is needed within the covered period and occurs within the covered period. The direct recipient of payments from the Fund is ultimately responsible for compliance with this limitation on use of payments from the Fund.

Nonexclusive examples of eligible expenditures

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
 - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
 - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
 - Costs of providing COVID-19 testing, including serological testing.
 - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
 - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
 - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
 - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
 - Expenses for disinfection of public areas and other facilities, *e.g.*, nursing homes, in response to the COVID-19 public health emergency.
 - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
 - Expenses for public safety measures undertaken in response to COVID-19.
 - Expenses for quarantining individuals.
3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
 - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
 - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
 - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
 - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.

- COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
 - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
 - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
 - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
 - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
 6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

Nonexclusive examples of ineligible expenditures³

The following is a list of examples of costs that would *not* be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.⁴
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.
5. Reimbursement to donors for donated items or services.
6. Workforce bonuses other than hazard pay or overtime.
7. Severance pay.
8. Legal settlements.

³ In addition, pursuant to section 5001(b) of the CARES Act, payments from the Fund may not be expended for an elective abortion or on research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death. The prohibition on payment for abortions does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions.

⁴ See 42 C.F.R. § 433.51 and 45 C.F.R. § 75.306.

EXHIBIT F

Coronavirus Relief Fund Frequently Asked Questions Updated as of July 8, 2020

The following answers to frequently asked questions supplement Treasury’s Coronavirus Relief Fund (“Fund”) Guidance for State, Territorial, Local, and Tribal Governments, dated April 22, 2020, (“Guidance”).⁵ Amounts paid from the Fund are subject to the restrictions outlined in the Guidance and set forth in section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”).

Eligible Expenditures

Are governments required to submit proposed expenditures to Treasury for approval?

No. Governments are responsible for making determinations as to what expenditures are necessary due to the public health emergency with respect to COVID-19 and do not need to submit any proposed expenditures to Treasury.

The Guidance says that funding can be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. How does a government determine whether payroll expenses for a given employee satisfy the “substantially dedicated” condition?

The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.

The Guidance says that a cost was not accounted for in the most recently approved budget if the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. What would qualify as a “substantially different use” for purposes of the Fund eligibility?

Costs incurred for a “substantially different use” include, but are not necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty’s ordinary responsibilities.

Note that a public function does not become a “substantially different use” merely because it is provided from a different location or through a different manner. For example, although developing online instruction

⁵ The Guidance is available at [https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-forState-Territorial-Local-and-Tribal-Governments.pdf](https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf).

capabilities may be a substantially different use of funds, online instruction itself is not a substantially different use of public funds than classroom instruction.

May a State receiving a payment transfer funds to a local government?

Yes, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act. Such funds would be subject to recoupment by the Treasury Department if they have not been used in a manner consistent with section 601(d) of the Social Security Act.

May a unit of local government receiving a Fund payment transfer funds to another unit of government?

Yes. For example, a county may transfer funds to a city, town, or school district within the county and a county or city may transfer funds to its State, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, a transfer from a county to a constituent city would not be permissible if the funds were intended to be used simply to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify as an eligible expenditure.

Is a Fund payment recipient required to transfer funds to a smaller, constituent unit of government within its borders?

No. For example, a county recipient is not required to transfer funds to smaller cities within the county's borders.

Are recipients required to use other federal funds or seek reimbursement under other federal programs before using Fund payments to satisfy eligible expenses?

No. Recipients may use Fund payments for any expenses eligible under section 601(d) of the Social Security Act outlined in the Guidance. Fund payments are not required to be used as the source of funding of last resort. However, as noted below, recipients may not use payments from the Fund to cover expenditures for which they will receive reimbursement.

Are there prohibitions on combining a transaction supported with Fund payments with other CARES Act funding or COVID-19 relief Federal funding?

Recipients will need to consider the applicable restrictions and limitations of such other sources of funding. In addition, expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds, are not eligible uses of Fund payments.

Are States permitted to use Fund payments to support state unemployment insurance funds generally?

To the extent that the costs incurred by a state unemployment insurance fund are incurred due to the COVID-19 public health emergency, a State may use Fund payments to make payments to its respective state unemployment insurance fund, separate and apart from such State's obligation to the unemployment insurance fund as an employer. This will permit States to use Fund payments to prevent expenses related to the public health emergency from causing their state unemployment insurance funds to become insolvent.

Are recipients permitted to use Fund payments to pay for unemployment insurance costs incurred by the recipient as an employer?

Yes, Fund payments may be used for unemployment insurance costs incurred by the recipient as an employer (for example, as a reimbursing employer) related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

The Guidance states that the Fund may support a "broad range of uses" including payroll expenses for several classes of employees whose services are "substantially dedicated to mitigating or responding to the COVID-19 public health emergency." What are some examples of types of covered employees?

The Guidance provides examples of broad classes of employees whose payroll expenses would be eligible expenses under the Fund. These classes of employees include public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Payroll and benefit costs associated with public employees who could have been furloughed or otherwise laid off but who were instead repurposed to perform previously unbudgeted functions substantially dedicated to mitigating or responding to the COVID-19 public health emergency are also covered. Other eligible expenditures include payroll and benefit costs of educational support staff or faculty responsible for developing online learning capabilities necessary to continue educational instruction in response to COVID-19-related school closures. Please see the Guidance for a discussion of what is meant by an expense that was not accounted for in the budget most recently approved as of March 27, 2020.

In some cases, first responders and critical health care workers that contract COVID-19 are eligible for workers' compensation coverage. Is the cost of this expanded workers compensation coverage eligible?

Increased workers compensation cost to the government due to the COVID-19 public health emergency incurred during the period beginning March 1, 2020, and ending December 30, 2020, is an eligible expense. ***If a recipient would have decommissioned equipment or not renewed a lease on particular office space or equipment but decides to continue to use the equipment or to renew the lease in order to respond to the public health emergency, are the costs associated with continuing to operate the equipment or the ongoing lease payments eligible expenses?***

Yes. To the extent the expenses were previously unbudgeted and are otherwise consistent with section 601(d) of the Social Security Act outlined in the Guidance, such expenses would be eligible.

May recipients provide stipends to employees for eligible expenses (for example, a stipend to employees to improve telework capabilities) rather than require employees to incur the eligible cost and submit for reimbursement?

Expenditures paid for with payments from the Fund must be limited to those that are necessary due to the public health emergency. As such, unless the government were to determine that providing assistance in the form of a stipend is an administrative necessity, the government should provide such assistance on a reimbursement basis to ensure as much as possible that funds are used to cover only eligible expenses.

May Fund payments be used for COVID-19 public health emergency recovery planning?

Yes. Expenses associated with conducting a recovery planning project or operating a recovery coordination office would be eligible, if the expenses otherwise meet the criteria set forth in section 601(d) of the Social Security Act outlined in the Guidance.

Are expenses associated with contract tracing eligible?

Yes, expenses associated with contract tracing are eligible.

To what extent may a government use Fund payments to support the operations of private hospitals?

Governments may use Fund payments to support public or private hospitals to the extent that the costs are necessary expenditures incurred due to the COVID-19 public health emergency, but the form such assistance would take may differ. In particular, financial assistance to private hospitals could take the form of a grant or a short-term loan.

May payments from the Fund be used to assist individuals with enrolling in a government benefit program for those who have been laid off due to COVID-19 and thereby lost health insurance?

Yes. To the extent that the relevant government official determines that these expenses are necessary and they meet the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance, these expenses are eligible.

May recipients use Fund payments to facilitate livestock depopulation incurred by producers due to supply chain disruptions?

Yes, to the extent these efforts are deemed necessary for public health reasons or as a form of economic support as a result of the COVID-19 health emergency.

Would providing a consumer grant program to prevent eviction and assist in preventing homelessness be considered an eligible expense?

Yes, assuming that the recipient considers the grants to be a necessary expense incurred due to the COVID-19 public health emergency and the grants meet the other requirements for the use of Fund payments under section 601(d) of the Social Security Act outlined in the Guidance. As a general matter, providing assistance to recipients to enable them to meet property tax requirements would not be an eligible use of funds, but exceptions may be made in the case of assistance designed to prevent foreclosures.

May recipients create a “payroll support program” for public employees?

Use of payments from the Fund to cover payroll or benefits expenses of public employees are limited to those employees whose work duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

May recipients use Fund payments to cover employment and training programs for employees that have been furloughed due to the public health emergency?

Yes, this would be an eligible expense if the government determined that the costs of such employment and training programs would be necessary due to the public health emergency.

May recipients use Fund payments to provide emergency financial assistance to individuals and families directly impacted by a loss of income due to the COVID-19 public health emergency?

Yes, if a government determines such assistance to be a necessary expenditure. Such assistance could include, for example, a program to assist individuals with payment of overdue rent or mortgage payments to avoid eviction or foreclosure or unforeseen financial costs for funerals and other emergency individual needs. Such assistance should be structured in a manner to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.

The Guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. What is meant by a “small business,” and is the Guidance intended to refer only to expenditures to cover administrative expenses of such a grant program?

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

The Guidance provides that expenses associated with the provision of economic support in connection with the public health emergency, such as expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures, would constitute eligible expenditures of Fund payments. Would such expenditures be eligible in the absence of a stay-at-home order?

Fund payments may be used for economic support in the absence of a stay-at-home order if such expenditures are determined by the government to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency.

May Fund payments be used to assist impacted property owners with the payment of their property taxes?

Fund payments may not be used for government revenue replacement, including the provision of assistance to meet tax obligations.

May Fund payments be used to replace foregone utility fees? If not, can Fund payments be used as a direct subsidy payment to all utility account holders?

Fund payments may not be used for government revenue replacement, including the replacement of unpaid utility fees. Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the recipient to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services.

Could Fund payments be used for capital improvement projects that broadly provide potential economic development in a community?

In general, no. If capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects.

However, Fund payments may be used for the expenses of, for example, establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity or improve mitigation measures, including related construction costs.

The Guidance includes workforce bonuses as an example of ineligible expenses but provides that hazard pay would be eligible if otherwise determined to be a necessary expense. Is there a specific definition of “hazard pay”?

Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19.

The Guidance provides that ineligible expenditures include “[p]ayroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.” Is this intended to relate only to public employees?

Yes. This particular nonexclusive example of an ineligible expenditure relates to public employees. A recipient would not be permitted to pay for payroll or benefit expenses of private employees and any financial assistance (such as grants or short-term loans) to private employers are not subject to the restriction that the private employers’ employees must be substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

May counties pre-pay with CARES Act funds for expenses such as a one or two-year facility lease, such as to house staff hired in response to COVID-19?

A government should not make prepayments on contracts using payments from the Fund to the extent that doing so would not be consistent with its ordinary course policies and procedures.

Must a stay-at-home order or other public health mandate be in effect in order for a government to provide assistance to small businesses using payments from the Fund?

No. The Guidance provides, as an example of an eligible use of payments from the Fund, expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. Such assistance may be provided using amounts received from the Fund in the absence of a requirement to close businesses if the relevant government determines that such expenditures are necessary in response to the public health emergency.

Should States receiving a payment transfer funds to local governments that did not receive payments directly from Treasury?

Yes, provided that the transferred funds are used by the local government for eligible expenditures under the statute. To facilitate prompt distribution of Title V funds, the CARES Act authorized Treasury to make direct payments to local governments with populations in excess of 500,000, in amounts equal to 45% of the

local government's per capita share of the statewide allocation. This statutory structure was based on a recognition that it is more administratively feasible to rely on States, rather than the federal government, to manage the transfer of funds to smaller local governments. Consistent with the needs of all local governments for funding to address the public health emergency, States should transfer funds to local governments with populations of 500,000 or less, using as a benchmark the per capita allocation formula that governs payments to larger local governments. This approach will ensure equitable treatment among local governments of all sizes.

For example, a State received the minimum \$1.25 billion allocation and had one county with a population over 500,000 that received \$250 million directly. The State should distribute 45 percent of the \$1 billion it received, or \$450 million, to local governments within the State with a population of 500,000 or less.

May a State impose restrictions on transfers of funds to local governments?

Yes, to the extent that the restrictions facilitate the State's compliance with the requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance and other applicable requirements such as the Single Audit Act, discussed below. Other restrictions are not permissible.

If a recipient must issue tax anticipation notes (TANs) to make up for tax due date deferrals or revenue shortfalls, are the expenses associated with the issuance eligible uses of Fund payments?

If a government determines that the issuance of TANs is necessary due to the COVID-19 public health emergency, the government may expend payments from the Fund on the interest expense payable on TANs by the borrower and unbudgeted administrative and transactional costs, such as necessary payments to advisors and underwriters, associated with the issuance of the TANs.

May recipients use Fund payments to expand rural broadband capacity to assist with distance learning and telework?

Such expenditures would only be permissible if they are necessary for the public health emergency. The cost of projects that would not be expected to increase capacity to a significant extent until the need for distance learning and telework have passed due to this public health emergency would not be necessary due to the public health emergency and thus would not be eligible uses of Fund payments.

Are costs associated with increased solid waste capacity an eligible use of payments from the Fund?

Yes, costs to address increase in solid waste as a result of the public health emergency, such as relates to the disposal of used personal protective equipment, would be an eligible expenditure.

May payments from the Fund be used to cover across-the-board hazard pay for employees working during a state of emergency?

No. The Guidance says that funding may be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Hazard pay is a form of payroll expense and is subject to this limitation, so Fund payments may only be used to cover hazard pay for such individuals.

May Fund payments be used for expenditures related to the administration of Fund payments by a State, territorial, local, or Tribal government?

Yes, if the administrative expenses represent an increase over previously budgeted amounts and are limited to what is necessary. For example, a State may expend Fund payments on necessary administrative expenses incurred with respect to a new grant program established to disburse amounts received from the Fund.

May recipients use Fund payments to provide loans?

Yes, if the loans otherwise qualify as eligible expenditures under section 601(d) of the Social Security Act as implemented by the Guidance. Any amounts repaid by the borrower before December 30, 2020, must be either returned to Treasury upon receipt by the unit of government providing the loan or used for another expense that qualifies as an eligible expenditure under section 601(d) of the Social Security Act. Any

amounts not repaid by the borrower until after December 30, 2020, must be returned to Treasury upon receipt by the unit of government lending the funds.

May Fund payments be used for expenditures necessary to prepare for a future COVID-19 outbreak?

Fund payments may be used only for expenditures necessary to address the current COVID-19 public health emergency. For example, a State may spend Fund payments to create a reserve of personal protective equipment or develop increased intensive care unit capacity to support regions in its jurisdiction not yet affected, but likely to be impacted by the current COVID-19 pandemic. ***May funds be used to satisfy non-federal matching requirements under the Stafford Act?***

Yes, payments from the Fund may be used to meet the non-federal matching requirements for Stafford Act assistance to the extent such matching requirements entail COVID-19-related costs that otherwise satisfy the Fund's eligibility criteria and the Stafford Act. Regardless of the use of Fund payments for such purposes, FEMA funding is still dependent on FEMA's determination of eligibility under the Stafford Act.

Must a State, local, or tribal government require applications to be submitted by businesses or individuals before providing assistance using payments from the Fund?

Governments have discretion to determine how to tailor assistance programs they establish in response to the COVID-19 public health emergency. However, such a program should be structured in such a manner as will ensure that such assistance is determined to be necessary in response to the COVID-19 public health emergency and otherwise satisfies the requirements of the CARES Act and other applicable law. For example, a per capita payment to residents of a particular jurisdiction without an assessment of individual need would not be an appropriate use of payments from the Fund.

May Fund payments be provided to non-profits for distribution to individuals in need of financial assistance, such as rent relief?

Yes, non-profits may be used to distribute assistance. Regardless of how the assistance is structured, the financial assistance provided would have to be related to COVID-19.

May recipients use Fund payments to remarket the recipient's convention facilities and tourism industry?

Yes, if the costs of such remarketing satisfy the requirements of the CARES Act. Expenses incurred to publicize the resumption of activities and steps taken to ensure a safe experience may be needed due to the public health emergency. Expenses related to developing a long-term plan to reposition a recipient's convention and tourism industry and infrastructure would not be incurred due to the public health emergency and therefore may not be covered using payments from the Fund.

May a State provide assistance to farmers and meat processors to expand capacity, such to cover overtime for USDA meat inspectors?

If a State determines that expanding meat processing capacity, including by paying overtime to USDA meat inspectors, is a necessary expense incurred due to the public health emergency, such as if increased capacity is necessary to allow farmers and processors to donate meat to food banks, then such expenses are eligible expenses, provided that the expenses satisfy the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance.

The guidance provides that funding may be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. May Fund payments be used to cover such an employee's entire payroll cost or just the portion of time spent on mitigating or responding to the COVID-19 public health emergency?

As a matter of administrative convenience, the entire payroll cost of an employee whose time is substantially dedicated to mitigating or responding to the COVID-19 public health emergency is eligible, provided that such payroll costs are incurred by December 30, 2020. An employer may also track time spent by employees related to COVID-19 and apply Fund payments on that basis but would need to do so consistently within the relevant agency or department.

May Fund payments be used to cover increased administrative leave costs of public employees who could not telework in the event of a stay at home order or a case of COVID-19 in the workplace?

The statute requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. As stated in the Guidance, a cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. If the cost of an employee was allocated to administrative leave to a greater extent than was expected, the cost of such administrative leave may be covered using payments from the Fund.

Questions Related to Administration of Fund Payments

Do governments have to return unspent funds to Treasury?

Yes. Section 601(f)(2) of the Social Security Act, as added by section 5001(a) of the CARES Act, provides for recoupment by the Department of the Treasury of amounts received from the Fund that have not been used in a manner consistent with section 601(d) of the Social Security Act. If a government has not used funds it has received to cover costs that were incurred by December 30, 2020, as required by the statute, those funds must be returned to the Department of the Treasury.

What records must be kept by governments receiving payment?

A government should keep records sufficient to demonstrate that the amount of Fund payments to the government has been used in accordance with section 601(d) of the Social Security Act.

May recipients deposit Fund payments into interest bearing accounts?

Yes, provided that if recipients separately invest amounts received from the Fund, they must use the interest earned or other proceeds of these investments only to cover expenditures incurred in accordance with section 601(d) of the Social Security Act and the Guidance on eligible expenses. If a government deposits Fund payments in a government's general account, it may use those funds to meet immediate cash management needs provided that the full amount of the payment is used to cover necessary expenditures. Fund payments are not subject to the Cash Management Improvement Act of 1990, as amended.

May governments retain assets purchased with payments from the Fund?

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds provided by section 601(d) of the Social Security Act.

What rules apply to the proceeds of disposition or sale of assets acquired using payments from the Fund?

If such assets are disposed of prior to December 30, 2020, the proceeds would be subject to the restrictions on the eligible use of payments from the Fund provided by section 601(d) of the Social Security Act.

Are Fund payments to State, territorial, local, and tribal governments considered grants?

No. Fund payments made by Treasury to State, territorial, local, and Tribal governments are not considered to be grants but are "other financial assistance" under 2 C.F.R. § 200.40.

Are Fund payments considered federal financial assistance for purposes of the Single Audit Act?

Yes, Fund payments are considered to be federal financial assistance subject to the Single Audit Act (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Guidance, 2 C.F.R. § 200.303 regarding

internal controls, §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

Are Fund payments subject to other requirements of the Uniform Guidance?

Fund payments are subject to the following requirements in the Uniform Guidance (2 C.F.R. Part 200): 2 C.F.R. § 200.303 regarding internal controls, 2 C.F.R. §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

Is there a Catalog of Federal Domestic Assistance (CFDA) number assigned to the Fund?

Yes. The CFDA number assigned to the Fund is 21.019.

If a State transfers Fund payments to its political subdivisions, would the transferred funds count toward the subrecipients' total funding received from the federal government for purposes of the Single Audit Act?

Yes. The Fund payments to subrecipients would count toward the threshold of the Single Audit Act and 2 C.F.R. part 200, subpart F re: audit requirements. Subrecipients are subject to a single audit or program specific audit pursuant to 2 C.F.R. § 200.501(a) when the subrecipients spend \$750,000 or more in federal awards during their fiscal year.

Are recipients permitted to use payments from the Fund to cover the expenses of an audit conducted under the Single Audit Act?

Yes, such expenses would be eligible expenditures, subject to the limitations set forth in 2 C.F.R. § 200.425.

If a government has transferred funds to another entity, from which entity would the Treasury Department seek to recoup the funds if they have not been used in a manner consistent with section 601(d) of the Social Security Act?

The Treasury Department would seek to recoup the funds from the government that received the payment directly from the Treasury Department. State, territorial, local, and Tribal governments receiving funds from Treasury should ensure that funds transferred to other entities, whether pursuant to a grant program or otherwise, are used in accordance with section 601(d) of the Social Security Act as implemented in the Guidance.

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