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Improving Neighborhood Outcomes in Disproportionately Impacted Communities FAQs

This document contains answers to frequently asked questions OPB has received regarding the Improving Neighborhood Outcomes in Disproportionately Impacted Communities Program under the State Fiscal Recovery Grant Program and the post award process. Applicants should refer to the US Department of Treasury Final Rule and corresponding Final Rule FAQs, as well as the OPB website for links to federal guidance and OPB resources for grantees.

DISCLAIMER: This document is intended to serve as a guide to the grant application process for prospective applicants seeking grant funding from Georgia's allotment of the Coronavirus State Fiscal Recovery Fund (CSFRF). This guidance is not intended to address eligible uses of CSFRF and is not exhaustive, binding, or final. The U.S. Treasury continues to update its guidance. This federal guidance is binding upon the State as well as all grant recipients.

Application

1. Where can I find application and program specific information?

Entities that are interested in applying for Improving Neighborhood Outcomes in Disproportionately Impacted Communities can visit the website here and review the Notice of Funding Opportunity (NOFO) here.

2. What is the maximum award amount?

OPB anticipates that approximately \$250,000,000 million may be available under this NOFO, which may be increased or decreased at OPB's discretion. Awards may be made up to up to \$2,000,000 per project. OPB reserves the right to fund, in whole or in part, any, all, or none of the applications submitted in response to this NOFO.

3. Who is eligible to apply?

All ARPA applicants must have an organization, or subrecipient, that will serve as the fiduciary agent and assume overall responsibility for the grant.

Eligible ARPA applicants include:

- A unit of local government
- County
- Non-profits
- The project must occur within a Qualified Census Tract
- Due to the timeframe of the grant preference will be given to projects focusing on revitalization and renovation.

4. Are school districts also eligible to apply for this grant as a local government?



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Applicant eligibility includes non-profits, counties, and local units of Government as defined by O.C.G.A. § 36-81-8.1.

5. What is the award time frame?

All funds must be expended by October 31, 2026, which is the end of the period of performance. The awardee may use Improving Neighborhood Outcomes in Disproportionally Impacted Communities Grant funds to cover costs incurred beginning from the date of award approval by OPB through October 31, 2026.¹

Only new projects that have not started at the time of the release of this NOFO are eligible for the Improving Neighborhood Outcomes in Disproportionally Impacted Communities Grant Program.

6. What is the fund source for this program?

This program is made available through the American Rescue Plan Act State Fiscal Recovery Funds.

7. What is the definition of a Qualified Census Tract?

Qualified Census Tracts (QCTs) are areas where 50% or more of the households have incomes below 60% of the area median income, or where the poverty rate is 25% or higher. More information on the HUD Designation methodology can be found here https://www.huduser.gov/portal/datasets/qct/qct99home.html.

8. Are match funds required?

Match funds are encouraged but not required.

9. What type of funds may be used as match?

With rare exceptions, federal funds cannot be used to match a federal grant. It is the responsibility of the applicant to check the requirements of their funds source. Examples of allowable match include but are not limited to:

- Non-federal public or private funds
- Funds that are not used as match for any other federal program
- In-Kind Funds should be mentioned in the matching section as well but please be sure to indicate they are in-kind.

10. Can SPLOST be used as match funding?

This would be non-federal public funds as mentioned in FAQ 3.

11. Can ARPA funds be used as non-federal match requirements?

Generally, yes, if using funds available under the revenue loss eligible use category, and no, if using funds under any other eligible use category, except as discussed further below. Funds

¹ Award approval requires an executed Terms and Conditions agreement, active UEI, vendor location on file, and approved budget. The award status will move from 'awarded' to 'approved' went the requirements are met.



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available under the revenue loss eligible use category (sections 602(c)(1)(C) and 603(c)(1)(C) of the Social Security Act) generally may be used to meet the non-federal cost-share or matching requirements of other federal programs. However, note that SLFRF funds may not be used as the non-federal share for purposes of a state's Medicaid and Children's Health Insurance Programs (CHIP) because the Office of Management and Budget has approved a waiver as requested by the Centers for Medicare & Medicaid Services pursuant to 2 C.F.R. § 200.102 of the Uniform Guidance and related regulations.

If a recipient seeks to use SLFRF funds to satisfy match or cost-share requirements for a federal grant program, it should first confirm with the relevant awarding agency that no waiver has been granted for that program, that no other circumstances enumerated under 2 C.F.R. § 200.306(b) would limit the use of SLFRF funds to meet the match or cost-share requirement, and that there is no other statutory or regulatory impediment to using the SLFRF funds for the match or cost-share requirement. SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. As an example, the Infrastructure Investment and Jobs Act provides that SLFRF funds may be used to meet the non-federal match requirements of authorized Bureau of Reclamation projects and certain broadband deployment projects. Recipients should consult the final rule for further details if they seek to utilize SLFRF funds as a match for these projects.

12. Would the entire project be required to be within the boundaries of the QCT?

Under the interim final rule, recipients were allowed to presume that families residing in QCTs or receiving services provided by Tribal governments were disproportionately impacted by the pandemic. As with the interim final rule, under the final rule recipients may presume that households residing in QCTs or receiving services provided by Tribal governments were disproportionately impacted by the pandemic. As such, this program utilizes Treasury's presumption of communities within a QCT as disproportionately impact. The project area would need to fall within the QCT to be eligible for funding.

13. Can an eligible entity submit multiple projects?

An eligible applicant may submit more than one project, but each project should be submitted in a separate application.

14. Can counties and cities jointly submit applications?

Yes, partnership applications are allowable but the entity that submits the application would have the fiduciary responsibility and be deemed as the subrecipient.

15. Where can we find copy of PowerPoints and webinars for grant programs?

All webinars and accompanying PowerPoints can be on our <u>For Grantees webpage</u> under webinars and tutorials.



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16. If a city or county submits a proposal, is a letter of support or resolution from government required?

Eligible applicants should follow the policies within their city, county, or non-profit with regards to resolutions to submit an application. Letters of support within the application, is an optional upload. OPB does not require an upload of the resolution from the respective applicant, however this does not supersede any governing policies within your organization.

QCT Dashboard

1. How can I determine the QCTs in my area?

Applicants can use the OPB QCT Dashboard to verify the proposed project area is within a QCT.

2. Is the QCT map the same as HUD's QCT data?

The data on OPB QCT Dashboard is HUD's QCT data specific to the state of Georgia.

3. What does it mean when you search the QCT and get a yes and no?

A result yielding Yes means that the search criteria is within a QCT. A result yielding No result means that the search criteria is not within a QCT.

4. Why does the map disappear for certain zip codes?

The map updates based on the filter criteria. When no QCT is found, the map will not populate. To search for another zip code, applicants should refresh the browser.

5. How do I search the map to verify an address resides within the QCT?

Users should deselect the ALL filter for each selection criteria when filtering. To find QCTs within a county, you can filter by county (deselecting ALL) and hit apply. To find QCTs within specific zip codes, you can filter by zip code (deselecting ALL) and hit apply. Once you find the target area, you can zoom on the map by selecting the + button to view the street level. To reset your map view and return to just the filter selection, you can hit the home button on the map.

Uniform Guidance

17. What are the policy requirements that are applicable under these funds?

The following 2 C.F.R. policy requirements apply to <u>21.027 assistance listing</u> for Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), Coronavirus State Fiscal Recovery Fund (CSFRF) and Coronavirus Local Fiscal Recovery Fund (CLFRF):

- Subpart B, General provisions;
- Subpart C, Pre-Federal Award Requirements and Contents of Federal Awards;



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- Subpart D, Post Federal; Award Requirements;
- Subpart E, Cost Principles; and
- Subpart F, Audit Requirements

18. What are the procurement requirements for architects/engineers?

The procurement of goods and services under this grant program must align to the 2 C.F.R. § 200 applicable policy requirements under the assistance listing. See FAQ #8.

19. Is Davis-Bacon applicable to this program?

The Davis-Bacon Act requirements (prevailing wage rates) do not apply to projects funded solely with award funds from the SLFRF program, except for SLFRF-funded construction projects undertaken by the District of Columbia. The Davis-Bacon Act specifically applies to the District of Columbia when it uses federal funds (SLFRF funds or otherwise) to enter into contracts over \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Recipients may be otherwise subject to the requirements of the Davis-Bacon Act when SLFRF award funds are used on a construction project in conjunction with funds from another federal program that requires enforcement of the Davis-Bacon Act. Additionally, corollary state prevailing-wage-in-construction laws (commonly known as "baby Davis-Bacon Acts") may apply to projects. Please refer to FAQ #4.8 concerning projects funded with both SLFRF funds and other sources of funding.

Treasury has indicated in its final rule that it is important that capital expenditure projects and necessary investments in water, sewer, or broadband infrastructure be carried out in ways that produce high-quality results, avert disruptive and costly delays, and promote efficiency. Treasury encourages recipients to ensure that capital expenditure projects and water, sewer, and broadband projects use strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions, not only to promote effective and efficient delivery of high-quality projects, but also to support the economic recovery through strong employment opportunities for workers. Using these practices in projects may help to ensure a reliable supply of skilled labor that would minimize disruptions, such as those associated with labor disputes or workplace injuries. Treasury has also indicated in its reporting guidance that recipients will need to provide documentation of wages and labor standards for capital expenditure projects and infrastructure projects over \$10 million, and that these requirements can be met with certifications that the project is in compliance with the Davis-Bacon Act (or related state laws, commonly known as "baby Davis-Bacon Acts") and subject to a project labor agreement. Please refer to the Reporting and Compliance Guidance for more detailed information on the reporting requirement.

20. How should we list firms or contractors if we have not bid out the project to ensure alignment to 2 C.F.R. § 200 policy requirements?



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The budget items should have some basis for calculation, whether from quotes, general designs, or otherwise. This is the detail OPB will look for in the detailed budget worksheet. Some eligible applicants may have a design for a project already completed and will only request funding for the construction portion. Other entities may be in the planning phase when they submit their proposal. Where applicable, applicants should provide detailed information on specific engineers, vendors, or partners that have been engaged in the project, regardless of whether they are requesting a portion of the grant to fund this category.

21. If local procurement policy exempts professional services, are you allowed to follow the local policy for design services?

State and local agencies may set lower or higher purchasing thresholds and thereby impose less or more restrictive procurement procedures than authorized by 2 C.F.R. § 200 subpart D. Where the state or local policies are less restrictive than required by 2 C.F.R. § 200 procurement policy requirements, the applicant must align to the 2 C.F.R. § 200 policy requirements.

(The following guidance has been taken from the US Department of Final Rule FAQ as of April 27, 2022, https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-FAQ.pdf)

22. (13.1) What provisions of the Uniform Guidance for grants apply to these funds? Will the Single Audit requirements apply? (US Department of Treasury FAQ 13.1)

Most of the provisions of the Uniform Guidance (2 C.F.R. § 200) apply to this program, including the Cost Principles and Single Audit Act requirements. Recipients should refer to the Assistance Listing for detail on the specific provisions of the Uniform Guidance that do not apply to this program. The Assistance Listing will be available here. For information related to Single Audit requirements specifically, please refere to the Compliance Supplement materials released by the Office of Management and Budget.

23. Do federal procurement requirements apply to SLFRF? (US Department of Treasury FAQ 13.2)

Yes. The procurement standards for federal financial assistance are located in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. § 200.317 through 2 C.F.R. § 200.327 and apply to procurements using SLFRF funds. Pursuant to 2 C.F.R. § 200.317, recipients that are non-state entities, such as, metropolitan cities, counties, non-entitlement units of local government, and Tribes must comply with the procurement standards set forth in 2 C.F.R. § 200.318, through 2 C.F.R. § 200.327, when using their SLFRF award funds to procure goods and services to carry out the objectives of their SLFRF award. States, the District of Columbia, and U.S. Territories must follow their own procurement policies pursuant to 2 C.F.R. § 200.317, as well as comply with the procurement standards set forth at 2 C.F.R. § 200.321 through 2 C.F.R. § 200.323, and 2 C.F.R. § 200.327 when using their SLFRF award funds to procure goods and services to carry out the objectives of their SLFRF award. See also SLFRF Award Terms and Conditions. Recipients are prohibited from using SLFRF funds to enter into subawards and contracts with parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs. See 2 C.F.R. §



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200.214. Moreover, a contract made under emergency circumstances under the Coronavirus Relief Fund (CRF) cannot automatically be transferred over to SLFRF. These programs are subject to different treatment under the Uniform Guidance. Under the CRF program, recipients are permitted to use their own procurement policies to acquire goods and services to implement the objectives of the CRF award. Under the SLFRF program, recipients are required to follow the procurement standards set out in 2 C.F.R. § 200

(Uniform Guidance) pursuant to the SLFRF Award Terms and Conditions executed by the recipients in connection with their SLFRF awards.

24. What is the threshold for competitive bidding for my government? (US Department of Treasury FAQ 13.3)

As stated above, recipients are required to comply with the procurement standards set forth in 2 C.F.R. § 200.317 through 2 C.F.R. § 200.327 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Pursuant to 2 C.F.R. § 200.317, States, the District of Columbia, and U.S. Territories should refer to the competitive bidding thresholds described in their own procurement policies and procedures. Other nonfederal entities, such as metropolitan cities, counties, non-entitlement units of local government, and Tribes must adhere to the competitive bidding thresholds set forth in 2 C.F.R. § 200.320 for the relevant procurement methods.

2 C.F.R. § 200.320 describes methods of procurement based on two procurement thresholds. There are two thresholds that recipients should keep in mind related to procurement requirements: the Micro purchase threshold (MPT) and the Simplified Acquisition Threshold (SAT).

Micro-purchase threshold (MPT) - 2 C.F.R. § 200.320(a)(1): Purchase of supplies and services for a price below the MPT, currently set at \$10,000, are not required to be solicited competitively. However, there are circumstances when a recipient may have a MPT that is greater than \$10,000. For example, all non-Federal entities may increase their MPT up to \$50,000 if they follow the protocols described in 200.320(a)(1)(iv). Additionally, nonfederal entities such as metropolitan cities, counties, non-entitlement units of local government, and Tribes may use their own MPT if they follow the protocols described in 200.320(a)(1)(iv).

Simplified Acquisition Threshold (SAT) - 2 C.F.R. § 200.320(a)(2): Purchases of property and services at a price above the recipient's MPT and below the SAT, currently set at \$250,000, may be made following the small purchase procedures described in the definition of SAT in 2 C.F.R. § 200.1 and 2 C.F.R. § 200.320(a)(2). Procurement of property and services at a price above the SAT must follow the formal procurement methods outlined in 2 C.F.R. § 200.320(b).



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25. Can a recipient prequalify firms for projects funded with SLFRF? (US Department of Treasury FAQ 13.4)

The Uniform Guidance permits recipients to use prequalified lists of persons, firms, or products so long as a list is current and includes enough qualified sources to ensure maximum open and free competition. The Uniform Guidance does not specifically define the term "current" for purposes of 2 C.F.R. § 200.319(e), and Treasury has not adopted additional guidance regarding this requirement as it applies to the SLFRF. As such, recipients must determine when a prequalified list would be sufficiently current, and a recipient must not preclude potential bidders from qualifying during the solicitation period. See 2 C.F.R. § 200.319(e).

Furthermore, recipients may not utilize this provision to evade conducting their procurement transactions in a manner that provides for full and open competition. Recipients should be mindful that other provisions of the Uniform Guidance inform the procurement requirements. For example, metropolitan cities, counties, non-entitlement units of local government, and Tribes must have and use documented procurement procedures, consistent with binding State, local, and Tribal laws and regulations. See.2 C.F.R. § 200.318(a).

26. Where can one find the most current information on assuring minority owned businesses are included in the awards process? (US Department of Treasury FAQ 13.5)

The most up-to-date information on assuring that minority-owned businesses are included in the procurement process is located in 2 C.F.R. § 200.321, Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

27. Is there certain language that needs to be included in a bidding package? (US Department of Treasury FAQ 13.6)

Treasury does not require that there be specific language included in bidding packages, but SLFRF recipients must ensure all contracts made with SLFRF award funds contain the applicable contract provisions listed in 2 C.F.R. § 200, Appendix II.

- 28. Are recipients allowed to leverage existing contracts? (US Department of Treasury FAQ 13.7)
 - Recipients may leverage existing contracts for SLFRF activities if the existing contracts conform to the procurement standards in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 C.F.R. § 200 (Uniform Guidance). States, the District of Columbia, and U.S. Territories must follow their own procurement policies pursuant to 2 C.F.R. § 200.317 as well as comply with the procurement standards set forth at 2 C.F.R. § 200.321 through 2 C.F.R. § 200.323, and 2 C.F.R. § 200.327. All other recipients must follow 2 C.F.R. § 200.318, General procurement standards, through 200.327, Contract provisions.
- 29. Would an interlocal agreement—an agreement entered into between governments to effectuate an eligible use of the funds—or a cooperative purchase agreement need to be bid out? (US Department of Treasury FAQ 13.8)



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States, the District of Columbia, and U.S. Territories must follow their own procurement policies pursuant to 2 C.F.R. § 200.317 as well as comply with the procurement standards set forth at 2 C.F.R. § 200.321 through 2 C.F.R. § 200.323, and 2 C.F.R. § 200.327. All other recipients must follow 2 C.F.R. § 200.318, General procurement standards, through 200.327, Contract provisions. Recipients should consult the applicable procurement standards or policies to determine whether a cooperative purchase agreement must be bid out. Information on when competition is required and when exceptions to competition are permitted are located in 2 C.F.R. § 200.319, Competition, and 2 C.F.R. § 200.320, Methods of procurement to be followed.

It is permissible for recipients to use interlocal agreements, but procurement standards set forth in the Uniform Guidance may still apply.

30. How is a "contract" different than a "subaward? (US Department of Treasury FAQ 13.9)

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 C.F.R. § 200 (Uniform Guidance) provides definitions for "contract" and "subaward." A contract is a legal instrument by which a recipient or subrecipient purchases property or services needed to carry out the project or program under a federal award. A subaward is distinct from a contract in that a subaward is an award provided by a recipient of a federal award to a subrecipient to carry out part of a federal award on behalf of the recipient. Recipients may make subawards through any form of legal agreement, including an agreement that the recipient considers a contract. See 2 C.F.R. § 200.331 for more information on the differences between contracts and subawards.

31. What other background laws must recipients comply with? (US Department of Treasury FAQ 13.10)

SLFRF recipients must comply with all laws outlined in the SLFRF Award Terms and Conditions that the recipients accepted in connection with their SLFRF award and all other applicable executive orders, federal statutes, and regulations in carrying out their SLFRF award. Recipients must also provide for such compliance by other parties in any agreements it enters into with other parties relating to the award. The award terms listed specific statutes and regulations that apply to the award, but the award terms made clear that these lists were not exclusive. Particularly in the case of the SLFRF, it's not possible to enumerate the full list of federal statutes, regulations and executive orders that may be applicable to the award given that the range of eligible uses of funds is so broad, including the provision of government services.

32. How does Treasury treat program income? (US Department of Treasury FAQ 13.11)

Per 2 C.F.R. § 200.307, Treasury is specifying here that recipients may add program income to the Federal award. Any program income generated from SLFRF funds must be used for the purposes and under the conditions of the Federal award. Program income includes but is not limited to income from fees for services performed, the use or rental of real or personal property acquired under federal awards, the sale of commodities or items fabricated under a federal award, license



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fees and royalties on patents and copyrights, and principal and interest on loans made with federal award funds. Interest earned on advances of federal funds is not program income. For more information on what constitutes "Program Income" please see 2 C.F.R. § 200.1.

33. Does COVID-19 and the national emergency qualify as "exigency" as a special circumstance under 2 C.F.R. § 200.320 (c) in which a noncompetitive procurement can be used? If so, may a contract utilizing this special circumstance have a term that extends beyond the national emergency? For example, may a County execute a contract (without going through a competitive solicitation) immediately with a contractor to provide services with a term through the end of 2024, relying upon this special circumstance? (US Department of Treasury FAQ 13.12) The COVID-19 public health emergency does not itself qualify as a "public exigency or emergency" under 2 C.F.R. § 200.320 (c). In other words, a recipient may not justify a noncompetitive procurement simply on the basis that the procurement is conducted during the public health emergency or that the project is in response to the public health emergency.

Instead, the recipient must make its own assessment as to whether in the case of a particular project there is a public exigency or emergency that "will not permit a delay resulting from publicizing a competitive solicitation."

Note: The Final Rule permits funds to be used to cover costs incurred beginning on March 3, 2021, and ending December 31, 2024.