

# Bertie County Board of Commissioners



**May 2, 2022  
6:00 PM**

Vice Chair	Ronald “Ron” Wesson	District I
	Greg Atkins	District II
	Tammy A. Lee	District III
Chair	John Trent	District IV
	Ron Roberson	District V



Bertie County is now utilizing Zoom during the COVID-19 pandemic.

**Zoom is available to the public to participate during this meeting.**

To call in to our meeting on the phone, use the following information:

Phone #: 1-301-715-8592

Meeting ID: 723 391 6141

To listen to our meeting online, click or copy and paste this link into your browser:

<https://us02web.zoom.us/j/7233916141>

Questions? Call the County Manager's Office at 794-5300.

**BERTIE COUNTY BOARD OF COMMISSIONERS**

**May 2, 2022**

**Meeting Agenda**

*This agenda is only a tentative schedule of matters the Commissioners may address at their meeting and all items found on it may be deleted, amended, or deferred. The Commissioners may also, in their absolute discretion, consider matters not shown on this agenda.*

- 6:00 PM** Welcome, Roll Call, and Call to Order by Board Chair John Trent, Commissioners Room, Windsor
- Invocation and Pledge of Allegiance by Vice-Chair Ronald Wesson
- Public Comments *(3-minute limit per speaker)*

**(A)**

**\*\*\* REPORTS & APPOINTMENTS \*\*\***

- (1) 2022 Primary Election Update by Board of Elections Chair Michael Freeman
- (2) Council of Aging Updates & Upcoming Events by Director Venita Thompson
- (3) Economic Development Update by Director Steve Biggs
- (4) Financial Summary & ARPA Project and Expenditure Report Update by Finance Director William Roberson

**Board Appointments (B)**

- 1. No appointments at this time.

**Consent Agenda (C)**

- 1. Approve Tax Release Journal – March 2022
- 2. Budget Amendments
- 3. Deed Transferring School Property from Bertie County to Board of Education of Bertie County
  - a. Aulander Elementary
  - b. Colerain Elementary
  - c. West Bertie Elementary
  - d. Windsor Elementary
  - e. Bertie Middle
- 4. Contract to Audit Accounts for Bertie County for Year Ending June 30, 2022 by Thompson, Price, Scott, Adams & Co., PA

**\*\*\*OTHER ITEMS\*\*\***

**Discussion Agenda (D)**

- 1. Upcoming Meetings
  - a. **May 23<sup>rd</sup> 10:00 AM**  
Manager’s Budget Presentation & Budget Work Session
  - b. **May 24<sup>th</sup> 10:00 AM**  
Budget Work Session Continued
  - c. **June 6<sup>th</sup> 6:00 PM**  
Budget Public Hearing

**County Manager’s Reports (F)**

**County Attorney’s Reports (G)**

**Public Comments**  
*(3 minutes per speaker)*

**Closed Session**

**Pursuant to NCGS 143-318.11(a)(3)(5)(6)**

(3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. General policy matters may not be discussed in a closed session and nothing herein shall be construed to permit a public body to close a meeting that otherwise would be open merely because an attorney employed or retained by the public body is a participant.

(5) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or (ii) the amount of compensation and other material terms of an employment contract or proposed employment contract.

(6) To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee.

**Recess**

**Commissioners’ Reports (E)**



# Bertie County

Board of Commissioners

## ITEM ABSTRACT

**MEETING DATE:** May 2, 2022

**SECTION:** Appointments & Reports (A-1 to A-4)

**DEPARTMENT:** Governing Body

**TOPICS:**

- (1) 2022 Primary Election Update by Board of Elections Chair Michael Freeman
- (2) Council on Aging Updates & Upcoming Events by Director Venita Thompson
- (3) Economic Development Update by Director Steve Biggs
- (4) Financial Summary by Finance Director William Roberson & ARPA Project and Expenditure Report Update by Finance Director William Roberson

**COUNTY MANAGER RECOMMENDATION OR COMMENTS:** --

**SUMMARY OF AGENDA ITEM AND/OR NEEDED ACTION(S):** --

**ATTACHMENTS:** Yes

**LEGAL REVIEW PENDING:** N/A

**ITEM HISTORY:** ---



A-1



# BERTIE COUNTY BOARD OF ELECTIONS

210 W. Watson Street  
 Post Office Box 312  
 Windsor, North Carolina 27983

<http://www.co.bertie.nc.us/departments/elections/elections.html>

William Michael Freeman, Chairman  
 Anthony Ward, Secretary  
 Timothy Davis, Member  
 Michael Alex Fields, Sr., Member  
 James E. Lee, Member

Phone: (252) 794-5306  
 Fax: (252) 794-5368  
 Email: [elections@bertie.nc.gov](mailto:elections@bertie.nc.gov)  
 Sheila Holloman,  
 Director of Elections

## NOTICE OF PRIMARY ELECTION BERTIE COUNTY, NORTH CAROLINA

The statewide primary election will be held on Tuesday, May 17, 2022.

Polls will be open from 6:30 a.m. to 7:30 p.m. on Election Day. The polling places are located at:

<b>Colerain1 Precinct</b> Colerain Municipal Building 101 Winton St., Colerain (Old Colerain Fire Department)	<b>Colerain2 Precinct</b> Powellsville Town Hall 106 E. Main St., Powellsville	<b>Indian Woods Precinct</b> Indian Woods Missionary Baptist Church 2330 Indian Woods Road, Windsor	<b>Mitchells1 Precinct</b> Hexlena Community Building 1427 Early Station Road, Aulander
<b>Mitchells2 Precinct</b> Aulander Community Building 116 S. Commerce St., Aulander	<b>Merry Hill Precinct</b> Merry Hill-Midway Fire Dept 109 NC Highway 45 N, Merry Hill	<b>Roxobel Precinct</b> Kelford Fire Department 106 N. Main St., Kelford	<b>Snakebite Precinct</b> Mt. Ararat Baptist Church 305 Cowtrack Road, Windsor
<b>Windsor1 Precinct</b> Windsor Community Building 201 S. Queen St., Windsor	<b>Windsor2 Precinct</b> Askewville Fire Department 105 Askewville South Railroad St	<b>Woodville Precinct</b> Lewiston Woodville Fire Dept 103 W. Church St., Lewiston Woodville	<b>Whites Precinct</b> Perrytown Fire Department 848 Perrytown Road, Colerain

One-stop early voting will be held at the following locations from Thursday, April 28, 2022, to Saturday, May 14, 2022:

BERTIE COUNTY BOARD OF ELECTIONS OFFICE <a href="#">210 W WATSON ST</a> <a href="#">WINDSOR, NC 27983</a>	Thursday April 28 – Friday April 29	8:00 a.m. – 7:30 p.m.
	Monday, May 2 - Friday, May 6	8:00 a.m. – 7:30 p.m.
	Monday, May 9 – Friday May 13	8:00 a.m. – 7:30 p.m.
	Saturday, May 14	8:00 a.m. - 3:00 p.m.
POWELLVILLE TOWN HALL <a href="#">106 E MAIN ST</a> <a href="#">POWELLVILLE, NC 27967</a>	Thursday April 28 – Friday April 29	8:00 a.m. – 7:30 p.m.
	Monday, May 2 - Friday, May 6	8:00 a.m. – 7:30 p.m.
	Monday, May 9 – Friday May 13	8:00 a.m. – 7:30 p.m.
	Saturday, May 14	8:00 a.m. - 3:00 p.m.

Absentee ballots will be mailed to voters who have requested them beginning March 28, 2022. A voter can fill out an absentee ballot request at [votebymail.ncsbe.gov](http://votebymail.ncsbe.gov), or by filling out a request form provided by the county board of elections office. The request must be received through the website or by the Bertie Board of Elections by 5 p.m. May 10, 2022.

In the primary election, voters will select nominees for a political party to move on to the November 8 general election. **Contests on the ballot include U.S. Senate, U.S. House of Representatives, N.C. General Assembly, state and local judges, district attorney, and county offices.** In primaries, voters affiliated with a political party will be given a ballot of candidates for their party. Unaffiliated voters may choose the ballot of candidates for any party primary.

The voter registration deadline for this election is 5 p.m. Friday, April 22, 2022. Eligible individuals who are not registered by that deadline may register and vote at any early voting site during the early voting period. New registrants will be required to provide documentation of their residence. Voters who wish to change party affiliation must do so by the April 22 deadline.

Questions? Call the Bertie County Board of Elections Office at 252-794-5306 or send an email to [elections@bertie.nc.gov](mailto:elections@bertie.nc.gov) Visit us online at [www.ncsbe.gov](http://www.ncsbe.gov) or [www.co.bertie.nc.us/elections](http://www.co.bertie.nc.us/elections)



A-2

# *“2022 Senior Citizens’ Resource Fair”*



**DATE: Friday May 27, 2022**  
**TIME: 10:00 a.m.—1:00 p.m.**  
**Old Bertie High School Gym**  
**715 US Highway 13 North**  
**Windsor, NC 27983**

**We have planned for you:**

Entertainment ♦ Fun ♦ Free Screenings  
Refreshments ♦ And more!

**Transportation Is Available if you call to register!**

**TO PRE-REGISTER AND  
FOR MORE INFORMATION**

**Please contact us at 252-794-5315**

**FREE ADMISSION!**



# OLDER AMERICANS CELEBRATION

## “AGE MY WAY”

Come join us here at the Bertie Council on Aging as we celebrate Older Americans Month. There will be food, games, prizes and much more!!!!

Friday

May 13, 2022

10:30am- 1:30pm

103 west school St. Windsor, Nc 27983

### Tie contest for Men

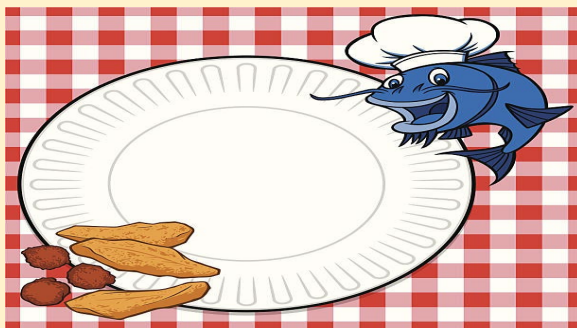
Categories Include:

1. Best Bow Tie
2. Best Tie
3. Best silly Tie

### Hat Contest for Women

Categories Include:

1. Best Sunday Hat
2. Best flower Hat
3. Most outrageous Hat



FOR MORE INFORMATION AND TO REGISTER PLEASE

Contact the Bertie County Council on Aging

(252) 794-5315

**To Enter contest please call and add your name for a chance to win a prize!!!**



A-4

## **Coronavirus State and Local Fiscal Recovery Funds**

### **Final Rule: Frequently Asked Questions**

This document contains answers to frequently asked questions regarding the Final Rule of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF, or Fiscal Recovery Funds). The final rule is effective on April 1, 2022. Treasury intends to update this document periodically in response to questions received from stakeholders. Recipients and stakeholders should consult the [final rule](#) for additional information, as this document does not describe all relevant requirements that apply to the SLFRF program. Recipients also may find helpful the [Overview of the Final Rule](#), which provides a summary of major provisions of the final rule for informational purposes.

- For overall information about the program, including information on requesting funding, please see <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments>
- For general questions about SLFRF, please email [SLFRF@treasury.gov](mailto:SLFRF@treasury.gov).

Answers to frequently asked questions on distribution of funds to non-entitlement units of local government (NEUs) can be found in this [FAQ supplement](#).

Answers to frequently asked questions on the taxability and reporting of payments from SLFRF can be found in this [FAQ issued by the IRS](#).

The FAQs in this document are applicable to the final rule, although readers will notice that many have been incorporated from the FAQs that were available in connection with the interim final rule, because they remain applicable. Answers to frequently asked questions that are unique to the interim final rule remain available at [Interim Final Rule: Frequently Asked Questions](#). A categorization is provided on the following page to assist in identifying the FAQs that remain largely the same as in the FAQ document associated with the interim final rule and the FAQs that are new or have been updated in conformity with the final rule.

Throughout these FAQs, Treasury may refer readers to relevant sections of the Overview of the Final Rule. The Overview of the Final Rule provides a summary of major provisions of the final rule for informational purposes and is intended as a brief, simplified user guide to the final rule provisions. The descriptions provided in the Overview summarize key provisions of the final rule but are non-exhaustive, do not describe all terms and conditions associated with the use of SLFRF funds, and do not describe all requirements that may apply to this funding. Any SLFRF funds received are also subject to the terms and conditions of the agreement entered into by Treasury and the respective jurisdiction, which incorporate the provisions of the final rule and the guidance that implements this program.

### FAQ Categorization

Category	FAQ #
FAQs retained with slight modifications from the <a href="#">Interim Final Rule: Frequently Asked Questions</a> document (please note that FAQ numbering has changed between the two documents)	#1.1 – #1.2, #1.4 – 1.7, #2.10, #2.12 – #2.13, #3.8 – #3.13, #4.3, #4.5, #6.10 – #6.11, #6.14, #8.1, #8.3, #10.1 – #10.2, #11.1 – 11.3, #11.6 – 11.12, #12.1 – 12.2
New or Substantially Updated FAQs	#1.3, #1.8, #2.1 – #2.9, #2.11, #2.14 – #2.24, #3.1 – 3.7, #3.14, #4.1 – #4.2, #4.4, #4.6, #4.7 – #4.10, #5.1 – #5.4, #6.1 – #6.9, #6.12 – #6.13, #6.15 – #6.16, #8.2, #11.4 – #11.5, Section 13

# **1. Eligibility and Allocations**

## **1.1. Which governments are eligible for funds?**

The following governments are eligible:

- States and the District of Columbia
- Territories
- Tribal governments
- Counties
- Metropolitan cities
- Non-entitlement units, or smaller local governments

## **1.2. Which governments receive funds directly from Treasury?**

Treasury distributes funds directly to each eligible state, territory, metropolitan city, county, or Tribal government. Smaller local governments that are classified as non-entitlement units receive funds through their applicable state government.

## **1.3. Are special-purpose units of government eligible to receive funds?**

Special-purpose units of local government are not eligible to receive an award as a recipient under the SLFRF program; however, a state, territory, local, or Tribal government may transfer funds to a special-purpose unit of government to carry out a program or project on its behalf as a subrecipient. Special-purpose districts perform specific functions in the community, such as fire, water, sewer or mosquito abatement districts. A recipient can also provide funds to an entity that is special-purpose government for the purpose of directly benefitting the entity as a result of the entity experiencing a public health impact or negative economic impact of the pandemic.

## **1.4. How are funds being allocated to Tribal governments, and how will Tribal governments find out their allocation amounts?**

\$20 billion of Fiscal Recovery Funds was reserved for Tribal governments. The American Rescue Plan Act specified that \$1 billion would be allocated evenly to all eligible Tribal governments. The remaining \$19 billion was to be distributed using an allocation methodology determined by Treasury, which was based on enrollment and employment.

There were two payments to Tribal governments. Each Tribal government's first payment included (i) an amount in respect of the \$1 billion allocation that was to be divided equally among eligible Tribal governments and (ii) each Tribal government's pro rata share of the Enrollment Allocation. Tribal governments were notified of their allocation amount and delivery of payment 4-5 days after completing request for funds in the Treasury Submission Portal. The deadline to make the initial request for funds was June 21, 2021.

The second payment included a Tribal government's pro rata share of the Employment Allocation. There was a \$1,000,000 minimum employment allocation for Tribal governments. In late June 2021, Tribal governments received an email notification to re-enter the Treasury Submission Portal to confirm or amend their 2019 employment numbers that were submitted to Treasury for the CARES Act's Coronavirus Relief Fund. To receive an Employment Allocation, including the minimum employment allocation, Tribal governments must have confirmed employment numbers by July 23, 2021. Treasury calculated employment allocations for those Tribal governments that confirmed or submitted amended employment numbers by the deadline. In August, Treasury communicated to Tribal governments the amount of their portion of the Employment Allocation and the anticipated date for the second payment.

**1.5. My county is a unit of general local government with population under 50,000. Will my county receive funds directly from Treasury?**

Yes. All counties that are units of general local government receive funds directly from Treasury and should apply via the [online portal](#). The list of county allocations is available [here](#).

**1.6. My local government expected to be classified as a non-entitlement unit. Instead, it was classified as a metropolitan city. Why?**

The American Rescue Plan Act (ARPA) defines, for purposes of the Coronavirus Local Fiscal Recovery Fund (CLFRF), metropolitan cities to include those that are currently metropolitan cities under the Community Development Block Grant (CDBG) program but also those cities that relinquish or defer their status as a metropolitan city for purposes of the CDBG program. This would include, by way of example, cities that are principal cities of their metropolitan statistical area, even if their population is less than 50,000. In other words, a city that is eligible to be a metropolitan city under the CDBG program is eligible as a metropolitan city under the CLFRF, regardless of how that city has elected to participate in the CDBG program.

Unofficial allocation estimates produced by other organizations may have classified certain local governments as non-entitlement units of local government. However, based on the statutory definitions, some of these local governments should have been classified as metropolitan cities.

**1.7. In order to receive and use funds, must a recipient government maintain a declaration of emergency relating to COVID-19?**

No. Neither the statute establishing the SLFRF nor the final rule requires recipients to maintain a local declaration of emergency relating to COVID-19.

**1.8. Can nonprofit or private organizations receive funds? If so, how?**

Yes. Under section 602(c)(3) of the Social Security Act, a State, territory, or Tribal

government may transfer funds to a “private nonprofit organization . . . , a Tribal organization . . . , a public benefit corporation involved in the transportation of passengers or cargo, or a special-purpose unit of State or local government.” Similarly, section 603(c)(3) authorizes a local government to transfer funds to the same entities (other than Tribal organizations). The interim final rule clarified that the lists of transferees in sections 602(c)(3) and 603(c)(3) are not exclusive, and the final rule clarified that recipients may transfer funds to any entity to carry out, as a subrecipient, an eligible activity on behalf of the SLFRF recipient (transferor), as long as they comply with the SLFRF Award Terms and Conditions and other applicable requirements. A transferee receiving a transfer from a recipient under sections 602(c)(3) and 603(c)(3) will be considered a subrecipient and will be expected to comply with all subrecipient reporting requirements.

Additionally, a recipient can provide funds to an entity, including a nonprofit organization, for the purpose of directly benefitting the entity as a result of the entity experiencing a public health impact or negative economic impact of the pandemic. In this instance, these entities will be considered beneficiaries, not subrecipients, and will not be expected to comply with subrecipient reporting requirements. Beneficiary reporting requirements will apply.

The ARPA does not authorize Treasury to provide SLFRF funds directly to nonprofit or private organizations. Thus, a nonprofit or private organization should seek funds from SLFRF recipient(s) in their jurisdiction (e.g., a State, local, territorial, or Tribal government).

## **2. Eligible Uses – Responding to the Public Health Emergency / Negative Economic Impacts**

### **2.1. If a use of funds is not explicitly permitted in the final rule as a response to the public health emergency and its negative economic impacts, does that mean it is prohibited?**

No. The final rule provides a non-exhaustive list of enumerated uses that respond to pandemic impacts. The final rule also presumes that some populations experienced pandemic impacts and are eligible for responsive services. Recipients also have broad flexibility to (1) identify and respond to other pandemic impacts and (2) serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients can also identify groups or “classes” of beneficiaries that experienced pandemic impacts and provide services to those classes.

### **2.2. What types of services are eligible as responses to the negative economic impacts of the pandemic?**

Eligible uses to respond to the negative economic impacts of the pandemic include assistance to households and communities; assistance to small businesses and nonprofits; aid to impacted industries; and uses to support public sector capacity and workforce. For

an overview of the eligible uses within each of these subcategories, please see pages 12-13 and 16-34 of the [Overview of the Final Rule](#). The eligible uses within this category include programs and services to respond to impacts of the pandemic on households and communities, such as:

- Cash assistance
- Food assistance (e.g., child nutrition programs, including school meals) & food banks
- Childcare and early learning services, home visiting programs, services for child welfare-involved families and foster youth & childcare facilities
- Programs or services to support long-term housing security, including development of affordable housing and permanent supportive housing

They also include uses to bolster public sector capacity and workforce, such as:

- Payroll and covered benefits for public safety, public health, health care, human services and similar employees of a recipient government, for the portion of the employee's time spent responding to COVID-19.
- Payroll and covered benefits for additional public sector workers up to a pre-pandemic baseline that is adjusted for historic underinvestment in the public sector, providing additional funds for employees who experienced pay cuts or were furloughed, avoiding layoffs, providing worker retention incentives, and paying for ancillary administrative costs related to hiring, support, and retention.

These tools can allow recipients not only to bring back laid-off workers, but to address critical shortages of teachers, instructional aides, transportation workers, behavioral health workers, and other key government personnel, by funding positions at competitive wages and improving job quality in these sectors (see FAQs [#2.15](#), [#2.16](#), [#2.17](#)).

Recipients also have broad flexibility to identify and respond to other pandemic impacts and serve other populations that experienced pandemic impacts, beyond the enumerated uses. For more information on identifying eligible uses beyond those enumerated, please see pages 32-34 of the Overview of the Final Rule.

### **2.3. What types of COVID-19 response, mitigation, and prevention activities are eligible?**

Please see pages 12-14 of the [Overview of the Final Rule](#) for a non-exhaustive list of enumerated eligible uses relating to COVID-19 mitigation and prevention, as well as information about how to design other responses that are not included in the list.



#### **2.4. May recipients use funds to respond to the public health emergency and its negative economic impacts by providing direct cash transfers to households?**

Yes. Cash transfers, like all eligible uses in the public health and negative economic impacts category, must respond to the negative economic impacts of the pandemic on a household or class of households. Recipients may presume that low- and moderate-income households (as defined in the final rule), as well as households that experienced unemployment, food insecurity, or housing insecurity, experienced a negative economic impact due to the pandemic. Recipients may also identify other households or classes of households that experienced a negative economic impact of the pandemic and provide cash assistance that is reasonably proportional to, and not grossly in excess of, the amount needed to address the negative economic impact. For example, in the ARPA, Congress authorized Economic Impact Payments to households at certain income levels, identifying and responding to a negative economic impact of the pandemic on these households.

Treasury has reiterated in the final rule that responses to negative economic impacts should be reasonably proportional to the impact that they are intended to address. Uses that bear no relation or are grossly disproportionate to the type or extent of harm experienced would not be eligible uses. Reasonably proportional refers to the scale of the response compared to the scale of the harm. It also refers to the targeting of the response to beneficiaries compared to the amount of harm they experienced; for example, it may not be reasonably proportional for a cash assistance program to provide assistance in a very small amount to a group that experienced severe harm and in a much larger amount to a group that experienced relatively little harm. Please also see questions 7-10 from the [IRS-issued FAQ](#) on SLFRF relating to the taxability of cash transfers.

#### **2.5. May recipients use funds to respond to the public health emergency and its negative economic impacts by replenishing unemployment funds?**

Recipients may only use SLFRF funds for contributions to unemployment insurance trust funds and repayment of the principal amount due on advances received under Title XII of the Social Security Act up to an amount equal to (i) the difference between the balance in the recipient's unemployment insurance trust fund as of January 27, 2020 and the balance of such account as of May 17, 2021, plus (ii) the principal amount outstanding as of May 17, 2021 on any advances received under Title XII of the Social Security Act between January 27, 2020 and May 17, 2021. Further, recipients may use SLFRF funds for the payment of any interest due on such Title XII advances.

Additionally, a recipient that deposits SLFRF funds into its unemployment insurance trust fund to fully restore the pre-pandemic balance may not draw down that balance and deposit more SLFRF funds, back up to the pre-pandemic balance. Through December 31, 2024, recipients that deposit SLFRF funds into an unemployment insurance trust fund, or use SLFRF funds to repay principal on Title XII advances, may not take action to reduce benefits available to unemployed workers by changing the computation method governing regular unemployment compensation in a way that results in a reduction of average weekly benefit amounts or the number of weeks of benefits

payable (i.e., maximum benefit entitlement).

**2.6. May funds be used to reimburse recipients for costs incurred by state, local and Tribal governments in responding to the public health emergency and its negative economic impacts prior to passage of the American Rescue Plan?**

Use of SLFRF is generally forward looking. The final rule permits funds to be used to cover costs incurred beginning on March 3, 2021.

**2.7. May recipients use funds for general economic development?**

Generally, no. General economic development – activities that do not respond to negative economic impacts of the pandemic but rather seek to more generally enhance the jurisdiction’s business climate – would generally not be eligible under this eligible use category.

To identify an eligible use of funds under the public health and negative economic impacts category, a recipient must identify a beneficiary or class of beneficiaries that experienced a harm or impact due to the pandemic, and eligible uses of funds must be reasonably designed to respond to the harm, benefit the beneficiaries that experienced it, and be related and reasonably proportional to that harm or impact. For example, job training and other supports – like childcare, transportation, and subsidized employment – for unemployed workers may be used to address negative economic impacts of the public health emergency and be eligible.

**2.8. How can recipients use funds to assist the travel, tourism, and hospitality industries? May recipients use funds to assist impacted industries other than travel, tourism, and hospitality?**

Please see pages 24-25 of the [Overview of the Final Rule](#).

**2.9. How does the final rule help address the disparate impact of COVID-19 on certain populations and geographies?**

In recognition of the long-standing disparities in health and economic outcomes in underserved communities that have amplified and exacerbated the impacts of the pandemic, the final rule identifies certain populations as “disproportionately impacted” by the pandemic and enumerates a broad range of services and programs to address health disparities, to build stronger communities through investments in neighborhoods, to address educational disparities, to provide rental assistance vouchers or assistance relocating to areas of greater economic opportunity, and other eligible uses to respond to negative economic impacts in disproportionately impacted communities.

Specifically, Treasury will presume that certain populations were disproportionately impacted by the pandemic and therefore automatically eligible to receive responsive services. See page 19 of the [Overview of the Final Rule](#) for a full list of the

populations presumed disproportionately impacted by the pandemic. Recipients may also provide responsive services to other populations, households, or geographic areas disproportionately impacted by the pandemic. In identifying these disproportionately impacted communities, recipients should be able to support their determination for how the pandemic disproportionately impacted the populations, households, or geographic areas to be served.

Treasury has provided a non-exhaustive list of eligible responses to serve disproportionately impacted communities on page 20 of the [Overview of the Final Rule](#). Note that these are an enhanced set of responses available in addition to responses available to respond to impacts of the pandemic on households and communities (including those listed on page 18 of the Overview).

**2.10. May recipients use funds to pay for vaccine incentive programs (e.g., cash or in-kind transfers, lottery programs, or other incentives for individuals who get vaccinated)?**

Yes. Under the final rule, recipients may use SLFRF funds to respond to the COVID-19 public health emergency, including expenses related to COVID-19 vaccination programs.

Programs that provide incentives reasonably expected to increase the number of people who choose to get vaccinated, or that motivate people to get vaccinated sooner than they otherwise would have, are an allowable use of funds so long as such costs are reasonably proportional to the expected public health benefit.

**2.11. How can recipients use funds to support workers returning to work?**

Under the final rule, recipients may use SLFRF funds under the public health and negative economic impacts eligible use category to provide assistance to individuals who want and are available for work, including job training, public jobs programs and fairs, support for childcare and transportation to and from a jobsite or interview, cash and other incentives for newly employed workers, subsidized employment, grants to hire underserved workers, assistance to unemployed individuals to start small businesses, and development of job and workforce training centers.

**2.12. What staff are included in “public safety, public health, health care, human services, and similar employees”? Would this include, for example, 911 operators, morgue staff, medical examiner staff, or EMS staff?**

As discussed in the final rule, funds may be used for payroll and covered benefits expenses for public safety, public health, health care, human services, and similar employees, for the portion of the employee’s time that is dedicated to responding to the COVID-19 public health emergency.

Public safety employees would include police officers (including state police officers),

sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel. Public health employees would include employees involved in providing medical and other health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions, and other support services essential for patient care (e.g., laboratory technicians, medical examiner or morgue staff) as well as employees of public health departments directly engaged in matters related to public health and related supervisory personnel. Note that this category encompasses both public health and health care employees; both are treated as public health employees for the purposes of this eligible use category. Human services staff include employees providing or administering social services; public benefits; child welfare services; and child, elder, or family care, as well as others.

**2.13. May recipients use funds to establish a public jobs program?**

Yes. Under the public health and negative economic impacts eligible use category, the final rule permits a broad range of services to unemployed or underemployed workers and other individuals that suffered negative economic impacts from the pandemic. That can include public jobs programs, subsidized employment, combined education and on-the-job training programs, or job training to accelerate rehiring or address negative economic or public health impacts experienced due to a worker’s occupation or level of training. The broad range of permitted services can also include other employment supports, such as childcare assistance or assistance with transportation to and from a jobsite or interview.

**2.14. Can funds be used for investments in affordable housing?**

Yes. Under the final rule, “Development, repair, and operation of affordable housing and services or programs to increase long-term housing security” is an enumerated eligible use to respond to impacts of the pandemic on households and communities.

Affordable housing projects must be responsive and proportional to the harm identified. This test may be met by affordable housing development projects—which may involve large expenditures and capital investments—if the developments increase the supply of long-term affordable housing for low-income households. While there may be less costly (or non-capital) alternatives to affordable housing development, a comprehensive response to the widespread housing challenges underscored by the pandemic will require the production of additional affordable homes, and targeted affordable housing development is a cost-effective and proportional response to this need.

For purposes of this test, Treasury will presume that any projects that would be eligible for funding under either the National Housing Trust Fund (HTF) or the Home Investment Partnerships Program (HOME) are eligible uses of SLFRF funds. Note that these programs use different income limits than the definitions of low- and moderate-income adopted by Treasury. Given the severity of the affordable housing shortage, and the ways in which the pandemic has exacerbated the need for affordable, high-quality dwelling units, Treasury has determined that the households served by these federal housing programs have been

impacted by the pandemic and its negative economic impacts and that development of affordable housing consistent with these programs is a related and reasonably proportional response to those impacts. Additionally, affordable housing projects provided by a Tribal government are eligible uses of SLFRF funds if they would be eligible for funding under the Indian Housing Block Grant program, the Indian Community Development Block Grant program, or the Bureau of Indian Affairs Housing Improvement Program.

Note that other affordable housing projects, beyond those eligible under HOME and HTF, may also be eligible uses of SLFRF funds, as discussed in the final rule.

To further support sustainable and durable homeownership, recipients may consider offering down payment assistance, such as through contributions to a homeowner's equity at origination or that establish a post-closing, mortgage reserve account on behalf of the borrower that may be utilized to make a missed or partial mortgage payment at any point during the life of the loan (e.g., if the borrower faces financial stress). Homeownership assistance that would be eligible under the Community Development Block Grant (at 24 CFR 507.201(n)) is also an eligible use of SLFRF funds.

### **2.15. Can I use funds to raise public sector wages and hire public sector workers?**

Yes. Under the increased flexibility of the final rule, SLFRF funding may be used to support a broader set of uses to restore and support public sector employment. Eligible uses include hiring up to a pre-pandemic baseline that is adjusted for historic underinvestment in the public sector, providing additional funds for employees who experienced pay cuts or were furloughed, avoiding layoffs, providing worker retention incentives, including reasonable increases in compensation, and paying for ancillary administrative costs related to hiring, support, and retention.

Under the set of eligible uses for public-sector rehiring, recipients may fill vacancies and add additional employees using SLFRF funds (see pages 4385-4387 of the final rule and pages 27-28 of the [Overview of the Final Rule](#)). Recipients have two options to restore pre-pandemic employment, depending on the recipient's needs. First, if the recipient simply wants to hire back employees for pre-pandemic positions, recipients may use SLFRF funds to hire employees for the same positions that existed on January 27, 2020 but that were unfilled or eliminated as of March 3, 2021. Recipients may use SLFRF funds to cover payroll and covered benefits for such positions through the period of performance.

Second, if the recipient wants to hire above the pre-pandemic baseline and/or would like to have flexibility in positions, recipients may use SLFRF funds to pay for payroll and covered benefits associated with the recipient increasing its number of budgeted FTEs up to 7.5 percent above its pre-pandemic baseline. Filling these roles may require recipients to increase wages and improve benefits above and beyond what they currently offer, especially in roles with historically low wages and acute staffing needs. This compensation would be an eligible use of SLFRF funds.

SLFRF funds also may be used to provide worker retention incentives, including

reasonable increases in compensation to persuade employees to remain with the employer as compared to other employment options. Retention incentives must be entirely additive to an employee's regular compensation, narrowly tailored to need, and should not exceed incentives traditionally offered by the recipient or compensation that alternative employers may offer to compete for the employees. Treasury presumes that retention incentives that are less than 25 percent of the rate of base pay for an individual employee or 10 percent for a group or category of employees are reasonably proportional to the need to retain employees, as long as other requirements are met.

## **2.16. How can funds be used to improve job quality and address labor supply challenges in the education and childcare sectors?**

SLFRF funds can pay for the full salary and benefits of many school and childcare staff, including increased wages needed to recruit and retain excellent staff, and to fund premium pay, bonuses, training, and other worker supports. Some examples of potential uses of funds related to supporting the education and childcare sectors are provided below:

- Under the public health and negative economic impacts eligible use category, SLFRF funds can be used broadly for re-hiring public sector staff, such as school staff, to restore the public sector, including payroll and covered benefits for new or re-hired public employees (see [FAQ #2.15](#))
  - Even where the recipient, such as the municipality, does not have budgetary authority over a school district, it may choose to sub-award SLFRF funds to districts and other government entities for these purposes (see [FAQ #2.17](#)).
- SLFRF can fund premium pay for essential workers, including school personnel and childcare providers working in person in both the public and private sector, to compensate them for their service during the pandemic (see pages 35-36 of the [Overview of the Final Rule](#) and [section 5 of the FAQs](#)).
- Under the public health and negative economic impacts eligible use category, SLFRF can fund supports for unemployed and underemployed workers, including hiring bonuses, training, and other labor supports, regardless of sector (see [FAQ #2.11](#)).
  - Under this provision, recipients can help childcare providers and school districts by strengthening pipelines into these sectors, including by using SLFRF funds to train potential workers to fill in-demand roles in childcare and education, including as school bus drivers, school nutrition staff, paraprofessionals, and other staff.
- Childcare subsidies and other supports for childcare programs – public or private – that serve low- and moderate-income families, are broadly eligible uses of SLFRF funding under the public health and negative economic impacts eligible use category (see [FAQ](#)

[#2.25](#)). These subsidies can support improvements to wages and job quality that make childcare employment an attractive career.

- Recipients can also provide assistance to small businesses under the public health and negative economic impacts eligible use category – which many state and local governments can use to help childcare small businesses expand their business, raise wages for workers, and complete training and other technical assistance to support high-quality care, given the impacts these businesses have faced over the course of the pandemic (see pages 21-22 of the [Overview](#)).

### **2.17. How can recipients use funds to invest in their public sector workforce when the recipient government is not the direct employer, as is the case with some transit agencies and local educational agencies?**

Under the increased flexibility of the final rule, SLFRF funds may be used to support a broader set of uses to restore and support public sector employment as a response to the pandemic and its negative economic impacts (see [FAQ #2.15](#)).

Treasury acknowledges that funding models for public sector workers vary drastically across jurisdictions, and the direct employer of a public sector worker may be an entity separate from the SLFRF recipient government, like an independent transit agency or local educational agency (LEA), rather than the recipient government itself. Recipients may still use SLFRF funds to hire workers in these sectors under such circumstances.

Using the calculation detailed on page 4386 of the final rule and pages 27-28 of the [Overview of the Final Rule](#), a recipient may calculate at an entity level the actual number of FTEs for the entity and the adjusted pre-pandemic baseline for the entity. The difference between the actual number of FTEs and the adjusted pre-pandemic baseline represents the number of FTEs that can be hired using SLFRF funds.

A recipient may then transfer funds to the entity, which would act as a subrecipient and cover payroll, covered benefits, and other costs associated with hiring up to this number of FTEs. A recipient may, in addition, “transfer” the FTEs it may hire based on its own calculation to the entity. A recipient may not, however, perform the calculation on the behalf of an entity, and then “transfer” to itself, or to any other entity, any of the FTEs able to be hired by the entity.

As an illustrative example, consider a recipient county government that would like to fund the salary and benefits costs for hiring teachers in a school district.

The school district has 2000 budgeted FTEs on January 27, 2020. The school district’s pre-pandemic baseline is 2000 FTEs; its adjusted pre-pandemic baseline is  $2000 * 1.075 = 2150$  FTEs. The county’s pre-pandemic baseline is 1000 FTEs; its adjusted pre-pandemic baseline is  $1000 * 1.075 = 1075$  FTEs. Now, assume that on March 3, 2021, the school district had 1800 budgeted FTEs in total, and the county had 1000 budgeted FTEs.

The county would be able to transfer funds to the school district to hire up to 350 FTEs with SLFRF funds (that is,  $2150 - 1800 = 350$  FTEs), and additionally, “transfer” up to 75 FTEs to the school district (that is,  $1075 - 1000 = 75$  FTEs). If the county decided to “transfer” all of its 75 FTEs to the school district, then the school district could hire up to  $350 + 75 = 425$  FTEs using funds from the county. However, the county may not directly hire any more than 75 FTEs under this public sector hiring provision, and may not use any of the funds for the 350 FTEs able to be hired by the school district to fund any of the county’s FTE positions.

This public sector rehiring provision is a powerful tool for addressing staffing needs and shortages across government.

### **2.18. Can I use SLFRF funds to provide childcare to households?**

Yes. Childcare and early learning services, home visiting programs, services for child welfare involved families and foster youth are an enumerated use eligible to respond to impacts of the pandemic on households and communities. These eligible uses can include new or expanded services, increasing access to services, efforts to bolster, support, or preserve existing providers and services, and similar activities. Further, improvements to or new construction of childcare, daycare, and early learning facilities are eligible capital expenditures, subject to the other eligibility standards for capital expenditures.

### **2.19. How can funds be used for “installation and improvement of ventilation systems in congregate settings, health care settings, or other public facilities” like commercial buildings, office buildings, schools, nursing homes, multi-family residential buildings, and restaurants?**

As a general matter, ventilation improvements, including updates to HVAC systems, improved air filtration, and increased outdoor air flow, can help reduce the concentration and risk of exposure to aerosols, and thus infection with COVID-19.<sup>1</sup> The [National COVID-19 Preparedness Plan](#) specifies that improving ventilation and air filtration is a key component of keeping schools and businesses safely open. Although improvements to ventilation and air cleaning cannot on their own eliminate the risk of airborne transmission of the SARS-CoV-2 virus, the Environmental Protection Agency (EPA) has recommended taking steps to improve [indoor air quality](#) (IAQ) including optimizing fresh air ventilation, enhancing air filtration and cleaning, and managing the way air flows as components of a larger approach that may include individual actions and layered prevention strategies.

Under the SLFRF program, funds for installation and improvement of ventilation systems can be used for projects that respond to the pandemic’s public health impacts and provide longer-term benefits, including the inspection, testing, commissioning, maintenance, repair, replacement, and upgrading of HVAC systems to improve indoor air quality in

<sup>1</sup> <https://www.cdc.gov/coronavirus/2019-ncov/community/ventilation.html>;  
<https://www.epa.gov/coronavirus/indoor-air-and-coronavirus-covid-19>.



facilities. Projects can include assessing current HVAC systems, updating HVAC systems, updating air filters, installing functional windows for improved ventilation, repairing windows and doors, installing in-room air cleaning devices, and other projects for improving indoor air quality. For a more extensive guide of how to effectively use funds for ventilation improvements, Treasury recommends reviewing EPA's [Clean Air in Buildings Challenge](#), a call to action and a set of guiding principles and best practices to assist building owners and operators with improving IAQ in buildings, as well as EPA's resource page on "[Ventilation and Coronavirus \(COVID-19\)](#)." For a guide on federal programs and resources to support school infrastructure, including ventilation improvements, Treasury recommends consulting the "[White House Toolkit: Federal Resources for Addressing School Infrastructure Needs](#)." Further, Treasury recommends that recipients engage with public health and infection prevention professionals to develop and support an effective COVID-19 mitigation strategy. Finally, Treasury recommends that recipients ensure that the inspection, testing, commissioning, maintenance, repair, replacement, and upgrading of ventilation systems is performed by a skilled, trained, and certified workforce.

Recipients that undertake ventilation system investments under the public health and negative economic impacts eligible use category should review capital expenditure requirements in the final rule and note that capital expenditures must be related and reasonably proportional to the pandemic impact identified.

## **2.20. In what types of buildings can recipients use funds to install and improve of ventilation systems?**

In addition to directly installing and improving ventilation systems in congregate settings, health care settings, or other public facilities, recipients may grant or loan funds to businesses, non-profits, and other entities that may benefit from COVID-19 mitigation measures.

In making these investments, Treasury recommends that recipients consult with public health and infection prevention professionals and that recipients ensure work is performed by a workforce that is skilled, trained, and certified in ventilation systems work. Many buildings would benefit from ventilation improvements, including settings where risk of infection is higher, such as when people are indoors for prolonged periods of time, are in crowded environments, or are performing activities that increase emission of respiratory fluids (such as speaking loudly, singing, or exercising).<sup>2</sup> This includes commercial buildings, office buildings, dense worksites, schools, nursing homes and other long-term care facilities, multi-family residential buildings, restaurants, correctional facilities, transportation hubs, and public transit vehicles, among other locations. Recipients are encouraged to consider congregate settings and other key locations as priorities for installation and improvement of ventilation systems. Please note that use of funds is not limited to government-owned public facilities and funds may be distributed by recipients to private businesses, non-profits, and others for COVID-19 mitigation and prevention, as

<sup>2</sup> <https://www.epa.gov/coronavirus/indoor-air-and-coronavirus-covid-19>.

the final rule clarifies that recipients may identify the general public as the impacted population for COVID-19 prevention and mitigation services. Recipients should review capital expenditure requirements for the public health and negative economic impacts eligible use category in the final rule before undertaking investments in ventilation systems.

For more information on ventilation system upgrades for school settings, Treasury recommends consulting:

- Creating Healthy Indoor Air Quality in Schools: <https://www.epa.gov/iaq-schools>
- Efficient and Healthy Schools campaign: <https://efficienthealthyschools.lbl.gov/>
- Efficient and Healthy Schools website: <https://www.energy.gov/eere/buildings/efficient-and-healthy-schools>

For more information on ventilation system upgrades for office and other commercial building settings, Treasury recommends consulting:

- Enhancing Health with Indoor Air: <https://sftool.gov/learn/about/626/enhancing-health-indoor-air>
- Sustainable Response to COVID-19: <https://sftool.gov/learn/about/625/sustainable-response-covid-19>
- Better Buildings Resource Center: Building Operations during COVID-19 <https://betterbuildingssolutioncenter.energy.gov/covid19>

For more information on ventilation system upgrades for residential settings, Treasury recommends consulting:

- Improving Ventilation in Your Home: <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/Improving-Ventilation-Home.html>
- Ventilation in Buildings: <https://www.cdc.gov/coronavirus/2019-ncov/community/ventilation.html>

**2.21. Can SLFRF funds be used to support public school facility improvements, upgrades, and new construction – such as those that make buildings more energy efficient, increase their use of renewable energy, address capacity constraints, and respond to health and safety concerns?**

Yes. There are numerous ways in which SLFRF funds may be used to support public school facility improvements and upgrades.

First, as part of the public health and negative economic impacts (PH-NEI) eligible use category, SLFRF funds may be used address educational disparities in disproportionately impacted communities,<sup>3</sup> which may include funding improvements or new construction of schools and other educational facilities or equipment. Recipients may consider energy

<sup>3</sup> Please see FAQ 2.9 for more on disproportionately impacted communities, and the [Overview of the Final Rule](#) (p.19) for a list of presumed disproportionately impacted communities. For services to address educational disparities, Treasury will recognize Title I eligible schools as disproportionately impacted and responsive services that support the school generally or support the whole school as eligible.

efficiency improvements as part of their facility investments, and may also use funds for pre-project development costs, such as assessment of building conditions, energy audits, feasibility studies, HVAC commissioning and testing, and lead testing, that are tied to or reasonably expected to lead to an eligible investment in school facilities to address educational disparities in disproportionately impacted communities. Recipients should review and comply with the requirements applicable to capital expenditures under the public health and negative economic impacts eligible use category as outlined in the final rule.<sup>4</sup>

Second, as part of the PH-NEI eligible use category, recipients may use funds for adaptations to schools for the purpose of mitigating the spread of COVID-19, including for ventilation improvements. Similar to the above, recipients should ensure compliance with the capital expenditure requirements for the eligible use category.

Third, as part of the water and sewer infrastructure eligible use category, recipients may invest in certain projects to support lead remediation, including replacement of internal plumbing and faucets and fixtures in schools and childcare facilities. Recipients can also invest in certain green water infrastructure projects. Eligible water and sewer projects are generally aligned with those allowable under the EPA's Drinking Water and Clean Water State Revolving Funds, and Treasury has added additional eligible projects as part of the final rule. Recipients should review and comply with the specific requirements provided for in the water and sewer infrastructure eligible use category as outlined in the final rule.

Fourth, as part of the revenue loss eligible use category, which is the broadest eligible use category that is capped by either the \$10 million standard allowance (up to a recipient's award size) or a recipient's calculated revenue loss, recipients may use SLFRF funds on government services. These government services include any service traditionally provided by a government unless Treasury has stated otherwise. Eligible government services that may be covered under the revenue loss eligible use category include maintenance, improvement, or new construction of public school facilities, including those that address over-crowding and capacity constraints, support energy efficiency, and respond to health and safety concerns, among other purposes.

Under the SLFRF program, recipients must obligate all funds by December 31, 2024 and expend funds by December 31, 2026. Recipients may transfer funds to other entities, including local educational agencies, to carry out as a subrecipient an eligible use of funds by the recipient, as long as they comply with program requirements. Recipients should note that the Davis-Bacon Act requirements (prevailing wage rates) do not apply to projects funded solely with award funds from the SLFRF program, except for certain SLFRF-funded construction projects undertaken by the District of Columbia. The National Environmental Policy Act (NEPA) does not apply to Treasury's administration of the SLFRF program, although projects supported with SLFRF funds may still be subject to NEPA review if they are also funded by other federal financial assistance programs.

<sup>4</sup> Please see the [Overview of the Final Rule](#) (p. 30-31) for a summary of capital expenditure requirements for the public health and negative economic impacts eligible use category.

**2.22. Would investments in improving outdoor spaces (e.g., parks) be an eligible use of funds as a response to the public health emergency and/or its negative economic impacts?**

There are multiple ways that investments in improving outdoor spaces could qualify as eligible uses; several are highlighted below, though there may be other ways that a specific investment in outdoor spaces would meet eligible use criteria.

First, in recognition of the disproportionate negative economic impacts on certain communities and populations, the final rule includes enumerated eligible uses in disproportionately impacted communities for developing neighborhood features that promote improved health and safety outcomes, such as parks, green spaces, recreational facilities, sidewalks, pedestrian safety features like crosswalks, projects that increase access to healthy foods, streetlights, neighborhood cleanup, and other projects to revitalize public spaces.

Second, recipients may provide assistance to disproportionately impacted small businesses. The final rule included rehabilitation of commercial properties, storefront improvements, and façade improvements as enumerated eligible assistance to these small businesses.

Third, recipients can assist small businesses, nonprofits, or other entities to create or enhance outdoor spaces to mitigate the spread of COVID-19 (e.g., restaurant patios).

Recipients pursuing many of these uses should also note the eligibility standards for capital expenditures in the final rule, which are summarized on pages 30-31 of the [Overview of the Final Rule](#).

**2.23. Would expenses to address a COVID-related backlog in court cases be an eligible use of funds as a response to the public health emergency?**

Yes. The final rule maintains that SLFRF funds may be used to address administrative needs of recipient governments that were caused or exacerbated by the pandemic. Please see pages 4388-4389 of the final rule. During the COVID-19 public health emergency, many courts were unable to operate safely during the pandemic and, as a result, now face significant backlogs. Court backlogs resulting from the inability of courts to safely operate during the COVID-19 pandemic decreased the government's ability to administer services. Therefore, steps to reduce these backlogs, such as implementing COVID-19 safety measures to facilitate court operations, hiring additional court staff or attorneys to increase speed of case resolution, and other expenses to expedite case resolution are eligible uses.

## **2.24. Can funds be used for eviction prevention efforts or housing stability services?**

Yes. Treasury provided a non-exhaustive list of eligible services in the final rule: Rent, rental arrears, utility costs or arrears (e.g., electricity, gas, water and sewer, trash removal, and energy costs, such as fuel oil), reasonable accrued late fees (if not included in rental or utility arrears), mortgage payment assistance, financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing-related costs related to a period of forbearance, delinquency, or default, mortgage principal reduction, facilitating mortgage interest rate reductions, counseling to prevent foreclosure or displacement, relocation expenses following eviction or foreclosure (e.g., rental security deposits, application or screening fees).

Treasury also clarified that assistance to households for delinquent property taxes, for example to prevent tax foreclosures on homes, was permissible under the interim final rule and continues to be so under the final rule. In addition, Treasury also clarified that recipients may administer utility assistance or address arrears on behalf of households through direct or bulk payments to utility providers to facilitate utility assistance to multiple consumers at once, so long as the payments offset customer balances and therefore provide assistance to households. The public health and negative economic impacts eligible use category also includes emergency assistance for individuals experiencing homelessness, either individual-level assistance (e.g., rapid rehousing services) or assistance for groups of individuals (e.g., master leases of hotels, motels, or similar facilities to expand available shelter). Please see page 4360 of the final rule for further relevant clarifications.

## **3. Eligible Uses – Revenue Loss**

### **3.1. Does a recipient need to calculate or provide proof of its revenue loss to use funds for government services?**

Recipients may elect a “standard allowance” of up to \$10 million to spend on government services through the period of performance. The standard allowance is available to all recipients and offers a simple, convenient way to determine revenue loss, instead of using the full formula specified in the final rule. Recipients must make a one-time, irrevocable election to either take the standard allowance or calculate revenue loss. Recipients must indicate this choice in their Project and Expenditure Reports due April 30, 2022. Recipients who elect the standard allowance do not have to produce any further demonstration or calculation of revenue loss.

Electing the standard allowance does not increase or decrease a recipient’s total allocation. For example, a recipient with an allocation of \$6 million would be allowed to claim no more than \$6 million as revenue loss to use for government services, and a recipient with an allocation of \$12 million would be allowed to claim the full \$10 million standard allowance and use the remaining allocation towards other eligible use categories. Recipients who elect to calculate revenue loss by formula must do so as articulated in the

final rule and described in the [Overview of the Final Rule](#) and [FAQ #3.6](#).

### **3.2. Can revenue loss funds be used for a purpose that is not explicitly listed as an example of a government service in the Overview of the Final Rule or Final Rule?**

Yes. Government services generally include any service traditionally provided by a government, unless Treasury has stated otherwise. Common examples are listed on page 11 of the [Overview of the Final Rule](#) and page 4408 of the final rule, but these lists are not exhaustive. In addition to the common examples described in the final rule, many recipients and stakeholders have asked if using funds for activities like payroll for specific public sector staff, renovations to particular government facilities, and equipment to facilitate and improve government services such as health services, waste disposal, road building and maintenance, and water and sewer services would be eligible as government services. Treasury is clarifying here that under the final rule, payroll for government employees, contracts, grants, supplies and equipment, rent, and the many other costs that governments typically bear to provide services are costs that could comprise the costs of government services, and are eligible uses of funds.

Revenue loss is the most flexible eligible use category under the SLFRF program, and funds are subject to streamlined reporting and compliance requirements. Recipients should be mindful that certain restrictions, which are detailed further in the Restrictions on Use section in the Overview of the Final Rule and Final Rule and apply to all eligible use categories, apply to government services as well. Note also that every use that is eligible under other eligible use categories is also eligible under revenue loss, because those eligible uses are also services provided by recipient governments, and Treasury encourages recipients to use their funds for investments that serve the needs of their communities and build a stronger and more equitable recovery.

### **3.3. Can revenue loss funds be used for a project eligible under other eligible use categories, such as addressing the public health and negative economic impacts of the pandemic, providing premium pay, or investing in water, sewer, or broadband infrastructure?**

Yes. The revenue loss eligible use category allows recipients to expend funds with flexibility and streamlined reporting requirements, including on expenditures that would not be eligible under other eligible use categories, like general infrastructure repairs. Recipients may also use revenue loss funds to carry out investments that would be eligible under other eligible use categories, because those eligible uses are also services provided by recipient governments. Treasury encourages the use of government services funds on uses enumerated in these categories, including but not limited to affordable housing, childcare investments, supporting public sector workers, job training and workforce development, and investments in public health.

### **3.4. How is revenue defined for the purpose of the revenue loss calculation formula?**

The final rule adopts a definition of “General Revenue” that is based on, but not identical,

to the Census Bureau’s concept of “General Revenue from Own Sources” in the Annual Survey of State and Local Government Finances.

General Revenue means money that is received from tax revenue, current charges, and miscellaneous general revenue, excluding refunds and other correcting transactions and proceeds from issuance of debt or the sale of investments, agency or private trust transactions, and intergovernmental transfers from the Federal Government, including transfers made pursuant to section 9901 of the American Rescue Plan Act. General Revenue also includes revenue from liquor stores that are owned and operated by state and local governments. General Revenue does not include revenues from utilities, except recipients may choose to include revenue from utilities that are part of their own government as General Revenue provided the recipient does so consistently over the remainder of the period of performance. Revenue from Tribal business enterprises must be included in General Revenue.

Please see the appendix for a diagram of the final rule’s definition of General Revenue within the Census Bureau’s revenue classification structure.

### **3.5. Will revenue be calculated on an entity-wide basis or on a source-by-source basis (e.g. property tax, income tax, sales tax, etc.)?**

Recipients should calculate revenue on an entity-wide basis. This approach minimizes the administrative burden for recipients, provides for greater consistency across recipients, and presents a more accurate representation of the net impact of the COVID-19 public health emergency on a recipient’s revenue, rather than relying on financial reporting prepared by each recipient, which vary in methodology used and which generally aggregate revenue by purpose rather than by source.

Recipients should classify revenue sources as they would if responding to the U.S. Census Bureau’s Annual Survey of State and Local Government Finances. According to the Census Bureau’s [Government Finance and Employment Classification manual](#), the following is an example of current charges that would be included in a state or local government’s General Revenue from own sources: “Gross revenue of facilities operated by a government (swimming pools, recreational marinas and piers, golf courses, skating rinks, museums, zoos, etc.); auxiliary facilities in public recreation areas (camping areas, refreshment stands, gift shops, etc.); lease or use fees from stadiums, auditoriums, and community and convention centers; and rentals from concessions at such facilities.”

Please refer to the appendix for further details on the definition of General Revenue.

### **3.6. For recipients not electing the \$10 million standard allowance, what is the formula for calculating the reduction in revenue?**

Recipients calculate revenue loss at four distinct points in time, either at the end of each calendar year (e.g., December 31 for years 2020, 2021, 2022, and 2023) or the end of each fiscal year of the recipient. Under the flexibility provided in the final rule, recipients can

choose whether to use calendar or fiscal year dates but must be consistent throughout the period of performance. To calculate revenue loss at each of these dates, recipients must follow a four-step process:

- a. Calculate revenues collected in the most recent full fiscal year prior to the public health emergency (i.e., last full fiscal year before January 27, 2020), called the base year revenue.
- b. Estimate counterfactual revenue, which is equal to the following formula, where *n* is the number of months elapsed since the end of the base year to the calculation date:

$$\text{base year revenue} \times (1 + \text{growth adjustment})^{n/12}$$

The *growth adjustment* is the greater of either a standard growth rate—5.2 percent—or the recipient’s average annual revenue growth in the last full three fiscal years prior to the COVID-19 public health emergency.

- c. Identify actual general revenue, which equals revenues collected over the twelve months immediately preceding the calculation date. Under the final rule, recipients must adjust actual revenue totals for the effect of tax cuts and tax increases that are adopted after the date of adoption of the final rule (January 6, 2022). Specifically, the estimated fiscal impact of tax cuts and tax increases adopted after January 6, 2022, must be added to or subtracted from the calculation of actual revenue for purposes of calculation dates that occur on or after April 1, 2022. Recipients may subtract from their calculation of actual revenue the effect of tax increases enacted prior to the adoption of the final rule. Note that recipients that elect to remove the effect of tax increases enacted before the adoption of the final rule must also remove the effect of tax decreases enacted before the adoption of the final rule, such that they are accurately removing the effect of tax policy changes on revenue.

- d. Revenue loss for the calculation date is equal to counterfactual revenue minus actual revenue (adjusted for tax changes) for the twelve-month period. If actual revenue exceeds counterfactual revenue, the loss is set to zero for that twelve-month period. Revenue loss for the period of performance is the sum of the revenue loss for each calculation date.

The supplementary information in the final rule provides an example of this calculation, which recipients may find helpful, in the Revenue Loss section. Recipients should see the final rule for the full description of the requirements to reflect the effect of tax cuts and tax increases on actual revenue.

### **3.7. Are recipients expected to demonstrate that reduction in revenue is due to the COVID-19 public health emergency?**

Under the final rule, any diminution in actual revenue calculated using the formula above would be presumed to have been “due to” the COVID-19 public health emergency, in the



case of both the standard allowance and the formula, which, as discussed above adjusts for certain tax policy changes.

**3.8. May recipients use pre-pandemic projections as a basis to estimate the reduction in revenue?**

No. Treasury is disallowing the use of projections to ensure consistency and comparability across recipients and to streamline verification. However, in estimating the revenue shortfall using the formula above, recipients may incorporate their average annual revenue growth rate in the three full fiscal years prior to the public health emergency.

**3.9. In calculating revenue loss, are recipients required to use audited financials?**

Where audited data is not available, recipients are not required to obtain audited data. Treasury expects all information submitted to be complete and accurate.

**3.10. In calculating revenue loss, should recipients use their own data, or Census data?**

Recipients should use their own data sources to calculate General Revenue, and do not need to rely on published revenue data from the Census Bureau. Treasury acknowledges that due to differences in timing, data sources, and definitions, recipients' self-reported General Revenue figures may differ somewhat from those published by the Census Bureau.

**3.11. Should recipients calculate revenue loss on a cash basis or an accrual basis?**

Recipients may calculate revenue loss on a cash, accrual, or modified accrual basis, provided that recipients are consistent in their choice of methodology for all inputs of the revenue loss calculation throughout the period of performance and until reporting is no longer required.

**3.12. In identifying intergovernmental revenue for the purpose of calculating General Revenue, should recipients exclude all federal funding, or just federal funding related to the COVID-19 response? How should local governments treat federal funds that are passed through states or other entities, or federal funds that are intermingled with other funds?**

In calculating General Revenue, recipients should exclude all intergovernmental transfers from the federal government. This includes, but is not limited to, federal transfers made via a state to a locality pursuant to the Coronavirus Relief Fund or Fiscal Recovery Funds. To the extent federal funds are passed through states or other entities or intermingled with other funds, recipients should attempt to identify and exclude the federal portion of those funds from the calculation of General Revenue on a best-efforts

basis.

### **3.13. What entities constitute a government for the purpose of calculating revenue loss?**

In determining whether a particular entity is part of a recipient's government for purposes of measuring a recipient's General Revenue, recipients should identify all the entities included in their government and the General Revenue attributable to these entities on a best-efforts basis. Recipients are encouraged to consider how their administrative structure is organized under state and local statutes. In cases in which the autonomy of certain authorities, commissions, boards, districts, or other entities is not readily distinguishable from the recipient's government, recipients may adopt the Census Bureau's criteria for judging whether an entity is independent from, or a constituent of, a given government. Recipients may not include independent entities in calculating General Revenue. For an entity to be independent, it generally meets all four of the following conditions:

- The entity is an organized entity and possesses corporate powers, such as perpetual succession, the right to sue and be sued, having a name, the ability to make contracts, and the ability to acquire and dispose of property.
- The entity has governmental character, meaning that it provides public services, or wields authority through a popularly elected governing body or officers appointed by public officials. A high degree of responsibility to the public, demonstrated by public reporting requirements or by accessibility of records for public inspection, also evidences governmental character.
- The entity has substantial fiscal independence, meaning it can determine its budget without review and modification by other governments. For instance, the entity can determine its own taxes, charges, and debt issuance without another government's supervision.
- The entity has substantial administrative independence, meaning it has a popularly elected governing body, or has a governing body representing two or more governments, or, in the event its governing body is appointed by another government, the entity performs functions that are essentially different from those of, and are not subject to specification by, its creating government.

If an entity does not meet all four of these conditions, a recipient may classify the entity as part of the recipient's government and include the portion of General Revenue that corresponds to the entity.

To further assist recipients in applying the foregoing criteria, recipients may refer to the Census Bureau's [\*Individual State Descriptions: 2017 Census of Governments\*](#) publication, which lists specific entities and classes of entities classified as either independent (defined by Census as "special purpose governments") or constituent

(defined by Census as “dependent agencies”) on a state-by-state basis. Recipients should note that the Census Bureau’s lists are not exhaustive and that Census classifications are based on an analysis of state and local statutes as of 2017 and subject to the Census Bureau’s judgment. Though not included in the Census Bureau’s publication, state colleges and universities are generally classified as dependent agencies of state governments by the Census Bureau.

If an entity is determined to be part of the recipient’s government, the recipient must also determine whether the entity’s revenue is covered by the final rule’s definition of General Revenue. For example, some cash flows may be outside the definition of General Revenue. In addition, note that the definition of general revenue includes Tribal enterprises in the case of Tribal governments. Refer to [FAQ #3.4](#) and the Appendix for the components included in General Revenue.

### **3.14. How should recipients that receive multiple allocations (e.g., a city and a county consolidated government) calculate their revenue loss?**

If a government entity receives a combined award (e.g., in its capacity both as an NEU and as a Unit of General Local Government (UGLG) within a non-UGLG county), it must determine its revenue loss only once as the combined entity. The government entity may not, for example, elect the standard allowance once as an NEU and once as an UGLG (i.e., it would only be able to claim up to a total of \$10 million standard allowance against all of its awards). Similarly, if the government entity elects to calculate its revenue loss according to the formula set out in the final rule, it must do so on a combined basis.

In the case of an award to an UGLG within a non-UGLG county under section 603(b)(3)(B)(ii) of the Social Security Act, the UGLG is considered the prime recipient of this award. Therefore, the prime recipient in this circumstance may treat these transferred funds as its own award for purposes of the revenue loss determination.

For example, if an NEU receives \$2 million in its NEU distribution, and then receives an additional \$13 million as an UGLG within a non-UGLG county, and the NEU elects the standard allowance of \$10 million in revenue loss, the NEU would be able to spend up to a total of \$10 million on government services under revenue loss against its awards, and would be able to spend the remaining \$5 million in other expenditure categories.

## **4. Eligible Uses – General**

### **4.1. How do I know if a specific use is eligible?**

The best way to begin evaluation of whether a specific use is an eligible use of SLFRF funds is to consider which of the four eligible use categories the use may fall into.

As a reminder, there are four eligible use categories, ordered below from the broadest and most flexible to the most specific. The [Overview of the Final Rule](#) serves as a summary of the major provisions of each category.

- Replace lost public sector revenue, using this funding to provide government services up to the amount of revenue loss due to the pandemic. (pages 9-11 of the Overview)
- Support the COVID-19 public health and economic response by addressing COVID-19 and its impact on public health as well as addressing economic harms to households, small businesses, nonprofits, impacted industries, and the public sector. (pages 12-34 of the Overview)
- Provide premium pay for eligible workers performing essential work, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors. (pages 35-36 of the Overview)
- Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, to support vital wastewater and stormwater infrastructure, and to expand affordable access to broadband internet. (pages 37-40 of the Overview)

The SLFRF program provides substantial flexibility for each jurisdiction to meet local needs within these eligible use categories. In general, recipients should think about what services they are trying to provide, and for which groups or populations, and assess whether this use of funds would fit within the parameters of the eligible use category as outlined in the Overview and the final rule. Recipients also should be mindful that various forms of assistance have been made available during the pandemic (e.g., Economic Injury Disaster Loans through the U.S. Small Business Administration), and certain restrictions on duplications of benefits may apply.

#### *Revenue loss eligible use category*

If a use does not appear to be eligible under the water, sewer, and broadband infrastructure, premium pay, or public health and negative economic impacts eligible use categories, then recipients should consider using funds under the revenue loss eligible use category. The revenue loss eligible use category provides recipients broad latitude to use funds for the provision of government services to the extent of reduction in revenue due to the pandemic.

All recipients may elect a “standard allowance” of up to \$10 million to spend on government services through the period of performance (see [FAQ #3.1](#)), or elect to calculate their revenue loss under the formula provided in the final rule. Under this eligible use category, government services generally include any service traditionally provided by a government, unless Treasury has stated otherwise (see [FAQ #3.2](#)). While recipients can refer to common examples on page 11 of the Overview of the Final Rule and page 4408 of the final rule, these lists are not exhaustive. Every use that is eligible under other eligible use categories is also eligible under revenue loss.

### *Public health and negative economic impacts eligible use category*

To assess the eligibility of a use under the public health and negative economic impacts eligible use category, recipients may refer initially to the non-exhaustive lists of enumerated uses that respond to pandemic impacts, and the lists of populations presumed to have experienced pandemic impacts and be eligible for responsive services. These lists appear in the Overview and the final rule organized by sub-categories around the types of assistance a recipient may provide. Recipients should first determine the sub-category where their use of funds may fit (e.g., public health, assistance to households, assistance to small businesses), based on the entity that experienced the health or economic impact. Then, recipients should refer to the relevant section for more details on each sub-category of eligible responses.

If a recipient intends to provide enumerated uses of funds to populations presumed eligible, then the use of funds is clearly consistent with the final rule. However, if the intended expenditure does not match an enumerated use serving a presumed eligible population, that does not necessarily mean it is ineligible. Recipients can consider using the broad flexibility available in this eligible use category to (1) identify and respond to other pandemic impacts and (2) serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients can also identify groups or “classes” of beneficiaries that experienced pandemic impacts and provide services to those classes.

### *Premium pay eligible use category*

To assess whether a use falls under the premium pay eligible use category, recipients can follow the steps outlined on p. 35-36 of the Overview, and refer to the FAQs in [section 5](#).

### *Water, sewer, and broadband infrastructure eligible use category*

To assess whether a use falls under the water, sewer, and broadband infrastructure category, recipients can consult p. 37-40 of the Overview, and refer to the FAQs in [section 6](#).

Recipients should also note the restrictions on use, which are applicable across all eligible use categories, and summarized on p. 41-42 of the Overview.

When assessing whether a specific use is eligible, recipients are not required to submit planned expenditures for prior approval by Treasury, and Treasury is not pre-approving proposed expenditures or calculations of revenue loss. Recipients should review the final rule and the Overview of the Final Rule, and consult with counsel as needed, to evaluate whether a particular expenditure is an eligible use of funds.

#### **4.2. May recipients use funds to invest in traditional infrastructure projects other than water, sewer, and broadband projects (e.g. roads, bridges)?**

As discussed in [FAQ #3.2](#), recipients have broad flexibility to use revenue loss funds to provide government services, which generally include any service traditionally provided by a government. These services may include, but are not limited to, maintenance of infrastructure or pay-go spending for building of new infrastructure, including roads.

Under the public health and negative economic impacts eligible use category, a general infrastructure project typically would not be considered an eligible response unless the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing).

#### **4.3. May recipients use funds to pay interest or principal on outstanding debt?**

No. The final rule maintains the restriction on the use of funds for debt service for the reasons described on page 4430 of the final rule and clarifies that this restriction applies to all eligible use categories.

This applies to paying interest or principal on any outstanding debt instrument, including, for example, short-term revenue or tax anticipation notes, or paying fees or issuance costs associated with the issuance of new debt.

#### **4.4. Are governments required to submit proposed expenditures to Treasury for approval?**

No. Recipients are not required to submit planned expenditures for prior approval by Treasury. Recipients are subject to the requirements and guidelines for eligible uses contained in the final rule. For more information on compliance and reporting, please see the SLFRF Compliance and Reporting Guidance.

#### **4.5. Do restrictions on using funds to cover costs incurred beginning on March 3, 2021 apply to costs incurred by the recipient (e.g., a State, local, territorial, or Tribal government) or to costs incurred by households, businesses, and individuals benefiting from assistance provided using funds?**

The final rule permits funds to be used to cover costs incurred beginning on March 3, 2021. This limitation applies to costs incurred by the recipient (i.e., the state, local, territorial, or Tribal government receiving funds). Recipients may use SLFRF funds to provide assistance to households, businesses, and individuals within the eligible use categories described in the final rule for economic harms experienced by those households, businesses, and individuals prior to March 3, 2021. For example,

- Public Health/Negative Economic Impacts – Recipients may use SLFRF funds to

provide assistance to households – such as rent, mortgage, or utility assistance – for economic harms experienced or costs incurred by the household prior to March 3, 2021 (e.g., rental arrears from preceding months), provided that the cost of providing assistance to the household was not incurred by the recipient prior to March 3, 2021.

- Premium Pay – As discussed further in [FAQ #5.2](#), recipients may provide premium pay retrospectively for work performed at any time since the start of the COVID-19 public health emergency. Such premium pay must be “in addition to” wages and remuneration already received and the obligation to provide such pay must not have been incurred by the recipient prior to March 3, 2021. Employers may not simply reimburse themselves for pay already received by the employee.
- Revenue Loss – The final rule gives recipients broad latitude to use funds for the provision of government services to the extent of reduction in revenue due to the pandemic. If the recipient has elected to calculate lost revenue, the calculation begins with the recipient’s revenue in the last full fiscal year prior to the COVID-19 public health emergency. However, use of funds for government services must be forward looking for costs incurred by the recipient after March 3, 2021.
- Investments in Water, Sewer, and Broadband – Recipients may use SLFRF funds to make necessary investments in water, sewer, and broadband. See [FAQ Section 6](#). Recipients may use funds to cover costs incurred for eligible projects planned or started prior to March 3, 2021, provided that the project costs covered by the funds were incurred after March 3, 2021.

#### **4.6. May recipients use funds to satisfy non-federal matching 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 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 CFR 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 CFR 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.

#### **4.7. May recipients pool funds for regional projects?**

Yes, provided that the project is itself an eligible use of SLFRF funds for each recipient that is contributing to the pool of funds and that recipients are able to track the use of funds in line with the reporting and compliance requirements of the SLFRF. In general, when pooling funds for regional projects, recipients may expend funds directly on the project or transfer funds to another government or other entity that is undertaking the project on behalf of multiple recipients. To the extent recipients undertake regional projects via transfer to another organization or government, recipients would need to comply with the rules on transfers specified in the final rule supplementary information. A recipient may transfer funds to a government outside its boundaries (e.g., county transfers to a neighboring county, or an NEU transferring its funds to a County), provided that the transferor can document that the transfer constitutes an eligible expense of the transferor government and that its jurisdiction receives a benefit proportionate to the amount transferred.

#### **4.8. May recipients fund a project with both ARPA funds and other sources of funding (e.g., blending, braiding, or other pairing funding sources), including in conjunction with financing provided through a debt issuance?**

Generally, yes, provided that the costs are eligible costs under each source program and are compliant with all other related statutory and regulatory requirements and policies, including restrictions on use of funds.

The recipient must comply with applicable reporting requirements for all sources of funds supporting the SLFRF projects.

Recipients may source funding for a project in multiple ways, including, but not limited to, the following:

- Using funds available under the revenue loss eligible use category for non-federal match (see [FAQ #4.6](#))
- Pooling funds for a joint project with another SLFRF recipient (see [FAQ #4.7](#))
- Transferring funds to a subrecipient to finance a project that also uses other sources of funding



- Blending or braiding SLFRF funds with other sources of government funding, including debt issuance, to pursue a project

Localities may also transfer their funds to the state through section 603(c)(4) of the Social Security Act, which will decrease the locality’s award and increase the state award amounts.

Note that using a recipient blending and braiding funds in conjunction with other sources of funding is distinct from using funds for non-federal match. In the case of non-federal match, the recipient would be using SLFRF funds to satisfy cost-sharing or matching requirements in order to qualify for another source of federal funding, while blending and braiding refers to using multiple sources of funding for complementary purposes.

If the entirety of a project is funded with SLFRF funds, then the entire project must be an eligible use. The use of funds would be subject to the deadline on obligating funds no later than December 31, 2024 and expending funds no later than December 31, 2026. If a project is only partially funded with SLFRF funds, then the portion of the project funded must be an eligible use and the SLFRF funds must also be obligated by December 31, 2024 and expended by December 31, 2026. In either case, recipients must be able to, at a minimum, determine and report to Treasury on the amount of SLFRF funds obligated and expended and when such funds were obligated and expended.

SLFRF funds may not be used to fund the entirety of a project that is partially, although not entirely, an eligible use under Treasury’s final rule. However, SLFRF funds may be used for a smaller component project that does constitute an eligible use, while using other funds for the remaining portions of the larger planned project that does not constitute an eligible use. In this case, the “project” for SLFRF purposes under this program would be only the eligible use component of the larger project. For example, a recipient government may use SLFRF funds to subsidize the production of affordable housing units as a response to the pandemic and its negative economic impacts and use other funds to build other parts of a larger development that contains these affordable units.

#### **4.9. May funds be used to make loans or other extensions of credit (“loans”) to support an eligible use?**

Yes. SLFRF funds may be used to make loans, provided that the loan supports an activity that is an eligible use of funds, the SLFRF funds used to make the loan are obligated by December 31, 2024 and expended by December 31, 2026, and the cost of the loan is tracked and reported in accordance with the points below. For example, a recipient may, consistent with the requirements of the interim final rule and final rule, use funds to finance the construction of affordable housing, or to finance a necessary investment in water, sewer or broadband.

Funds must be used to cover “costs incurred” by the recipient between March 3, 2021, and December 31, 2024, and funds must be expended by December 31, 2026. Accordingly, recipients must be able to determine the amount of funds used to make a loan.

- For loans that mature or are forgiven on or before December 31, 2026, the recipient must account for the use of funds on a cash flow basis, consistent with the approach to loans taken in the Coronavirus Relief Fund.

- Recipients may use SLFRF funds to fund the principal of the loan and in that case must track repayment of principal and interest (i.e., “program income,” as defined under 2 CFR 200).

- When the loan is made, recipients must report the principal of the loan as an expense.

- Repayment of principal may be re-used only for eligible uses and subject to restrictions on timing of use of funds. Interest payments received prior to the end of the period of performance will be considered an addition to the total award and may be used for any purpose that is an eligible use of funds. Recipients are not subject to restrictions under 2 CFR 200.307(e)(1) with respect to such payments.

- For loans with maturities longer than December 31, 2026, the recipient may use funds for only the projected cost of the loan.

- Recipients can project the cost of the loan by estimating the subsidy cost. The subsidy cost is the estimated present value of the cash flows from the recipient (excluding administrative expenses) less the estimated present value of the cash flows to the recipient resulting from a loan, discounted at the recipient’s cost of funding and discounted to the time when the loan is disbursed. The cash flows are the contractual cash flows adjusted for expected deviations from the contract terms (delinquencies, defaults, prepayments, and other factors). A recipient’s cost of funding can be determined based on the interest rates of securities with a similar maturity to the cash flow being discounted that were either (i) recently issued by the recipient or (ii) recently issued by a unit of state, local, or Tribal government similar to the recipient.

- Recipients may also treat the cost of the loan as equal to the expected credit losses over the life of the loan based on the Current Expected Credit Loss (CECL) standard. Recipients may measure projected losses either once, at the time the loan is extended, or annually over the period of performance.

- Under either approach for measuring the amount of funds used to make loans with maturities longer than December 31, 2026, recipients would not be subject to restrictions under 2 CFR 200.307(e)(1) and need not separately track repayment of principal or interest.

- Additionally, recipients may use funds for eligible administrative expenses

incurred in the period of performance, which include the reasonable administrative expenses associated with a loan made in whole, or in part, with funds. See section IV.E of the final rule.

- Contributions to Revolving Loan Funds. A recipient may contribute funds to a revolving loan fund if the loaned SLFRF funds are restricted to financing eligible uses under the public health emergency/negative economic impacts, premium pay, and necessary water, sewer and broadband categories (or under the government services category if the contribution to the revolving fund is made using revenue loss funds). The funds contributed using SLFRF funds must be limited to the projected cost of loans made over the life of the revolving loan fund, following the approach described above for loans with maturities longer than December 31, 2026.

- Loans funded with SLFRF funds under the revenue loss eligible use category. Notwithstanding the above, if a recipient uses revenue loss funds to fund a loan, whether or not the maturity of the loan is after December 31, 2026, the loaned funds may be considered to be expended at the point of disbursement to the borrower, and repayments on such loans are not subject to program income rules. Similarly, any contribution of revenue loss funds to a revolving loan fund may also follow the approach of loans funded under the revenue loss eligible use category.

#### **4.10. May funds be used for outreach to increase uptake of federal assistance like the Child Tax Credit or federal programs like SNAP?**

Yes. Eligible uses to address negative economic impacts include “assistance accessing or applying for public benefits or services.” This can include benefits navigators or marketing efforts to increase consumer uptake of federal tax credits, benefits, or assistance programs that respond to negative economic impacts of the pandemic.” Of note, per the final rule, allowable uses of funds for evaluations may also include other types of program evaluations focused on program improvement and evidence building.

## **5. Eligible Uses – Premium Pay**

### **5.1. What criteria should recipients use in identifying workers to receive premium pay?**

SLFRF may be used to provide premium pay to eligible workers performing essential work during the pandemic or to provide grants to eligible employers that have eligible workers who perform essential work. Premium pay may be awarded to eligible workers up to \$13 per hour. Premium pay must be in addition to wages or remuneration (i.e., compensation) the eligible worker otherwise receives. Premium pay may not exceed \$25,000 for any single worker during the program.

Premium pay must be responsive to eligible workers performing essential work during the pandemic, and like the interim final rule, the final rule emphasizes the need for recipients to prioritize premium pay for lower-income workers. Premium pay that would go to a worker whose total pay is above 150% of the greater of the state or county average annual wage for all occupations (with or without the premium) requires specific justification for how it responds to the needs of these workers unless that worker is not exempt from the Fair Labor Standards Act overtime provisions.

For a detailed description of what constitutes an eligible worker and essential work as well other premium pay requirements, please see pages 35-36 of the [Overview of the Final Rule](#).

### **5.2. May recipients provide premium pay retroactively for work already performed?**

Yes. Treasury encourages recipients to consider providing premium pay retroactively for work performed during the pandemic, recognizing that many essential workers have not yet received additional compensation for their service during the pandemic. SLFRF funds may not be used to reimburse a recipient or eligible employer grantee for premium pay or hazard pay already received by the employee. To make retroactive premium payments funded with SLFRF funds, a recipient or eligible employer grantee must make a new cash outlay for the premium payments and the payments must be in addition to any wages or remuneration the eligible worker already received.

### **5.3. Can SLFRF be used to pay for benefits and taxes associated with premium pay wages?**

Premium pay is taxable as wage income, and therefore, employers are encouraged to treat the premium pay earned by the employee just as they would other wage income and withhold from the additional pay any required taxes. For further guidance, please see the [FAQ published by the IRS on SLFRF](#).

### **5.4. Does non-base compensation, such as overtime, count toward the 150% pay threshold? Is the 150% threshold calculated based off of income only from the awarding employer or from an employee's total yearly compensation?**

Yes, non-base compensation, including overtime and bonuses, counts toward the 150% pay threshold; however, the 150% pay threshold does *not* take into account other sources of income earned by an employee (e.g., income from a second job). For an hourly employee, or an employee that does not have a year's worth of earnings, an employer should extrapolate the hourly wage at an annual rate by multiplying the hourly rate by forty hours per week and then by fifty-two weeks per year.

## **6. Eligible Uses – Water, Sewer, and Broadband Infrastructure**

### **6.1. What types of water and sewer projects are eligible uses of funds?**

Eligible water and sewer projects are outlined on pages 37-38 of the [Overview of the Final Rule](#). Under the interim final rule, SLFRF funds could be used to fund projects that would be eligible under EPA’s Clean Water State Revolving Fund or Drinking Water State Revolving Fund. With broadened eligibility under the final rule, SLFRF funds may also be used to fund additional types of projects — such as additional stormwater infrastructure, residential wells, lead remediation, and certain rehabilitations of dams and reservoirs — beyond the CWSRF and DWSRF, if they are found to be “necessary” according to the definition provided in the final rule and outlined on page 38 of the Overview.

### **6.2. May recipients use funds as a non-federal match for the Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF)?**

Per [FAQ #4.6](#), SLFRF funds available for the provision of government services, up to the amount of the recipient’s reduction in revenue due to the public health emergency (the revenue loss eligible use category), may be used to meet the non-federal cost-share or matching requirements of other federal programs, including the CWSRF and DWSRF programs administered by the EPA. Per [FAQ #4.9](#), loans funded under the revenue loss eligible use category may be deemed expended at the point of disbursement. Thus, recipients using SLFRF funds available under revenue loss for non-federal matching requirements for the DWSRF or CWSRF may consider funds expended at the point the recipient makes the deposit into the State Revolving Funds. Recipients using SLFRF funds available under revenue loss should log projects under expenditure category 6.2.

As further noted in [FAQ #4.6](#), 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. Recipients using funds under the eligible use category for water and sewer infrastructure may not use funds as a state match for the CWSRF and DWSRF.

### **6.3. Does the National Environmental Policy Act (NEPA) apply to projects funded with SLFRF funds?**

NEPA does not apply to Treasury’s administration of the funds, including funds expended under the revenue loss, public health and negative economic impacts, and water, sewer, and broadband infrastructure eligible use categories. Projects supported with payments from the funds may still be subject to NEPA review if they are also funded by other federal financial assistance programs or have certain federal licensing or registration requirements.

### **6.4. What types of broadband projects are eligible uses of funds?**

Recipients are required to design projects that, upon completion, reliably meet or exceed

symmetrical 100 Mbps download and upload speeds where practicable. More details on eligible broadband projects, including eligible areas for investment and the affordability requirement, are outlined on pages 39-40 of the [Overview of the Final Rule](#).

**6.5. For broadband investments, may recipients use funds for related programs such as cybersecurity or digital literacy training?**

Yes. In the final rule, Treasury maintained the enumerated eligible use for assistance to households for internet access and digital literacy programs. Recipients may use funds to provide assistance to households facing negative economic impacts due to the pandemic, including digital literacy training and other programs that promote access to the Internet.

SLFRF may be used for modernization of cybersecurity for existing and new broadband infrastructure, regardless of their speed delivery standards. This includes modernization of hardware and software. Under the final rule, recipients may also invest in general cybersecurity upgrades, unrelated to broadband infrastructure, under the revenue loss eligible use category.

**6.6. Do I need pre-approval for my water, sewer, or broadband project?**

See [FAQ #4.4](#). Generally, recipients are not required to submit planned expenditures for prior approval by Treasury and recipients are subject to the requirements and guidelines for eligible uses contained in the final rule.

While recipients must ensure that water and sewer infrastructure projects pursued are eligible under the final rule, recipients are not required to obtain project pre-approval from Treasury or any other federal agency when using SLFRF funds for necessary water and sewer infrastructure projects unless otherwise required by federal law. For projects that are being pursued under the eligibility categories provided through the DWSRF or CWSRF programs, project eligibilities are based on federal project categories and definitions for the programs and not on each state's eligibility or definitions. While reference in the final rule to the DWSRF, CWSRF, or other federal water programs is provided to assist recipients in understanding the types of water and sewer infrastructure projects eligible to be funded with SLFRF, recipients do not need to apply for funding from the applicable state programs or through any federal water program. Similarly, besides eligible project categories, the final rule does not incorporate other program requirements or guidance that attach to the DWSRF, CWSRF, or other federal water programs. However, as noted above, recipients should be aware of other federal or state laws or regulations that may apply to construction projects or water and sewer projects, independent of SLFRF funding conditions, and that may require preapproval from another federal or state agency.

**6.7. For broadband infrastructure investments, what are eligible areas of investment?**

Recipients are encouraged to prioritize projects that are designed to serve locations without access to reliable wireline 100/20 Mbps broadband service, but are broadly able to invest in projects designed to provide service to locations with an identified need for additional

broadband investment. For more details, see page 39 of the [Overview of the Final Rule](#).

**6.8. May recipients use payments from the SLFRF for “middle mile” broadband projects?**

Yes. Under the final rule, recipients may use payments from the SLFRF for “middle-mile projects,” but Treasury encourages recipients to focus on projects that will achieve last-mile connections—whether by focusing on funding last-mile projects or by ensuring that funded middle-mile projects have potential or partnered last-mile networks that could or would leverage the middle-mile network.

**6.9. For broadband infrastructure investments, what does the requirement to “reliably” meet or exceed a broadband speed threshold mean?**

See page 39 of the [Overview of the Final Rule](#), as well as pages 4419-4420 of the final rule.

**6.10. May recipients use funds for pre-project development for eligible water, sewer, and broadband projects?**

Yes. To determine whether funds can be used on pre-project development for an eligible water or sewer project, recipients should consult whether the pre-project development use or cost is eligible under the Drinking Water and Clean Water State Revolving Funds (DWSRF and CWSRF, respectively). Generally, the CWSRF and DWSRF often allow for pre-project development costs that are tied to an eligible project, as well as those that are reasonably expected to lead to a project. For example, the DWSRF [allows](#) for planning and evaluations uses, as well as numerous pre-project development costs, including costs associated with obtaining project authorization, planning and design, and project start-up like training and warranty for equipment. Likewise, the CWSRF [allows](#) for broad pre-project development, including planning and assessment activities, such as cost and effectiveness analyses, water/energy audits and conservation plans, and capital improvement plans.

Similarly, pre-project development uses and costs for broadband projects should be tied to an eligible broadband project or reasonably expected to lead to such a project. For example, pre-project costs associated with planning and engineering for an eligible broadband infrastructure build-out is considered an eligible use of funds, as well as technical assistance and evaluations that would reasonably be expected to lead to commencement of an eligible project (e.g., broadband mapping for the purposes of finding an eligible area for investment).

All funds must be obligated by recipients within the statutory period between March 3, 2021 and December 31, 2024, and expended to cover such obligations by December 31, 2026.

**6.11. May funds be used to support energy or electrification infrastructure that would be used to power new water treatment plants and wastewater systems?**

The EPA’s [Overview of Clean Water State Revolving Fund Eligibilities](#) describes eligible energy-related projects. This includes a “[p]ro rata share of capital costs of offsite clean energy facilities that provide power to a treatment works.” Thus, SLFRF funds may be used to finance the generation and delivery of clean power to a wastewater system or a water treatment plant on a pro-rata basis. If the wastewater system or water treatment plant is the sole user of the clean energy, the full cost would be considered an eligible use of funds. If the clean energy provider provides power to other entities, only the proportionate share used by the water treatment plant or wastewater system would be an eligible use of funds.

**6.12. How should states and local governments assess whether a stormwater management project, such as a culvert replacement, is an eligible project?**

Pages 37-38 of the [Overview of the Final Rule](#) describe the overall approach that recipients must take to evaluate the eligibility of water or sewer projects. With broadened eligibility under the final rule, a wide range of culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure are eligible projects, as outlined further in the final rule.

**6.13. May recipients use funds for road repairs and upgrades that occur in connection with an eligible water or sewer project?**

Yes, recipients may use SLFRF funds for road repairs and upgrades directly related to an eligible water or sewer project. For example, a recipient could use funds to repair or repave a road following eligible sewer repair work beneath it. However, use of funds for general infrastructure projects is subject to the limitations described in [FAQ #8.1](#). Water and sewer infrastructure projects are often a single component of a broader transportation infrastructure project, for example, the implementation of stormwater infrastructure to meet Clean Water Act established water quality standards. In this example, the components of the infrastructure project that interact directly with the stormwater infrastructure project may be funded by SLFRF funds.

**6.14. May funds be used to build or upgrade broadband connections to schools or libraries?**

As outlined in the final rule, recipients may use SLFRF funds to invest in broadband infrastructure that, where practicable, is designed to deliver service that reliably meets or exceeds symmetrical upload and download speeds of 100 Mbps to households or businesses with an identified need for additional broadband investment. “Businesses” in this context refers broadly to include non-residential users of broadband, including private businesses and institutions that serve the public, such as schools, libraries, healthcare facilities, and public safety organizations.



**6.15. Are eligible water, sewer, and broadband infrastructure projects, eligible capital expenditures under the public health and negative economic impacts eligible use category, and eligible projects under the revenue loss eligible use category subject to the Davis-Bacon Act?**

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 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.

**6.16. What is the difference between using funds for eligible water and sewer projects and using funds under revenue loss for non-federal match for the Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF)?**

As noted in [FAQ #6.1](#) and the Overview of the Final Rule, eligible projects that a recipient may fund under the water and sewer infrastructure eligible use category of SLFRF include eligible projects under EPA’s CWSRF and EPA’s DWSRF. Recipients may also fund

certain additional projects, including a wide set of lead remediation, stormwater infrastructure, and aid for private wells and septic units. Per [FAQ #6.6](#), recipients spending SLFRF funds under the water and sewer eligible use category are not required to obtain project pre-approval from Treasury or any other federal agency unless otherwise required by federal law.

Projects that recipients undertake with SLFRF funds under the water and sewer eligible use category are separate and distinct from projects that a recipient manages through their CWSRF and DWSRF. As noted in [FAQ #4.6](#) and [FAQ #6.2](#), recipients may use funds under the revenue loss eligible use category for non-federal matching requirements, including for EPA's Clean Water State Revolving Fund and EPA's Drinking Water State Revolving Fund. By contrast, funds spent under the water and sewer infrastructure eligible use category may not be used to meet non-federal matching requirements.

## **7. Non-Entitlement Units (NEUs)**

Answers to frequently asked questions on distribution of funds to NEUs can be found in this [FAQ supplement](#).

## **8. Ineligible Uses**

### **8.1. May recipients use funds to replenish a budget stabilization fund, rainy day fund, or similar reserve account?**

No. Funds made available to respond to the public health emergency and its negative economic impacts are intended to help meet pandemic response needs and provide immediate stabilization for households and businesses. Contributions to rainy day funds and similar reserve funds would not address these needs or respond to the COVID-19 public health emergency, but would rather be savings for future spending needs. Similarly, funds made available for the provision of governmental services (to the extent of reduction in revenue) are intended to support direct provision of services to citizens. Contributions to rainy day funds are not considered provision of government services, since such expenses do not directly relate to the provision of government services.

### **8.2. What is meant by a pension “deposit”? Can governments use funds for routine pension contributions for employees whose payroll and covered benefits are eligible expenses?**

In the context of the restriction on deposits into pension funds, “deposit” means an extraordinary payment of an accrued, unfunded liability. The term deposit does not refer to routine contributions made by an employer to pension funds as part of the employer's obligations related to payroll, such as either a pension contribution consisting of a normal cost component related to current employees or a component addressing the amortization of unfunded liabilities calculated by reference to the employer's payroll costs.

In general, if an employee’s wages and salaries are an eligible use of SLFRF funds, recipients may treat the employee’s covered benefits as an eligible use of funds.

### **8.3. May recipients use Fiscal Recovery Funds to fund Other Post-Employment Benefits (OPEB)?**

OPEB refers to benefits other than pensions (see, e.g., [Governmental Accounting Standards Board, “Other Post-Employment Benefits”](#)). Treasury has determined that Sections 602(c)(2)(B) and 603(c)(2) of the Social Security Act, which refer only to deposits to pensions funds, do not prohibit SLFRF recipients from funding OPEB. Recipients may use funds for eligible uses, and a recipient seeking to use SLFRF funds for OPEB contributions would need to justify those contributions under one of the four eligible use categories.

## **9. Reporting**

Recipients should consult the Recipient Compliance and Reporting Responsibilities [page on Treasury’s website](#) to access the latest Compliance and Reporting Guidance. Recipients should consult this guidance for additional detail and clarification on recipients’ compliance and reporting responsibilities. User guides, which also contain FAQs pertaining to reporting, are provided for additional information.

## **10. Miscellaneous**

### **10.1. Are recipients required to remit interest earned on SLFRF payments made by Treasury?**

No. SLFRF payments made by Treasury to states, territories, and the District of Columbia are not subject to the requirement of the Cash Management Improvement Act and Treasury’s implementing regulations at 31 CFR Part 205 to remit interest to Treasury. SLFRF payments made by Treasury to local governments and Tribes are not subject to the requirements of 2 CFR 200.305(b)(8) and(9) to maintain SLFRF award funds in an interest-bearing account and remit interest earned above \$500 on such payments to Treasury. Moreover, interest earned on SLFRF award funds is not subject to program restrictions. Finally, states may retain interest on payments made by Treasury to the state for distribution to NEUs that is earned before funds are distributed to NEUs, provided that the state adheres to the statutory requirements and Treasury’s guidance regarding the distribution of funds to NEUs. Such interest is also not subject to program restrictions.

Among other things, states and other recipients may use earned income to defray the administrative expenses of the program, including with respect to NEUs.

**10.2. May recipients use funds to cover the costs of consultants to assist with managing and administering the funds?**

Yes. Recipients may use funds for administering the SLFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements.

**11. Operations**

**11.1. How do I know if my entity is eligible?**

The American Rescue Plan Act of 2021 set forth the jurisdictions eligible to receive funds under the SLFRF program, which are:

- States and the District of Columbia
- Territories
- Tribal governments
- Counties
- Metropolitan cities (typically, but not always, those with populations over 50,000)
- Non-entitlement units of local government, or smaller local governments (typically, but not always, those with populations under 50,000)

**11.2. How does an eligible entity request payment?**

Eligible entities (other than non-entitlement units) must submit their information to the [Treasury Submission Portal](#). Please visit the [Coronavirus State and Local Fiscal Recovery Fund website](#) for more information on the submission process.

**11.3. I cannot log into the Treasury Submission Portal or am having trouble navigating it. Who can help me?**

If you have questions about the Treasury Submission Portal or for technical support, please email [covidreliefitsupport@treasury.gov](mailto:covidreliefitsupport@treasury.gov).

**11.4. What do I need to do to receive my payment?**

All eligible payees are required to have a Unique Entity ID (UEI) as part of registration in addition to maintaining an active registration in the System for Award Management (SAM) (<https://www.sam.gov>).

Eligible payees must have a bank account enabled for Automated Clearing House (ACH) direct deposit. Payees with a Wire account are encouraged to provide that information as well.

More information on these and all program pre-submission requirements can be found on the [SLFRF website](#).

### **11.5. Why is Treasury employing ID.me for the Treasury Submission Portal?**

ID.me is only required for submitting applications for funding in the Treasury Portal. ID.me is not required for users accessing the Treasury portal to complete reporting.

ID.me provides secure digital identity verification to those government agencies and healthcare providers to validate the individual entity – and block fraudulent attempts to access online services. All personally identifiable information provided to ID.me is encrypted and disclosed only with the express consent of the user. Please refer to ID.me Contact Support for assistance with your ID.me account. Their support website is <https://help.id.me>.

### **11.6. Why is an entity not on the list of eligible entities in the Treasury Submission Portal?**

The ARPA lays out which governments are eligible for payments. The list of entities within the Treasury Submission Portal includes entities eligible to receive a direct payment of funds from Treasury, which include states (defined to include the District of Columbia), territories, Tribal governments, counties, and metropolitan cities.

Eligible non-entitlement units of local government will receive a distribution of funds from their respective state government and should not submit information to the Treasury Submission Portal.

If you believe an entity has been mistakenly left off the eligible entity list, please email [SLFRF@treasury.gov](mailto:SLFRF@treasury.gov).

### **11.7. What is an Authorized Representative?**

An Authorized Representative is an individual with legal authority to bind the government entity (e.g., the Chief Executive Officer of the government entity). An Authorized Representative must sign the Acceptance of Award terms for it to be valid.

### **11.8. How do I know the status of my request for funds (submission)?**

Entities can check the status of their submission at any time by logging into the [Treasury Submission Portal](#).

**11.9. My Treasury Submission Portal submission requires additional information/correction. What is the process for that?**

If your Authorized Representative has not yet signed the award terms, you can edit your submission within the [Treasury Submission Portal](#). If your Authorized Representative has signed the award terms, please email [SLFRF@treasury.gov](mailto:SLFRF@treasury.gov) to request assistance with updating your information.

**11.10. My request for funds was denied. How do I find out why it was denied or appeal the decision?**

Please check to ensure that no one else from your entity has applied, causing a duplicate submission. Please also review the list of all eligible entities on the [Coronavirus State and Local Fiscal Recovery Fund website](#).

If you still have questions regarding your submission, please email [SLFRF@treasury.gov](mailto:SLFRF@treasury.gov).

**11.11. When will entities get their money?**

Before Treasury is able to execute a payment, a representative of an eligible government must submit the government's information for verification through the [Treasury Submission Portal](#). The verification process takes approximately four business days. If any errors are identified, the designated point of contact for the government will be contacted via email to correct the information before the payment can proceed. Once verification is complete, the designated point of contact of the eligible government will receive an email notifying them that their submission has been verified. Payments are generally scheduled for the next business day after this verification email, though funds may not be available immediately due to processing time of their financial institution.

**11.12. How does a local government entity provide Treasury with a notice of transfer of funds to its State?**

For more information on how to provide Treasury with notice of transfer to a state, please email [SLRedirectFunds@treasury.gov](mailto:SLRedirectFunds@treasury.gov).

**12. Tribal Governments**

**12.1. Do Treasury's pandemic recovery program awards terms and conditions impose civil rights laws on Tribes?**

The award terms and conditions for Treasury's pandemic recovery programs, including SLFRF, do not impose antidiscrimination requirements on Tribal governments beyond what would otherwise apply under federal law. Treasury has amended its reporting

requirements with respect to the SLFRF, Treasury's Emergency Rental Assistance Program, and Homeowner Assistance Fund to reflect this clarification.

## **12.2. How does a Tribal government determine its allocation?**

Tribal governments received information about their allocation when their submission to the Treasury Submission Portal was confirmed to be complete and accurate.

## **13. Uniform Guidance**

### **13.1. What provisions of the Uniform Guidance for grants apply to these funds? Will the Single Audit requirements apply?**

Most of the provisions of the Uniform Guidance (2 CFR Part 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 at <https://sam.gov/fal/7cecfdef62dc42729a3fdcd449bd62b8/view>.

For information related to Single Audit requirements specifically, please refer to the [Compliance Supplement materials](#) released by the Office of Management and Budget.

### **13.2. Do federal procurement requirements apply to SLFRF?**

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 CFR 200.317 through 2 CFR 200.327 and apply to procurements using SLFRF funds. Pursuant to 2 CFR 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 CFR 200.318, through 2 CFR 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 CFR 200.317, as well as comply with the procurement standards set forth at 2 CFR 200.321 through 2 CFR 200.323, and 2 CFR 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 CFR 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 CFR Part 200 (Uniform Guidance) pursuant to the SLFRF Award Terms and Conditions executed by the recipients in connection with their SLFRF awards.

### **13.3. What is the threshold for competitive bidding for my government?**

As stated above, recipients are required to comply with the procurement standards set forth in 2 CFR 200.317 through 2 CFR 200.327 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Pursuant to 2 CFR 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 non-federal 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 CFR 200.320 for the relevant procurement methods.

[2 CFR 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 CFR 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, non-federal 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 CFR 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 CFR 200.1 and 2 CFR 200.320(a)(2). Procurement of property and services at a price above the SAT must follow the formal procurement methods outlined in 2 CFR 200.320(b).

### **13.4. Can a recipient prequalify firms for projects funded with SLFRF?**

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 CFR 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 CFR 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 CFR 200.318(a).

### **13.5. Where can one find the most current information on assuring minority-owned businesses are included in the awards process?**

The most up-to-date information on assuring that minority-owned businesses are included in the procurement process is located in [2 CFR 200.321](#), *Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms*.

### **13.6. Is there certain language that needs to be included in a bidding package?**

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 CFR Part 200, Appendix II.

### **13.7. Are recipients allowed to leverage existing contracts?**

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 CFR Part 200 (Uniform Guidance). States, the District of Columbia, and U.S. Territories must follow their own procurement policies pursuant to 2 CFR 200.317 as well as comply with the procurement standards set forth at 2 CFR 200.321 through 2 CFR 200.323, and 2 CFR 200.327. All other recipients must follow 2 CFR 200.318, *General procurement standards*, through 200.327, *Contract provisions*.

### **13.8. 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?**

States, the District of Columbia, and U.S. Territories must follow their own procurement policies pursuant to 2 CFR 200.317 as well as comply with the procurement standards set forth at 2 CFR 200.321 through 2 CFR 200.323, and 2 CFR 200.327. All other recipients must follow 2 CFR 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 CFR 200.319, *Competition*, and 2 CFR 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.

### **13.9. How is a “contract” different than a “subaward?”**

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 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 CFR 200.331 for more information on the differences between contracts and subawards.

### **13.10. What other background laws must recipients comply with?**

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.

### **13.11. How does Treasury treat program income?**

Per 2 CFR 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 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 CFR 200.1.

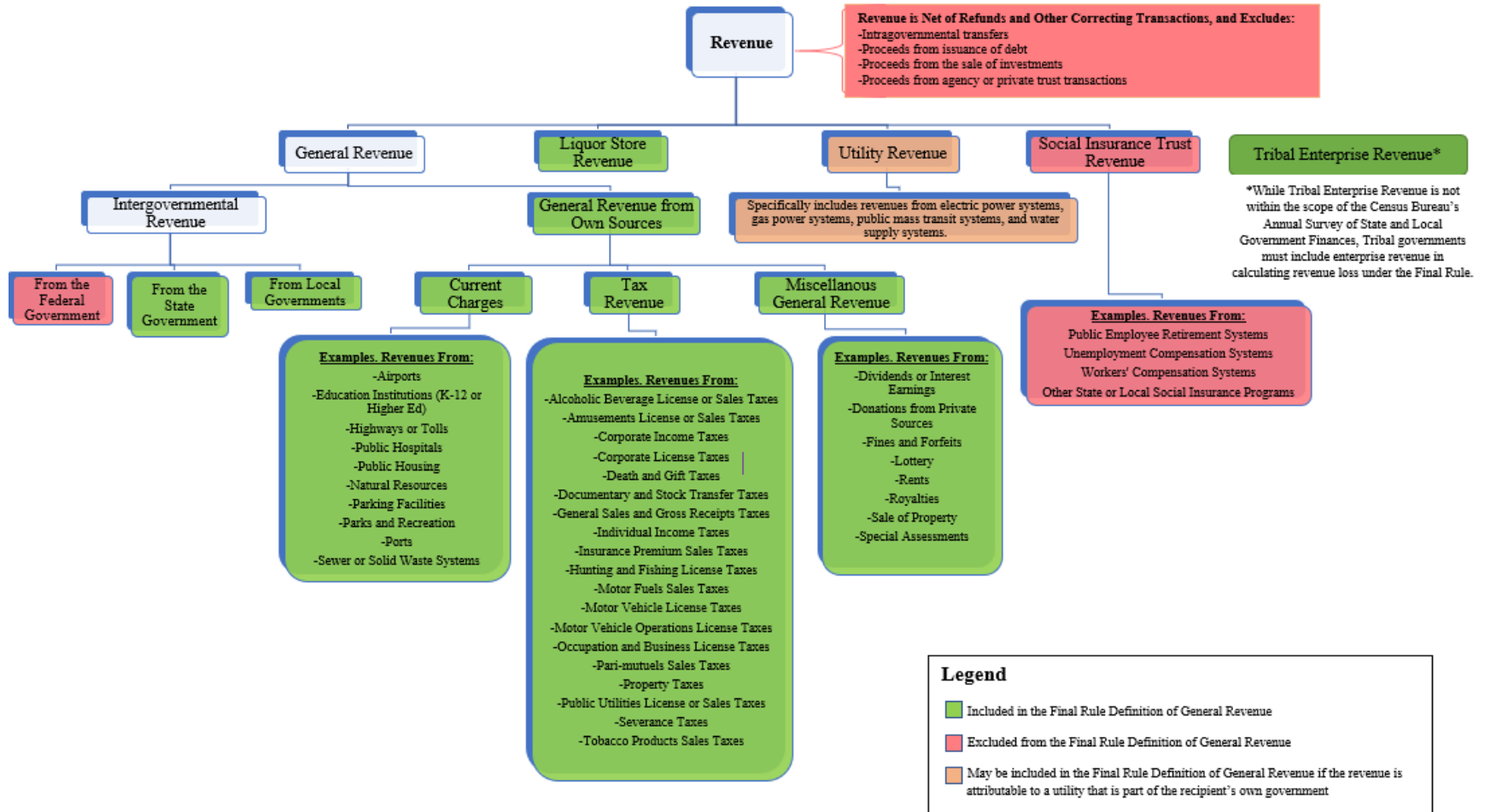
**13.12. Does COVID-19 and the national emergency qualify as "exigency" as a special circumstance under 2 CFR 200.320 (c) in which a noncompetitive procurement can be used? If so, may a contract utilizing this special circumstance have a term that extends beyond the national emergency? For example, may 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?**

The COVID-19 public health emergency does not itself qualify as a “public exigency or emergency” under 2 CFR 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.”

# Appendix

## Final Rule Definition of General Revenue Within the Census Bureau Classification Structure of Revenue



Source: [U.S. Bureau of the Census Government Finance and Employment Classification Manual, 2006; Annual Survey of State and Local Government Finances](#)



# Bertie County

## Board of Commissioners

### ITEM ABSTRACT

**MEETING DATE:** May 2, 2022

**SECTION:** Consent (C-1 to C-4)

**DEPARTMENT:** Governing Body

**TOPICS:**

1. Approve Tax Release Journal -March 2022
2. Budget Amendment
3. Deed Transferring School Property from Bertie County to Board of Education of Bertie County
  - a. Aulander Elementary
  - b. Colerain Elementary
  - c. West Bertie Elementary
  - d. Windsor Elementary
  - e. Bertie Middle
4. Contract to Audit Accounts for Bertie County for Year Ending June 30, 2022 by Thompson, Price, Scott, Adams & Co., PA

**COUNTY MANAGER RECOMMENDATION OR COMMENTS:** Recommend approval.

**SUMMARY OF AGENDA ITEM AND/OR NEEDED ACTION(S):** Recommend approval.

**ATTACHMENTS:** Yes, see each particular agenda item.

**LEGAL REVIEW PENDING:** N/A

**ITEM HISTORY:** ---



C-1



Bertie County Tax Department  
PO Box 527  
106 Dundee St.  
Windsor, NC 27983  
Phone: (252) 794-5310  
Fax: (252) 794-5357

April 05, 2022

William Roberson  
Bertie County Finance Officer  
Windsor, NC 27983

Dear Mr. Roberson:

Attached you will find a (1) Computer Printout and, (2) Copies of the appropriate pages of the "Tax Release Journal" (Ledger) manually maintained in the tax office, both relative to Tax Releases which are now ready for your approval.

The releases herein are for the month of **March** and this request for your approval is made pursuant to a "Resolution of the Board of Commissioners" dated August 5, 1985. This may also serve as your report to the Board of Commissioners required by the same "Resolution."

Respectfully Submitted,

  
Tax Administrator

Approved on \_\_\_\_\_ 20\_\_\_\_

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Release Detail

ACCOUNT / DATE	NAME	ADDRESS / REASON	CHARGE CODE	CITY / BILL YEAR	STATE / BILL TYPE	ZIP / BILL NUMBER	PROPERTY ID	USER/ AMOUNT
03-15-2022	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR		SUFFOLK	VA	23465		jhea
03-15-2022		In VA for INTEREST		2013	PP	13A30197.80		69.31
03-15-2022		In VA for WINDSOR	C08	2013	PP	13A30197.80		1.23
03-15-2022		In VA for BERTIE COUNTY LEVY	G01	2013	PP	13A30197.80		71.16
03-15-2022		In VA for LATE LISTING PENALTY	G01 LATE LISTING	2013	PP	13A30197.80		7.72
03-15-2022		In VA for WINDSOR LATE LISTING	C08 LATE LISTING	2013	PP	13A30197.80		1.23
4152	DUNLOW WILLIAM JOSEPH	118 CLARKSVILLE DR		SCOTLAND NECK	NC	27874		jhea
03-21-2022		Listed in error for LATE LISTING PENALTY	G01 LATE LISTING	2018	PP	18A4152.50		0.90
03-21-2022		Listed in error for Kelford LATE LISTING	C04 LATE LISTING	2018	PP	18A4152.50		0.39
03-21-2022		Listed in error for INTEREST		2018	PP	18A4152.50		4.37
03-21-2022		Listed in error for Kelford	C04	2018	PP	18A4152.50		1.42
03-21-2022		Listed in error for BERTIE COUNTY LEVY	G01	2018	PP	18A4152.50		9.04
4152	DUNLOW WILLIAM JOSEPH	118 CLARKSVILLE DR		SCOTLAND NECK	NC	27874		jhea
03-21-2022		Listed in error for BERTIE COUNTY LEVY	G01	2020	PP	20A4132.50		7.80
03-21-2022		Listed in error for LATE LISTING PENALTY	G01 LATE LISTING	2020	PP	20A4132.50		0.78
03-21-2022		Listed in error for Kelford LATE LISTING	C04 LATE LISTING	2020	PP	20A4132.50		0.33
03-21-2022		Listed in error for INTEREST		2020	PP	20A4132.50		1.51
03-21-2022		Listed in error for Kelford	C04	2020	PP	20A4132.50		3.25
4152	DUNLOW WILLIAM JOSEPH	118 CLARKSVILLE DR		SCOTLAND NECK	NC	27874		jhea
03-21-2022		Listed in error for LATE LISTING PENALTY	G01 LATE LISTING	2017	PP	17A4152.50		0.95
03-21-2022		Listed in error for Kelford	C04 LATE LISTING	2017	PP	17A4152.50		0.43



ACCOUNT DATE	NAME	ADDRESS / REASON	CHARGE CODE	CITY / BILL YEAR	STATE / BILL TYPE	ZIP / BILL NUMBER	PROPERTY ID	USER / AMOUNT
03-21-2022		Listed in error for INT:REST		2017	PP	17A4152.50		6.20
03-21-2022		Listed in error for KELFORD	C04	2017	PP	17A4152.50		4.33
03-21-2022		Listed in error for BERTIE COUNTY LEVY	G01	2017	PP	17A4152.50		9.94
4152	DUNLOW WILLIAM JOSEPH	118 CLARKSVILLE DR		SCOTLAND NECK	NC	27874		jthea
03-21-2022		Listed in error for KELFORD	C04	2021	PP	21A4152.50		2.86
03-21-2022		Listed in error for BERTIE COUNTY LEVY	G01	2021	PP	21A4152.50		7.10
03-21-2022		Listed in error for LATE LISTING PENALTY	G01 LATE LISTING	2021	PP	21A4152.50		0.71
03-21-2022		Listed in error for KELFORD LATE LISTING	C04 LATE LISTING	2021	PP	21A4152.50		0.30
03-21-2022		Listed in error for INTEREST		2021	PP	21A4152.50		0.38
30197	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR		SUFFOLK	VA	23434		jthea
03-15-2022		In VA for LATE LISTING PENALTY	G01 LATE LISTING	2018	PP	18A30197.80		4.39
03-15-2022		In VA for WINDSOR LATE LISTING	C08 LATE LISTING	2018	PP	18A30197.80		0.77
03-15-2022		In VA for INTEREST		2018	PP	18A30197.80		17.33
03-15-2022		In VA for WINDSOR	C08	2018	PP	18A30197.80		7.67
03-15-2022		In VA for BERTIE COUNTY LEVY	G01	2018	PP	18A30197.80		43.88
30197	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR		SUFFOLK	VA	23434		jthea
03-15-2022		In VA for LATE LISTING PENALTY	G01 LATE LISTING	2018	PP	18A30197.80		4.10
03-15-2022		In VA for WINDSOR LATE LISTING	C08 LATE LISTING	2018	PP	18A30197.80		0.70
03-15-2022		In VA for INTEREST		2018	PP	18A30197.80		17.46
03-15-2022		In VA for WINDSOR	C08	2018	PP	18A30197.80		8.08
03-15-2022		In VA for BERTIE COUNTY LEVY	G01	2018	PP	18A30197.80		41.62

ACCOUNT / DATE	NAME	ADDRESS / REASON	CITY / BILL YEAR	STATE / BILL TYPE	CLIP / BILL NUMBER	PROPERTY ID	USER / AMOUNT
4152	DUNLOW WILLIAM JOSEPH	118 CLARKSVILLE DR	SCOTLAND NECK	NC	27874		jrhea
03-21-2022		listed in error for BERTIE COUNTY LEVY	2019	PP	19A4152.50		2.87
03-21-2022		listed in error for LATE LISTING'S PENALTY	2019	PP	19A4152.50		0.86
03-21-2022		listed in error for HELFORD LATE LISTING	2019	PP	19A4152.50		0.36
03-21-2022		listed in error for INTEREST	2019	PP	19A4152.50		2.87
03-21-2022		listed in error for HELFORD	2019	PP	19A4152.50		3.67
35409	MATTHEW'S WILLIAM EMMETT	243 CENTER GROVE RD	ANCOCKIE	VA	27910		jrhea
03-28-2022		Listed in Herford County for BERTIE COUNTY LEVY	2021	PP	21A35409.40		2.60
03-28-2022		Listed in Herford County for LATE LISTING PENALTY	2021	PP	21A35409.40		0.36
03-28-2022		Listed in Herford County for INTEREST	2021	PP	21A35409.40		0.10
30197	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR	SUFFOLK	VA	23434		jrhea
03-15-2022		In VA for INTEREST	2014	PP	14A30197.80		55.57
03-15-2022		In VA for WINDSOR	2014	PP	14A30197.80		11.18
03-15-2022		In VA for BERTIE COUNTY LEVY	2014	PP	14A30197.80		64.70
03-15-2022		In VA for LATE LISTING PENALTY	2014	PP	14A30197.80		6.48
03-15-2022		In VA for WINDSOR LATE LISTING	2014	PP	14A30197.80		1.82
30197	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR	SUFFOLK	VA	23434		jrhea
03-15-2022		In VA for WINDSOR	2011	PP	11A30197.80		15.35
03-15-2022		In VA for BERTIE COUNTY LEVY	2011	PP	11A30197.80		79.29
03-15-2022		In VA for INTEREST	2011	PP	11A30197.80		88.93
30197	GILCHRIST TORONTA	170 RIVER POINT DR	SUFFOLK	VA	23434		jrhea

ACCOUNT / DATE	NAME	ADDRESS / REASON	CHARGE CODE	CITY / BILL YEAR	STATE / BILL TYPE	ZIP / BILL NUMBER	PROPERTY ID	LIBERTY AMOUNT
03-15-2022		In VA for BERTIE COUNTY LEVY	G01	2012	PP	12A30197.80		72.62
03-15-2022		In VA for LATE LISTING PENALTY	G01 LATE LISTING	2012	PP	12A30197.80		3.26
03-15-2022		In VA for WINDSOR LATE LISTING	C08 LATE LISTING	2012	PP	12A30197.80		1.33
03-15-2022		In VA for INTEREST		2012	PP	12A30197.80		39.87
03-15-2022		In VA for WINDSOR	C08	2012	PP	12A30197.80		13.31
30197	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR		SUFFOLK	VA	23434		jthea
03-15-2022		In VA for BERTIE COUNTY LEVY	G01	2011	PP	11A30197.80.1		175.65
03-15-2022		In VA for LATE LISTING PENALTY	G01 LATE LISTING	2011	PP	11A30197.80.1		26.60
03-15-2022		In VA for WINDSOR LATE LISTING	C08 LATE LISTING	2011	PP	11A30197.80.1		5.12
03-15-2022		In VA for INTEREST		2011	PP	11A30197.80.1		225.89
03-15-2022		In VA for WINDSOR	C08	2011	PP	11A30197.80.1		33.82
30197	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR		SUFFOLK	VA	23434		jthea
03-15-2022		In VA for WINDSOR LATE LISTING	C08 LATE LISTING	2017	PP	17A30197.80		0.64
03-15-2022		In VA for INTEREST		2017	PP	17A30197.80		24.83
03-15-2022		In VA for WINDSOR	C08	2017	PP	17A30197.80		8.42
03-15-2022		In VA for BERTIE COUNTY LEVY	G01	2017	PP	17A30197.80		48.22
03-15-2022		In VA for LATE LISTING PENALTY	G01 LATE LISTING	2017	PP	17A30197.80		4.82
30197	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR		SUFFOLK	VA	23434		jthea
03-15-2022		In VA for INTEREST		2021	PP	21A30197.80		1.65
03-15-2022		In VA for WINDSOR	C08	2021	PP	21A30197.80		6.78
03-15-2022		In VA for BERTIE COUNTY LEVY	G01	2021	PP	21A30197.80		34.46
03-15-2022		In VA for LATE LISTING PENALTY	G01 LATE LISTING	2021	PP	21A30197.80		3.45
03-15-2022		In VA for WINDSOR LATE LISTING	C08 LATE LISTING	2021	PP	21A30197.80		0.88
30197	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR		SUFFOLK	VA	23434		jthea

ACCOUNT / DATE	NAME	ADDRESS / REASON	CHARGE CODE	CITY / BILL YEAR	STATE / BILL TYPE	ZIP / BILL NUMBER	PROPERTY ID	USER/ AMOUNT
03-15-2022		In VA for INTEREST		2013	PP	15A30197.80		20.71
03-15-2022		In VA for WINDSOR	C08	2015	PP	15A30197.80		10.17
03-15-2022		In VA for BERTIE COUNTY LEVY	G01	2015	PP	15A30197.80		28.93
03-15-2022		In VA for LATE LISTING PENALTY	G01 LATE LISTING	2015	PP	15A30197.80		5.89
03-15-2022		In VA for WINDSOR LATE LISTING	C08 LATE LISTING	2015	PP	15A30197.80		1.02
03-09-2022	BASS ANTHONY RICHARD	1020 MACEDONIA RD Listed in Chowan Co. for BERTIE COUNTY LEVY	G01	2021	PP	21A33654.70		2.60
03-09-2022		Listed in Chowan Co. for BERTIE COUNTY LEVY LATE LISTING PENALTY	G01 LATE LISTING	2021	PP	21A33654.70		0.26
03-09-2022		Listed in Chowan Co. for INTEREST		2021	PP	21A33654.70		0.10
30197	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR		SUFFOLK	VA	23434		jrhea
03-15-2022		In VA for BERTIE COUNTY LEVY	G01	2020	PP	20A30197.80		9.03
03-15-2022		In VA for WINDSOR	C08	2020	PP	20A30197.80		0.10
30197	GILCHRIST TORONTA BRANCH	170 RIVER POINT DR		SUFFOLK	VA	23434		jrhea
03-15-2022		In VA for WINDSOR LATE LISTING	C08 LATE LISTING	2016	PP	16A30197.80		0.51
03-15-2022		In VA for INTEREST		2016	PP	16A30197.80		33.18
03-15-2022		In VA for WINDSOR	C08	2016	PP	16A30197.80		9.75
03-15-2022		In VA for BERTIE COUNTY LEVY	G01	2016	PP	16A30197.80		52.99
03-15-2022		In VA for LATE LISTING PENALTY	G01 LATE LISTING	2016	PP	16A30197.80		5.30
30434	RHODES JOSHUA TOWHEN	490 STERLINGWORTH ST 1 boat listed in error for INTEREST		WINDSOR	NC	27563		jrhea
03-21-2022		1 boat listed in error for INTEREST		2021	PP	21A35139.80		32.16
03-21-2022		1 boat listed in error for WINDSOR	C08	2021	PP	21A35439.80		115.77
03-21-2022		1 boat listed in error for	G01	2021	PP	21A35439.80		680.57

ACCOUNT / DATE	NAME	ADDRESS / PERSON	CHARGE CODE	CITY / BILL YEAR	STATE / BILL TYPE	ZIP / BILL NUMBER	PROPERTY ID	USER AMOUNT
03-21-2022		1 boat listed in error for LATE LISTING	G01 LATE LISTING	2021	PP	21A35439.80		69.06
		PENALTY						
04-21-2022		1 boat listed in error for WINGBOR LATE LISTING	G09 LATE LISTING	2021	PP	21A33439.80		11.56
<b>TOTAL</b>								<b>2,326.49</b>

### Release Teller

TELLER	COUNTY	SOLID	ALL COST	FIRE / TOWN	INTEREST	TOTAL
Phob	\$ 1,483.13	\$ 0.00	\$ 749.29	\$ 266.10	\$ 698.96	\$ 2,826.49
	\$ 1,483.13	\$ 0.00	\$ 149.29	\$ 266.10	\$ 698.96	\$ 2,826.49

Release Distribution

DESCRIPTION	TOTAL	COUNTY	SOLID	CAPITAL
County Tax	\$ 1,453.13	\$ 0.00	\$ 0.00	\$ 0.00
Fire/Town Tax	\$ 268.10	\$ 0.00	\$ 0.00	\$ 0.00
Late List Penalty	\$ 176.30	\$ 0.00	\$ 0.00	\$ 0.00
Interest	\$ 698.96	\$ 0.00	\$ 0.00	\$ 0.00
<b>Total</b>	<b>\$ 2,596.49</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>

DISTRICT / TOWN	ASKEWILLE	AULANDER	COLERAIN	KELFORD	LEWISTON	POWELLSVILLE	ROXOBEL	WINDSOR
Fire/Town Tax	\$ 0.00	\$ 0.00	\$ 0.00	\$ 19.01	\$ 0.00	\$ 0.00	\$ 0.00	\$ 266.00
Late List Penalty	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1.81	\$ 0.00	\$ 0.00	\$ 0.00	\$ 25.20
<b>Total</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 19.82</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 275.20</b>



C-2



# BUDGET AMENDMENT

# 22-08				
	INCREASE			INCREASE
12-0025-4586-31	\$ 4,951		12-5380-5411-55	\$ 4,951
TO SETUP BUDGET FOR ADULT PROTECTIVE SERVICES - ESSENTIAL				
	INCREASE			INCREASE
10-0025-4583-01	\$ 31,425	CHILDREN MATTERS	10-6100-5695-62	\$ 3,625
		SECOND CHANCE	10-6100-5695-79	\$ 26,000
		TEEN COURT	10-6100-5695-50	\$ 1,800
TO INCREASE JCPC FUNDING TO MATCH DISCRETIONARY (EXPANSION) FUNDING AWARD				
APPROVED ___ / ___ /2022				

# BUDGET AMENDMENT

		# 22-08		
		INCREASE		INCREASE
12-0025-4586-31	\$	4,951	12-5380-5411-55	\$ 4,951
TO SETUP BUDGET FOR ADULT PROTECTIVE SERVICES - ESSENTIAL				



**DIVISION OF SOCIAL SERVICES**

**APS Essential Services**

**FUNDING SOURCE: APS Under SSA Title XX (CRRSA)**

**EFFECTIVE DATE: 07/01/2021**

**AUTHORIZATION NUMBER: 1**

**ALLOCATION PERIOD**

**FROM FEBRUARY 2022 THRU MAY 2022 SERVICE MONTHS**

**FROM MARCH 2022 THRU JUNE 2022 PAYMENT MONTHS**

Co. No.	COUNTY	Initial (or Previous) Allocation Funding Authorization		Additional Allocation		Grand Total Allocation	
		Federal	Total	Federal	Total	Federal	Total
01	ALAMANCE	78,895.00	78,895.00	0.00	0.00	78,895.00	78,895.00
02	ALEXANDER	7,521.00	7,521.00	0.00	0.00	7,521.00	7,521.00
03	ALLEGHANY	4,732.00	4,732.00	0.00	0.00	4,732.00	4,732.00
04	ANSON	3,501.00	3,501.00	0.00	0.00	3,501.00	3,501.00
05	ASHE	5,753.00	5,753.00	0.00	0.00	5,753.00	5,753.00
06	AVERY	1,022.00	1,022.00	0.00	0.00	1,022.00	1,022.00
07	BEAUFORT	17,588.00	17,588.00	0.00	0.00	17,588.00	17,588.00
08	BERTIE	4,951.00	4,951.00	0.00	0.00	4,951.00	4,951.00
09	BLADEN	4,078.00	4,078.00	0.00	0.00	4,078.00	4,078.00
10	BRUNSWICK	11,558.00	11,558.00	0.00	0.00	11,558.00	11,558.00
11	BUNCOMBE	53,764.00	53,764.00	0.00	0.00	53,764.00	53,764.00
12	BURKE	13,604.00	13,604.00	0.00	0.00	13,604.00	13,604.00
13	CABARRUS	15,426.00	15,426.00	0.00	0.00	15,426.00	15,426.00
14	CALDWELL	19,484.00	19,484.00	0.00	0.00	19,484.00	19,484.00
15	CAMDEN	804.00	804.00	0.00	0.00	804.00	804.00
16	CARTERET	15,813.00	15,813.00	0.00	0.00	15,813.00	15,813.00
17	CASWELL	4,047.00	4,047.00	0.00	0.00	4,047.00	4,047.00
18	CATAWBA	19,643.00	19,643.00	0.00	0.00	19,643.00	19,643.00
19	CHATHAM	6,255.00	6,255.00	0.00	0.00	6,255.00	6,255.00
20	CHEROKEE	8,364.00	8,364.00	0.00	0.00	8,364.00	8,364.00
21	CHOWAN	3,887.00	3,887.00	0.00	0.00	3,887.00	3,887.00
22	CLAY	2,900.00	2,900.00	0.00	0.00	2,900.00	2,900.00
23	CLEVELAND	18,386.00	18,386.00	0.00	0.00	18,386.00	18,386.00
24	COLUMBUS	7,735.00	7,735.00	0.00	0.00	7,735.00	7,735.00
25	Craven	28,322.00	28,322.00	0.00	0.00	28,322.00	28,322.00
26	CUMBERLAND	36,410.00	36,410.00	0.00	0.00	36,410.00	36,410.00
27	CURRITUCK	1,737.00	1,737.00	0.00	0.00	1,737.00	1,737.00
28	DARE	3,376.00	3,376.00	0.00	0.00	3,376.00	3,376.00
29	DAVIDSON	17,782.00	17,782.00	0.00	0.00	17,782.00	17,782.00
30	DAVIE	7,307.00	7,307.00	0.00	0.00	7,307.00	7,307.00
31	DUPLIN	9,735.00	9,735.00	0.00	0.00	9,735.00	9,735.00
32	DURHAM	55,966.00	55,966.00	0.00	0.00	55,966.00	55,966.00
33	EDGECOMBE	11,723.00	11,723.00	0.00	0.00	11,723.00	11,723.00
34	FORSYTH	22,859.00	22,859.00	0.00	0.00	22,859.00	22,859.00
35	FRANKLIN	7,610.00	7,610.00	0.00	0.00	7,610.00	7,610.00
36	GASTON	95,621.00	95,621.00	0.00	0.00	95,621.00	95,621.00
37	GATES	2,408.00	2,408.00	0.00	0.00	2,408.00	2,408.00
38	GRAHAM	3,818.00	3,818.00	0.00	0.00	3,818.00	3,818.00
39	GRANVILLE	7,579.00	7,579.00	0.00	0.00	7,579.00	7,579.00
40	GREENE	3,131.00	3,131.00	0.00	0.00	3,131.00	3,131.00
41	GUILFORD	37,100.00	37,100.00	0.00	0.00	37,100.00	37,100.00
42	HALIFAX	7,811.00	7,811.00	0.00	0.00	7,811.00	7,811.00
43	HARNETT	10,881.00	10,881.00	0.00	0.00	10,881.00	10,881.00
44	HAYWOOD	13,487.00	13,487.00	0.00	0.00	13,487.00	13,487.00
45	HENDERSON	16,775.00	16,775.00	0.00	0.00	16,775.00	16,775.00
46	HERTFORD	5,535.00	5,535.00	0.00	0.00	5,535.00	5,535.00
47	HOKE	8,962.00	8,962.00	0.00	0.00	8,962.00	8,962.00

	COUNTY	Initial (or Previous) Allocation		Additional Allocation		Grand Total Allocation	
		Funding Authorization					
		Federal	Total	Federal	Total	Federal	Total
48	HYDE	1,601.00	1,601.00	0.00	0.00	1,601.00	1,601.00
49	IREDELL	13,583.00	13,583.00	0.00	0.00	13,583.00	13,583.00
50	JACKSON	6,816.00	6,816.00	0.00	0.00	6,816.00	6,816.00
51	JOHNSTON	26,209.00	26,209.00	0.00	0.00	26,209.00	26,209.00
52	JONES	1,029.00	1,029.00	0.00	0.00	1,029.00	1,029.00
53	LEE	2,910.00	2,910.00	0.00	0.00	2,910.00	2,910.00
54	LENOIR	5,733.00	5,733.00	0.00	0.00	5,733.00	5,733.00
55	LINCOLN	12,060.00	12,060.00	0.00	0.00	12,060.00	12,060.00
56	MACON	4,829.00	4,829.00	0.00	0.00	4,829.00	4,829.00
57	MADISON	5,820.00	5,820.00	0.00	0.00	5,820.00	5,820.00
58	MARTIN	2,615.00	2,615.00	0.00	0.00	2,615.00	2,615.00
59	MCDOWELL	7,229.00	7,229.00	0.00	0.00	7,229.00	7,229.00
60	MECKLENBURG	100,589.00	100,589.00	0.00	0.00	100,589.00	100,589.00
61	MITCHELL	2,540.00	2,540.00	0.00	0.00	2,540.00	2,540.00
62	MONTGOMERY	7,808.00	7,808.00	0.00	0.00	7,808.00	7,808.00
63	MOORE	9,901.00	9,901.00	0.00	0.00	9,901.00	9,901.00
64	NASH	7,161.00	7,161.00	0.00	0.00	7,161.00	7,161.00
65	NEW HANOVER	57,439.00	57,439.00	0.00	0.00	57,439.00	57,439.00
66	NORTHAMPTON	2,559.00	2,559.00	0.00	0.00	2,559.00	2,559.00
67	ONSLow	23,735.00	23,735.00	0.00	0.00	23,735.00	23,735.00
68	ORANGE	15,595.00	15,595.00	0.00	0.00	15,595.00	15,595.00
69	PAMLICO	1,181.00	1,181.00	0.00	0.00	1,181.00	1,181.00
70	PASQUOTANK	2,434.00	2,434.00	0.00	0.00	2,434.00	2,434.00
71	PENDER	15,091.00	15,091.00	0.00	0.00	15,091.00	15,091.00
72	PERQUIMANS	1,328.00	1,328.00	0.00	0.00	1,328.00	1,328.00
73	PERSON	8,993.00	8,993.00	0.00	0.00	8,993.00	8,993.00
74	PITT	55,869.00	55,869.00	0.00	0.00	55,869.00	55,869.00
75	POLK	5,383.00	5,383.00	0.00	0.00	5,383.00	5,383.00
76	RANDOLPH	8,111.00	8,111.00	0.00	0.00	8,111.00	8,111.00
77	RICHMOND	6,018.00	6,018.00	0.00	0.00	6,018.00	6,018.00
78	ROBESON	67,513.00	67,513.00	0.00	0.00	67,513.00	67,513.00
79	ROCKINGHAM	24,578.00	24,578.00	0.00	0.00	24,578.00	24,578.00
80	ROWAN	11,231.00	11,231.00	0.00	0.00	11,231.00	11,231.00
81	RUTHERFORD	4,973.00	4,973.00	0.00	0.00	4,973.00	4,973.00
82	SAMPSON	18,951.00	18,951.00	0.00	0.00	18,951.00	18,951.00
83	SCOTLAND	7,266.00	7,266.00	0.00	0.00	7,266.00	7,266.00
84	STANLY	6,805.00	6,805.00	0.00	0.00	6,805.00	6,805.00
85	STOKES	5,226.00	5,226.00	0.00	0.00	5,226.00	5,226.00
86	SURRY	16,426.00	16,426.00	0.00	0.00	16,426.00	16,426.00
87	SWAIN	6,822.00	6,822.00	0.00	0.00	6,822.00	6,822.00
88	TRANSYLVANIA	6,263.00	6,263.00	0.00	0.00	6,263.00	6,263.00
89	TYRRELL	1,764.00	1,764.00	0.00	0.00	1,764.00	1,764.00
90	UNION	17,061.00	17,061.00	0.00	0.00	17,061.00	17,061.00
91	VANCE	5,358.00	5,358.00	0.00	0.00	5,358.00	5,358.00
92	WAKE	64,625.00	64,625.00	0.00	0.00	64,625.00	64,625.00
93	WARREN	2,308.00	2,308.00	0.00	0.00	2,308.00	2,308.00
94	WASHINGTON	1,657.00	1,657.00	0.00	0.00	1,657.00	1,657.00
95	WATAUGA	3,518.00	3,518.00	0.00	0.00	3,518.00	3,518.00
96	WAYNE	18,109.00	18,109.00	0.00	0.00	18,109.00	18,109.00
97	WILKES	14,499.00	14,499.00	0.00	0.00	14,499.00	14,499.00
98	WILSON	21,561.00	21,561.00	0.00	0.00	21,561.00	21,561.00
99	YADKIN	2,241.00	2,241.00	0.00	0.00	2,241.00	2,241.00
100	YANCEY	3,430.00	3,430.00	0.00	0.00	3,430.00	3,430.00
	Total	1,500,000.00	1,500,000.00	0.00	0.00	1,500,000.00	1,500,000.00

APS Essential Services

AUTHORIZATION NUMBER: 1

**FUNDING SOURCE: APS Under SSA Title XX (CRRSA)**

**CFDA Number: 93.747**

**CFDA Name: APS Under SSA Title XX (CRRSA)**

**Award Name: APS Under SSA Title XX (CRRSA)**

**Award Number: 2101NCAPC5-00**

**Award Date: FFY 2021**

**Federal Agency: DHHS/ACF**

**GRANT INFORMATION: This represents 100% federal dollars.**

**XS411 Heading: APS Essential Svcs**

**Tracked on XS411: Federal Share 100%**

**OBLIGATIONS INCURRED AND EXPENDITURES MADE UNDER THIS ADVICE WILL BE SUBJECT TO LIMITATIONS PUBLISHED BY FEDERAL AND STATE AGENCIES AS TO THE AVAILABILITY OF FUNDS**

**THIS FUNDING AUTHORIZATION IS CONTINGENT UPON APPROPRIATION BY THE NORTH CAROLINA COMMISSION ON APPROPRIATIONS. THESE AMOUNTS ARE CURRENTLY ESTIMATES AND ARE SUBJECT TO CHANGE UPON APPROPRIATION.**

**AUTHORIZED SIGNATURE**



**DATE:**

**January 31, 2022**

# BUDGET AMENDMENT

# 22-08				
INCREASE				INCREASE
10-0025-4583-01	\$ 31,425	CHILDREN MATTERS	10-6100-5695-62	\$ 3,625
		SECOND CHANCE	10-6100-5695-79	\$ 26,000
		TEEN COURT	10-6100-5695-50	\$ 1,800
TO INCREASE JCPC FUNDING TO MATCH DISCRETIONARY (EXPANSION) FUNDING AWARD				

## William Roberson

---

**From:** Walston, Mike  
**Sent:** Friday, April 22, 2022 3:13 PM  
**To:** William Roberson; lcherry@net-change.com; gloriaoutlaw@aol.com  
**Cc:** Stokes, Pamela  
**Subject:** Bertie County Funding plan FY 21-22  
**Attachments:** Bertie County Funding Plan 2122 with Discretionary .xls

Happy Friday! Our Department awarded discretionary funds in Bertie County to Second Chance Counts (\$26,000.00); Children Matters (\$3,625.00) and Teen Court (\$1,800.00) We need to do a new Bertie County JCPC funding plan for FY21-22 due to these new amounts for both programs.

Can Mr. Roberson and Ms. Cherry sign the attach document and return back to me.

Again thanks for your support and for all you do! If you have questions please contact me.

Have a blessed weekend!

Mike Walston, Eastern Area Consultant  
N.C. Department of Public Safety  
Division of Juvenile Justice and Delinquency Prevention / Community Programs  
2241 Dickinson Avenue  
Greenville, NC 27834  
Phone (Cell) 252-214-3011  
Phone (Office) 252-347-0655

[mike.walston@ncdps.gov](mailto:mike.walston@ncdps.gov)  
[www.ncdps.gov](http://www.ncdps.gov)

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TOTAL: \$ 31,425.00

Email correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized state official.

# Bertie County

## NC DPS - Community Programs - County Funding Plan

Available Funds: \$ 110,000 Local Match: \$ 32,820 Rate: 10%

DPS JCPC funds must be committed with a Program Agreement submitted in NC Allies and electronically signed by authorized officials.

#	Program Provider	DPS-JCPC Funding	LOCAL FUNDING			OTHER State/Federal	OTHER Funds	Total	% Non DPS-JCPC Program Revenues
			County Cash Match	Local Cash Match	Local In-Kind				
1	Children Matters	\$30,625	\$2,700		\$7,000		\$40,325	24%	
2	Second Chance Counts	\$51,000	\$2,500	\$2,600	\$3,000		\$59,100	14%	
3	Bertie Vocational Education Program	\$33,000	\$3,300				\$36,300	9%	
4	Bertie County Conflict Resolution-Teen Court	\$20,800	\$1,900		\$9,820		\$32,520	36%	
5	JCPC Administration	\$6,000					\$6,000		
6									
7									
8									
9									
10									
11									
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15									
16									
17									
18									
<b>TOTALS:</b>		\$141,425	\$10,400	\$2,600	\$19,820		\$174,245	19%	

The above plan was derived through a planning process by the Bertie County  
 Juvenile Crime Prevention Council and represents the County's Plan for use of these funds in FY 2021-2022

Amount of Unallocated Funds \_\_\_\_\_

Amount of funds reverted back to DPS \_\_\_\_\_

Discretionary Funds added \$31,425

check type  initial plan  update  final

---DPS Use Only---

Reviewed by _____	Date _____
Area Consultant	
Reviewed by _____	Date _____
Program Assistant	
Verified by _____	Date _____
Designated State Office Staff	

\_\_\_\_\_  
 Chairperson, Juvenile Crime Prevention Council (Date)

\_\_\_\_\_  
 Chairperson, Board of County Commissioners (Date)  
 or County Finance Officer





C-3

**DEED**

This certifies that there are no delinquent ad valorem real estate taxes, which the Bertie County Tax Collector is charged with collecting that are a lien on **PIN: 5950-82-7182, 5950-82-6654, 6859-78-4820, 5828-61-9274, 6812-40-7991, 6812-50-1974, 6804-12-2411**, Bertie County Office of Land Records. This is not a Certification that the PIN # matches the deed description.

\_\_\_\_\_  
Tax Collector

\_\_\_\_\_  
Date

PREPARED BY JONATHAN E. HUDDLESTON, PRITCHETT & BURCH, PLLC, POST OFFICE DRAWER 100, WINDSOR, NORTH CAROLINA 27983

MAIL AFTER RECORDING TO: Board of Education of Bertie County  
Post Office Box 10  
Windsor, NC 27983

Excise Tax: Exempt

NO TITLE SEARCH PERFORMED

STATE OF NORTH CAROLINA

COUNTY OF BERTIE

**THIS DEED**, made this the \_\_\_\_\_ day of April, 2022, by and between, **Bertie County**, a body politic organized and existing under the laws of the State of North Carolina, with one of its offices at Windsor, North Carolina, whose mailing address is Post Office Box 530, Windsor, North Carolina 27983, party of the first part, to **Board of**

**Education of Bertie County**, a Bertie County duly constituted governmental agency organized under the laws of the State of North Carolina, with one of its offices at Windsor, North Carolina, whose mailing address is Post Office Box 10, Windsor, North Carolina 27983, party of the second part:

WITNESSETH:

WHEREAS, the Board of Education of Bertie County is the governing board of the Bertie County local school administrative unit of the public school system of the State of North Carolina, vested with the powers and authority conferred upon boards of education by the laws of the State of North Carolina, including general control and supervision of all matters pertaining to public schools in Bertie County;

WHEREAS, pursuant to N.C.G.S. 153A-158.1 and by deed dated December 30, 2003 and recorded at Book 819, Page 463 in the office of the Bertie County Register of Deeds, the Board of Education of Bertie County conveyed to Bertie County seven properties for the purpose of financing renovations to and modernization of the schools located upon those properties, with the financing being pursuant to an installment financing agreement; and

WHEREAS, the renovations to five of the schools have been completed and the loans have been paid off, and as such, the parties to this deed desire to return ownership of these five properties to the Board of Education of Bertie County.

NOW, THEREFORE, in consideration of the premises and the sum of Ten Dollars and other considerations in hand paid by the party of the second part to the party of the first part, receipt of which is hereby acknowledged, the said party of the first part has bargained, sold and conveyed and by these presents does bargain, sell and convey

unto the said party of the second part and its successors and assigns, the following described land, to-wit:

**TRACT 1: Aulander Elementary School:**

Those certain tracts or parcels of land located in Mitchell Township, Bertie County, North Carolina, more particularly described as follows:

Parcel 1: That certain tract or parcel of land in Mitchells Township, Bertie County, North Carolina, about one mile South of Aulander, North Carolina, and bounded on the West by other lands of Wayland L. Jenkins, formerly the Charles H. Jenkins heirs, on the East by the Revah H. Mitchell tract and on the South by Harrington Avenue, being a triangular shaped parcel of land containing 3.65 acres, and more particularly described on the survey of L. T. Livermon, Jr., dated April 3 and 4, 1962, as follows:

BEGINNING at a stake in the center of the old road from Windsor to Aulander, on Harrington Avenue, corner for the Mitchell tract, and running thence along Harrington Avenue, South 46 degrees 35 minutes West 363.3 feet to a stake, new corner for Wayland L. Jenkins, formerly Charles H. Jenkins heirs; thence along a new line for Wayland L. Jenkins, North 13 degrees 01 minute West 1163.55 feet to a stake in the center of the old road from Windsor to Aulander in the line of Revah H. Mitchell tract; thence along the line of Revah H. Mitchell land, South 25 degrees 15 minutes East 313.6 feet, South 34 degrees 40 minutes East 224 feet and South 32 degrees 38 minutes East 494 feet to the point of beginning, and being a part of the land recently acquired by Wayland L. Jenkins from the heirs of Charles H. Jenkins, deceased.

The above described property was conveyed to the Board of Education of Bertie County by deed from Wayland L. Jenkins, widower, dated June 11, 1963, and recorded in Deed Book 523, Page 491 of the Bertie County Public Registry.

Parcel 2: That certain lot or parcel of land in Mitchells Township, Bertie County, North Carolina, approximately 5/10 of a mile South of Aulander, North Carolina, on the West side of N. C. Highway No. 305, leading to Windsor, North Carolina, adjoining Charles H. Jenkins Estate land on the West, N. C. Highway No. 305 on the East, the Dunning heirs and Wayland L. Jenkins, Jr. on the North and Harrington Avenue on the South, containing 6.35 acres, more or less, and more particularly described on survey of L. T. Livermon, Jr., dated April 3-4, 1962, as follows: BEGINNING at a stake on the West side of N. C. Highway No. 305 at the edge of Harrington Avenue and running thence along Harrington Avenue, South 46 degrees 35 minutes West 189.6 feet to a stake at the center of the old road leading from Aulander to Windsor; thence along the center of the old road from Aulander to Windsor, North 32 degrees 38 minutes West 494 feet; thence North 34 degrees 40 minutes West 224 feet,

North 25 degrees 15 minutes West 313.6 feet, North 18 degrees 50 minutes West 85.2 feet to a corner for Clevie Ambrose land and the Dunning heirs; thence along the line of the Dunning heirs, North 72 degrees 26 minutes East 199.8 feet to the line of Wayland L. Jenkins, Jr.; thence along the line of Wayland L. Jenkins, Jr., South 21 degrees 36 minutes East 150 feet, North 72 degrees 26 minutes East 130 feet, to the edge of N. C. Highway No. 305; thence along said highway, South 21 degrees 36 minutes East 714.3 feet and South 24 degrees 11 minutes East 142.7 feet to the point of beginning.

The above described property was conveyed to the Board of Education of Bertie County by deed from M. H. Mitchell and wife, Revah Mitchell, dated April 9, 1962, and recorded in Deed Book 510, Page 456 of the Bertie County Public Registry.

Parcel 3: That certain tract or parcel of land in Mitchell Township, Bertie County, North Carolina, adjoining the lands of W. S. Dunning, M. H. Mitchell et ux, and the State Highway leading from Aulander to Windsor and described as follows:

Beginning at a stake on the West side of the highway leading from Aulander to Windsor, the said stake being 30 feet from the centerline thereof, corner for W. S. Dunning; thence with the Dunning line South 73 degrees West 150 feet to a stake, corner for M. H. Mitchell; thence with the Mitchell line South 22 degrees East 150 feet to a stake, a corner; thence North 73 degrees East 150 feet to the aforesaid highway; thence along the said highway North 22 degrees West 150 feet to the point of beginning. Reference is made to deed from M. H. Mitchell and wife, Revah H. Mitchell to Wayland L. Jenkins, Jr. recorded in Book 471, Page 31, Bertie County Registry.

The above described property was conveyed to the Bertie County Board of Education by deed from Wayland L. Jenkins, Jr., dated August 15, 1978, and recorded in Deed Book 611, Page 191 of the Bertie County Public Registry.

This is Tract 3 in the deed from Board of Education of Bertie County to Bertie County, dated December 30, 2003, and recorded in Deed Book 819, Page 463 of the Bertie County Public Registry.

### **TRACT 2: Colerain Elementary School:**

That certain lot or parcel of land located in Colerain Township, Bertie County, North Carolina and being shown as Tract 1, containing 7.83 acres and Tract 2, containing 6.35 acres on that survey entitled Bertie County Board of Education recorded in Plat Cabinet A, page 294.

This is part of the lands conveyed to Bertie County Board of Education as recorded in Deed Book 284, page 81, Book 218, page 335, Book 146, page 334 and Book 658, page 941.

This is Tract 4 in the deed to Bertie County from Board of Education of Bertie County, dated December 30, 2003, and recorded in Deed Book 819, Page 463 of the Bertie County Public Registry.

### **TRACT 3: West Bertie Elementary School:**

Those certain tracts or parcels of land located in Bertie County, North Carolina, more particularly described as follows:

Parcel 1: All that certain tract or parcel of land in Roxobel Township, Bertie County, North Carolina, situate on the East side of N. C. Highway 308, adjoining said highway on the West, the Parker land on the North and East and the present West Bertie School lot on the South and being more particularly described on a survey of L. T. Livermon, Jr., Surveyor, dated February 12, 1974, and designated Tract No. 2 as follows:

BEGINNING at a stake, a corner for the present school lot designated as Tract No. 1 on said survey at the edge of N. C. Highway No. 308 leading from Lewiston to Kelford and running thence along said Highway, North 8 degrees West 390 feet to a stake, a corner; thence running along a new line for the Parker heirs, North 75 degrees 30 minutes East 570 feet, South 8 degrees 0 minutes East 390 feet to the Northeast corner of the present school lot; thence running along the present school line, South 75 degrees 30 minutes West 570 feet to the point of beginning, containing 5.07 acres according to said survey.

The above described property was conveyed to the Board of Education of Bertie County by deed from Wiley Bryan Parker, Jr. and wife, Beryl Irene Parker, Mabel Parker White, widow, and Mamie P. Parker, dated April 23, 1974, and recorded in Deed Book 587, Page 34 of the Bertie County Public Registry.

Parcel 2: That certain tract of land in Roxobel Township, Bertie County, North Carolina, approximately 1 mile South of Kelford on the East side of the highway No. 308, and beginning at a brick marker at the edge of the right of way of said highway and running thence North 75 degrees 30 minutes East 570 feet to a brick marker, a corner; thence South 8 degrees East 558 feet to a brick marker, a corner; thence South 75 degrees 30 minutes West 570 feet to the edge of the right of way of the aforesaid highway; thence along said highway North 8 degrees West 558 feet to the point of beginning, and being more particularly described on a survey made by J. B. Parker, Surveyor, November 11, 1959, which is referred to for further description, and is a part of the land devised to Wiley B. Parker for life and at his death to his children in

Item 4 of the will of G. A. Parker, deceased, registered in Book of Wills M, Page 239, Bertie County Public Will Registry.

The above described property was conveyed to the Board of Education of Bertie County by that certain Judgment entered June 17, 1960, and recorded on July 20, 1960 in Deed Book 495, Page 213, of the Bertie County Public Registry.

This is Tract 6 in the deed to Bertie County from Board of Education of Bertie County, dated December 30, 2003, and recorded in Deed Book 819, Page 463 of the Bertie County Public Registry.

**TRACT 4: Windsor Elementary School:**

Those certain tracts or parcels of land located in Bertie County, North Carolina, more particularly described as follows:

Parcel 1: That certain tract or parcel of land situate in Windsor Township, Bertie County, North Carolina, and being more particularly described on a survey by B. B. White, Surveyor, dated May 15, 1991, as follows: BEGINNING at a new made corner for the Bertie County Board of Education and the lands herein conveyed on the East side of N. C. Highway No. 308, 1,412.808 feet from the intersection of U. S. Highway No. 17 and 308, North of Windsor, North Carolina, and running thence along the present line of the Bertie County Board of Education, North 68 degrees 00 minutes 18 seconds East 194.785 feet to an iron pipe found; thence North 68 degrees 00 minutes 18 seconds East 246.980 feet to an iron pipe found; thence North 68 degrees 00 minutes 18 seconds East 199.290 feet to an iron pipe found in the line of Timberlands Unlimited; thence along the line of Timberlands Unlimited, South 23 degrees 11 minutes 42 seconds East 82.893 feet to an iron pipe found; thence South 74 degrees 21 minutes 42 seconds East 167.470 feet to an iron pipe set, a new corner for Champion International Corporation; thence along a new line of Champion International Corporation, South 68 degrees 00 minutes 38 seconds West 776.491 feet to an iron pin set at the edge of N. C. Highway No. 308; thence along the edge of N. C. Highway No. 308, North 21 degrees 39 minutes 45 seconds West 185.189 feet to the point of beginning, containing 2.89 acres, plus or minus, according to said survey.

The above described property was conveyed to the Bertie County Board of Education by deed from Thurman E. Morris, Donnie L. Pierce, David G. McClellan, William E. Thompson and Glen D. White, Trustees of the Windsor Assembly of God Church, dated October 14, 1991, and recorded in Deed Book 691, Page 619 of the Bertie County Public Registry.

Parcel 2: All that certain tract or parcel of land lying and being in Windsor Township, Bertie County, North Carolina, more particularly described on a survey of L. T. Livermon, Jr., R.L.S., dated October 19, 1989, as follows:

BEGINNING at a concrete marker in the Eastern edge of the right of way for N. C. Highway No. 308 East which said right of way marker is situate South 36 degrees 32 minutes 02 seconds East 439.01 feet from a nail set in the center of U. S. Highway No. 17 and thence North 88 degrees 43 minutes 18 seconds East 58.04 feet to said concrete marker and from said beginning point running along the line of Sandy Point Baptist Church North 88 degrees 43 minutes 18 seconds East 153.48 feet to a new iron pin; thence North 10 degrees 42 minutes 18 seconds East 208.05 feet to the existing railroad iron; thence North 81 degrees 46 minutes 42 seconds West 167.74 feet to an existing iron pin; thence along the line of the Windsor Assembly of God Church North 85 degrees 12 minutes 18 seconds East 577.95 feet to a new iron pin; thence along the line of Timberlands Unlimited, Inc. (an Old Glazed & Red & Blue Painted Line), South 23 degrees 11 minutes 42 seconds East 985.74 feet to a new iron pin; thence along a new line for Champion International Corporation South 68 degrees 00 minutes 18 seconds West 647.10 feet to a new iron pin at the edge of the right of way for N. C. Highway No. 308 East; thence along said N. C. Highway No. 308 East, North 21 degrees 59 minutes 42 seconds West 557.42 feet to a highway concrete marker; thence North 27 degrees 18 minutes 42 seconds West 395.51 feet to the concrete marker, the point of beginning, containing 15 acres by Coordinate Computation as shown on said survey. The lands conveyed herein are a portion of the lands described in a deed to Champion International Corporation, recorded in Deed Book 596, Page 90, Bertie County Public Registry, which said deed is referred to for further description.

The above described property was conveyed to the Bertie County Board of Education by deed from Champion International Corporation, dated April 4, 1991, and recorded in Deed Book 687, Page 498 of the Bertie County Public Registry.

LESS lot sold to Windsor Assembly of God as recorded in Deed Book 691, Page 622 of the Bertie County Public Registry.

This is Tract 7 in the deed to Bertie County from Board of Education of Bertie County, dated December 30, 2003, and recorded in Deed Book 819, Page 463 of the Bertie County Public Registry.

**TRACT 5: Bertie Middle School:**

That certain lot or parcel of land being in Windsor Township, Bertie County, North Carolina, being bounded on the West by U.S. Highway 13, on the North by property acquired by Bertie County in the companion condemnation case referenced above, on the East by lands now or formerly owned by International Paper Company



and Sustainable Forests, L.L.C. and on the South by lands now or formerly owned by Rosanna Devonish Spivey:

BEGINNING at an iron rod set in the easterly edge of the right-of-way for U.S. Highway 13, which said iron rod set may be located by commencing at a pk nail set at the intersection of the centerlines of U.S. Highway 13 and S.R. 1257 – School Road, thence along the center of U.S. Highway 13 South 24 degrees 43 minutes 02 seconds East 331.36 feet to a pk nail set; thence North 67 degrees 13 minutes 36 seconds East 48.87 feet to a point marked by a power pole, located on the east side of U.S. Highway 13 which is located at N.C. Grid Coords N=8,436,380.126 and E=2,599,857.834; thence South 24 degrees 41 minutes 42 seconds East 1,122.40 feet to an iron rod set; thence South 24 degrees 47 minutes 19 seconds East 30.00 feet to an iron rod set, the point and place of beginning; from said point of beginning, running along an existing gravel road, North 52 degrees 38 minutes 14 seconds East 1,524.47 feet to an iron rod set, a corner; thence running along a new line for Champion International Corporation, South 24 degrees 41 minutes 42 seconds East 1,429.36 feet to an iron rod set, a corner; thence running along the line of Rosanna Devonish Spivey, South 44 degrees 43 minutes 11 seconds West 1,585.92 to an iron rod set located in the East side of U.S. Highway 13; thence running along said highway North 24 degrees 47 minutes 19 seconds West 1,652.65 feet to the point and place of beginning. Said lot contains 52.58 acres, more or less, as shown on map entitled, "Survey for Tract 1 - Bertie County Board of Education (Bertie High School Site); Tract 2 – Bertie County", dated April 13, 1999, revised March 7, 2001, revised April 3, 2001 and revised December 12, 2001, and prepared under the supervision of Randolph P. Nicholson, L-2740, which map is recorded at Plat Cabinet B, Page 396 and incorporated by referenced as if fully set out herein, and which map is also attached to the Complaint and Declaration of Taking that were filed in this case. The tract herein described is labeled as "(OUT PARCEL) TRACT 2" on said survey.

Included with this acquisition is fee simple title to the strip of land which is encumbered by a nonexclusive 30 foot right-of-way, which had been reserved for egress, ingress, and regress, which strip of land is described as follows:

BEGINNING at an iron rod set in the easterly edge of the right-of-way for U.S. Highway 13, which said iron rod set may be located by commencing at a pk nail set at the intersection of the centerlines of U.S. Highway 13 and S.R. 1257 – School Road, thence along the center of U.S. Highway 13 South 24 degrees 43 minutes 02 seconds East 331.36 feet to a pk nail set; thence North 67 degrees 13 minutes 36 seconds East 48.87 feet to a point marked by a power pole, located on the east side of U.S. Highway 13 which is located at N.C. Grid Coords N=8,436,380.126 and E=2,599,857.834; thence South 24 degrees 41 minutes 42 seconds East 1,122.40 feet to an iron rod set, the point and place of beginning; and running from said point and place of beginning, North 52 degrees 38 minutes 15 seconds East 1,524.52 feet to an iron rod set, thence turning right and running South 24 degrees 41 minutes 42 seconds East 30 feet to an iron rod set, thence turning right and running South 52 degrees 38 minutes 14 seconds West 1,524.47 feet to a power pole located in the northern edge of the right-of-way for U.S.

Highway 13, thence turning right and running along the edge of the right-of-way for U.S. Highway 13 North 24 degrees 47 minutes 19 seconds West 30.00 feet to the point and place of beginning. This strip of land to which the Plaintiff is now acquiring fee simple title is more particularly described on the aforementioned plat.

For further reference and description see deed conveying land to Halifax Timber Company, dated December 22, 1966 and is recorded in Book 546, Page 667, in the Bertie County Public Registry. Halifax Timber Company merged with Hoerner Waldorf Corporation by merger dated December 5, 1969, recorded on March 2, 1970 in Corporate Book 3, Page 376. Hoerner Waldorf Corporation merged with Champion International Corporation by merger dated March 25, 1977, recorded on April 22, 1977 in Corporate Book 4, Page 228. Champion International Corporation merged with International Paper Company on December 31, 2000 and Affidavit of Merger is recorded in Deed Book 780 at Page 956 of the Bertie County Public Registry.

This is the same property conveyed to Bertie County by Consent Judgment that was filed in the Clerk's Office on January 22, 2004, and was recorded in Deed Book 820, Page 396 of the Bertie County Public Registry.

TO HAVE AND TO HOLD the aforesaid lands with all rights and privileges thereunto belonging or in anywise appertaining unto the said party of the second part and its successors and assigns, in fee simple forever.

And the said party of the first part for itself, its successors and assigns covenants to and with the said party of the second part and its successors and assigns, that it is seized of said lands in fee simple and has a good right to convey the same in fee simple; that the said lands are free and clear of all encumbrances, SAVE AND EXCEPTING rights of ways for highways and public utilities and ad valorem taxes for the year 2022 and subsequent years, and that it will forever warrant and defend the title to the same against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, the Bertie County Board of Commissioners has caused this instrument to be executed in its name by its Chairman, attested by its Clerk to the

Board, all by due authority of the vote of the Board of Commissioners heretofore duly given, this the day and year first above written.

ATTEST:

BERTIE COUNTY

\_\_\_\_\_  
Lashonda Cartwright, Clerk to  
the Board of Commissioners

BY: \_\_\_\_\_  
John Trent,  
Chairperson of the Board of  
Commissioners of Bertie County

STATE OF NORTH CAROLINA

COUNTY OF BERTIE

I, \_\_\_\_\_, a Notary Public, for the County and State aforesaid, certify that Lashonda Cartwright personally appeared before me this day and acknowledged that she is the Clerk to the Board of Commissioners of Bertie County, a political subdivision of the State of North Carolina, and that by authority duly given and as the act of the Board of Commissioners of Bertie County, the foregoing instrument was signed in its name by its Chairman and attested by Lashonda Cartwright as Clerk to the Board of Commissioners of Bertie County.

Witness my hand and notarial seal or stamp, this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Notary Public's Signature

\_\_\_\_\_  
Notary Public's Printed Name

My commission expires: \_\_\_\_\_



C-4



CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANT AND TAX ADVISORS

*Thompson, Price, Scott, Adams & Co, P.A.*

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March 1, 2022

Bertie County

PO Box 530

Windsor, North Carolina 27983

To Management and Those Charged With Governance:

We are pleased to confirm our understanding of the services we are to provide the Bertie County for the year ended June 30, 2021. We will audit the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the Bertie County as of and for the year ended June 30, 2021. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Bertie County's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Bertie County's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis.
2. Law Enforcement Officers' Special Separation Allowance Schedule of Total Pension Liability (Asset) and Schedule of Total Pension Liability (Asset) as a Percentage of Covered Employee Payroll
3. Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Schedule of County Contributions - LGERS
4. Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Schedule of County Contributions - ROD
5. Schedule of Proportionate Share of the County's Net OPEB Liability and Contributions - Retiree Health Benefit Fund

We have also been engaged to report on supplementary information other than RSI that accompanies the Bertie County's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

1. Schedule of Expenditures of Federal and State Awards.
2. Combining and Individual Fund Financial Statements, Budgetary Schedules, and Other Schedules

Members

American Institute of CPAs - N.C. Association of CPAs - AICPA Division of Firms

Our responsibility for other information included in documents containing the entity's audited financial statements and auditors' report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether such other information contained in these documents is properly stated.

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on-

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Commissioners and management of Bertie County. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

### **Audit Procedures-General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories (if material), and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures-Internal Controls**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Test of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

#### **Audit Procedures-Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Bertie County's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. Accordingly, we will express no such opinion. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Bertie County's major programs. The purpose of these procedures will be to express an opinion on Bertie County's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

## **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal and State awards, and related notes of Bertie County in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

## **Management Responsibilities**

Management is responsible for (1) designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal and State awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and State awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review by June 30, 2021.

You are responsible for identifying all federal and State awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal and State awards in any document that contains and indicates that we have



reported on the schedule of expenditures of federal and State awards. You also agree to make the audited financial statements readily available to intended users of schedules of expenditures of federal and State awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and State awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal and State awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and State awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information. With regard to using the auditors' report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents. With regard to electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements, schedules of expenditures of federal and State awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal and State awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, (Anita Radcliffe), who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing

requested schedules, retrieving supporting documents, and preparing confirmations. If for whatever reason your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate. We will not undertake any accounting services (including but not limited to reconciliation of accounts and preparation of requested schedules) without obtaining approval through a written change order or additional engagement letter for such additional work.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' report or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to the Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Thompson, Price, Scott, Adams & Co., P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request in a timely manner to Oversight Agencies (or its designee), a federal agency provided direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Thompson, Price, Scott, Adams & Co., P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the federal cognizant agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit by approximately July 1, 2021 and to issue our reports no later than October 31, 2021. Gregory Adams is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, should not exceed \$54,750. Also, any excessive additional fees incurred in obtaining required audit evidence (i.e. bank confirmations) will be billed directly to the Board. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

The Office of State Auditors has requested significant changes to the Single Audit process to include removing direct benefits from the Schedule of Federal and State Awards. Since this will be a new process for everyone, we cannot adequately estimate the amount of additional time that may be required to perform Single Audit testing under the new guidelines. If additional programs are required to be tested that have not been identified as major programs for testing in previous years, additional fees may be charged at standard hourly rates. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. However, we believe our contract as it is will be sufficient to cover but we do want to reserve the right to discuss this issue.

We appreciate the opportunity to be of service to the Bertie County and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

**Liquidated Damages Provisions**

The parties agree that a delay in completing the audit will result in damages to Bertie County such as increased administrative costs, difficulty in budgeting, potential damage to credit rating, and other damages which are difficult or impossible to determine. It is therefore agreed that in view of the difficulty of making a precise determination of such damages a sum in the amount of \$300.00 per day will be charged against the auditor for each calendar day that the audit remains uncompleted and undelivered after November 30, 2022 not as a penalty but as liquidated damages.

Should the auditor fail to complete the work by November 30, 2022, a deduction of \$300.00 per day as liquidated damages will be made for each full or partial calendar day that said audit remains uncompleted or undelivered. This amount will be deducted from any amount owed to the auditor under this contract and the auditor will be liable for any liquidated damages more than the amount due.

No liquidated damages will be chargeable for any delay in the final completion of the audit by Bertie County because of any action, negligence, omission, or delay of Bertie County, its employees, or agents.

In any suit for the collection of or involving assessment of liquidated damages, the reasonableness of the amount stipulated in this contract will be presumed. The liquidated damages referred to herein are intended to be and are cumulative and will be in addition to every other remedy now or hereinafter enforceable at law and equity by statute or under this contract.

The parties agree that the amount of daily liquidated damages bears a reasonable and proximate relationship to the damages which Bertie County will or might suffer from failure to produce and deliver the audit to it by November 30, 2022, and this amount is not a penalty.

Very truly yours,

*Thompson, Price, Scott, Adams & Co., PA*

**RESPONSE:**

**This letter correctly sets forth the understanding of Bertie County.**

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Auditor signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

The	Governing Board
of	Primary Government Unit
	<b>Bertie County</b>
and	Discretely Presented Component Unit (DPCU) (if applicable)
	NA

*Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)*

and	Auditor Name
	Thompson, Price, Scott, Adams & Co., PA
	Auditor Address
	4024 Oleander Dr., Suite 103, Wilmington, NC 28403

*Hereinafter referred to as Auditor*

for	Fiscal Year Ending	Audit Report Due Date
	06/30/22	10/31/2022

*Must be within four months of FYE*

hereby agree as follows:

- The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.
- At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.
- If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.
6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.)[G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).



30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitted-your-audit>

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

### FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will not be approved.

Financial statements were prepared by:     Auditor     Governmental Unit     Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

<b>Name:</b>	<b>Title and Unit / Company:</b>	<b>Email Address:</b>
William Roberson	Finance Officer/Bertie County	william.roberson@bertie.nc.gov

**OR Not Applicable**  (Identification of SKE Individual not applicable for GAAS-only audit or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

#### PRIMARY GOVERNMENT FEES

Primary Government Unit	Bertie County
Audit Fee	\$ 51250.00
<b>Additional Fees Not Included in Audit Fee:</b>	
Fee per Major Program	\$
Writing Financial Statements	\$ 3500.00
All Other Non-Attest Services	\$
<b>75% Cap for Interim Invoice Approval</b> <i>(not applicable to hospital contracts)</i>	<b>\$ 41062.50</b>

#### DPCU FEES (if applicable)

Discretely Presented Component Unit	NA
Audit Fee	\$
<b>Additional Fees Not Included in Audit Fee:</b>	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
<b>75% Cap for Interim Invoice Approval</b> <i>(not applicable to hospital contracts)</i>	<b>\$ 28412</b>

## SIGNATURE PAGE

## AUDIT FIRM

Audit Firm*	
Thompson, Price, Scott, Adams & Co., PA	
Authorized Firm Representative (typed or printed)*	Signature*
Gregory S Adams, CPA	
Date*	Email Address*
	gadams@tpsacpas.com

## GOVERNMENTAL UNIT

Governmental Unit*	
Bertie County	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S. 159-34(a) or G.S. 115C-447(a))	
Mayor/Chairperson (typed or printed)*	Signature*
Tammy Lee, Chairperson	
Date	Email Address
	lee4bertie@gmail.com

Chair of Audit Committee (typed or printed, or "NA")	Signature
NA	
Date	Email Address

## GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).  
Not applicable to hospital contracts.

*This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.*

Primary Governmental Unit Finance Officer* (typed or printed)	Signature*
Willaim Roberson, Finance Officer	
Date of Pre-Audit Certificate*	Email Address*
	william.roberson@bertie.nc.gov

**SIGNATURE PAGE – DPCU  
(complete only if applicable)**

**DISCRETELY PRESENTED COMPONENT UNIT**

DPCU*	
NA	
Date DPCU Governing Board Approved Audit Contract* (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

**DPCU – PRE-AUDIT CERTIFICATE**

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).  
Not applicable to hospital contracts.

*This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.*

DPCU Finance Officer (typed or printed)*	Signature*
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.

PRINT



# Bertie County

Board of Commissioners

## ITEM ABSTRACT

**MEETING DATE:** May 2, 2022

**SECTION:** Discussion

**DEPARTMENT:** Governing Body (D-1)

**TOPIC(S):**

1. Upcoming Meetings
  - a. **May 23<sup>rd</sup> 10:00 AM**  
Manager's Budget Presentation & Budget Work Session
  - b. **May 24<sup>th</sup> 10:00 AM**  
Budget Work Session Continued
  - c. **June 6<sup>th</sup> 6:00 PM**  
Budget Public Hearing

**COUNTY MANAGER RECOMMENDATION OR COMMENTS:** Discussion requested.

**SUMMARY OF AGENDA ITEM AND/OR NEEDED ACTION(S):** --

**ATTACHMENTS:** Yes

**LEGAL REVIEW PENDING:** N/A

**ITEM HISTORY:** ---



D-1



## Fiscal Year 2022-2023 Budget Calendar

**\*\* Items in Bold are specifically addressing important deadlines for Departments \*\***

Date	Budget Activity
January 14	<b>Performance Evaluations are to be completed and submitted to Human Resources by this date.</b>
January 15	Budget to Actual 6-Month Report due to LGC.
January 31	<b>Budget Kickoff. County Manager meets with Department Heads and provides instructions for FY23 budget process.</b>
February 7-11	<b>Budget documents distributed to Department Heads and Budget Team to meet with Department Heads and staff to discuss forms and processes.</b>
<b>March 8</b>	<b><u>Budget Requests Due from Departments</u></b>
March 14 – April 8	County Manager, Assistant County Manager, and Finance Office reviews all department budget requests; meets with outside agencies; analyzes revenue projections; and develops a proposed budget.
<b>April 11 – 22</b>	<b>Department meetings are scheduled with Manager to discuss recommendations.</b>
April 15	Budget to Actual 9-Month Report Due to LGC.
April 25 – May 18	County Manager, Assistant County Manager and Finance Office develops balanced proposed budget.
<b>May 23</b>	<b>Manager presentation of recommended budget to County Commissioners at Board meeting</b>
May 23	Publish notice of public hearing.
<b>May 24 - June 3</b>	<b>County Commissioners conduct budget work sessions. Department Heads may be called upon to present or answer specific departmental request.</b>
<b>June 6</b>	<b>Conduct public hearing.</b>
<b>July 1</b>	<b>Adoption of Budget Ordinance Required by this Date</b>