

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
TUESDAY, JANUARY 18, 2022 – 6:45 PM
117 DICK STREET, 1ST FLOOR, ROOM 118
REGULAR MEETING MINUTES

PRESENT: Commissioner Glenn Adams, Chairman
Commissioner Toni Stewart, Vice Chairman
Commissioner Michael Boose
Commissioner Jeannette Council
Commissioner Charles Evans
Commissioner Jimmy Keefe
Commissioner Larry Lancaster
Amy Cannon, County Manager
Tracy Jackson, Assistant County Manager
Sally Shutt, Assistant County Manager
Rick Moorefield, County Attorney
Jermaine Walker, County Engineer
Rawls Howard, Planning and Inspections Director
David Moon, Deputy Planning and Inspections Director
Dee Taylor, Community Development Director
Daniel Rister, ITS Deputy Director
Hank Graham, FAMPO Director
Tye Vaught, Management Analyst
Candice H. White, Clerk to the Board

Chairman Adams called the meeting to order.

INVOCATION / PLEDGE OF ALLEGIANCE

Commissioner Council provided the invocation followed by the Pledge of Allegiance to the American flag.

INTRODUCTION

Fayetteville-Cumberland Youth Council Members

There were no Fayetteville-Cumberland Youth Council members in attendance.

RECOGNITION

Jeanae Zinzow, Miss Black North Carolina

The recognition was conducted later in the meeting and recorded below.

PUBLIC COMMENT PERIOD

Amy Cannon, County Manager, read the public comment policy. Chairman Adams recognized the clerk to the board who called the following speakers:

Kenneth Slankard – Mr. Slankard did not appear when his name was called.

Kathy Greggs – Ms. Greggs stated the county is still waiting on a citizens' review board for the Cumberland County Sheriff's Office and asked for a binding resolution related to shootings involving off-duty law enforcement officers.

Chilleko Hyrst – Mr. Hurst referenced the recent shooting of Jason Walker by an off-duty law enforcement officer and stated his cultural humanity is under attack. Mr. Hurst outlined what he felt should be done going forward.

1. APPROVAL OF AGENDA

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <https://www.cumberlandcountync.gov/departments/commissioners-group/commissioners/meetings/agendas-minutes-and-videos>

MOTION: Commissioner Boose moved to approve the agenda.
SECOND: Commissioner Council
VOTE: UNANIMOUS (7-0)

2. CONSENT AGENDA

- A. Approval of January 3, 2022 Regular Meeting Minutes
- B. Approval of Public Official Bonds

BACKGROUND
Pursuant to North Carolina General Statutes, the Board of Commissioners approved bonds for selected officials as it does annually at its first meeting in December. Since the December 6, 2021 meeting, employee changes have necessitated the Board of Commissioners' approval of additional bonds. Please see the updated bond list as attached.

RECOMMENDATION / PROPOSED ACTION
Approve the bonds for selected officials as presented.

Name/Position	Amount	Expires	Broker	Carrier
Social Services (Heather Skeens - Social Services Director)	\$50,000.00	Indefinite	Marsh	Ohio Casualty Ins. Co.
Finance Officer (Sheriff's Office – Casper Broadus III, Chief Deputy Sheriff)	\$20,000.00	Indefinite	Marsh	Ohio Casualty Ins. Co.
Finance Officer (Sheriff's Office – Captain Roberto Reyes, Deputy Sheriff)	\$50,000.00	Indefinite	Marsh	Ohio Casualty Ins. Co.
Finance Officer (Sheriff's Office – Lt. James Collins, Detention Center)	\$50,000.00	Indefinite	Marsh	Ohio Casualty Ins. Co.
Finance Officer (Sheriff's Office – Lt. Gwendolyn Cotton, Detention Center)	\$50,000.00	Indefinite	Marsh	Ohio Casualty Ins. Co.
Finance Officer (Sheriff's Office – Sgt. Harley Flora, Detention Center)	\$50,000.00	Indefinite	Marsh	Ohio Casualty Ins. Co.
Finance Officer (Sheriff's Office – Lt. Joshua Gordon, Detention Center)	\$50,000.00	Indefinite	Marsh	Ohio Casualty Ins. Co.
Finance Officer (Sheriff's Office – Sgt. Kimberly White-Flowers, Detention Center)	\$50,000.00	Indefinite	Marsh	Ohio Casualty Ins. Co.

- C. Approval to Pay Prior Year Invoice

BACKGROUND
There is a period of time after June 30th of fiscal year-end in which transactions of the prior fiscal year will continue to be processed (typically until the third week in August). After that cutoff date has passed, a department may still receive a vendor invoice that is payable for services that were rendered, or goods were received in the prior fiscal year. When that occurs, approval by the Board of Commissioners is required prior to payment. The following departmental invoices meet those criteria:

Department: Social Services
Vendor: Linguistica International, INC.
Invoice Date: 03/31/2020

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Total Amount: \$3.86

Department: Social Services - Right Track Group Home
Vendor: Cumberland County Emergency Services - Fire Marshal
Invoice Date: 10/16/2020
Total Amount: \$75.00

Department: Social Services
Vendor: VOCA Corporation DBA Stepstone
Services Rendered: February - June 2021
Total Amount: \$3,405.10

Department: Social Services
Vendor: ACI Support Specialist
Services Rendered: June 2021
Total Amount: \$718.73

Department: Social Services
Vendor: Falcon Children's Home
Services Rendered: June 2021
Total Amount: \$2,302.32

Department: Social Services
Vendor: Omni Visions
Services Rendered: April, May, June 2021
Total Amount: \$6,024.00

Department: Social Services
Vendor: Andrew and Rebecca Joest
Services Rendered: April, May, June 2021
Total Amount: \$2,217.60

Department: Social Services
Vendor: Firm Foundation
Services Rendered: April 2020 - June 2021
Total Amount: \$40,511.47

Department: Social Services
Vendor: Marshal and Vitali Pearson
Services Rendered: June 2021
Total Amount: \$34.72

Department: Social Services
Vendor: Kidspeace Corporation
Services Rendered: June 2021
Total Amount: \$560.85

Department: Social Services
Vendor: Mary Graham
Services Rendered: April 2021
Total Amount: \$190.00

Department: Social Services
Vendor: Marie Ferguson
Services Rendered: June 2021
Total Amount: \$17.92

RECOMMENDATION / PROPOSED ACTION

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Management is requesting approval to pay prior year invoices for the Department of Social Services totaling \$56,061.57.

- D. Approval of Declaration of Surplus County Property, Authorization to Accept Insurance Settlement and Approval of Budget Ordinance Amendment B#220022

BACKGROUND

DATE OF ACCIDENT: SEPTEMBER 15, 2021

VEHICLE: 2007 FORD EXPEDITION

VIN: 1FMFU16577LA67822

FLEET#: FL399

DEPARTMENT: Sheriff's Office

SETTLEMENT OFFER: \$4,883.99

INSURANCE COMPANY: TRAVELERS

This is a total loss settlement offer.

RECOMMENDATION / PROPOSED ACTION

Risk Management recommends that the Board of Commissioners:

1. Declare the vehicle described above as surplus.
2. Authorize the Accounting Supervisor to accept \$4,883.99 (\$5,883.99 - \$1,000 deductible) as settlement.
3. Allow Travelers to take possession of the wrecked (surplus) vehicle.
4. Approve Budget Ordinance Amendment BR#220022 recognizing the insurance settlement. Please note this amendment requires no additional county funds.

- E. Approval of Request for Destruction of County Administration Records

BACKGROUND

The State Archivist and the Department of Natural and Cultural Resources officially approved the 2021 General Records Schedule for Local Government Agencies October 1, 2021. The schedule was adopted by the Board of Commissioners at its November 15, 2021 regular meeting and Sections 1.16, 1.35, 1.36 and 1.57 of the Records Retention and Disposition Schedule - General Records Schedule are attached for review. The following items are requested for destruction:

CORRESPONDENCE AND MEMORANDA RECORD SERIES – 2015 through 2020

Per Standard 1 – Administration and Management Records – Item 1.16

MEMBERSHIP RECORDS – 2015 through 2020

Per Standard 1 – Administration and Management Records – Item 1.35

MISCELLANEOUS (NON-BUILDING) APPLICATIONS, LICENSES, AND PERMITS – 2019 through 2021

Per Standard 1 – Administration and Management Records – Item 1.36

RECORDS MANAGEMENT – 2010 through 2019

Per Standard 1 – Administration and Management Records – Item 1.57

RECOMMENDATION / PROPOSED ACTION

Consider approval of request to dispose of the records listed above as permitted by the Board of Commissioners adoption of the 2021 General Records Schedule for Local Government Agencies.

- F. Approval of Request for Destruction of Governing Body Department Records

BACKGROUND

The State Archivist and the Department of Natural and Cultural Resources officially approved the 2021 General Records Schedule for Local Government Agencies October 1, 2021. The schedule

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was adopted by the Board of Commissioners at its November 15, 2021 regular meeting. Request is to dispose of the following Governing Body Department records as permitted by the Board of Commissioners adoption of the 2021 General Records Schedule for Local Government Agencies.

CORRESPONDENCE AND MEMORANDA RECORD SERIES – 2007 through 2018

Per Standard 1 – Administration and Management Records – Item 1.51

Transfer correspondence with historical value to History Records after 3 years.

Destroy in office remaining records after 3 years.

PUBLIC BODIES: AGENDA AND MEETING PACKETS - 2003 through 2013

Per Standard 1 – Administration and Management Records – Item 1.47

Retain in office records with historical value permanently.

Destroy in office remaining records when reference value ends.

Destroy in office remaining records after 2 years.

PUBLIC BODIES: APPOINTMENT REPORTS - 2002 through 2019

Per Standard 1 – Administration and Management Records – Item 1.49

Destroy in office remaining records after 2 years.

RECOMMENDATION / PROPOSED ACTION

Staff recommends approval to dispose of the Governing Body Department records outlined above.

G. Approval of Request for Destruction of Planning and Inspection Records

BACKGROUND

In accordance with the Records Retention and Disposition Schedule dated October 1, 2021, I request permission to destroy records dated prior to January 1, 2016, on or before March 31, 2022. The maximum time period we are required to maintain records is six years. This request will allow records to be destroyed that are no longer useful. Records to be destroyed are as follows:

1. Permit Files: Included are Applications for Building, Electrical, Plumbing, Mechanical, Insulation, Demolition, Relocation, and Zoning Permits, Permits Issued, Work Tickets, Certificates of Occupancy, Blueprints and Specifications and related correspondence.
2. Minimum Housing, Junk Vehicle and Zoning Code Enforcement Files.
3. Activity Reports: This file consists of information compiled for the U.S. Bureau of the Census, reports of money collected for permit fees, inspections performed, and permits issued.
4. Correspondence/Memorandums.

Exceptions:

1. Any record required to be retained permanently or for the life of the structure.
2. Records, if any, related to any ongoing litigation.

RECOMMENDATION / PROPOSED ACTION

Staff recommends the Board of Commissioners approve the request.

H. Approval of Lease Agreement with the North Carolina Department of Health and Human Services for Office and Training Room Space at the Cumberland County Department of Social Services

BACKGROUND

The Department of Social Services (DSS) provides office and training space to the North Carolina Department of Health and Human Services (DHHS), at 1225 Ramsey Street in Fayetteville, under a lease that was first entered into in 2007. The lease provides office space and training rooms to DHHS staff for the training of the County's Social Workers. The current lease expired September 30, 2021 but continued on a month-to-month basis while the State and County worked out the terms of a new agreement. The terms of the prior lease included:

- Lease of 4,326 square feet (SF) of office space and training rooms

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- Annual rent of \$56,238 payable in monthly installments of \$4,686.50 (equates to \$13/SF)
- Option to renew the lease for two (2) additional five (5) year periods with 60 days written notice of intent to renew
- Lessor provides utilities, janitorial services, parking, etc.

At the June 10, 2021, Board of Commissioners' Agenda Session, staff requested permission to negotiate a lease rate with DHHS. A lease rate of \$15/SF was successfully negotiated and is being proposed as the new lease rate for this lease. No other terms have changed.

An intent to lease advertisement is not required since the prospective lessee is a governmental entity.

RECOMMENDATION / PROPOSED ACTION

Staff requests approval of the proposed lease agreement with NC DHHS for a rate of \$15/SF for office and training space, located at 1225 Ramsey Street in Fayetteville.

- I. Approval of Formal Bid Award for the Body Worn-in Car Camera System & Associated Technology, Grant Acceptance, and Approval of Budget Ordinance Amendments B220345 and B220355

BACKGROUND

A formal bid process was conducted for the Body Worn and In-Car Camera System and server technology equipment. This includes the associated audio/video (a/v) files, storage expansion, programming, storage, and software installation services, and maintenance, that will allow for the capture and preservation of interactions between Deputies and the public. This project also includes all infrastructure, interfaces, cameras and other technology equipment, and software licenses to establish a comprehensive camera Policy and Implementation Program (PIP). A BWC PIP will result in increased evidentiary effectiveness by creating additional layers of transparency not currently available, improve trust within the community, reduce the use of force, build a culture of responsibility and accountability, and improve criminal justice outcomes, especially officer and citizen safety. The equipment will allow quicker assessment of more thorough information about potential threats and improve the overall safety and security of our community.

During the FY2022 Budget process, the Body Worn/In-Car Camera system was budgeted in the amount of \$2,640,000 in the Sheriff's Office budget. A grant in the amount of \$700,000 was awarded by the United States Department of Justice, Office of Justice Program, but not yet budgeted. The recommended bid amount totals \$3,942,385, leaving a budgeted shortfall and request to appropriate General Fund Balance totaling \$602,385.

Sufficient funds in the amount of \$310,000 were budgeted in the FY2022 Capital Investment Fund Technology budget for the technology portion. The recommended bid amount for technology totals \$209,476.71.

A total of four bids were received for the Body Worn and In-Car Camera System. Specifications requested a system that would function on a dedicated server for the downloading of data. All proposals were evaluated and only Motorola Solutions, Inc. provided a solution that met that specification. All other proposals were for a cloud-based platform.

A total of one proposal was received for the technology equipment. Veristor Systems, Inc. was the only responsive bidder and met all specifications.

RECOMMENDATION / PROPOSED ACTION

Management and staff recommends:

1. Award Bid Number 22-10-SO to Motorola Solutions, Inc. (\$3,942,385.00) for the Body worn-in camera System and Veristor Systems, Inc. (\$209,476.71) for the the technology equipment based on the best overall value standard of award.

2. The Board is requested to accept the United States Department of Justice, Office of Justice Program award and approve Budget Ordinance Amendment B220345 in the amount of \$700,000, and
 3. The Board is requested to approve Budget Ordinance Amendment B220355 in the amount of \$602,385 to appropriate General Fund Balance.
- J. Approval of Budget Ordinance Amendments for the January 18, 2022 Board of County Commissioners' Agenda

BACKGROUND

General Fund 101

- 1) Health Department – Budget Ordinance Amendment B220088 to recognize federal funds in the amount of \$6,000 from the North Carolina Department of Health and Human Services, Division of Public Health

The Board is requested to approve Budget Ordinance Amendment B220088 to recognize federal funds from the North Carolina Department of Health and Human Services, Division of Public Health in the amount of \$6,000 provided to local health departments that have a consistent number of refugee arrivals. These funds will be used to assist with language interpretation costs associated with providing refugee health assessments.

Please note this amendment requires no additional county funds.

- 2) Health Department – Budget Ordinance Amendment B220115 to recognize federal funds in the amount of \$36,080 from the North Carolina Department of Health and Human Services, Division of Public Health

The Board is requested to approve Budget Ordinance Amendment B220115 to recognize federal funds from the North Carolina Department of Health and Human Services, Division of Public Health in the amount of \$36,080. These funds will be used to hire a temporary Hepatitis C Bridge Counselor in the form of a contractor to support activities related to prevention messages, screening and testing for Hepatitis C infections. They will also facilitate linkage to care for people with Hepatitis C to clinical providers.

Please note this amendment requires no additional county funds.

Capital Investment Fund 107/General Fund 101

- 3) Capital Investment Fund/General Fund – Budget Ordinance Amendment B220117 to record a transfer between the Capital Investment Fund and General Fund in the amount of \$15,331

The Board is requested to approve Budget Ordinance Amendment B220117 in the amount of \$15,331. This is for the Register of Deeds Door project to cover the additional funds needed for the construction of the door and entryway. This was approved at the December 20, 2021, Board of County Commissioner's meeting.

Please note this amendment requires no additional county funds.

NC Elderly Handicap Transportation Fund 277

- 4) Community Transportation – Budget Ordinance Amendment B220106 to appropriate Community Transportation's fund balance in the amount of \$35,889

The Board is requested to approve Budget Ordinance Amendment B220106 to appropriate Community Transportation's fund balance in the amount of \$35,889 to remit to the State of North Carolina the FY2021 Department of Health and Human Services Coronavirus Aid, Relief, and Economic Security (CARES) Act funds. There were not enough trips for the funds that were

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initially received. The Board of County Commissioners on February 15, 2021, approved these funds in the amount of \$44,561.

Please note this amendment requires appropriation of Community Transportation's fund balance.

RECOMMENDATION / PROPOSED ACTION

Approve Budget Ordinance Amendments

K. Approval of Cumberland County Board of Commissioners Agenda Session Items

1. Digital Logging Recorder Contract with Carolina Recording Systems

BACKGROUND

On December 6, 2021, the Board of Commissioners approved the bid award (22-01- EMS Digital Logging Recorder) with Carolina Recording Systems in the amount of \$130,598.85, based on the overall best value. The new system will consist of technology that will satisfy the present needs and future growth of the 911 center and be in compliance with the NENA 13 standard for NG911. The total cost includes the purchase, installation, data migration, integration, training, project management, and implementation. Funds in the amount of \$1,422,324 have been budgeted for computer equipment for the Emergency Operations Center (EOC) capital project. Of that amount, \$130,598.85 has been designated to acquire and implement a digital logging recorder system.

Cumberland County Emergency Services wishes to enter into a contract with Carolina Recording Systems based on the bid award for a digital recording system.

RECOMMENDATION / PROPOSED ACTION

At the January 13, 2022 Agenda Session the Board approved moving the following action to the January 18, 2022 Board of Commissioners' Regular Meeting as a Consent Agenda Item:

Approve the Contract with Carolina Recording Systems.

2. Request from the Cumberland County Sheriff's Office to Donate Certain Equipment to the Rocky Mount Police Department

BACKGROUND

The Sheriff's Office is replacing an old bullet recovery and testing tank which has a reported estimated value of \$250.00. The tank needs repair, but it has been determined that it is not worth the cost of repair. Chief Robert Hassell of the Rocky Mount Police Department has requested the tank, and the Sheriff's Office wishes to donate the tank to the police department.

The police department will remove and transport the tank at its own expense, and the department will accept it as is and with all faults and without any representations or warranties related to the bullet recovery and testing tank, its condition, reparability, or usefulness.

A memorandum from the Sheriff is attached formally requesting the donation of the tank to the Rocky Mount Police Department.

RECOMMENDATION / PROPOSED ACTION

This item was heard by the Board of Commissioners at their January 13, 2022 Agenda Session meeting and forwarded to the Board's Regular Meeting on January 18, 2022 as a Consent Agenda Item. The Sheriff's Office requests approval of the donation of the bullet recovery and testing tank to the Rocky Mount Police Department.

3. Amendment to the Financial Policies, Policy No. 3-1

BACKGROUND

The UNC School of Government has recommended that local policies be updated to include language specific to the handling of American Rescue Plan Act of 2021 (ARPA) funds. The ARPA update in this draft policy amendment is in regard to the handling of interest earnings on these

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funds and can be found on page ten, Section 5.2.1 d. This policy amendment was presented to the ARPA Committee on January 11, 2022 and they approved the addition of Section 5.2.1 d. In addition, verbal instructions were provided to staff to present the Budget Ordinance Amendment for ARPA annual interest earnings during an Agenda Session meeting to give the Board an opportunity to decide about the use of funds. The policy changes were also presented during the January 13, 2022 meeting where consensus for approval was provided.

In addition to updates for ARPA compliance, the policy was updated in several additional areas. The marked- up draft amended policy is attached for your review. A brief description of all changes are referenced below:

- Section 3.0, starting on page 1 – updating board information to be consistent with current practice. Section 4.2.5 c, page 3 – updating grant funding information to be consistent with duties of recently created Grants Writer/Manager position and current supervisor.
- Section 4.3.1, page 4 – updating budget monitoring to be consistent with the Budget Division now performing the monitoring.
- Section 4.3.6, page 4 – deleting outdated information to be consistent with current practice of Board approval for all re-appropriation requests.
- Section 5.1, page 6 – recognizing the Capital Investment Fund policy builds upon the language included in this section.
- Section 5.1.4 n, page 9 – updating to the appropriate acronym of “ACFR” and the additional requirement of completing a disclosure within ten days of encountering a material event.
- Section 5.2.1 d, page 10 – Adding language regarding treatment of ARPA interest earnings, similar to a sample provided by the UNC School of Government.
- Section 6.1.2, page 19 – modifying language regarding report access to be consistent with current practice.
- Section 6.1.6, page 20 – updating audit presentation information to be consistent with current practice. Section 6.1.8 and 6.1.10, page 20 – updating to the appropriate acronym of “ACFR”
- Bottom of page 20 – updating the policy adoption dates to include anticipated dates for this revision

The policy changes were presented during the January 13, 2022 meeting where consensus for approval was provided.

RECOMMENDATION / PROPOSED ACTION

At the January 13, 2022 Agenda Session meeting, the Board approved placing the proposed action below as a Consent Item on the January 18, 2022 Board of Commissioner's Meeting Agenda:

Approve the amended Financial Policies No. 3-1.

(Amended Financial Policies No. 3-1. recorded herein at Attachment A.)

4. FY2022-2023 Federal Legislative Action Plan

BACKGROUND

Cumberland County has contracted with the Hamm Consulting Group for federal legislative services. The Hamm Consulting team includes Ron Hamm, Leslie Mazingo and Debra Bryant. The team met with department heads in December to discuss key federal funding and policy issues and presented a proposed Federal Action Plan for FY2022-23 to the commissioners during the Jan. 13, 2022, agenda session. The board approved the attached Federal Action Plan and asked that it be placed on the Jan. 18 Consent Agenda.

RECOMMENDATION / PROPOSED ACTION

Approved the Federal Action Plan.

<div>2022 (FY2023) FEDERAL ACTION PLAN</div>	
Project Categories	Project and Policy Requests
Infrastructure	Water and Sewer <ul style="list-style-type: none">Gray's Creek Public Water ExtensionShaw Heights Sanitary Sewer Project (ARPA Project)County-wide Public Water and Sewer StudyFlood Prevention and Drainage Improvements Broadband <ul style="list-style-type: none">Community HotspotsDigital Equity and Literacy Sustainability <ul style="list-style-type: none">Green Buildings Development IncentivesElectric Vehicle Charging Stations
Community Support Services	Child Support <ul style="list-style-type: none">Grants to Support Training of Case Managers Veterans Services <ul style="list-style-type: none">Additional Federal Funding to support County Services to Veterans Health Services <ul style="list-style-type: none">Healthcare Related Emergency PreparednessEnvironmental HealthHealthcare for the UninsuredTeen PregnancyBehavioral Health Support (Chronically Mentally Ill, Substance Abuse)WIC Policy Changes to allow access to more peopleMaternal and Child Health Block GrantFood Security/Healthy Foods Access (Joint Fort Bragg & Cumberland County Food Policy Council, Farmers Market) Social Services <ul style="list-style-type: none">Increased Funding for the AgingChild Mental Health Crisis CenterChild Welfare and Adult Protective Services
Community Development	Shaw Heights <ul style="list-style-type: none">Affordable HousingChoice Neighborhoods Planning GrantHomelessness Funding and Support

<div>2022 (FY2023) FEDERAL ACTION PLAN</div>	
Economic Development & Workforce	HR Talent Portal Project – Transitioning Servicemembers, Military Spouses, Veterans Veterans to Agriculture Workforce Transition Program Defense Community Infrastructure Program (DCIP) – E.E. Smith High School Job Skills Training and Advancing Employment Opportunities in Trades
Public Safety	Sheriff's Office TDMA Radio Replacement Project Crime Technology Center DNA Analysis Tools Bulletproof Vests Pictometry Pictometry for Law Enforcement School Safety/Active Shooter Response At Risk Youth Delinquency Prevention Opioid Response including provision of NARCAN to First Responders
Emergency Services & Resiliency	Hazard Mitigation/Post Disaster Funding for Buy-outs and Relocation Debris and Sediment Removal from Waterways Emergency Back-up Power for Community Disaster Shelters
Environment	Per- and Polyfluoroskyl Substances (PFAS) Removal – Gray's Creek Landfill Expansion Environmental Justice Grants Diesel Emissions Reduction Act (DERA) Grant Electric Garbage Truck Fleet Conversion

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5. Incentives Agreement for E-N-G Mobile Systems, LLC (Project Lifesaver)

BACKGROUND

After a public hearing March 26, 2019, the Board approved offering economic development incentives proposed by Robert Van Geons to a company identified only as “Project Lifesaver.” That company is E-N-G Mobile Systems, LLC. It has already commenced business operations in the county. Mr. Van Geons presented the project as follows:

The proposed project would create 60 full time jobs by December 31, 2021, with 80 jobs projected by 2023. The company offers a competitive average annual salary of \$43,750, as well as a comprehensive benefits package. The company would also make a significant investment in real estate and equipment of approximately \$2,725,000. We are requesting consideration of a local incentive grant, not to exceed \$60,000.

The incentives package is performance based and there is a claw back provision so that the company has to create the jobs to secure the funds.

This is being brought back to the Board for consideration because the terms of the proposed project have changed as reflected in the attached incentives agreement. The new terms are that the company is not obligated to create any number of jobs, but the county will pay a \$1,000 cash payment to the company for each job it does create, up to 60 jobs; the comprehensive benefits package is limited to the provision of health insurance; and the claw back is now proportional to the project investment, not the creation of jobs. The average annual salary requirement remains the same.

RECOMMENDATION / PROPOSED ACTION

The Board unanimously approved this incentives agreement with E-N-G Mobile Systems, LLC, at the January 13, 2021, Agenda Session.

6. American Rescue Plan Policies and Program Items

BACKGROUND

The American Rescue Plan Committee met on Dec. 21, 2021, and Jan. 11, 2022. The attached items were presented to the Board of Commissioners at their Jan. 13 Agenda Session and approved to move to the Jan. 18 Consent Agenda.

The items are:

- ARPA Grant Project Ordinance
- Policy for Allowable Costs and Cost Principles for Expenditures
- Policy for Aid to Nonprofit Organizations
- RFP for Nonprofit Organizations
- Policy for Small Business Economic Assistance
- Small Business Economic Assistance Application
- RFP for Owner's Representative - Commercial Real Estate

In addition, the County Manager thus far has requested, and the ARP Committee recommended, that the County create two positions to work on the County's ARP activities - a Project Manager and a Financial Accountant.

RECOMMENDATION / PROPOSED ACTION

Approve the attached ARP policies and program items and the hiring to two positions to work on the County's ARP activities.

(ARPA Grant Project Ordinance, ARP Policies and Program Items recorded herein as Attachment B.)

MOTION: Commissioner Evans moved to approve consent agenda Items 2.A. – 2.K.6.
SECOND: Commissioner Boose
VOTE: UNANIMOUS (7-0)

3. PUBLIC HEARINGS

Contested Rezoning Cases

A. Case ZON-21-0021: Rezoning from C1(P) Planned Local Business District to C2(P) Planned Service and Retail District on 5.5 +/- acres or more restrictive zoning district; located at 2449 Lillington Hwy; submitted by Jeffrey Eugene (agent) on behalf of Stuart Lewis (owner).

Rawls Howard, Planning and Inspections Director, showed vicinity or location maps and aerial views of the subject property. Mr. Howard provided overviews of the current land uses, current zonings, and surrounding land uses and zonings as well as soil conditions. Mr. Howard stated the site will have to be served by septic and water lines are present at the site. Mr. Howard stated C1(P) is the least intrusive of the commercial districts and intended to provide convenience goods and services to the immediate neighborhood; C2(P) allows permitted commercial uses typically not associated with intrusive activities abutting residential areas; and CP is the most intense and used for heavy commercial activities. Mr. Howard stated the request is consistent with the Spring Lake Land Use Plan (2002) which calls for light commercial at this location, but staff felt the request would allow certain commercial uses and intensity that would be incompatible and not in harmony with the surrounding land use activities and zoning. Mr. Howard stated the Planning Board recommended denial by a vote of 4 to 2.

Commissioner Keefe asked why the property owner was looking for a change in zoning. Mr. Howard stated this was initially driven by a code enforcement action during which officers noticed there was work being constructed on the site; a time-out was placed on the code enforcement matter and further investigation revealed the applicant wanted to put small engine repairs or something along those lines which would require a rezoning from C1(P) to C2(P).

Chairman Adams opened the public hearing for Case ZON-21-0021.

The clerk to the board called the following speaker for Case ZON-21-0021:

Jeffery Eugene – Mr. Eugene appeared as a proponent and stated the property owner said he could use the property to conduct small engine repairs, but he did not know all that would be involved with zoning and permits to do so. Mr. Eugene stated he was told the zoning would have to change to C2(P) to do small engine repairs. Mr. Eugene stated he put up the fence for safety purposes.

Chairman Adams closed the public hearing for Case ZON-21-0021.

Questions followed about buildings currently on the subject site and the fence constructed on the site by Mr. Eugene. Commissioner Keefe asked whether C2(P) with conditions could be done. Mr. Howard stated that was offered as an option, but the applicant did not apply for it and instead applied for a conventional rezoning. Commissioner Evans stated he would like this case settled at this meeting so Mr. Eugene can go about his business. Commissioner Keefe asked Mr. Eugene if he would accept C2(P) with conditions. Mr. Eugene stated he would be willing to accept C2(P) with conditions but did not know he could do that because the Planning staff person he was working with resigned. Chairman Adams asked Mr. Howard what he would recommend in terms of sending this case back. Mr. Howard stated the board can send the case back to the Planning Board with a request for conditional zoning. Commissioner Adams stated he would like Mr. Eugene to understand what that means so he can make an informed decision. Mr. Howard stated

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any conditional use would require a site plan and because Mr. Eugene is the agent, the property owner would also have to sign off on it.

MOTION: Commissioner Boose moved to defer Case ZON-21-0021 and bring it back after the owner and the agent meet with Planning staff.
SECOND: Commissioner Keefe
VOTE: PASSED (6-1) (Commissioners Lancaster, Council, Stewart, Adams, Boose and Keefe voted in favor; Commissioner Evans voted in opposition)

B. Case ZON-21-0025: Rezoning from A1 Agricultural District to C2(P) Planned Service and Retail District on 1.00 +/- acres or more restrictive zoning district; located south of Sanderosa Road and west of Baywood Road; submitted by Eugene and Vernorine and Young (owners).

Mr. Howard showed vicinity or location maps and aerial views of the subject property. Mr. Howard provided overviews of the current land uses, current zonings, and surrounding land uses and zonings as well as soil conditions. Mr. Howard stated the site will have to be served by septic and water lines are located at the front of the property. Mr. Howard stated the intent is to conduct motor vehicle washing services or a car wash. Mr. Howard stated the request is not consistent with the Eastover Land Use Plan which calls for rural density residential at this location. Mr. Howard stated the C2(P) Planned Service and Retail District would allow commercial uses at an intensity that would not be compatible or in harmony with the rural character of the area, surrounding land use activities, and zoning. Mr. Howard stated Planning and Inspections staff and the Planning Board recommended denial by a unanimous vote.

Commissioner Boose posed questions about surrounding and adjacent properties, and property owners and roads in close proximity to the subject site.

Chairman Adams opened the public hearing for Case ZON-21-0025.

The clerk to the board called the following speaker for Case ZON-21-0025:

Vernorine Young – Ms. Young appeared as a proponent and stated she and her husband had a car wash on Ramsey Street but when a new car wash opened, they were forced to close because they were not making enough money. Ms. Young stated they own property in Eastover, and it is best for them to get the property rezoned so they can open a car wash to serve the Eastover area. Ms. Young stated they have been in the car wash business for 18 years and do not use harsh chemicals. Ms. Young stated the car wash will provide employment for family members and others who are out of work.

Chairman Adams closed the public hearing for Case ZON-21-0025.

Commissioner Keefe stated while he appreciates the entrepreneurial spirit and helping out the family, his concern is that this is a highly residential area and opening a car wash would not be harmony with the residential neighbors.

MOTION: Commissioner Keefe moved in Case ZON-21-0025 to deny the rezoning request from A1 Agricultural District to C2(P) Commercial Planned Service and Retail District and find the request is not consistent with the Eastover Land Use Plan which calls for Rural Density Residential at this location. Recommending denial is reasonable and in the public interest because the C2(P) Planned Service and Retail District would allow commercial uses at an intensity that would not be compatible or in harmony with the rural character of the area, surrounding land use activities, and zoning.
SECOND: Commissioner Council

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DISCUSSION: Commissioner Boose asked whether the difference involved paying wages for a service conducted on the property when considering that car wash fundraisers are conducted across the county. Commissioner Boose asked what would prevent the Young family from running a hose and washing cars on the subject property. Mr. Howard stated it would require C2(P) zoning to allow a commercial activity that is an ongoing operation on the subject site.

VOTE: PASSED (4-3) (Commissioners Council, Stewart, Adams and Keefe voted in favor: Commissioners Lancaster, Evans and Boose voted in opposition)

RECOGNITION

Jeanae Zinzow, Miss Black North Carolina

Commissioner Stewart called Ms. Jeanae Zinzow to the podium and provided the following remarks in recognition of her being crowned the 2022 Miss Black North Carolina.

I would like to take a moment to celebrate the 2022 Miss Black North Carolina winner, Ms. Jeanae Zinzow. She stands before us as the crowned winner and youngest woman to win this title.

The youngest of three children, to a father who is a disabled U.S Army Veteran, and a mother who is a certified medical assistant, Jeanae was inspired at a young age to embark on a career of selfless service working on the front lines of the medical field. It is important to note that Jeanae's special recognitions and awards do not start with being crowned Miss Black North Carolina 2022.

Instead, during her pre-collegiate years, Jeanae competed in her first pageant at the age of 13 and in 2017, she won the title of Miss Spokesmodel.

She has worked as a teacher's assistant, was named the winner of the Health Academy District Competition, received a silver level award for the A.C.T National Career Readiness Certificate, and a Silver Presidential Academic Award recognizing her academic success in the classroom.

Jeanae even showcased her leadership skills as the captain of the junior varsity and varsity cheerleading teams at Westover High School, located here in Fayetteville, NC.

Now...in her third year at Fayetteville State University studying nursing with a concentration in midwifery, she plans to continue her education by pursuing her master's degree.

The Miss Black North Carolina USA System was founded to provide personal and professional opportunities for African American women, and to promote their voices in culture, politics and the community.

Academics are a prominent focal point within this organization. They are one of the nation's leading achievement programs as well as one of the largest providers of scholarship assistance for African American women.

To be crowned Miss Black North Carolina and become an official delegate is an enormous achievement.

This means you not only embody the Miss Black North Carolina mission statement, but shows you are committed to being an active representative for the betterment of young women and leading the way for other black girls.

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Tonight, we congratulate you for continuing to showcase what it truly means to be Miss Black North Carolina.

Ms. Zinzow offered comments stating that she is on her way to showcase herself at the national competition and represents a strong face for all. The family of Ms. Zinzow was introduced. Chairman Adams thanked Ms. Zinzow for representing Cumberland County and North Carolina.

4. ITEMS OF BUSINESS

A. Consideration of Request for Proposal (RFP) Results For Cumberland County Multi-Purpose Event Center

BACKGROUND

At the request of the Board of Commissioners', staff solicited a Request for Proposal for the Cumberland County Multi-Purpose Event Center on November 5, 2021. The period for questions and answers closed on November 12, 2021, and written responses to the questions were provided to all vendors. All submissions were due to the County by 5:00 p.m., December 3, 2021. We received three responses to the RFP from MBP Carolinas, Inc., Legends Project Development, and Violet Crown Management, LLC.

An internal committee was established that included Management, Engineering and Finance. In addition, Trent Merritt and Seth Benalt with Spectra Venue Management participated in the entire process with the committee as industry experts and advisors.

During the week of December 6, 2021, the committee evaluated, scored proposals and ranked the firms accordingly. On December 16 -17 2021, the committee conducted in-person interviews with all three firms. The committee met on December 20, 2021 and narrowed the search to two firms, MBP Carolinas, Inc. and Legends Project Development. Second interviews were conducted virtually on December 23, 2021.

On January 5, 2022, the committee further evaluated and scored the final two firms based upon the second interviews and follow-up questions. MBP Carolinas, Inc. received a score of 407 out of a possible 500 points with Legends Project Development receiving a score of 371.

- The following criteria was utilized to evaluate each firm:
- Understanding of the project and proposed strategies.
- Cost effectiveness of the proposed fee structure and ability of the firm to maximize use of funds allocated for the project.
- Qualifications of personnel, approach to deliverables, and quality of recommendations.
- Relevant experience in undertaking projects of similar scope, complexity, importance and value, and lessons learned to be applied to this project.
- Presentation and Interview. Quality and clarity of proposal.

Based upon the multiple levels of review and consideration, the committee is recommending MBP Carolinas, Inc. to serve as the Owner's Representative for development of the county's multipurpose facility.

RECOMMENDATION / PROPOSED ACTION

At the January 13, 2022 Agenda Session the Board moved the following recommendations forward as an Item of Business:

- Accept the selection of MBP Carolinas, Incorporated, the Owner's Representative for the Cumberland County Multi-Purpose Event Center.
- Authorize the Committee to negotiate a contract with MBP Carolinas, Inc. and once approved by Legal, the contract will be presented to the Board of Commissioners for review and approval.

Jermaine Walker, Engineering and Infrastructure Director, summarized the background information and recommendation/proposed action recorded above. Commissioner Boose posed questions about the proposed contract with MBP Carolinas, Inc. Mr. Walker stated the contract being negotiated came from the vendor and will be reviewed by the County Attorney's office. Chairman Adams referenced the Multi-Purpose Center Committee he appointed. Commissioner Boose stated he has not done a Performing Arts Center before and it is too easy to let the Owner's Representative tell the county how to do it. Commissioner Boose stated what the county needs to do instead is to look around for consensus contracts.

MOTION: Commissioner Lancaster moved to accept the selection of MBP Carolinas, Incorporated, the Owner's Representative, for the Cumberland County Multi-Purpose Event Center; authorize the Committee to negotiate a contract with MBP Carolinas, Inc; and once approved by Legal, present the contract to the Board of Commissioners for review and approval.

SECOND: Commissioner Council

VOTE: PASSED (6-1) (Commissioners Lancaster, Council, Stewart, Adams, Evans and Keefe voted in favor; Commissioner Boose voted in opposition)

B. Consideration of Formal Bid Award for Judge E. Maurice Braswell Courthouse and Department of Social Services (DSS) Roof Replacement

BACKGROUND

On January 4, 2022, the Department of Engineering and Infrastructure conducted a bid-opening for the Department of Social Services and Judge E. Maurice Braswell Courthouse Roof Membrane Re-covering. The projects were consolidated to give the County leverage and reduce costs. The lowest responsive and responsible bid was Owens Roofing, Incorporated, at \$1,717,274.00. The validity, limitation, and classification of the apparent low bidder's North Carolina General Contractors License have been verified with the NC Licensing Board for General Contractors.

Both projects were approved for funding as Fiscal Year 22 capital improvement projects at \$1.9M.

RECOMMENDATION / PROPOSED ACTION

At the January 13, 2022 Agenda Session the Board moved the following action forward as an Item of Business.

- Approval of bid award for Department of Social Services and Judge E. Maurice Braswell Courthouse Roof Membrane Re-Covers to Owens Roofing, Incorporated, based on the best overall value standard of award.
- Authorize the County Manager to approve change orders.

Mr. Walker summarized the background information and recommendation/proposed action recorded above.

MOTION: Commissioner Boose moved to approve the bid award for Department of Social Services and Judge E. Maurice Braswell Courthouse Roof Membrane Re-Covers to Owens Roofing, Incorporated, based on the best overall value standard of award and authorize the County Manager to approve change orders

SECOND: Commissioner Evans

VOTE: UNANIMOUS (7-0)

C. Consideration of Amendment to a Contract with Innovative Emergency Management, Inc. and Associated Budget Ordinance Amendment #220109

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BACKGROUND

Cumberland County received notice that the United States Treasury released funds for the remainder of the Emergency Rental Assistance Program Second Allocation (ERAP2) in the amount of \$1,773,457.20. Included with this memo is a proposed amendment to the contract with Innovative Emergency Management, Inc. increasing the total amount of the contract to reflect the recently released funding (see attachment for a copy of the proposed contract). Under the amended contract, IEM would be paid a fee for its administrative and/or housing stability services in an amount not to exceed 25% of the second allocation of which no more than 15% can be used for administrative costs.

RECOMMENDATION / PROPOSED ACTION

At the January 13, 2022 Agenda Session the following recommendations were moved forward as an Item of Business:

- Accept the funds from the U.S. Treasury for the remainder of ERAP 2 in the amount of \$1,773,457.20
- Approve the associated budget amendment B220109
- Authorize the County Manager to sign the amended agreement

Tracy Jackson, Assistant County Manager, summarized the background information and recommendation/proposed action recorded above. Mr. Jackson stated the county is awaiting additional funding. Commissioner Keefe stated the Emergency Rental Assistance Program is good, but his concern is the change in the administrative fee from 8% of the first allocation to 25% of the second allocation. Commissioner Keefe stated 25% of \$1.7M is \$450,000 which could help a lot of people. Commissioner Keefe stated he will not support this contract due to the 25% administrative fee. Commissioner Evans stated it is urgent to get this funding into the hands of the people who need it. Questions followed. Commissioner Boose stated although he agrees with concerns expressed by Commissioners Keefe and Evans, he would not triple the fee if he was not pleased with what IEM, Inc. did before.

MOTION: Commissioner Council moved to accept the funds from the U.S. Treasury for the remainder of ERAP 2 in the amount of \$1,773,457.20; approve the associated budget amendment B220109 and authorize the County Manager to sign the amended agreement.

SECOND: Commissioner Lancaster

VOTE: PASSED (4-3) (Commissioners Lancaster, Council, Stewart and Adams voted in favor; Commissioners Evans, Boose and Keefe voted in opposition)

5. NOMINATIONS

A. Home and Community Care Block Grant Committee (5 Vacancies)

Commissioner Stewart nominated Delores “Dee” Boyer, Rebecca “Becky” Rebec, Kevin Walker, Debra Kinney, and Felicia Johnson to the Home and Community Care Block Grant Committee.

B. Mid-Carolina Aging Advisory Council (1 Vacancy)

Commissioner Stewart nominated Jackie Warner to the Mid-Carolina Aging Advisory Council in the Elected Official category.

6. APPOINTMENTS

A. Civic Center Commission

MOTION: Commissioner Stewart moved to appoint Mark J. Yarboro, Charles McBryde Grannis, Dr. Vikki Andrews, Greg Edge, and Joseph F. Quigg IV to the Civic Center Commission.
SECOND: Commissioner Council
VOTE: UNANIMOUS (7-0)

7. CLOSED SESSION

There was no closed session.

MOTION: Commissioner Evans moved to adjourn.
SECOND: Commissioner Council
VOTE: UNANIMOUS (7-0)

There being no further business, the meeting adjourned at 7:50 p.m.

Approved with/without revision:

Respectfully submitted,

Candice H. White
Clerk to the Board

Cumberland County

Section I – Board Approved Policies

Subsection 3: Cumberland County Financial / Audit

Policy No. 3-1: Financial Policies

1.0 PURPOSE

The County of Cumberland has established comprehensive financial policies supporting management of our financial resources by providing effective control, prudent decision making and compliance with legal requirements.

2.0 SCOPE

The essential goals to be accomplished through consistent application of these policies include:

- To align long-term financial planning with short-term daily operations and decision-making.
- To maintain and improve the County's financial position.
- To maintain the County's credit ratings by meeting or exceeding the requirements of rating agencies through sound, conservative financial decision making.
- To comply with the North Carolina Budget and Fiscal Control Act and the policies of the North Carolina Local Government Commission (the "LGC").
- To ensure cost effective, efficient and timely procurement of necessary goods and services to enable County departments in achieving their mission of effective service delivery to all citizens.
- To provide credibility to the citizens of the County regarding financial operations through active investment, debt and procurement management as well as financial planning and monitoring.

3.0 STATEMENT OF POLICIES

The financial policies are broken into three separate categories: Operating Budget / Fund Balance Policies, Asset Liability Management Policies and Accounting, Auditing and Financing Reporting Policies.

The Cumberland County Board of Commissioners (the "Board") is a seven-member board, with each member serving a four-year term. ~~To enhance communication and effective decision making, four subcommittees of the Board have been in existence for many years. These three member subcommittees have been structured to focus on the following areas; Finance, Policy, Personnel, and Facilities issues. Each committee meets monthly as needed, in a published, open meeting.~~ The Finance Committee serves as the Audit Committee of the County and makes recommendations

to the full Board upon review of issues that have a fiscal impact upon the County. Periodically, the Finance Director updates the Committee-Board on the financial condition of the County as a part of their monthly reporting included in the agenda. The annual audit is presented in detail to the Board annually at a night meeting which is televised on a local channel for the citizens of Cumberland County and is also available through multiple internet/web connections.

4.0 OPERATING BUDGET / FUND BALANCE POLICIES

4.1 Budget Guidelines

- 4.1.1 The County's Annual Budget Ordinance will be balanced in accordance with the Local Government Budget and Fiscal Control Act (G.S. 159-8(a)).
- 4.1.2 The County's operating budget will be prepared in accordance with Generally Accepted Accounting Principles.
- 4.1.3 The County's Annual Budget Ordinance will be adopted by each July 1 (G.S. 159-13(a)).
- 4.1.4 The annual budget shall be developed as a financial plan to achieve long-term and short-term goals adopted by the Governing Board and as an operational guide for provision of programs and services to the community.

4.2 Revenue Policy

- 4.2.1 Ad Valorem Tax – As provided by the North Carolina Budget and Fiscal Control Act, estimated revenue from the Ad Valorem Tax levy will be budgeted as follows:
 - a. Assessed valuation will be estimated based upon historical trends and growth patterns in a conservative manner.
 - b. The estimated percentage of collection will not exceed the actual collection percentage of the preceding fiscal year, in accordance with State law.
 - c. The property tax rate will be set each year based upon the costs of providing general governmental services, meeting debt service obligations and maintaining any reserves or fund balances the Board deems necessary.
- 4.2.2 Economically Sensitive Revenues – The County has certain revenues, specifically occupancy, food and beverage, and sales taxes that can be adversely affected by regional and national economic conditions and

military deployments. These revenues shall be budgeted in a conservative manner.

- 4.2.3 User Fees – The Board will establish all user fees annually. The user fees will maximize charges for services that can be individually identified and where costs are directly related to the provision of or to the level of service provided.

Emphasis on user fees results in the following benefits:

- The burden on the Ad Valorem tax is reduced.
- User fees are paid by all users, including those exempt from property taxes.
- User fees help minimize subsidization in any instance where there are requirements in order to qualify for the use of the service and the service is not provided to the general public.
- User fees produce information on the demand level for services and help to make a connection between the amount paid and the services rendered.

- 4.2.4 Interest Income – Interest income is subject to variability based upon changes in prevailing interest rates, which cannot be predicted with certainty. Such revenue shall therefore be budgeted in a conservative manner within the Annual Budget Ordinance and shall comply with Section III of this policy regarding Asset – Liability Management.

- 4.2.5 Grant Funding – Staff will pursue opportunities for grant funding. Application for grant funding will be made after a grant has been evaluated for consistency with the Board's goals and compatibility with County programs and objectives. Staff must have prior approval from the County Manager to apply for a grant. All awarded grants can only be accepted by Board action at which time the related budget shall be established.

- a. Grants that have been awarded in prior years and are recurring in nature will be included and addressed through the annual budget process.
- b. Grants that fund operating expenditures but have a funding termination date must fully disclose that fact to the Board prior to acceptance.
- c. The grant manager for each grant shall be the related department head. The grant manager is responsible for all grant monitoring, compliance and reporting. The departmental grant manager will provide copies of all documents to the ~~Finance Department~~County Grants Writer/Manager who will maintain a grant file by fiscal year for each active grant.

- d. Existing exceptions that relate to annual allocation amounts must be approved by ~~County Finance~~the Budget Officer/County Manager.

4.3 Expenditure Policy – Expenditures will be processed in accordance with the requirements of G.S. 159-28, Budgetary Accounting for Appropriations.

- 4.3.1 Expenditure budgets shall be monitored throughout the fiscal year by department heads, ~~the Finance Department~~ the Budget Division, and the County Manager. Budget compliance is the responsibility of the department head and the ~~Finance Director~~Budget Division.
- 4.3.2 Budgeted funds will only be spent for categorical purposes for which they are intended. The annual operating budget ordinance defines staff authorization for operating budget adjustments. Appropriations of debt proceeds will be made only for the purpose for which such debt instrument was issued or for the payment of debt principal and interest. Donations will be spent only toward the intent for which they were given.
- 4.3.3 For continuing contracts, funds will be appropriated in the annual budget ordinance to meet current year obligations arising under the contract, in accordance with G.S. 160A-17.
- 4.3.4 Payroll will be processed in accordance with the requirements of the Fair Labor Standards Act. Overtime and benefit payments will be made in accordance with the County's Personnel Ordinance.
- 4.3.5 The County will fund current expenditures with current resources and will strive to avoid balancing budgets utilizing one-time revenues, in accordance with the Fund Balance Policy below.
- 4.3.6 ~~The County will employ the use of the carryover method for re-appropriating outstanding purchase orders and contracts as of the end of each fiscal year into the new fiscal year. The process shall be explained in detail in each year's budget ordinance. Cumberland County has a revenue spending policy that provides guidance for programs with multiple revenue sources.~~ The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, state funds, local fees, and then county funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County.

4.4 Reserve / Fund Balance Policy

- 4.4.1 In accordance with State statute, appropriated fund balance in any fund will not exceed the sum of cash and investments less the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts.
- 4.4.2 The County will maintain a General Fund unassigned fund balance of no less than 10% which exceeds the minimum eight percent (8%) recommended by the LGC. Additionally, the target goal for total spendable fund balance will be at least 15% of total expenditures for the fiscal year. The annual appropriation for subsequent years' expenditures should not exceed 3% of budgeted recurring general fund expenditures.
- a. Purpose of Reserve: These funds will be utilized to avoid cash flow interruptions, generate interest income, eliminate the need for short-term borrowing, and maintain the County's credit ratings.
 - b. Reserve Draw Downs: The fund balance may be purposefully drawn down below the target percentage for emergencies, nonrecurring expenditures, or major capital projects.
 - c. Reserve Replenishment: If the fund balance falls below the target percentage for two consecutive fiscal years, the County will replenish funds by direct appropriation beginning in the following fiscal year. In that instance, the County will annually appropriate 20% of the difference between the target percentage level and the actual balance until the target level is met.
- 4.4.3 Any General Fund unassigned fund balance that exceeds the 10% target goal may be reserved for onetime future projects.
- 4.4.4 The County will appropriate within the annual budget a General Fund Contingency appropriation each fiscal year of at least \$500,000.
- 4.4.5 The County shall maintain a School Capital Reserve account and all funds accumulated shall be used for debt service on school related debt and other school capital needs.
- a. Based on the North Carolina Association of County Commissioner's methodology for calculating statutory Article 40 and 42 set asides for school construction, the Board has committed these sales tax funds to the purposes listed immediately above.
 - b. All Public School Building Capital Fund ("ADM money") and Lottery proceeds shall be budgeted within the School Capital Reserve account and shall be used for debt service for school related debt and for school construction needs as appropriate.
- 4.4.6 Assigned for subsequent years' expenditures is the portion of fund balance that has been approved by formal action of the Board of County

Commissioners for appropriation into the next fiscal year. A modification of this amount requires action by the Board. The Board may at its discretion, make other assignments of fund balance. The Board authorizes the County Manager to amend these assigned amounts to comply with the County's fund balance percentage policies.

5.0 ASSET LIABILITY MANAGEMENT POLICIES

5.1 Capital Investment and Debt Policy (further supported by Policy No. 3-6: Capital Investment Fund Policy)

5.1.1 Capital Improvements Plan

- a. The County will update a five-year capital improvement plan (CIP) which projects capital needs and details the estimated costs, description and anticipated funding sources for capital projects.
- b. The annual update of the CIP will be presented at the Board's Budget Planning retreat and included in the annual operating budget process.
- c. The first year of the five-year CIP will be the basis of formal fiscal year appropriations during the annual budget process.
- d. The CIP will generally address those capital assets with a value of \$100,000 or more and a useful life of five years or more.
- e. The County includes equipment and furnishings as well as projected annual operating costs in the appropriate year in the CIP.
- f. The County acknowledges pay-as-you-go financing as a significant capital financing source, but will ultimately determine the most appropriate financing structure for each capital project on an individual basis after examining all relevant factors of the project.

5.1.2 Ten Year School Facilities Plan

The County requires an annual update from the Cumberland County Board of Education of its Ten Year School Facilities Plan. The County fully expects to see all new capital projects first appear in the ninth or tenth year of the school facilities plan unless dictated otherwise by State or Federal mandates of new sources of funds, such as a State bond issue for local consideration.

5.1.3 Fixed Assets

The capitalization threshold for fixed assets shall be \$5,000 and \$7,500 for capital improvements. The threshold will be applied to individual fixed

assets and not to groups of fixed assets. Fixed assets will be capitalized if they have a useful life of one year or more following the date of acquisition.

5.1.4 Debt Policy

- a. Debt will only be incurred for financing capital assets that, because of their long-term nature or because of budgetary restraints, cannot be acquired from current or budgeted resources. Debt will not be used for operational needs. Debt financing can include general obligation bonds, revenue bonds, certificates of participation, lease/purchase agreements, special obligation bonds, or any other financing instrument allowed under North Carolina law.
- b. The County will seek to structure debt and to determine the best type of financing for each financing need based on the flexibility needed to meet project needs, the timing of the project, taxpayer or rate payer equity, and the structure that will provide the lowest interest cost in the circumstances. The following guidelines will be used when structuring debt:
 - 1) Debt will be amortized on a level principal or level principal and interest basis, depending upon the specific nature of the financing.
 - 2) Maximum term of amortization of principal will be twenty-five years, twenty years for general obligation debt. Average life of outstanding debt will not exceed fifteen years.
 - 3) For general obligation debt, fifty percent of the total outstanding debt will be amortized in the first ten years of total debt outstanding.
 - 4) Fixed rate will be the predominant interest rate for County issuance. Variable rate debt will be considered on a case-by-case basis and will not exceed fifteen percent of total outstanding debt of the County. Issuance of variable rate debt will be undertaken after considering interest rate risk, ability to hedge risk in the annual budget, internal levels of fund balance, and other elements of interest rate risk management.
- c. Debt financing will be considered in conjunction with the County's CIP. Debt financing will also be considered in the Board's review of facility plans presented by the Board of Education.
- d. Upon Board approval of a capital project and a determination that the project will be financed through issuance of debt, The Board will increase the property tax rate in an amount equivalent to the

additional annual operating costs and principal and interest payments in the upcoming fiscal year, if deemed necessary.

- e. The County will strive to maintain a high level of pay-as-you-go financing for its capital improvements.
- f. Debt Affordability
 - 1) The net debt of the County, as defined in G.S. 159-55, is statutorily limited to eight percent of the assessed valuation of the taxable property within the County. The County will utilize a self-imposed ceiling of 4%.
 - 2) Total General Fund debt service will not exceed the limits imposed by the LGC. As a guide, formulas established by the LGC and rating agencies will be monitored and appropriately applied by the County. Debt service as a percentage of the general fund budget will be targeted not to exceed 15%.
- g. The County will seek to structure debt in the best and most appropriate manner to be consistent with Asset – Liability Management policies.

- h. The County will seek to employ the best and most appropriate strategy to respond to a declining interest rate environment. That strategy may include, but does not have to be limited to, delaying the planned issuance of fixed rate debt, examining the potential for refunding of outstanding fixed rate debt, and the issuance of variable rate debt. The County will seek to employ the best and most appropriate strategy to respond to an increasing interest rate environment. That strategy may include, but does not have to be limited to, the issuance of variable rate debt (a historically lower interest cost), or any other methodology deemed appropriate.
- i. The County will monitor the municipal bond market for opportunities to obtain interest rate savings by refunding on a current or advance basis for outstanding debt. The estimation of net present value savings for a traditional fixed rate refunding should be, at a minimum, in the range of 2.5% to 3% of the refunded maturities before a refunding process begins.
- j. The County will strive for the highest possible bond ratings in order to minimize the County's interest costs.
- k. The County will normally obtain at least two ratings (Moody's and Standard & Poor's) for all publicly sold debt issues.
- l. While some form of outstanding debt exists, the County will strive to have a portion of that debt in the form of general obligation debt.
- m. The County will provide annual information updates to each of the debt rating agencies.
- n. The County will use the Annual Comprehensive ~~Annual~~ Financial Report (the "CAFRACFR") as the disclosure document for meeting its obligation to provide certain annual financial information to the secondary debt market via various information repositories, including the Electronic Municipal Market Access (EMMA). The annual disclosure is a condition of certain debt covenants and contracts that are required by SEC Rule 15c2-12. In addition to annual reporting disclosure, disclosure is also to be made within ten days of encountering a material event, such as a bond rating change or a bond call.

5.2 Cash Management and Investment Policy

5.2.1 Receipts

- a. Cash receipts will be collected as expediently as reasonably possible to provide secure handling of incoming cash and to move these monies into interest bearing accounts and investments.

- b. All incoming funds will be deposited daily as required by State law.
- c. The Finance Director is responsible for coordinating at least two random or risk based internal audits of cash receipting locations per fiscal year.
- d. Funds received from the American Rescue Plan Act of 2021 (ARPA) are not subject to the requirements of the Federal Cash Management Improvement Act and Treasury's implementing regulations at 31 CFR part 205 or 2 CFR 200.305(b)(8)-(9). The County is not required to remit these funds back to the U.S. Treasury, nor are the interest earnings required to be utilized for ARPA eligible expenditures. Therefore, Cumberland County's ARPA funds will be placed in interest-bearing accounts. The June 30 end of fiscal year balance of interest earnings of the ARPA fund will be budgeted and transferred into the county's general fund the following fiscal year. These funds may be utilized for any public purpose and are not restricted.

5.2.2 Cash Disbursements – All disbursements will be made in accordance with the Expenditure Policy (Section 4.3). Electronic payment transactions are allowed.

- a. The County's objective is to retain monies for investment for the longest appropriate period of time.
- b. Disbursements will be made timely in advance of or on the agreed-upon contractual date of payment unless earlier payment provides greater economic benefit to the County.
- c. Inventories and supplies will be maintained at minimally appropriate levels for operations in order to increase cash availability for investment purposes.
- d. Dual signatures are required for County checks. Electronic signature of checks is approved.

5.2.3 Investment Policy

- a. Policy

It is the policy of the County to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow requirements of the County and conforming to all State statutes governing the investment of idle funds.

- b. Scope

This investment policy applies to all financial assets of the County except authorized petty cash, trust funds administered by the Social Services Director, and debt proceeds, which are accounted for and invested separately from pooled cash. The County pools the cash resources of its various funds and participating component units into a single pool in order to maximize investment opportunities and returns. Each fund's and participating component unit's portion of total cash and investments is tracked by the financial accounting system.

c. Prudence

- 1) The standard of prudence to be used by authorized staff shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.
- 2) Authorized staff acting in accordance with procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

d. Authorized Staff

- 1) G.S. 159-25(a)6 delegates management responsibility for the investment program to the Finance Director. The Finance Director will establish and maintain procedures for the operation of the investment program that are consistent with this policy. Such procedures will include delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director will be responsible for all transactions undertaken and will establish and maintain a system of controls to regulate the activities of subordinates.
- 2) In the absence of the Finance Director and those to which he or she has delegated investment authority, the County Manager or his or her designee is authorized to execute investment activities.

e. Objectives

The County's objectives in managing the investment portfolio, in order of priority, are safety, liquidity, and yield.

1) Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To best mitigate against credit risk (the risk of loss due to the failure of the security issuer) diversification is required. To best mitigate against interest rate risk (the risk that changes in interest rates will adversely affect the market value of a security and that the security will have to be liquidated and the loss realized) the second objective, adequate liquidity, must be met.

2) Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating and debt service cash requirements that may be reasonably anticipated. The portfolio will be structured so that securities mature concurrent with cash needs (static liquidity), with securities with an active secondary market (dynamic liquidity), and with deposits and investments in highly liquid money market and mutual fund accounts.

3) Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary, economic and interest rate cycles, taking into account investment risk constraints and liquidity needs.

f. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the County Manager any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial or investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with

GRANT PROJECT BUDGET ORDINANCE #220015

**AMERICAN RESCUE PLAN ACT OF 2021: CORONAVIRUS STATE AND LOCAL
FISCAL RECOVERY FUNDS**

The Cumberland County Board of Commissioners hereby adopts the following Grant Project Ordinance in accordance with North Carolina General Statutes 159-13.2:

Section 1. This ordinance is to establish a budget for a project to be funded by the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (CSLFRF). Cumberland County has received the first tranche in the amount of \$32,584,345 of CSLFRF funds. The total allocation is \$65,168,690, with the remainder to be distributed to Cumberland County within 12 months. These funds may be used for the following categories of expenditures, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Provide services to disproportionately impacted communities to include providing housing support, healthy childhood environments, social, emotional and mental health services;
4. Provide premium pay for essential workers offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors;
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.
6. Revenue replacement; and,
7. Administrative expenses.

Section 2. The following amounts are appropriated for the project and authorized for expenditure:

ARPA Reporting Code	Fund 240 Expenditure Category	Project Description	Cost Object	Appropriation of CSLFRF Funds	Project Allocation Total
1.11	Public Health (2404551)	Substance Use Services: purchase Narcan for distribution to the Sheriff's Office and County Fire Departments.	Medical Supplies	\$ 140,000	\$ 140,000
2.2	Address Negative Economic Impacts (2404552)	Mortgage Assistance: Make funding available to assist residents at risk of foreclosure.	Contracted Services	2,000,000	2,000,000
2.5	Address Negative Economic Impacts (2404552)	Rental Assistance: Make funding available to assist renters at risk of eviction.	Contracted Services	1,500,000	1,500,000
2.7	Address Negative Economic Impacts (2404552)	Job Training Assistance: Trade job training programs in partnership with FTCC, Mid-Carolina COG - Workforce Development, and Cumberland County Schools.	Contracted Services	2,000,000	2,000,000
2.9	Address Negative Economic Impacts (2404552)	Small Business Economic Assistance: Aid to small businesses affected by COVID-19 impacts.	Contracted Services	3,500,000	3,500,000
2.10	Address Negative Economic Impacts (2404552)	Aid to Nonprofit Organizations: Aid to nonprofits serving residents affected by COVID-19 impacts.	Contracted Services	3,500,000	3,500,000
3.10	Support Disproportionately Impacted Communities (2404553)	Housing Support: Affordable Housing - New construction of multi-family housing developments in Shaw Heights (QCT 24.01).	Engineering/Construction	10,000,000	10,000,000
3.11	Support Disproportionately Impacted Communities (2404553)	Housing Support: Services for Unhoused Persons - Planning funding for a homeless shelter to determine number of beds, who will be served, how large facility should be, construction cost, operational questions and other aspects.	Engineering/Construction	250,000	250,000
3.12	Support Disproportionately Impacted Communities (2404553)	Housing Support: Other housing assistance - First-time home buyers' program.	Contracted Services	2,500,000	2,500,000
5.5	Water/Sewer Infrastructure (2404555)	Clean Water: Other Sewer Infrastructure - Construction of a sanitary sewer system to be located in Shaw Heights (QCT 24.01).	Engineering/Construction	12,000,000	12,000,000
5.5	Water/Sewer Infrastructure (2404555)	Clean Water: Other Sewer Infrastructure - Construction of a sanitary sewer system to be located in the Gray's Creek Water and Sewer District.	Engineering/Construction	10,000,000	10,000,000
1.7	BOC Meeting Room	Physical plant changes to Public Facilities that respond to the COVID-19 Public Health Emergency.	Engineering/Construction	3,000,000	3,000,000
7.1	Administration (2404557)	Administration/Contingency – 3.5 County positions to manage CSLFRF programs and compliance requirements.			6,500,00
			Salaries	1,321,348	
			Benefits	514,616	
			Unassigned	4,664,037	
NA	Unallocated Funds	Funds to be allocated at future date	Unallocated Funds	8,278,690	
TOTAL				\$ 65,168,690	\$ 65,168,690

Section 3. The following revenues are anticipated to be available to complete the project:

CSLFRF Funds:	\$65,168,690
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Section 4. The Finance Director is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements.

Section 5. The Finance Director is hereby directed to report the financial status of the project to the governing board on a quarterly basis.

Section 6. Within five days after adoption, copies of this ordinance shall be filed with the Finance Officer, Budget Officer, and Clerk to the Board, to be kept on file by them for their direction in the disbursement of County funds for this project.

Section 7. This grant project ordinance shall expire on December 31, 2026, or when all the CSLFRF funds have been obligated and expended by the County, whichever occurs sooner.

Adopted this _____ day of _____, 2022.

Attest:

Clerk to the Board

Chairman, Board of County Commissioners

Cumberland County
Section I – Board Approved Policies
Subsection 3: Cumberland County Financial / Audit
Policy No. 3-8: Policy for Allowable Costs and Cost Principles for Expenditures of
American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds
(ARPA/CSLFRF)

1.0 PURPOSE

Cumberland County has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARPA/CSLFRF). A separate ARPA fund has been established through an ARPA Grant Project Ordinance to budget and account for receipt and use of the funds.

2.0 SCOPE

These funds may be used for the following categories of expenditures, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Provide services to disproportionately impacted communities to include providing housing support, healthy childhood environments, social, emotional and mental health services;
4. Provide premium pay for essential workers offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors;
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.
6. Revenue replacement; and,
7. Administrative expenses.

These funds are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Sect. 200 (UG), as provided in the [Assistance Listing](#); and the [Compliance and Reporting Guidance for the State and Local Fiscal Recovery Funds](#) provides, in relevant part:

Allowable Costs/Cost Principles. As outlined in the Uniform Guidance at 2 CFR Part 200, Subpart E regarding Cost Principles, allowable costs are based on the premise that a recipient is responsible for the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with the program objectives and terms and conditions of the award. Recipients must implement robust internal controls and effective monitoring to ensure compliance with the Cost Principles, which are important for building trust and accountability.

ARPA/CSLFRF Funds may be, but are not required to be, used along with other funding sources for a given project. Note that ARPA/CSLFRF Funds may not be used for a non-

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Federal cost share or match, where prohibited by other Federal programs, e.g., funds may not be used for the State share for Medicaid.

Treasury's Interim Final Rule and guidance and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR 200.425, a reasonably proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996 are allowable; however, costs for audits that were not performed in accordance with 2 CFR Part 200, Subpart F are not allowable. Please see 2 CFR Part 200, Subpart E regarding the Cost Principles for more information.

- a. Administrative costs: 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. Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. Pursuant to the ARPA/CSLFRF Award Terms and Conditions, recipients are permitted to charge both direct and indirect costs to their SLFRF award as administrative costs. Direct costs are those that are identified specifically as costs of implementing the ARPA/CSLFRF program objectives, such as contract support, materials, and supplies for a project. Indirect costs are general overhead costs of an organization where a portion of such costs are allocable to the ARPA/CSLFRF award such as the cost of facilities or administrative functions like a director's office. Each category of cost should be treated consistently in like circumstances as direct or indirect, and recipients may not charge the same administrative costs to both direct and indirect cost categories, or to other programs. If a recipient has a current Negotiated Indirect Costs Rate Agreement (NICRA) established with a Federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10 percent of the modified total direct costs pursuant to 2 CFR 200.414(f).
- b. Salaries and Expenses: In general, certain employees' wages, salaries, and covered benefits are an eligible use of ARPA/CSLFRF award funds; and

Subpart E of the UG dictates allowable costs and cost principles for expenditure of ARPA/CSLFRF funds; and Subpart E of the UG (specifically, 200.400) states that:

The application of these cost principles is based on the fundamental premises that:

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- (a) The non-Federal entity is responsible for the efficient and effective administration of the Federal award through the application of sound management practices.
- (b) The non-Federal entity assumes responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.
- (c) The non-Federal entity, in recognition of its own unique combination of staff, facilities, and experience, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the Federal award.
- (d) The application of these cost principles should require no significant changes in the internal accounting policies and practices of the non-Federal entity. However, the accounting practices of the non-Federal entity must be consistent with these cost principles and support the accumulation of costs as required by the principles and must provide for adequate documentation to support costs charged to the Federal award.
- (e) In reviewing, negotiating and approving cost allocation plans or indirect cost proposals, the cognizant agency for indirect costs should generally assure that the non-Federal entity is applying these cost accounting principles on a consistent basis during their review and negotiation of indirect cost proposals. Where wide variations exist in the treatment of a given cost item by the non-Federal entity, the reasonableness and equity of such treatments should be fully considered.
- (f) For non-Federal entities that educate and engage students in research, the dual role of students as both trainees and employees (including pre- and post-doctoral staff) contributing to the completion of Federal awards for research must be recognized in the application of these principles.
- (g) The non-Federal entity may not earn or keep any profit resulting from Federal financial assistance, unless explicitly authorized by the terms and conditions of the Federal award.

3.0 STATEMENT OF THE POLICY

Cumberland County hereby adopts and enacts the following US Cost Principles Policy for the expenditure of ARPA/CSLFRF funds.

ALLOWABLE COSTS AND COSTS PRINCIPLES POLICY OVERVIEW

[Title 2 U.S. Code of Federal Regulations Part 200](#), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance (UG), specifically Subpart E, defines those items of cost that are allowable, and which are unallowable. The tests of allowability under these principles are: (a) the costs must be

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reasonable; (b) they must be allocable to eligible projects under the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARPA/CSLFRF); (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the ARPA/CSLFRF grant award as to types or amounts of cost items. Unallowable items fall into two categories: expenses which are by their nature unallowable (e.g., alcohol), and unallowable activities (e.g., fund raising). Cumberland County shall adhere to all applicable cost principles governing the use of federal grants. This policy addresses the proper classification of both direct and indirect charges to ARPA/CSLFRF funded projects and enacts procedures to ensure that proposed and actual expenditures are consistent with the ARPA/CSLFRF grant award terms and all applicable federal regulations in the UG.

Responsibility for following these guidelines lies with the Cumberland County Finance Director who is charged with the administration and financial oversight of the ARPA/CSLFRF. Further, all local government employees and officials who are involved in obligating, administering, expending, or monitoring ARPA/CSLFRF grant funded projects should be well versed with the categories of costs that are generally allowable and unallowable. Questions on the allowability of costs should be directed to the Cumberland County Attorney's Office. As questions on allowability of certain costs may require interpretation and judgment, local government personnel are encouraged to ask for assistance in making those determinations.

GENERAL COST ALLOWABILITY CRITERIA

All costs expended using ARPA/CSLFRF funds must meet the following general criteria:

1. Be necessary and reasonable for the proper and efficient performance and administration of the grant program.

A cost must be *necessary* to achieve a project object. When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant project.
- Whether the cost is identified in the approved project budget or application.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.
- Whether the cost addresses project goals and objectives and is based on program data.

A cost is *reasonable* if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices. When determining reasonableness of a cost, consideration must be given to:



Vicki Evans
Finance Director
General Manager of Financial Services

GRANT PROJECT BUDGET ORDINANCE #220015
AMERICAN RESCUE PLAN ACT OF 2021: CORONAVIRUS STATE AND LOCAL
FISCAL RECOVERY FUNDS

The Cumberland County Board of Commissioners hereby adopts the following Grant Project Ordinance in accordance with North Carolina General Statutes 159-13.2:

Section 1. This ordinance is to establish a budget for a project to be funded by the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (CSLFRF). Cumberland County has received the first tranche in the amount of \$32,584,345 of CSLFRF funds. The total allocation is \$65,168,690, with the remainder to be distributed to Cumberland County within 12 months. These funds may be used for the following categories of expenditures, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
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6. Revenue replacement; and,
7. Administrative expenses.

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Fayetteville, North Carolina 28302-1829 | Phone: 910-678-7753 | Fax: 910-323-6120
cumberlandcountync.gov

Section 3. The following revenues are anticipated to be available to complete the project:

CSLFRF Funds:	\$65,168,690
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Section 4. The Finance Director is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements.

Section 5. The Finance Director is hereby directed to report the financial status of the project to the governing board on a quarterly basis.

Section 6. Within five days after adoption, copies of this ordinance shall be filed with the Finance Officer, Budget Officer, and Clerk to the Board, to be kept on file by them for their direction in the disbursement of County funds for this project.

Section 7. This grant project ordinance shall expire on December 31, 2026, or when all the CSLFRF funds have been obligated and expended by the County, whichever occurs sooner.

Adopted this _____ day of _____, 2022.

Attest:

Clerk to the Board

Chairman, Board of County Commissioners

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Treasury's Interim Final Rule and guidance and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR 200.425, a reasonably proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996 are allowable; however, costs for audits that were not performed in accordance with 2 CFR Part 200, Subpart F are not allowable. Please see 2 CFR Part 200, Subpart F regarding the Cost Principles for more information.

- a. Administrative costs: 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. Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. Pursuant to the ARPA/CSLFRF Award Terms and Conditions, recipients are permitted to charge both direct and indirect costs to their SLFRF award as administrative costs. Direct costs are those that are identified specifically as costs of implementing the ARPA/CSLFRF program objectives, such as contract support, materials, and supplies for a project. Indirect costs are general overhead costs of an organization where a portion of such costs are allocable to the ARPA/CSLFRF award such as the cost of facilities or administrative functions like a director's office. Each category of cost should be treated consistently in like circumstances as direct or indirect, and recipients may not charge the same administrative costs to both direct and indirect cost categories, or to other programs. If a recipient has a current Negotiated Indirect Costs Rate Agreement (NICRA) established with a Federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10 percent of the modified total direct costs pursuant to 2 CFR 200.414(f).

- b. Salaries and Expenses: In general, certain employees' wages, salaries, and covered benefits are an eligible use of ARPA/CSLFRF award funds; and

Subpart E of the UG dictates allowable costs and cost principles for expenditure of ARPA/CSLFRF funds; and Subpart E of the UG (specifically, 200.400) states that:

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reasonable; (b) they must be allocable to eligible projects under the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARPA/CSLFRF); (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the ARPA/CSLFRF grant award as to types or amounts of cost items. Unallowable items fall into two categories: expenses which are by their nature unallowable (e.g., alcohol), and unallowable activities (e.g., fund raising). Cumberland County shall adhere to all applicable cost principles governing the use of federal grants. This policy addresses the proper classification of both direct and indirect charges to ARPA/CSLFRF funded projects and enacts procedures to ensure that proposed and actual expenditures are consistent with the ARPA/CSLFRF grant award terms and all applicable federal regulations in the UG.

Responsibility for following these guidelines lies with the Cumberland County Finance Director who is charged with the administration and financial oversight of the ARPA/CSLFRF. Further, all local government employees and officials who are involved in obligating, administering, expending, or monitoring ARPA/CSLFRF grant funded projects should be well versed with the categories of costs that are generally allowable and unallowable. Questions on the allowability of costs should be directed to the Cumberland County Attorney's Office. As questions on allowability of certain costs may require interpretation and judgment, local government personnel are encouraged to ask for assistance in making those determinations.

GENERAL COST ALLOWABILITY CRITERIA

All costs expended using ARPA/CSLFRF funds must meet the following general criteria:

1. Be necessary and reasonable for the proper and efficient performance and administration of the grant program.

A cost must be *necessary* to achieve a project object. When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant project.
- Whether the cost is identified in the approved project budget or application.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.
- Whether the cost addresses project goals and objectives and is based on program data.

A cost is *reasonable* if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices. When determining reasonableness of a cost, consideration must be given to:

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- Whether the cost is a type generally recognized as ordinary and necessary for the operation of Cumberland County or the proper and efficient performance of the federal award.
- The restraints or requirements imposed by factors, such as: sound business practices; arm's-length bargaining; federal, state, and other laws and regulations; and terms and conditions of the ARPA/CSLFRF award.
- Market prices for comparable goods or services for the geographic area.
- Whether individuals concerned acted with prudence in the circumstances considering their responsibilities to Cumberland County, its employees, the public at large, and the federal government.
- Whether Cumberland County significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the ARPA/CSLFRF award's cost.

- 2. Be allocable to the ARPA/CSLFRF federal award.** A cost is allocable to the ARPA/CSLFRF award if the goods or services involved are chargeable or assignable to the ARPA/CSLFRF award in accordance with the relative benefit received. This means that the ARPA/CSLFRF grant program derived a benefit in proportion to the funds charged to the program. *For example, if 50 percent of a local government program officer's salary is paid with grant funds, then the local government must document that the program officer spent at least 50 percent of his/her time on the grant program.*

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized by the ARPA/CSLFRF, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required.

- 3. Be authorized and not prohibited under state or local laws or regulations.**
- 4. Conform to any limitations or exclusions set forth in the principles, federal laws, ARPA/CSLFRF award terms, and other governing regulations as to types or amounts of cost items.**
- 5. Be consistent with policies, regulations, and procedures that apply uniformly to both the ARPA/CSLFRF federal award and other activities of Cumberland County.**

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6. **Be accorded consistent treatment.** A cost MAY NOT be assigned to a federal award as a direct cost and also be charged to a federal award as an indirect cost. And a cost must be treated consistently for both federal award and non-federal award expenditures.
7. **Be determined in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in the UGG.**
8. **Be net of all applicable credits.** The term “applicable credits” refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to and received by the local government related to the federal award, they shall be credited to the ARPA/CSLFRF award, either as a cost reduction or a cash refund, as appropriate and consistent with the award terms.
9. **Be adequately documented.**

SELECTED ITEMS OF COST

The UGG examines the allowability of fifty-five (55) specific cost items (commonly referred to as Selected Items of Cost) at 2 CFR § 200.420-475.

The Cumberland County Finance Department is responsible for determining cost allowability and must be familiar with the Selected Items of Cost. Cumberland County must follow the applicable regulations when charging these specific expenditures to the ARPA/CSLFRF grant. Cumberland County Finance Department personnel will check costs against the selected items of cost requirements to ensure the cost is allowable and that all process and documentation requirements are followed. In addition, State laws, Cumberland County policies and procedures, and program-specific rules may deem a cost as unallowable, and Cumberland County personnel must follow those non-federal rules as well.

Exhibit A identifies and summarizes the Selected Items of Cost.

DIRECT AND INDIRECT COSTS

Allowable and allocable costs must be appropriately classified as direct or indirect charges. It is essential that each item of cost be treated consistently in like circumstances either as a direct or an indirect cost.

Direct costs are expenses that are specifically associated with a particular ARPA/CSLFRF-eligible project and that can be directly assigned to such activities relatively easily with a high degree of accuracy. Common examples of direct costs include salary and fringe benefits of personnel directly involved in undertaking an eligible project, equipment and supplies for the

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project, subcontracted service provider, or other materials consumed or expended in the performance of a grant-eligible project.

Indirect costs are (1) costs incurred for a common or joint purpose benefitting more than one ARPA/CSLFRF-eligible project, and (2) not readily assignable to the project specifically benefited, without effort disproportionate to the results achieved. They are expenses that benefit more than one project or even more than one federal grant. Common examples of indirect costs include utilities, local telephone charges, shared office supplies, administrative or secretarial salaries.

For indirect costs, Cumberland County may charge a 10 percent de minimis rate of modified total direct costs (MTDC). According to UGG Section 200.68 MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance the subawards under the award). MTDC EXCLUDES equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000.

SPECIAL PROVISIONS FOR STATE AND LOCAL GOVERNMENTS

There are some special provisions of the UG that apply only to states, local governments, and Indian Tribes.

§ 200.444 General costs of government.

- (a) For states, local governments, and Indian Tribes, the general costs of government are unallowable (except as provided in [§ 200.475](#)). Unallowable costs include:
- (1) Salaries and expenses of the Office of the Governor of a [state](#) or the chief executive of a [local government](#) or the chief executive of an [Indian tribe](#);
 - (2) Salaries and other expenses of a [state](#) legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction;
 - (3) Costs of the judicial branch of a government;
 - (4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General as described in [§ 200.435](#)); and

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(5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.

(b) For Indian tribes and Councils of Governments (COGs) (see definition for *Local government* in § 200.1 of this part), up to 50% of salaries and expenses directly attributable to managing and operating Federal programs by the chief executive and his or her staff can be included in the indirect cost calculation without documentation.

§ 200.416 COST ALLOCATION PLANS AND INDIRECT COST PROPOSALS.

(a) For states, local governments and Indian tribes, certain services, such as motor pools, computer centers, purchasing, accounting, etc., are provided to operating agencies on a centralized basis. Since Federal awards are performed within the individual operating agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process.

(b) Individual operating agencies (governmental department or agency), normally charge Federal awards for indirect costs through an indirect cost rate. A separate indirect cost rate(s) proposal for each operating agency is usually necessary to claim indirect costs under Federal awards. Indirect costs include:

(1) The indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and

(2) The costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

(c) The requirements for development and submission of cost allocation plans (for central service costs and public assistance programs) and indirect cost rate proposals are contained in appendices V, VI and VII to this part.

§ 200.417 INTERAGENCY SERVICE.

The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro-rated share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Appendix V to Part 200.

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COST ALLOWABILITY REVIEW PROCESS

PREAPPROVAL COST ALLOWABILITY REVIEW

Before an ARPA/CSLFRF-funded project is authorized, the Cumberland County Finance Department must review the proposed cost items within an estimated project budget to determine whether they are allowable and allocable and whether cost items will be charged as direct or indirect expenses. This review will occur concurrently with the review of project eligibility and *before* obligating or expending any ARPA/CSLFRF funds.

- Local government personnel must submit proposed ARPA/CSLFRF projects to Cumberland County's ARPA Staff Committee for review. In addition to other required information, all proposed project submissions must delineate estimated costs by cost item, on the Budget Template for ARPA Projects spreadsheet.
- Along with a general review of project eligibility by the County Attorney's Office and conformance with other governing board management directives, the finance department members of the ARPA Staff Committee must review estimated costs for specific allowable cost requirements, budget parameters, indirect rates, fringe benefit rates, and those activities/costs that require pre-approval by the US Treasury. The NCUG Allowable Costs Tracking Spreadsheet will be utilized in reviewing costs.
- If a proposed project includes a request for an unallowable cost, the ARPA Staff Committee will return the proposal to the requesting party for review and, if practicable, resubmission with corrected cost items.
- Once a proposed project budget is pre-approved by the ARPA Staff Committee the assigned Finance Accountant must confirm actual obligations and expenditures to the pre-approved project budget. Note: Finance Director shall designate a backup in the absence of the assigned Finance Accountant for the responsibilities noted within this policy.

POST-EXPENDITURE COST ALLOWABILITY REVIEW

Once an expenditure is incurred related to an eligible project, and an invoice or other demand for payment is submitted to the local government, the assigned Finance Accountant must perform a second review to ensure that actual expenditures comprise allowable costs.

- All invoices or other demands for payment must include a breakdown by cost item. The cost items should mirror those presented in the proposed budget for the project. If an invoice or other demand for payment does not include a breakdown by cost item, the assigned Finance Accountant will return the invoice to the project manager and/or vendor, contractor, or subrecipient for correction.

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- The assigned Finance Accountant must review the individual cost items listed on the invoice or other demand for payment to determine their allowability and allocability.
- If all cost items are deemed allowable and properly allocable, the assigned Finance Accountant will approve the invoice and then proceed through Cumberland County's normal disbursement process.
- If any cost item is deemed unallowable, the assigned Finance Accountant will notify the project management and/or vendor, contractor, or subrecipient that a portion of the invoice or other demand for payment will not be paid with ARPA/CSLFRF funds. The Finance Director may in their discretion, and consistent with this policy, allow an invoice or other demand for payment to be resubmitted with a revised cost allocation. If the local government remains legally obligated by contract or otherwise to pay the disallowed cost item, it must identify other local government funds to cover the disbursement. Cumberland County's governing board must approve any allocation of other funds for this purpose.
- The assigned Finance Accountant must retain appropriate documentation of budgeted cost items per project and actual obligations and expenditures of cost items per project.

COST TRANSFERS

Any costs charged to the ARPA/CSLFRF federal award that do not meet the allowable cost criteria must be removed from the award account and charged to an account that does not require adherence to federal UGG or other applicable guidelines.

Failure to adequately follow this policy and related procedures could result in questioned costs, audit findings, potential repayment of disallowed costs and discontinuance of funding. Cumberland County will seek reimbursement and may pursue collection efforts, if necessary, from contractors and/or sub-recipients for any ARPA/CSLFRF that have been found to be disallowed.

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EXHIBIT A

Selected Items of Cost	Uniform Guidance General Reference	Allowability
Advertising and public relations costs	2 CFR § 200.421	Allowable with restrictions
Advisory councils	2 CFR § 200.422	Allowable with restrictions
Alcoholic beverages	2 CFR § 200.423	Unallowable
Alumni/ae activities	2 CFR § 200.424	Not specifically addressed
Audit services	2 CFR § 200.425	Allowable with restrictions
Bad debts	2 CFR § 200.426	Unallowable
Bonding costs	2 CFR § 200.427	Allowable with restrictions
Collection of improper payments	2 CFR § 200.428	Allowable
Commencement and convocation costs	2 CFR § 200.429	Not specifically addressed
Compensation – personal services	2 CFR § 200.430	Allowable with restrictions; Special conditions apply (e.g., § 200.430(i)(5))
Compensation – fringe benefits	2 CFR § 200.431	Allowable with restrictions
Conferences	2 CFR § 200.432	Allowable with restrictions
Contingency provisions	2 CFR § 200.433	Unallowable with exceptions
Contributions and donations	2 CFR § 200.434	Unallowable (made by non-federal entity); not reimbursable but value may be used as cost sharing or matching (made to non-federal)

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		entity)
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	2 CFR § 200.435	Allowable with restrictions
Depreciation	2 CFR § 200.436	Allowable with qualifications
Employee health and welfare costs	2 CFR § 200.437	Allowable with restrictions
Entertainment costs	2 CFR § 200.438	Unallowable with exceptions
Equipment and other capital expenditures	2 CFR § 200.439	Allowability based on specific requirement
Exchange rates	2 CFR § 200.440	Allowable with restrictions
Fines, penalties, damages and other settlements	2 CFR § 200.441	Unallowable with exceptions
Fund raising and investment management costs	2 CFR § 200.442	Unallowable with exceptions
Gains and losses on disposition of depreciable assets	2 CFR § 200.443	Allowable with restrictions
General costs of government	2 CFR § 200.444	Unallowable with exceptions
Goods and services for personal use	2 CFR § 200.445	Unallowable (goods/services); allowable (housing) with restrictions
Idle facilities and idle capacity	2 CFR § 200.446	Idle facilities - unallowable with exceptions; Idle capacity - allowable with restrictions
Insurance and indemnification	2 CFR § 200.447	Allowable with restrictions
Intellectual property	2 CFR § 200.448	Allowable with restrictions

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Interest	2 CFR § 200.449	Allowable with restrictions
Lobbying	2 CFR § 200.450	Unallowable
Losses on other awards or contracts	2 CFR § 200.451	Unallowable (however, they are required to be included in the indirect cost rate base for allocation of indirect costs)
Maintenance and repair costs	2 CFR § 200.452	Allowable with restrictions
Materials and supplies costs, including costs of computing devices	2 CFR § 200.453	Allowable with restrictions
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454	Allowable with restrictions; unallowable for lobbying organizations
Organization costs	2 CFR § 200.455	Unallowable except federal prior approval
Participant support costs	2 CFR § 200.456	Allowable with prior approval of the federal awarding agency
Plant and security costs	2 CFR § 200.457	Allowable; capital expenditures are subject to § 200.439
Pre-award costs	2 CFR § 200.458	Allowable if consistent with other allowabilities and with prior approval of the federal awarding agency
Professional services costs	2 CFR § 200.459	Allowable with restrictions
Proposal costs	2 CFR § 200.460	Allowable with restrictions
Publication and printing costs	2 CFR § 200.461	Allowable with restrictions
Rearrangement and reconversion costs	2 CFR § 200.462	Allowable (ordinary and normal)

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Recruiting costs	2 CFR § 200.463	Allowable with restrictions
Relocation costs of employees	2 CFR § 200.464	Allowable with restrictions
Rental costs of real property and equipment	2 CFR § 200.465	Allowable with restrictions
Scholarships and student aid costs	2 CFR § 200.466	Not specifically addressed
Selling and marketing costs	2 CFR § 200.467	Unallowable with exceptions
Specialized service facilities	2 CFR § 200.468	Allowable with restrictions
Student activity costs	2 CFR § 200.469	Unallowable unless specifically provided for in the federal award
Taxes (including Value Added Tax)	2 CFR § 200.470	Allowable with restrictions
Termination costs	2 CFR § 200.471	Allowable with restrictions
Training and education costs	2 CFR § 200.472	Allowable for employee development
Transportation costs	2 CFR § 200.473	Allowable with restrictions
Travel costs	2 CFR § 200.474	Allowable with restrictions
Trustees	2 CFR § 200.475	Not specifically addressed

Policy History: (ARPA committee 1-11-22; Adopted 1-18-22)

<END>

The following policy was approved at the _____ Board of Commissioner's meeting.

Cumberland County Section

I – Board Approved Policies

Subsection 10: American Rescue Plan Act of 2021

Policy No. 10-2.10: Aid to Nonprofit Organizations Serving Residents Affected by COVID-19 Impacts

1.0 PURPOSE

Cumberland County has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARPA/CSLFRF). The Board of Commissioners approved allocating ARPA funding to nonprofit organizations that conduct programs and projects that help the community recover from and respond to COVID-19 and its negative impacts and to aid in a strong and equitable recovery.

2.0 SCOPE

The County will seek proposals from nonprofit organizations for projects or programs to help the Cumberland County community respond to and recover from COVID-19. Proposals should align with the priorities of ARPA funding and further the County Board of Commissioners' goals. Collaborative proposals are welcome and collaborating nonprofit organizations should select a lead entity for application submission and contracting purposes.

Funded projects must:

- Meet the eligible use of funds for Coronavirus State and Local Fiscal Recovery Funds, per [U.S. Treasury guidance](#)
- Meet the eligible use of funds per the [Federal Office of Management and Budget Uniform Guidance](#).
- Meet a public purpose and fall within County authority to fund per NC General Statutes, to be affirmed and reviewed by the Cumberland County legal department prior to execution of a contract or funding agreement.
- Identify and directly address a need or negative impact of the COVID-19 public health emergency
- Support equitable outcomes for most impacted populations
- Leverage and align with other funding sources
- Make best use of this one-time infusion of resources
- Provide performance reporting regarding use of funds and project impact
- Comply with all provisions of the funding contract, including expenditure tracking and federal subrecipient monitoring include costs incurred no earlier than March 3, 2021
- All funds must be obligated by December 31, 2024
- Complete all work and fully expend all funds by December 31, 2026

3.0 STATEMENT OF THE POLICY

Cumberland County will solicit funding requests through a competitive Request for Proposal process. Proposals will be assessed by members of the Cumberland County ARPA Staff Committee using a scoring tool. Proposals need to clearly demonstrate eligibility under ARPA guidance and must include a budget utilizing the Budget Template for ARPA Projects form.

Programs must be reasonably connected to a legitimate aim of government and the ultimate gain must be in the public's interest, not that of the private entity. Recommendations will be presented to the commissioners' ARP Committee. The ARP Committee funding recommendations will go to the full Board of Commissioners for approval. Once grants are awarded, contracts will be established in compliance with the Fiscal Recovery Compliance and Reporting Guidance and general federal subrecipient requirements.

The ARPA Staff Committee will review, analyze, and rank all submittals based on their response to the information requested. The selection process will include the following criteria in the evaluation of proposals.

- Amount of Funds Requested
- Recovery Fund Eligible Category
- Project Plan
- Statement of Need
- Link to COVID-19
- Population Served
- Results
- Evaluation
- Equity Impact
- Project Partners
- Organizational Capacity
- Budget
- Special Considerations
- Federal, State or Local Assistance Related to COVID-19 previously applied for and/or received

4.0 IMPLEMENTATION

The Assistance to Nonprofit Organization program will be implemented internally by the County. A Cumberland County ARPA Staff Committee will vet the requests for proposals using a scoring instrument.

Recommendations for funding will be presented to the ARP Committee with final approval coming from the Board of Commissioners. A contractual relationship will be established between the County and the nonprofit to ensure compliance with county, state and federal guidelines.

Implementation and enforcement of this policy shall be the responsibility of County Administration, Finance, and Legal.

DRAFT



RFP-22-15-CTY

RFP FOR AID TO NONPROFIT ORGANIZATIONS

CUMBERLAND COUNTY

**Requests Proposals for Projects to Help the
Community Recover from and Respond to
COVID-19 and its Negative Economic Impacts**

**The American Rescue Plan Act of 2021
Coronavirus State and Local Fiscal Recovery
Funds**

Date of Issue: January 19, 2022

Proposal Submission Deadline: February 18, 2022, 4:30 PM ET

Direct all inquiries concerning this RFP to:

Lorena Santos

Purchasing Manager

Email: cumberlandpurchasing@co.cumberland.nc.us

Phone: 910-678-7743

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1.0 PURPOSE AND BACKGROUND

Cumberland County requests proposals from nonprofit organizations for projects to help the community recover from and respond to COVID-19 and its negative economic impacts.

Cumberland County has been awarded \$65.2 million in Coronavirus State and Local Fiscal Recovery Funds (Recovery Funding), as part of the American Rescue Plan Act. This infusion of federal resources is intended to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

Cumberland County is committed to investing these funds in projects that:

- Align to county strategic priorities and community objectives
- Support equitable outcomes for most impacted populations
- Leverage and align with other governmental funding sources
- Make best use of this one-time infusion of resources
- Have a lasting impact

Proposals shall be submitted in accordance with the terms and conditions of this RFP and any addenda issued hereto.

2.0 GENERAL INFORMATION

2.1 REQUEST FOR PROPOSAL DOCUMENT

The RFP is comprised of the base RFP document, any attachments, and any addenda released before contract award. All attachments and addenda released for this RFP in advance of any contract award are incorporated herein by reference. By submitting a proposal, the nonprofit agrees to meet all stated requirements in this section as well as any other specifications, requirements and terms and conditions stated in this RFP. If a nonprofit is unclear about a requirement or specification or believes a change to a requirement would allow for the County to receive a better proposal, the nonprofit is urged and cautioned to submit these items in the form of a question during the question-and-answer period in accordance with Section 2.3.

Nonprofits shall populate all attachments of this RFP that require the nonprofit to provide information and include an authorized signature where requested. Failure to include required documents and/or signatures, where requested, will result in rejection of submitted proposals.

2.2 PROPOSAL SUBMITTAL

Proposals, subject to the conditions made a part hereof and the receipt requirements described below, shall be received at the address indicated in the table below.

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Mailing address for delivery of proposal via US Postal Service	Office Address of delivery by any other method (special delivery, overnight, or any other carrier)
<p><i>PROPOSAL TITLE:</i> <i>22-15-CTY</i> <i>RFP FOR AID TO NONPROFIT ORGANIZATIONS</i></p> <p>Cumberland County Finance Office Attn: Lorena Santos, Purchasing Manager PO Box 1829 Fayetteville, NC 28302</p>	<p><i>PROPOSAL TITLE:</i> <i>22-15-CTY</i> <i>RFP FOR AID TO NONPROFIT ORGANIZATIONS</i></p> <p>Cumberland County Finance Office Attn: Lorena Santos, Purchasing Manager 117 Dick Street 4th Floor, Room 451 Fayetteville, NC 28301</p>

IMPORTANT NOTE: All proposals shall be physically delivered to the office address listed above **on or before February 18, 2022, at 4:30 PM per the clock located in the Finance Department**, the proposal deadline regardless of the method of delivery. All risk of late arrival due to unanticipated delay – whether delivered by hand, U.S. Postal Service, courier, or other delivery service is entirely on the nonprofit. It is the sole responsibility of the nonprofit to have the proposal to the County department specified by the specified time and date of opening. Any proposal received after the proposal submission deadline will be rejected.

- a) Submit **one (1) signed, original executed** proposal responses, **five [5] photocopies**, and **two [2] electronic copies** on a USB flash drive.
- b) Submit your proposal in a sealed package. **Clearly mark each package with: (1) Nonprofit name; (2) the RFP number; and (3) the due date.** Address the package(s) for delivery as shown in the table above. Proposals will be subject to rejection unless submitted with the information above included on the outside of the sealed proposal package.
- c) The two (2) electronic copies of your proposal must be provided on USB flash drives. The files on the USB flash drives **SHALL NOT** be password protected, shall be in .PDF and/or .XLS format, and shall be capable of being copied to other media including being readable in Microsoft Word and/or Microsoft Excel.

All proposal addendums and/or corrections will be posted on the Cumberland County Vendor Self Service site <https://ccmunis.co.cumberland.nc.us/MSS/Nonprofits/VProposals/SearchResults.aspx>. Nonprofits who submit a notice of intent to bid to email (CumberlandPurchasing@co.cumberland.nc.us) will receive addendums by email.

It shall be the nonprofit’s responsibility to read the Instructions, the County’s terms and conditions, all relevant exhibits and attachments, and any other components made a part of this RFP and comply with all requirements and specifications herein. Nonprofits also are responsible for obtaining and complying with all addenda and other changes that may be issued in connection with this RFP.

If Nonprofits have questions, issues, or exceptions regarding any term, condition, or other component within this RFP, those must be submitted as questions in accordance with the instructions in Section 2.3 PROPOSAL QUESTIONS. If the County determines that any changes will be made as a result of the questions asked, then such decisions will be communicated in the form of an RFP addendum. The County may also elect to leave

RFP-22-15-CTY RFP FOR AID TO NONPROFIT ORGANIZATIONS

open the possibility for later negotiation and amendment of specific provisions of the Contract that have been addressed during the question-and answer period. Other than through this process, the County rejects and will not be required to evaluate or consider any additional or modified terms and conditions submitted with Nonprofit's proposal. This applies to any language appearing in or attached to the document as part of the Nonprofit's proposal that purports to vary any terms and conditions or Nonprofits' instructions herein or to render the proposal non-binding or subject to further negotiation. Nonprofit's proposal shall constitute a firm offer. By execution and delivery of this RFP Response, the Nonprofit agrees that any additional or modified terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect, and will be disregarded. Noncompliance with, or any attempt to alter or delete, this paragraph shall constitute sufficient grounds to reject Nonprofit's proposal as nonresponsive.

2.3 PROPOSAL QUESTIONS

Upon review of the RFP documents, Nonprofits may have questions to clarify or interpret the RFP in order to submit the best proposal possible. To accommodate the Proposal Questions process, Nonprofits shall submit any such questions by the above due date.

Written questions shall be emailed to cumberlandpurchasing@co.cumberland.nc.us by January 26, 2022, at 3 PM. Nonprofits should enter "RFP Title 22-15-CTY RFP for Nonprofit Organizations- Questions" as the subject of the email. Questions submittals should include a reference to the applicable RFP section. Questions received prior to the submission deadline date, the County's response, and any additional terms deemed necessary by the County will be posted in the form of an addendum. No information, instruction or advice provided orally or informally by any Cumberland County personnel, whether made in response to a question or otherwise in connection with this RFP, shall be considered authoritative or binding.

2.4 PRE-PROPOSAL FUNDING WORKSHOP

A virtual workshop will be held on Monday, January 24, 2022, from 3:30 to 5:00 p.m. This session is optional for nonprofits. Sign up by emailing Lorena Santos, Purchasing Manager, at cumberlandpurchasing@co.cumberland.nc.us. During the online session, staff will provide information about the RFP. All questions and responses from the session will be posted in the form of an addendum, and a recording of the session will be published. Nonprofit is cautioned that any information released to attendees during the pre-proposal conference must be confirmed by written addendum before it is considered to be a part of this proposal.

2.5 RFP TERMS & CONDITIONS

It shall be the nonprofit's responsibility to read the instructions, the County's terms and conditions, all relevant exhibits and attachments, and any other components made a part of this RFP and comply with all requirements and specifications herein. Nonprofits also are responsible for obtaining and complying with all Addenda and other changes that may be issued in connection with this RFP.

Questions, issues, or exceptions regarding any term, condition, or other component within this RFP, must be submitted as questions in accordance with the instructions in Section 2.3 PROPOSAL QUESTIONS. Nonprofit's proposal shall constitute a firm offer.

If a nonprofit desires modification of the terms and conditions of this solicitation, it is urged and cautioned to inquire during the question period, in accordance with the instructions in this RFP, about whether specific language proposed as a modification is acceptable to or will be considered by the County. It is the County's sole discretion to accept or reject requested modifications and/or exceptions.

3.0 PURPOSE AND BACKGROUND

3.1 PROHIBITED COMMUNICATIONS AND CONFIDENTIALITY

PROHIBITED COMMUNICATION: Each non-profit submitting a proposal, including its representatives, subcontractors, and suppliers, is prohibited from having any communication with any employees or members of the board of commissioners of the County except those employees of the County's Finance Department as designated in this RFP. A non-profit who does not comply with this provision may be disqualified from award of a contract.

! IMPORTANT INFORMATION! CONFIDENTIAL INFORMATION: The proposal must not contain any information marked as "confidential" or as a "trade secret" or in any other manner as to indicate that it is information protected by the Trade Secrets Protection Act (the "Act") as set out in Article 24 of Chapter 66 of the North Carolina General Statutes, unless the nonprofit has noticed the County Finance Department of its intent to designate any information in the proposal as such and received permission from the County Finance Department to do so in writing. Nonprofit's notice to the County Finance Department must be in writing and must describe the information for which confidentiality is requested and explain how the information is a "trade secret" as defined in G.S. § 66-152(3). If the County Finance Department determines the information for which confidentiality is requested is a "trade secret" covered by the Act, it will notify the nonprofit how to mark the information in the proposal and will identify the measures that County will take to protect the confidentiality of the information. Nonprofit's submission of a proposal after receipt of this notice from the County Finance Department shall be deemed to be acceptance of the County Finance Department's statement of how it will maintain confidentiality. If the County Finance Department determines the information for which confidentiality is requested is not a "trade secret" covered by the Act, it will notify nonprofit of that determination. Any proposal marked with any information as "confidential" or as a "trade secret" or in any other manner as to indicate that it is information protected by the Act in violation of this section shall be regarded as not responsive to the request for proposals and shall not be considered.

3.2 METHOD OF AWARD

All qualified proposals will be evaluated, and awards will be made to the Nonprofit(s) meeting the RFP requirements and best fits the needs of the County.

Cumberland County reserves the right to reject any and/or all submittals, and to waive defects, technicalities and/or irregularities in any submittal. The County reserves the right to finalize a contract with one or more firms based on all factors involved in the written qualification submittal without further discussion or interviews.

Proposals will generally be evaluated according to completeness, content, and experience with similar projects, ability of the Nonprofit and its staff, and cost. Nonprofits are cautioned that this is a request for offers, not an offer or request to contract, and the County reserves the unqualified right to reject any and all offers at any time if such rejection is deemed to be in the best interest of the County.

3.3 EVALUATION CRITERIA

Following the deadline for submittals, a selection committee will review the submitted proposals. The selection committee will review, analyze, and rank all submittals based on their response to the information requested. The selection process will include the following criteria in the evaluation of proposals. These criteria are not necessarily listed in order of importance.

RFP-22-15-CTY RFP FOR AID TO NONPROFIT ORGANIZATIONS

- Amount of Funds Requested
- Recovery Fund Eligible Category
- Project Plan
- Statement of Need
- Federal, State or Local Assistance Related to COVID-19 Previously Applied for and/or received
- Link to COVID-19
- Population Served and Connection to Qualified Census Tracts
- Results
- Evaluation
- Equity Impact
- Project Partners
- Organizational Capacity
- Budget
- Special Considerations

4.0 SCOPE OF WORK

4.1 ELIGIBILITY

Proposals will be accepted from nonprofit organizations and proof of nonprofit status is required. Collaborative proposals are welcome and collaborating nonprofit organizations should select a lead entity for application submission and contracting purposes.

4.2 PROJECT REQUIREMENTS

Funded projects must:

- Meet the eligible use of funds for Coronavirus State and Local Fiscal Recovery Funds, per U.S. Treasury guidance
- Meet the eligible use of funds per the Federal Office of Management and Budget Uniform Guidance.
- Meet a public purpose and fall within County authority to fund per NC General Statutes, to be affirmed and reviewed by the Cumberland County legal department prior to execution of a contract or funding agreement.
- Identify and directly address a need or negative impact of the COVID-19 public health emergency
- Support equitable outcomes for most impacted populations
- Leverage and align with other funding sources
- Make best use of this one-time infusion of resources
- Provide performance reporting regarding use of funds and project impact on a quarterly basis
- Include an approved budget utilizing the County's Budget Template and track and report expenditures utilizing the same form
- Comply with all provisions of the funding contract, including expenditure tracking and federal subrecipient monitoring include costs incurred no earlier than March 3, 2021
- All funds must be obligated by December 31, 2024
- Complete all work and fully expend all funds by December 31, 2026

4.3 NONPROFIT PROPOSAL REQUIREMENTS

Nonprofits shall populate all attachments of this RFP that require the Nonprofit to provide information and include an authorized signature where requested. Nonprofit RFP responses shall include the following items in the following order:

Name of Organization

Organization’s Address

Primary Contact Title

Primary Contact Email, Phone Number

Name of Project

Amount of Funds Requested

Recovery Funding Eligibility Category

Please select one:

- Prevent and mitigate COVID-19
- Enhance behavioral and mental health services
(Such as psychotherapy, crisis support services and recovery support services)
- Improve the design and execution of health and public health programs
- Address disparities in public health outcomes
- Assistance to households
- Small business and non-profit support¹
- Aid to impacted industries
- Assistance to unemployed workers (such as job training programs; childcare assistance and transportation assistance)
- Improve efficacy of economic relief programs
- Services for disproportionately impacted communities
(Such as those individuals residing in a qualified census tract)

Proof of Nonprofit Status

Brief Project Description: Provide a short summary of your proposed project.

Project Plan: Explain how the project will be structured and implemented, including timeframe.

Statement of Need: Describe the need that this project will address. Include data to demonstrate the need and cite the source of the data.

Federal, State or Local Assistance Related to COVID-19 Previously Applied for and/or received

Link to COVID-19: Identify a health or economic harm resulting from or exacerbated by the public health emergency, describe the nature and extent of that harm, and explain how the use of this funding would address such harm.

Population Served: Define the population to be served by this project, including volume and demographic characteristics of those served.

Results: Describe the proposed impact of the project. List at least 3 performance measures that will be tracked and reported. If possible, include baselines and goals for each performance measure.

Evaluation: Describe the data collection, analysis, and quality assurance measures you will use to assure ongoing, effective tracking of contract requirements and outcomes.

Equity Impact: How will this effort help build toward a just, equitable, and sustainable COVID-19 recovery? How are the root causes and/or disproportionate impacts of inequities addressed?

Project Partners: Identify any subcontractors you intend to use for the proposed scope of work. For each subcontractor listed, indicate: 1.) What products and/or services are to be supplied by that subcontractor and 2.) What percentage of the overall scope of work that subcontractor will perform. Also, list non-funded key partners critical to project.

Capacity: Describe the background, experience, and capabilities of your organization or department as it relates to capacity for delivering the proposed project and managing federal funds.

Budget: Provide a detailed project budget including all proposed project revenues and expenditures, including explanations and methodology utilizing **the Budget Template (Attachment C)**. For all revenue sources, list the funder and denote whether funds are confirmed or pending. For project expenses, denote all capital vs. operating costs, and reflect which specific expenses are proposed to be funded with one-time Cumberland County Recovery Funds (on a reimbursement basis).

Special Considerations: Provide any other information that might assist the County in its selection.

5.0 REQUIREMENTS

5.1 CONTRACT TERM

Contract term will vary depending on project. All work must be completed and funds fully expended by December 31, 2026.

5.2 AMOUNT OF FUNDS REQUESTED

Proposal shall include the total amount of funds requested to complete the proposed project. Nonprofit shall not invoice for any amounts not specifically allowed for in this RFP.

5.3 NONPROFIT’S REPRESENTATIONS

- a) Nonprofit warrants that qualified personnel shall provide Services under this proposed project in a professional manner. “Professional manner” means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the industry.

RFP-22-15-CTY RFP FOR AID TO NONPROFIT ORGANIZATIONS

Nonprofit agrees that it will not enter any agreement with a third party that may abridge any rights of the County under this Contract.

- b) Unless otherwise expressly provided herein, Nonprofit will furnish all of its own necessary management, supervision, labor, facilities, furniture, computer and telecommunications equipment, software, supplies and materials necessary for the Nonprofit to provide and deliver the Services and Deliverables.
- c) Nonprofit warrants that it has the financial capacity to perform and to continue perform its obligations under the contract; that Nonprofit has no constructive or actual knowledge of an actual or potential legal proceeding being brought against Nonprofit that could materially adversely affect performance of this Contract; and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction.

6.0 GENERAL TERMS AND CONDITIONS

1. **READ, REVIEW AND COMPLY:** It shall be the Nonprofit's responsibility to read this entire document, review all enclosures and attachments, and any addenda thereto, and comply with all requirements specified herein, regardless of whether appearing in these Instructions to Nonprofits or elsewhere in this RFP document.
2. **LATE PROPOSALS:** Late proposals, regardless of cause, will not be considered, and will automatically be disqualified from further consideration. It shall be the Nonprofit's sole responsibility to ensure the timely submission of proposals.
3. **ACCEPTANCE AND REJECTION:** Cumberland County reserves the right to reject any and all proposals, to waive any informality in proposals and, unless otherwise specified by the Nonprofit, to accept any item in the proposal.
4. **INFORMATION AND DESCRIPTIVE LITERATURE:** If required elsewhere in this proposal, each Nonprofit shall submit with its proposal any sketches, descriptive literature and/or complete specifications covering the products and Services offered. Reference to literature submitted with a previous proposal or available elsewhere will not satisfy this provision. Failure to comply with these requirements shall constitute sufficient cause to reject a proposal without further consideration.
5. **SUSTAINABILITY:** To support the sustainability efforts of the State of North Carolina we solicit your cooperation in this effort. Pursuant to Executive Order 156 (1999), it is desirable that all print responses submitted meet the following:
 - All copies of the proposal are printed doublesided.
6. **HISTORICALLY UNDERUTILIZED BUSINESSES:** Cumberland County is committed to retaining vendors from diverse backgrounds, and it invites and encourages participation in the procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled. In particular, the County encourages participation by Nonprofits certified by the State Office of Historically Underutilized Businesses, as well as the use of HUB-certified nonprofits as subcontractors on County contracts.
7. **INELIGIBLE VENDORS:** As provided in G.S. 147-86.59 and G.S. 147-86.82, the following companies are ineligible to contract with the State of North Carolina or any political subdivision of the State: a) any

RFP-22-15-CTY RFP FOR AID TO NONPROFIT ORGANIZATIONS

company identified as engaging in investment activities in Iran, as determined by appearing on the Final Divestment List created by the State Treasurer pursuant to G.S. 147-86.58, and b) any company identified as engaged in a boycott of Israel as determined by appearing on the List of restricted companies created by the State Treasurer pursuant to G.S. 147-86.81. A contract with the Cumberland County by any company identified in a) or b) above shall be void *ab initio*.

8. **MISCELLANEOUS:** Any gender-specific pronouns used herein, whether masculine or feminine, shall be read and construed as gender neutral, and the singular of any word or phrase shall be read to include the plural and vice versa.
9. **INFORMAL COMMENTS:** Cumberland County shall not be bound by informal explanations, instructions or information given at any time by anyone on behalf of the County during the competitive process or after award. The County is bound only by information provided in writing in this RFP and in formal Addenda issued through IPS.
10. **COST FOR PROPOSAL PREPARATION:** Any costs incurred by Nonprofit in preparing or submitting offers are the Nonprofit's sole responsibility; Cumberland County will not reimburse any Nonprofit for any costs incurred or associated with the preparation of proposals.
11. **AVAILABILITY OF FUNDS:** Any and all payments to the Nonprofit shall be dependent upon and subject to the availability of funds to the agency for the purpose set forth in The Contract.
12. **SITUS AND GOVERNING LAWS:** This Contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina, without regard to its conflict of laws rules, and within which State all matters, whether sounding in Contract or tort or otherwise, relating to its validity, construction, interpretation and enforcement shall be determined.
13. **PAYMENT TERMS:** Payment terms will be Net 30 days after receipt of an accurately submitted invoice.
14. **NON-DISCRIMINATION:** The Nonprofit will take necessary action to comply with all Federal and State requirements concerning fair employment and employment of people with disabilities and concerning the treatment of all employees without regard to discrimination on the basis of any prohibited grounds as defined by Federal and State law.
15. **ADVERTISING:** Nonprofit agrees not to use the existence of The Contract or the name of Cumberland County as part of any commercial advertising or marketing of products or Services. A Nonprofit may inquire whether the County is willing to act as a reference by providing factual information directly to other prospective customers.
16. **INSURANCE:** Providing and maintaining adequate insurance coverage is a material obligation of the NONPROFIT and is of the essence of this Contract. All such insurance shall meet all laws of the County of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The NONPROFIT shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this Contract. The limits of coverage under each insurance policy maintained by the NONPROFIT shall not be interpreted as limiting the NONPROFIT'S liability and obligations under the Contract.

During the term of the Contract, the NONPROFIT at its sole cost and expense shall provide commercial

insurance of such type and with such terms and limits as may be reasonably associated with the Contract.

17. **GENERAL INDEMNITY:** The Nonprofit shall hold and save Cumberland County, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses accruing or resulting to any other person, firm, or corporation furnishing or supplying work, Services, materials, or supplies in connection with the performance of The Contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the Nonprofit in the performance of The Contract and that are attributable to the negligence or intentionally tortious acts of the Nonprofit provided that the Nonprofit is notified in writing within 30 days from the date that the County has knowledge of such claims. The Nonprofit represents and warrants that it shall make no claim of any kind or nature against the County's agents who are involved in the delivery or processing of Nonprofit deliverables or Services to the County. The representation and warranty in the preceding sentence shall survive the termination or expiration of The Contract.
18. **CONFIDENTIALITY:** Any County information, data, instruments, documents, studies or reports given to or prepared or assembled by or provided to the Nonprofit under The Contract shall be kept as confidential, used only for the purpose(s) required to perform The Contract and not divulged or made available to any individual or organization without the prior written approval by Cumberland County.
19. **COMPLIANCE WITH LAWS:** Nonprofit shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business and its performance in accordance with The Contract, including those of federal, state, and local agencies having jurisdiction and/or authority.
20. **ENTIRE AGREEMENT:** This RFP and any documents incorporated specifically by reference represent the entire agreement between the parties and supersede all prior oral or written statements or agreements. This RFP, any addenda hereto, and the Nonprofit's proposal are incorporated herein by reference as though set forth verbatim.
All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.
21. **AMENDMENTS:** This Contract may be amended only by a written amendment duly executed by the County and the Nonprofit.
22. **NO WAIVER:** Notwithstanding any other language or provision in The Contract, nothing herein is intended nor shall be interpreted as a waiver of any right or remedy otherwise available to the County under applicable law. The waiver by the County of any right or remedy on any one occasion or instance shall not constitute or be interpreted as a waiver of that or any other right or remedy on any other occasion or instance.
23. **FORCE MAJEURE:** Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations as a result of events beyond its reasonable control, including without limitation, fire, power failures, any act of war, hostile foreign action, nuclear explosion, riot, strikes or failures or refusals to perform under subcontracts, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.
24. **SOVEREIGN IMMUNITY:** Notwithstanding any other term or provision in The Contract, nothing herein is intended nor shall be interpreted as waiving any claim or defense based on the principle of sovereign immunity or state or federal constitutional provision or principle that otherwise would be available to the

County under applicable law.

25. **FEDERAL TERMS AND CONDITIONS APPLY:** As such, federal laws, regulations, policies and related administrative practices apply. The most recent of such federal requirements, including any amendments made after the execution of a Contract shall govern the Contract, unless the federal government determines otherwise. The Nonprofit is responsible for complying with all applicable provisions, updates or modifications that occur in the future relating to these clauses.

DRAFT

ATTACHMENT A: EXECUTION OF PROPOSAL

In compliance with this Request for Proposals (RFP), and subject to all the conditions herein, the undersigned nonprofit offers and agrees to furnish and deliver any or all items/services upon which prices are proposed. By executing this proposal, the undersigned nonprofit certifies that this proposal is submitted competitively and without collusion, that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible from covered transactions by any Federal or State department or agency. Furthermore, the undersigned nonprofit certifies that it and its principals are not presently listed on the Department of State Treasurer's Final Divestment List as per N.C.G.S 147-86.55-69.

The potential Nonprofit certifies and/or understands the following by placing an "X" in all blank spaces:

- The County has the right to reject any and all proposals or reject specific proposals with deviated/omitted information, based on the County's discretion if the omitted information is considered a minor deviation or omission. The County will not contact nonprofits to request required information/documentation that is missing from a proposal packet. Additionally, if the County determines it is in its best interest to do so, the County reserves the right to award to one or more nonprofits and/or to award only a part of the services specified in the RFP.
- This proposal was signed by an authorized representative of the Nonprofit.
- The potential Nonprofit has determined the cost and availability of all materials and supplies associated with performing the services outlined herein.
- All labor costs associated with this project have been determined, including all direct and indirect costs.
- The potential Nonprofit agrees to the conditions as set forth in this RFP with no exceptions.
- Selection of a contract represents a preliminary determination as to the qualifications of the nonprofit. Nonprofit understands and agrees that no legally binding acceptance offer occurs until the Cumberland County Board of Commissioners, or its designee, executes a formal contract and/or purchase order.

Therefore, in compliance with the foregoing RFP, and subject to all terms and conditions thereof, the undersigned offers and agrees to furnish the services for the prices quoted within the timeframe required. Nonprofit agrees to hold firm offer through contract execution.

Failure to execute/sign proposal prior to submittal shall render the proposal invalid and it WILL BE REJECTED.

NONPROFIT:		
STREET ADDRESS:	P.O. BOX:	ZIP:
CITY & COUNTY & ZIP:	TELEPHONE NUMBER:	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO NONPROFITS ITEM #10):		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF NONPROFIT:		FAX NUMBER:
NONPROFIT'S AUTHORIZED SIGNATURE:	DATE:	EMAIL:

ATTACHMENT B: CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

- 1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- 2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- 3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

The Nonprofit, _____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Nonprofit understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Signature of Nonprofit's Authorized Official

Name and Title of Nonprofit's Authorized Official

Date

ATTACHMENT C: BUDGET TEMPLATE

OMB Uniform Guidance Federal Awards Reference 2 CFR 200	Cost Items	Grant Project
		Project Name
		Project ID
200.430	Personnel (Salary and Wages)	\$0.00
200.431	Fringe Benefits	\$0.00
200.475	Travel	\$0.00
200.439	Equipment & Other Capital	\$0.00
200.453	Material & Supplies	\$0.00
200.318	Contractual Services	\$0.00
200.459	Consultant (Professional Service)	\$0.00
200.465	Occupancy (Rent and Utilities)	\$0.00
200.471	Telecommunications	\$0.00
200.473	Training and Education	\$0.00
	Additional Cost Item(s) -- add lines as needed	\$0.00
	Total Project Budget	\$0.00

The following policy was approved at the _____ Board of Commissioner's meeting.

Cumberland County Section

I – Board Approved Policies

Subsection 10: American Rescue Plan Act of 2021

Policy No. 10-2.9: Small Business Economic Assistance

1.0 PURPOSE

Cumberland County has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARPA/CSLFRF). The Board of Commissioners approved allocating ARPA funding to establish a Small Business Economic Assistance Program (SBEAP) in response to the economic impacts experienced by small businesses as a result of the COVID-19 pandemic. This program describes eligible activities as defined in 31 CFR Part 35.

2.0 SCOPE

Funds are made available by the U.S. Department of Treasury through Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) and are administered by the Cumberland County ARP Staff Committee. The goal is to provide up to \$50,000 in financial assistance to small for-profit businesses that faced economic hardship due to the pandemic. For the purpose of this program Cumberland County has defined a small business as a business with no more than two hundred and fifty (250) employees (including the owner) at the time of application submission.

As defined in the federal guidance in the CSLFRF Final Rule, Funds may be used for the following:

- Payroll;
- Mortgages;
- Rent;
- Costs associated with mitigation or prevention of COVID-19 such as physical plant changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing, or contact tracing programs;
- Technical assistance, counseling, or other services to assist with business planning needs; and
- Other operating costs as a result of the public health emergency and measures taken to contain the spread of the coronavirus.

Funding for activities will be approved based on the business needs on or after March 3, 2021.

Funds under this Program may not be used to:

- Pay off non-business debt, such as personal credit cards for purchases not associated with the business;
- Purchase personal expenses such as buying a new family car or making repairs to a participant's home;
- Direct financing to political activities or paying off taxes and fines; and
- Purchase personal items or support other businesses in which the owner may have an interest.

3.0 STATEMENT OF THE POLICY

For-profit businesses operating within Cumberland County employing no more than two hundred and fifty (250) individuals at the time of application submission may apply.

1. The business must be located in a Qualified Census Tract (QCT) or employing individuals (at least 51% of total employees) with a household income at or below the income limits established in Appendix A;
2. The business must possess the capacity to be successful with the use of the program funds;
3. If the business is a sole proprietorship or a partnership, each person owning an interest in the business must be at least 18 years old;
4. The business must have a valid tax identification number consisting of the owner's social security number, if the business is a sole proprietorship or Federal Employer Identification Number, if the business is other than a sole proprietorship; a State Employer Number; and a business bank account in the name of the business;
5. If the business is a corporation, limited liability company or limited partnership, it must be registered in good standing with the North Carolina Secretary of State;
6. The business must not currently be in bankruptcy; if the business is a sole proprietorship or a partnership no person owning an interest in the business may currently be in bankruptcy;
7. The business is current with property taxes and any fees that are collected with property taxes, or has a payment plan in place with the tax collector; and
8. Business will have general liability insurance in policy with sufficient coverage in place at the time the assistance is received.

Certain business types are ineligible to apply. This includes but is not limited to businesses owned in part or fully by Cumberland County employees, commissioners, or their family members.

The SBEAP will be administered internally by County ARP Staff. using the following method:

- a. Businesses with 250 or fewer employees paid with wages reported on a Form W-2 or Form 1099;

- b. Business was in operation on or before March 3, 2021 and is currently still in operation.
- c. Businesses must commit to retaining a minimum of one (1) employee for one year after the receipt of the assistance. The owner of a sole proprietorship without any other employees shall qualify as an employee; and
- d. At least 51% of the retained jobs must be held by employees who reside in low-to-moderate income (LMI) households or Qualified Census Tracts, as determined by a self-verification of household income and/or address.

4.0 IMPLEMENTATION

The Cumberland County ARP Staff Committee will consider businesses qualifying under the LMI benefit categories indicated above. If a business does not qualify under the LMI criteria, then Cumberland County may consider qualifying businesses under the QCT category, which has fewer qualification requirements.

A contractual relationship will be established between the County and the small business to ensure compliance with county, state and federal guidelines.

Implementation and enforcement of this policy shall be the responsibility of County Administration, Finance, and Legal.

- [31 CFR 35, Coronavirus State and Local Fiscal Recovery Funds Interim Rule](#)
- [31 CFR 35, Coronavirus State and Local Fiscal Recovery Funds Final Rule](#)



SMALL BUSINESS ECONOMIC ASSISTANCE PROGRAM APPLICATION

AMERICAN RESCUE PLAN ACT

The purpose of the Small Business Economic Assistance Program is to provide short-term financial assistance to small businesses that suffered an economic hardship due to the COVID-19 pandemic. Funding for this program is provided by the U.S. Department of the Treasury (USDT). USDT requires that certain information is obtained from all applicants in order to determine the applicant's eligibility for funding.

All applicants must be determined eligible in order to be awarded funding through the Small Business Economic Assistance Program. The business must be operating within Cumberland County. Certain business types are ineligible to apply.

Complete all applicable spaces on this document and be sure to sign the sections and attach all applicable documents. Incomplete applications will cause delays in the approval and contract process. Submission of this application does not guarantee that you will receive funding. For questions, please contact Tye Vaught, Management Analyst at (910) 678-7776.

BUSINESS NAME: _

APPLICATION SUBMISSION REQUIREMENTS

1/2022

Application Checklist:

- ☐ Small Business Economic Assistance Program Application
- ☐ Business Operating Agreement (for businesses with multiple partners)
- ☐ Proof of building ownership / lease
- ☐ Most recent Business Tax Return
- ☐ Current payroll information
- ☐ Payroll information prior to COVID-19 (before March 3, 2021)

The attachments listed above must be submitted with the application. Cumberland County reserves the right to request additional information as needed to complete the application process for eligibility and award for funding. Other information requested may include, but is not limited to, owner/employee income verification, bank statements, sources of other assistance received, job creation/retention report, Form W-9, and other documents necessary to complete the process for eligibility and award for funding.

Where to Submit:

Please provide one (1) completed and signed application (with required attachments) to Cumberland County. Please label all attachments.

Complete and Submit Electronic Applications at:

Mail Applications to:

**Cumberland County – SBEAP
Attn: Tye Vaught, Management Analyst
PO Box 1829
Fayetteville, NC 28302**

Deliver Applications to:

**Cumberland County – SBEAP
117 Dick Street Room 507
Fayetteville, NC 28301**

or

Email to tvaught@co.cumberland.nc.us

Files of 15MB or larger may have difficulty being received through email. It is the applicant's responsibility to ensure the application and attachments are submitted to be considered complete.

If Cumberland County determines, in its sole discretion, that it is necessary to revise any part of the application or guidelines, an addendum, supplement, or amendment to this application will be posted at <http://www.cumberlandcountync.gov>. It is the responsibility of the applicant to check the website or contact Cumberland County for any such addendums, supplements, or amendments made to the application or guidelines.

If you have questions, please contact the Tye Vaught, Management Analyst at (910) 678-7776.

BUSINESS INFORMATION		
Business Name:		
DBA Name (if applicable):		
Mailing Address:		
City:	State:	Zip Code:
Telephone:	Email:	
Street Address of Operations (if different):		
City:	State:	Zip Code:
Website:		Other:
Federal EIN or SSN:		Business Formation Date:
Business Type: <input type="checkbox"/> LLC <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Other:		
Is the business currently in bankruptcy? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Has the <u>business</u> ever been subjected to criminal or civil fines and penalties including from County code or regulatory violations? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Tenancy Information:		
Select which category applies to you:		
<input type="checkbox"/> Building Owner: Attach proof of ownership (e.g., tax bills, title deed, etc.)		
<input type="checkbox"/> Condo Owner: Attach proof of ownership (e.g., copy of condo documents, tax bills, title deed, etc.		
<input type="checkbox"/> Tenant: Attach terms, length, and expiration date of present lease		
What type of business insurance does your business currently have?		

BUSINESS DESCRIPTION

Indicate the nature of the business, types of products/services, and customer profile:

ECONOMIC IMPACT

Please describe the degree to which your business has been impacted by the COVID-19 pandemic; list specific examples; and whether or not your business had to close.

Please describe the degree to which your business has been able to maintain employees during this COVID-19 pandemic and whether the award will help your business do so.

Please describe how your business positively adds to the quality of life in Cumberland County.

FINANCIAL IMPACT		
Month	Gross Revenue	Notes (if applicable)
March 3 – March 31, 2021	\$	
April – June 2021	\$	
July – September 2021	\$	
October – December 2021	\$	
Total	\$	
What was the total business' revenue during the same period of the prior year? \$		

PROPOSED USE OF FUNDS	
Expense Category	Amount Requested
Payroll (e.g., wages, related taxes, etc.)	\$
Occupancy (e.g., business rent/mortgage, utilities, etc.)	\$
Other:	\$
Other:	\$
Other:	\$
Other:	\$
Total Amount Requested (maximum amount available: \$50,000)	\$

APPLICATION TO OTHER FORMS OF ASSISTANCE OR FUNDING SOURCES		
Have you received prior Federal, State, or Local aid related to COVID-19? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Amount Requested	Request Status [Received, Pending]	Name of Funding Source / Program [SBA Paycheck Protection Program, etc.]
\$		
\$		
\$		
\$		
\$		
\$		

OWNER INFORMATION [List Majority Owner(s) First]			
Owner Name			
Residential Street Address:			
Mailing Address:			
City:		State:	Zip Code:
Telephone:		Email:	
Age 18 or Older: <input type="checkbox"/> Yes <input type="checkbox"/> No		Percent Ownership:	Industry Experience (yrs.):
Race:	Hispanic/Latino: <input type="checkbox"/> Yes <input type="checkbox"/> No		Veteran: <input type="checkbox"/> Yes <input type="checkbox"/> No
Gender: Male: <input type="checkbox"/> Female: <input type="checkbox"/>		Single Head of Household: <input type="checkbox"/> Yes <input type="checkbox"/> No	

OWNER INFORMATION [List Majority Owner(s) First]			
Owner Name			
Residential Street Address:			
Mailing Address:			
City:		State:	Zip Code:
Telephone:		Email:	
Age 18 or Older: <input type="checkbox"/> Yes <input type="checkbox"/> No		Percent Ownership:	Industry Experience (yrs.):
Race:	Hispanic/Latino: <input type="checkbox"/> Yes <input type="checkbox"/> No		Veteran: <input type="checkbox"/> Yes <input type="checkbox"/> No
Gender: Male: <input type="checkbox"/> Female: <input type="checkbox"/>		Single Head of Household: <input type="checkbox"/> Yes <input type="checkbox"/> No	

OWNER INFORMATION [List Majority Owner(s) First]			
Owner Name			
Residential Street Address:			
Mailing Address:			
City:		State:	Zip Code:
Telephone:		Email:	
Age 18 or Older: <input type="checkbox"/> Yes <input type="checkbox"/> No		Percent Ownership:	Industry Experience (yrs.):
Race:	Hispanic/Latino: <input type="checkbox"/> Yes <input type="checkbox"/> No		Veteran: <input type="checkbox"/> Yes <input type="checkbox"/> No
Gender: Male: <input type="checkbox"/> Female: <input type="checkbox"/>		Single Head of Household: <input type="checkbox"/> Yes <input type="checkbox"/> No	

CONFLICTS OF INTEREST

INSERT HYPERLINK HERE

JOB HIRING / RETENTION

According to program requirements and as a condition of the award, your business will be required to make available jobs for persons whose household incomes are at or below the income limits established by the U.S. Department of the Treasury (USDT). Using the chart below, please indicate the number of Full-Time Equivalent (FTE) jobs that will be created and/or retained by the business and that will be available for low to moderate income persons. Refer to program guidelines for detailed information regarding job creation / retention for low to moderate income persons. The business will be required to submit a Job Creation / Retention Report periodically.

2021 HUD Income Limits for Cumberland County

Total Persons in the Household	1	2	3	4	5	6	7	8
Annual Income at or below:	33,400	38,200	42,950	47,700	51,550	55,350	59,150	63,000

Applicant may be required to provide income information on current employees prior to executing a contract.

Estimated number of FTE jobs to be created: _____

Estimated number of FTE jobs to be created for low to moderate income persons: _____

and / or

Estimated number of FTE jobs to be retained: _____

Estimated number of FTE jobs to be retained for low to moderate income persons: _____

ACKNOWLEDGEMENT OF REQUIRED ASSURANCES

Applications which do not contain a signed Acknowledgement of Required Assurances are ineligible for consideration. By submitting the accompanying application and signing this document, I/We understand and agree that any award resulting from this solicitation will require compliance with the signed agreement and with the regulations, requirements, and policies identified below, including but not limited to:

- Compliance with the Small Business Economic Assistance Program Application Guidelines;
- Compliance with municipal ordinances and policies of Cumberland County;
- Compliance with federal and state laws requiring the safeguarding and disclosure of confidential information;
- Maintaining program and financial records for audit review, and providing access to documentation upon request by the County and or USDT;
- Submission of program and financial reports, as required by the County and/or USDT;
- Certification that the applicant is a for-profit business registered in the State of North Carolina in good standing;
- Certification that the business, association, corporation, or any person in a controlling capacity or any position involving the administration of federal, state, or local funds is not currently under suspension, debarment, voluntary exclusion, or a determination of ineligibility by any agency; has not been suspended, debarred, voluntarily excluded, or determined ineligible by any agency within the past three (3) years; does not have a proposed debarment pending; has not been indicted, convicted, or has not had a civil judgment rendered against said person, business, association, or corporation by a court of competent jurisdiction in any matter involving fraud or misconduct with the past three (3) years;
- Certification that the business is not bankrupt or under an administration appointed by the Court, or under proceedings leading to a declaration of bankruptcy; and provide any pending or known legal actions against the company;
- All pending or known litigation/court action(s) have been disclosed in the application; and
- Certification that the business applicant/ business owner will use the requested funds, if awarded, in the manner through which it has requested them in the attached application. Cumberland County reserves the right to exercise all legal authority available to it to recapture the awarded funds should the funding be used in a manner other than that which was presented in this application.

Application Approval and Signature: The signatory declares that the undersigned is an authorized official of the applicant organization, is authorized to make this application, is authorized to commit the business in financial matters, and will assure that any funds received as a result of this application are used for the purposes set forth herein.

Signature of Applicant/Owner: _____
Print Name: _____
Date: _____

Signature of Applicant/Owner: _____
Print Name: _____
Date: _____

Signature of Applicant/Owner: _____
Print Name: _____
Date: _____

Certification

The undersigned hereby represents and certifies to the best of their knowledge and belief that the information contained on this statement and any exhibits or attachments hereto are true and complete and accurately describe the proposed project(s). The undersigned further understands that any false statement in this application may disqualify the applicant/business from participation in the program. I/We also understand that this is a formal application for financial assistance. I/We understand that additional information (e.g., tax filings, bank account statements, etc.) may be requested. Verifications may be obtained from other sources.

The undersigned understands that no funding amount will be distributed until the County of Cumberland has issued a notice of award or notice to proceed. The undersigned agrees to promptly inform Cumberland County of any changes in the program which may occur. The County of Cumberland has the right to terminate any agreement under the Small Business Economic Assistance Program if an applicant/business is found to be in violation of any conditions set forth in the application guidelines.

I/We understand that it may be a federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of the United States Criminal Code.

Signature of Applicant/Owner: _____

Print Name: _____

Date: _____

Signature of Applicant/Owner: _____

Print Name: _____

Date: _____

Signature of Applicant/Owner: _____

Print Name: _____

Date: _____



RFP-22-16-CTY

**REQUEST FOR PROPOSALS FOR OWNER'S REPRESENTATIVE / COMMERCIAL REAL
ESTATE BROKERAGE SERVICES FOR SITE SELECTION PROCESS - HOMELESS
SHELTER**

Date of Issue: January 19, 2022

Questions due date: January 26, 2022

Proposal Due Date: February 18, 2022, 4:30 PM ET

Direct all inquiries concerning this RFP to:

Lorena Santos

Purchasing Manager

Email: cumberlandpurchasing@co.cumberland.nc.us

Phone: 910-678-7743

Proposals shall be submitted in accordance with the terms and conditions of this RFP and any addenda issued hereto.

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1.0 PURPOSE AND BACKGROUND

As part of the American Rescue Plan Act of 2021, the U.S. Department of Treasury has allocated the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) to eligible States, counties, and cities across the U.S. to provide direct economic assistance for workers, families, small businesses, and industries. Cumberland County, as one of the recipients of CSLFRF funds, held a series of public meetings to obtain input from the community residents in identifying priority needs. In addition, a consultant was hired to prepare a gap analysis report and a Three-Year Homelessness Strategic Plan for the County to implement strategies to addressing the needs of homelessness in the community. One of the priorities identified in the gap analysis report was the need for more shelter beds for persons experiencing homelessness in the community.

The County Board of Commissioners approved to utilize CSLFRF funds to support the effort of expanding shelter beds for the homeless. The County plans to either acquire, design, and renovate an existing structure or construct a new facility to use as a homeless shelter.

The County is seeking an owner’s representative/commercial real estate brokerage services for the site selection process for a shelter.

The terms “Vendor” and “Owner’s Representative” are used interchangeably throughout this RFP. The terms “County” and “Owner” are used interchangeably throughout this RFP.

2.0 PROPOSAL INSTRUCTIONS & REQUIREMENTS

2.1 REQUEST FOR PROPOSAL DOCUMENT

The RFP is comprised of the base RFP document, any attachments, and any addenda released before contract award. All attachments and addenda released for this RFP in advance of any contract award are incorporated herein by reference. By submitting a proposal, the vendor agrees to meet all stated requirements in this section as well as any other specifications, requirements and terms and conditions stated in this RFP. If a vendor is unclear about a requirement or specification or believes a change to a requirement would allow for the County to receive a better proposal, the vendor is urged and cautioned to submit these items in the form of a question during the question-and-answer period in accordance with Section 2.3.

Vendors shall populate all attachments of this RFP that require the vendor to provide information and include an authorized signature where requested. Failure to include required documents and/or signatures, where requested, will result in rejection of submitted proposals.

2.2 PROPOSAL SUBMITTAL

Proposals, subject to the conditions made a part hereof and the receipt requirements described below, shall be received at the address indicated in the table below.

Mailing address for delivery of proposal via US Postal Service	Office Address of delivery by any other method (special delivery, overnight, or any other carrier)
<i>PROPOSAL TITLE:</i> <i>22-16-CTY</i> <i>RFP FROM OWNER’S REPRESENTATIVE</i>	<i>PROPOSAL TITLE:</i> <i>22-16-CTY</i> <i>RFP FROM OWNER’S REPRESENTATIVE</i>

Cumberland County Finance Office Attn: Lorena Santos, Purchasing Manager PO Box 1829 Fayetteville, NC 28302	Cumberland County Finance Office Attn: Lorena Santos, Purchasing Manager 117 Dick Street 4 th Floor, Room 451 Fayetteville, NC 28301
--	---

IMPORTANT NOTE: All proposals shall be physically delivered to the office address listed above on or before Feb. 18, 2022, at 4:30 p.m. regardless of the method of delivery. All risk of late arrival due to unanticipated delay – whether delivered by hand, U.S. Postal Service, courier, or other delivery service is entirely on the vendor. It is the sole responsibility of the vendor to have the proposal to the County department specified by the specified time and date of opening. Any proposal received after the proposal submission deadline will be rejected.

- a) Submit **one (1) signed, original executed** proposal responses, **five [5] photocopies**, and **two [2] electronic copies** on a USB flash drive.
- b) Submit your proposal in a sealed package. Clearly mark each package with: (1) Vendor name; (2) the RFP number; and (3) the due date. Address the package(s) for delivery as shown in the table above. Proposals will be subject to rejection unless submitted with the information above included on the outside of the sealed proposal package.
- c) The two (2) electronic copies of your proposal must be provided on USB flash drives. The files on the USB flash drives **SHALL NOT** be password protected, shall be in .PDF and/or .XLS format, and shall be capable of being copied to other media including being readable in Microsoft Word and/or Microsoft Excel.

All proposal addendums and/or corrections will be posted on the Cumberland County Vendor Self Service site <https://ccmunis.co.cumberland.nc.us/MSS/Vendors/VProposals/SearchResults.aspx>. Vendors who submit a notice of intent to bid to email (CumberlandPurchasing@co.cumberland.nc.us) will receive addendums by email.

2.3 PROPOSAL QUESTIONS

Written questions shall be emailed to cumberlandpurchasing@co.cumberland.nc.us by January 28, 2022. Vendors should enter “RFP Title 22-16-CTY RFP for Owner’s Representative/Real Estate Brokerage Services: Questions” as the subject for the email. Questions will not be answered by phone. Questions submittals should include a reference to the applicable RFP section.

Questions received prior to the questions submission deadline date, the County’s response, and any additional terms deemed necessary by the County will be posted in the form of an addendum to the Cumberland County Vendor Self Service Site, <https://ccmunis.co.cumberland.nc.us/MSS/Vendors/default.aspx> and shall become an Addendum to this RFP. **Vendors who submit an intent to bid will receive addendums by email.** Vendors shall rely *only* on written material contained in an Addendum to this RFP. **Vendors should not contact any other County employees, besides those listed above, during the bid process. Vendors who contact any other County employees may be disqualified.**

Any questions considered minute in nature or that point to an error in the RFP or that the County determines will produce information required in order for all vendors to submit a responsible proposal, may be answered at the County's discretion after the specified date and time. Such questions that are received after the deadline are not guaranteed to be answered and if the questions qualify as "minute in nature" shall be determined at the sole discretion of the County.

2.4 RFP TERMS & CONDITIONS

It shall be the vendor's responsibility to read the instructions, the County's terms and conditions, all relevant exhibits and attachments, and any other components made a part of this RFP, and comply with all requirements and specifications herein. Vendors also are responsible for obtaining and complying with all Addenda and other changes that may be issued in connection with this RFP.

Questions, issues, or exceptions regarding any term, condition, or other component within this RFP, those must be submitted as questions in accordance with the instructions in Section 2.3 PROPOSAL QUESTIONS. Vendor's proposal shall constitute a firm offer.

If a vendor desires modification of the terms and conditions of this solicitation, it is urged and cautioned to inquire during the question period, in accordance with the instructions in this RFP, about whether specific language proposed as a modification is acceptable to or will be considered by the County. It is the County's sole discretion to accept or reject requested modifications and/or exceptions.

3.0 NOTICES TO VENDOR

3.1 PROHIBITED COMMUNICATIONS AND CONFIDENTIALITY

PROHIBITED COMMUNICATION: Each vendor submitting a proposal (including its representatives, sub-contractors and/or suppliers) is prohibited from having any communications with any person outside of the County department issuing this RFP. A vendor not in compliance with this provision may be disqualified from contract award.

IMPORTANT INFORMATION! CONFIDENTIAL INFORMATION: The proposal must not contain any information marked as "confidential" or as a "trade secret" or in any other manner as to indicate that it is information protected by the Trade Secrets Protection Act (the "Act") as set out in Article 24 of Chapter 66 of the North Carolina General Statutes, unless the vendor has noticed the County Finance Department of its intent to designate any information in the proposal as such and received permission from the County Finance Department to do so in writing. Vendor's notice to the County Finance Department must be in writing and must describe the information for which confidentiality is requested and explain how the information is a "trade secret" as defined in G.S. § 66-152(3). If the County Finance Department determines the information for which confidentiality is requested is a "trade secret" covered by the Act, it will notify the vendor how to mark the information in the proposal and will identify the measures that County will take to protect the confidentiality of the information. Vendor's submission of a proposal after receipt of this notice from the County Finance Departments shall be deemed to be acceptance of the County Finance Department's statement of how it will maintain confidentiality. If the County Finance Department determines the information for which confidentiality is requested is not a "trade secret" covered by the Act, it will notify vendor of that determination. Any proposal marked with any information as "confidential" or as a "trade secret" or in any

other manner as to indicate that it is information protected by the Act in violation of this section shall be regarded as not responsive to the request for proposals and shall not be considered.

32 PROPOSAL COMPLIANCE

It is in the best interest of vendors to submit proposals that are clear, concise, and easily understood. Proposals should provide information essential for a straightforward and concise description of vendor capabilities to satisfy the requirements of the RFP specifications.

Vendor may include any optional data not provided for elsewhere and considered to be pertinent to this bid as an addendum.

Vendors are urged and cautioned to read the RFP completely through as noncompliance with requirements may result in bid rejection. Section 4.0 requirements and request for information must be in the same order with the same titles as listed in Section 4.0. Vendor proposals should be easy to follow and all sections should be easily identified.

The specifications included in this package describe the services that the County feels are necessary to meet the performance requirements of this RFP, and shall be considered the minimum standards expected of the Proposer. However, the specifications are not intended to exclude potential bidders.

If the vendor is unable to meet any of the specifications as outlined therein, vendors are advised to submit questions and concerns regarding the specifications during the question and answer period described in Section 2.3.

If the vendor does not submit questions or concerns regarding the specifications, the County shall assume it is able to fully comply with these specifications. The County shall be the sole and final judge of compliance with all specifications.

The County further reserves the right to determine the acceptability or unacceptability of any and all alternatives or deviations.

33 PROPOSAL EVALUATION PROCESS

The County shall review all responses to this RFP to confirm that they meet the specifications and requirements of the RFP. The County shall not be required to hold interviews; however, depending on the number of responses and the information contained in the responses, the County may decide to conduct interviews with firms of its choice. The County reserves the right to request clarification of information submitted. Vendors may be required to provide a demonstration upon request.

The County reserves the right to reject all proposals.

34 EVALUATION CRITERIA

All qualified proposals will be evaluated, and award made based on considering the following criteria to result in an award most advantageous to the County:

- | | |
|--|-----------|
| 1. Overall qualifications, experience, personnel, and capability of the firm | 30 points |
| 2. Knowledge of Local Real Estate Market | 30 points |
| 3. Proposed Time Schedule | 15 points |

- 4. Cost Proposal
- 5. References

20 points
<u>5 points</u>
100 points

35 METHOD OF AWARD

The County reserves the right to make separate awards to different vendors, or to cancel this RFP in its entirety without awarding a contract, if it is considered to be most advantageous to the County to do so.

Following the deadline for receiving proposals, Cumberland County will review the proposals and develop a short list of firms to be interviewed. Those firms that are invited to **interview** will be expected to have key personnel available for presentation and interview at a future date to be set by the County.

4.0 SCOPE OF WORK & VENDOR'S PROPOSAL CONTENT REQUIREMENTS

The selected Vendor will be responsible for assisting the County with commercial broker services, representing the County's interest in negotiating purchases for land and building sales and providing other commercial real estate related services as requested.

4.1 SCOPE OF WORK

1. The selected Vendor will be responsible for providing support to the County in analyzing, negotiating, and closing on the purchase of a suitable site for the construction of a homeless shelter.
2. The principal responsibilities of the selected Vendor shall be to identify and qualify potential land and/or buildings; conduct due diligence on each site; solicit term sheets from selected sites; and negotiate the selected site real estate transaction; and assist the County in the potential due diligence and closing process associated with sales transactions.
3. Specific services may include, but are not limited to, the following:
 - a. Preparing a comprehensive market study of available site(s);
 - b. Conducting due diligence investigation of each potential site's specific suitability for a homeless shelter, including but not limited to zoning;
 - c. Assisting the County with planning, implementing, negotiating, and purchasing of property;
 - d. Preparing and negotiating purchase agreements;
 - e. Assisting the County with execution of all other transaction documents and efforts of obtaining plans, right-of-way maps, title searches, title commitments, appraisals, evidence of insurance, acquisition and/or eminent domain use in a project;
 - f. Providing progress updates and maintain timely contact with assigned County staff;
 - g. Attending meetings and/or public hearings with County staff, their agents, County officials, property owners, and other parties involved in the project, at either the request of the County or as part of the Vendor's work effort;
 - h. Providing the County with the original and/or copy of all documents produced by the Vendor as a result of the work assigned, if requested;
 - i. Other services as requested.

All services shall be provided in accordance with all applicable laws and in a manner consistent with industry best practices.

4.2 VENDOR'S PROPOSAL REQUIREMENTS

The vendor's proposal must include the required information below. Proposals shall be tabbed, using the titles identified in this section, to identify the required information. Tabs must be in the same order as listed below. Failure to submit this information may render its proposal non-responsive. **Vendors are urged and cautioned to read the notices in Section 3.1. Noncompliance with the confidentiality requirements will result in a proposal being considered nonresponsive.**

- a. **General Project Team Information:** Include in your firm's qualification statement, the following information about your firm and all key project team members:
 1. Cover letter: Cover letter must include: (a) name, title, address, and phone number of the principle contact person, and name, address, phone number of any location where the Project's assigned personnel are based.
 2. Company overview: Include a general company overview of each key member of the Project team including location, size, years in business, and years key project team member has been with the company.
 3. Insurance Certificate: Certificate of insurance evidencing the firm's current limits of liability for commercial general liability, business automobile liability and professional liability insurance.
- b. **Project Specific Information:** Include the following information relevant to the Scope of Work for your firm and any key project team members that will provide any portion of the Scope of Work:
 1. **Firm's Information:**
Provide specific information concerning the firm, including the legal name, address, and telephone number of the company and the type of entity (sole proprietorship, partnership, or corporation and whether public or private). Include the name and telephone number of the person(s) in your company authorized to execute the proposed contract. All parties signing the Agreement with the County must be individually liable for the completion of the entire project even when the areas of responsibility under the terms of the joint venture or association are limited.
 2. **Brief History, Organizational Structure, Qualifications, Key Personnel Assigned, and Experience:**
Provide specific information in this section concerning the firm's qualifications and experience in the services specified in this RFP. Provide a list of the firm's experience in providing successful real estate brokerage services for commercial properties within the last five (5) years, grouped by year. When describing experience, provide a list of key personnel, outside associates, or sub-vendors that will perform services under the contract with the County. Identify licenses and certifications for all key personnel listed. Describe additional relevant / unique services offered through your firm.
 3. **Knowledge of Local Real Estate Market and Project Approach:**

Describe the firm’s ability in providing real estate services similar to those outlined in this RFP as well as experience working in the Fayetteville / Cumberland County real estate market.

4. Time schedule proposed to accomplish tasks:

Indicate the time required to complete each task indicated in the Scope of Work. Also identify the extent of the County personnel involvement deemed necessary, including key decision points at each stage of the project.

5. Estimated cost of services:

- ☐ State your commission rate for conducting the transactions in the Scope of Work;
- ☐ State your fee for evaluation of properties; and
- ☐ State any other costs the County may anticipate relating to the real estate services to be provided.

6. References

Vendors shall provide at least three (3) references for which your company has provided services of similar size and scope to that proposed herein.

COMPANY NAME	CONTACT NAME	TELEPHONE NUMBER	EMAIL ADDRESS

5.0 CONTRACT TERMS AND CONDITIONS

5.1 IRAN DIVESTMENT ACT

As provided in N.C.G.S. 147-86.55-69, any person identified as engaging in investment activities in Iran, determined by appearing on the Final Divestment List created by the County Treasurer pursuant to G.S. 147-86.57(6) c, is ineligible to contract with the County of North Carolina or any political subdivision of the COUNTY.

5.2 E-VERIFY

CONTRACTOR shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes. Further, if Contractor utilizes a subcontractor, CONTRACTOR shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.”

5.3 DIVESTMENT FROM COMPANIES THAT BOYCOTT ISRAEL

The CONTRACTOR certifies that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. 147-86.81. It is the responsibility of each

CONTRACTOR to monitor compliance with this restriction. Contracts valued at less than \$1,000.00 are exempt from this restriction.

5.4 CONTRACT CHANGES

Contract changes, if any, over the life of the contract shall be implemented by contract amendments agreed to in writing by the COUNTY and CONTRACTOR.

5.5 CONTRACT TERM

The Contract shall have an initial term of one year, beginning on the date of contract award (the "Effective Date"). The CONTRACTOR shall begin work under the Contract within 10 business days of the Effective Date.

5.6 PRICING

Proposal price shall constitute the total cost for complete performance in accordance with the requirements and specifications herein, including all applicable charges handling, administrative and other similar fees. CONTRACTOR shall not invoice for any amounts not specifically allowed for in this RFP.

5.7 INVOICES

a) Invoices shall be submitted to Cumberland County at an address to be specified within the Contract. Any applicable taxes shall be invoiced as a separate item.

5.8 PAYMENT TERMS

The CONTRACTOR will be paid net thirty (30) calendar days after the CONTRACTOR'S invoice is approved by the COUNTY.

5.9 APPROPRIATION OF FUNDS

The parties intend that contractual performances by either party beyond the first fiscal year after the execution of this agreement be contingent upon the continued funding and appropriation by the County Board of Commissioners. Therefore, the parties agree that services provided and payment due under this agreement will be provided upon a year-to- year basis contingent upon continued funding and appropriation. The fiscal year for Cumberland County begins on July 1 and ends June 30th.

5.10 FINANCIAL STABILITY

CONTRACTOR warrants that it has the financial capacity to perform and to continue perform its obligations under the contract; that CONTRACTOR has no constructive or actual knowledge of an actual or potential legal proceeding being brought against CONTRACTOR that could materially adversely affect performance of this Contract; and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction.

5.11 INSURANCE:

Providing and maintaining adequate insurance coverage is a material obligation of the CONTRACTOR and is of the essence of this Contract. All such insurance shall meet all laws of the County of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The CONTRACTOR shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this Contract. The

limits of coverage under each insurance policy maintained by the CONTRACTOR shall not be interpreted as limiting the CONTRACTOR'S liability and obligations under the Contract.

During the term of the Contract, the CONTRACTOR at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the Contract.

The CONTRACTOR shall furnish Cumberland County with a certificate of insurance, executed by a duly authorized representative of each insurer showing compliance with the insurance requirements prior to commencing the work and upon renewal or replacement of each certified coverage throughout the term of this contract.

Copies or originals of correspondence, certificates, endorsements, or other items pertaining to insurance shall be sent to: Cumberland County Risk Management, 117 Dick Street, Fayetteville, NC 28301.

5.12 GENERAL INDEMNITY

The CONTRACTOR shall hold and save the COUNTY, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses accruing or resulting to any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this Contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the CONTRACTOR in the performance of this Contract and that are attributable to the negligence or intentionally tortious acts of the CONTRACTOR provided that the CONTRACTOR is notified in writing within 30 days that the COUNTY has knowledge of such claims. The CONTRACTOR represents and warrants that it shall make no claim of any kind or nature against the COUNTY'S agents who are involved in the delivery or processing of CONTRACTOR goods or services to the COUNTY. The representation and warranty in the preceding sentence shall survive the termination or expiration of this Contract.

5.13 ENTIRE CONTRACT

This contract constitutes the entire understanding of the parties. In the event of a conflict between the COUNTY'S contract terms and the CONTRACTOR'S contract terms, the COUNTY'S terms shall be the overriding determining factor.

5.14 CONTRACT CANCELLATION

The COUNTY may terminate this contract at any time by providing 30 days' notice in writing from the COUNTY to the CONTRACTOR. If the contract is terminated by the COUNTY as provided in this section, the COUNTY shall pay for services satisfactorily completed by the CONTRACTOR, less any payment or compensation previously made.

5.15 LAWS AND ORDINANCES

The contract will be governed by North Carolina law.

5.16 COMPLIANCE WITH LAWS

CONTRACTOR shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business and its performance in accordance with this contract, including those of federal, state, and local agencies having jurisdiction and/or authority. Whether specified explicitly or not, this contract shall incorporate inhere all applicable clauses established in 2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, Required Contract Clauses. ,

5.17 CONTRACTOR REPRESENTATIONS

CONTRACTOR warrants that qualified personnel shall provide services under this Contract in a professional manner. "Professional manner" means that the personnel performing the services will possess the skill and competence consistent with the prevailing business standards in the industry. CONTRACTOR agrees that it will not enter any agreement with a third party that may abridge any rights of the COUNTY under this Contract.

If any services, deliverables, functions, or responsibilities not specifically described in this Contract are required for CONTRACTOR'S proper performance, provision and delivery of the service and deliverables under this Contract, or are an inherent part of or necessary sub-task included within such service, they will be deemed to be implied by and included within the scope of the contract to the same extent and in the same manner as if specifically described in the contract. Unless otherwise expressly provided herein, CONTRACTOR will furnish all of its own necessary management, supervision, labor, facilities, furniture, computer and telecommunications equipment, software, supplies and materials necessary for the CONTRACTOR to provide and deliver the Services and Deliverables.

CONTRACTOR certifies that it has not previously or currently:

- a. Had any criminal felony conviction, or conviction of any crime involving moral turpitude, including, but not limited to fraud, misappropriation or deception, of CONTRACTOR, its officers or directors, or any of its employees or other personnel to provide services on this project, of which CONTRACTOR has knowledge.
- b. Had any regulatory sanctions levied against CONTRACTOR or any of its officers, directors or its professional employees expected to provide services on this project by any governmental regulatory agencies within the past three years. As used herein, the term "regulatory sanctions" includes the revocation or suspension of any license or certification, the levying of any monetary penalties or fines, and the issuance of any written warnings.
- c. Had any civil judgments against CONTRACTOR during the three (3) years preceding submission of its proposal herein.

Any personnel or agent of the CONTRACTOR performing services under any contract arising from this RFP may be required to undergo a background check at the expense of the CONTRACTOR, if so requested by the COUNTY.

The COUNTY may, in its sole discretion, terminate the services of any person providing services under this Contract. Upon such termination, the COUNTY may request acceptable substitute personnel or terminate the contract services provided by such personnel.

Attachments to this RFP begin on the next page.

ATTACHMENT A: INSTRUCTIONS TO VENDORS

1. **READ, REVIEW AND COMPLY:** It shall be the vendor's responsibility to read this entire document, review all enclosures and attachments, and any addenda thereto, and comply with all requirements specified herein, regardless of whether appearing in these Instructions to vendors or elsewhere in this RFP document.
2. **LATE PROPOSALS:** Late proposals, regardless of cause, will not be opened or considered, and will automatically be disqualified from further consideration. It shall be the vendor's sole responsibility to ensure delivery at the designated office by the designated time.
3. **ACCEPTANCE AND REJECTION:** The County reserves the right to reject any and all proposals, to waive minor informality in proposals and to reject proposal with non-minor informalities, based on the sole discretion of the County.
4. **EXECUTION:** Failure to sign EXECUTION PAGE in the indicated space will render proposal non-responsive, and it shall be rejected.
5. **GIFTS:** Gifts and favors to the County of any kind in any amount are prohibited.
6. **SUSTAINABILITY:** To support the sustainability efforts of the County of Cumberland we solicit your cooperation in this effort. All copies of the proposal are printed double sided.
7. **HISTORICALLY UNDERUTILIZED BUSINESSES:** Pursuant to General Statute 143-48 and Executive Order #150 (1999), the County invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled.
8. **INFORMAL COMMENTS:** The County shall not be bound by informal explanations, instructions or information given at any time by anyone on behalf of the County during the competitive process or after award. The County is bound only by information provided in this RFP and in formal Addenda issued through the State's IPS and the County's Vendor Self Service website.
9. **COST FOR PROPOSAL PREPARATION:** Any costs incurred by vendor in preparing or submitting offers are the Vendor's sole responsibility; the County of Cumberland will not reimburse any vendor for any costs incurred.
10. **VENDOR'S REPRESENTATIVE:** Each vendor shall submit with its proposal the name, address, and telephone number of the person(s) with authority to bind the firm and answer questions or provide clarification concerning the firm's proposal.
11. **SUBCONTRACTING:** The Contractor shall not assign or subcontract the work, or any part thereof, without the previous consent of Cumberland County, nor shall it assign, by power of attorney, operation of law, or otherwise, any moneys payable under the Contract without prior written consent of the County.

If the vendor proposes to subcontract work in this project, the subcontractor and the activity in this project are to be identified in the proposal.

All subcontractors must be approved by the County and must conform to and comply with the same terms, standards and specifications applicable to the contracting firm.

The vendor shall be fully responsible and accountable to the County for the acts and omissions of its subcontractors, and of persons directly or indirectly employed by him.

12. **INSPECTION AT VENDOR'S SITE:** The County reserves the right to inspect, at a reasonable time, the equipment/item, plant or other facilities of a prospective vendor prior to Contract award, and during the Contract term as necessary for the County determination that such equipment/item, plant or other facilities conform with the specifications/requirements and are adequate and suitable for the proper and effective performance of the Contract.
13. **AFFIRMATIVE ACTION:** The vendor will take affirmative action in complying with all Federal and County requirements concerning fair employment and employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin or disability.
14. **VENDOR REGISTRATION:** Vendor's are not required to register as a vendor in our system in order to submit a bid; however, registration is recommended so that vendor information is available for future opportunities. New vendors can register by visiting the following URL: <https://ccmunis.co.cumberland.nc.us/MSS/Vendors/Registration/Default.aspx>.

This Space is Intentionally Left Blank

EXECUTION

In compliance with this Request for Proposals (RFP), and subject to all the conditions herein, the undersigned vendor offers and agrees to furnish and deliver any or all items/services upon which prices are proposed. By executing this proposal, the undersigned vendor certifies that this proposal is submitted competitively and without collusion, that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible from covered transactions by any Federal or State department or agency. Furthermore, the undersigned vendor certifies that it and its principals are not presently listed on the Department of State Treasurer's Final Divestment List as per N.C.G.S 147-86.55-69.

The potential Contractor certifies and/or understands the following by placing an "X" in all blank spaces:

- The County has the right to reject any and all proposals or reject specific proposals with deviated/omitted information, based on the County's discretion if the omitted information is considered a minor deviation or omission. The County will not contact vendors to request required information/documentation that is missing from a proposal packet. Additionally, if the County determines it is in its best interest to do so, the County reserves the right to award to one or more vendors and/or to award only a part of the services specified in the RFP.
- This proposal was signed by an authorized representative of the Contractor.
- The potential Contractor has determined the cost and availability of all materials and supplies associated with performing the services outlined herein.
- All labor costs associated with this project have been determined, including all direct and indirect costs.
- The potential Contractor agrees to the conditions as set forth in this RFP with no exceptions.
- Selection of a contract represents a preliminary determination as to the qualifications of the vendor. Vendor understands and agrees that no legally binding acceptance offer occurs until the Cumberland County Board of Commissioners, or its designee, executes a formal contract and/or purchase order.

Therefore, in compliance with the foregoing RFP, and subject to all terms and conditions thereof, the undersigned offers and agrees to furnish the services for the prices quoted within the timeframe required. Vendor agrees to hold firm offer through contract execution.

Failure to execute/sign proposal prior to submittal shall render the proposal invalid and it WILL BE REJECTED.

VENDOR:		
STREET ADDRESS:	P.O. BOX:	ZIP:
CITY & COUNTY & ZIP:	TELEPHONE NUMBER:	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #10):		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR:		FAX NUMBER:
VENDOR'S AUTHORIZED SIGNATURE:	DATE:	EMAIL:

ATTACHMENT C: PROPOSAL COST

ATTACHMENT D: CERTIFICATION OF FINANCIAL CONDITION

Name of Vendor: _____

The undersigned hereby certifies that: [check all applicable boxes]

- ☐ The vendor is in sound financial condition and, if applicable, has received an unqualified audit opinion for the latest audit of its financial statements.
Date of latest audit: _____
- ☐ The vendor has no outstanding liabilities, including tax and judgment liens, to the Internal Revenue Service or any other government entity.
- ☐ The vendor is current in all amounts due for payments of federal and County taxes and required employment-related contributions and withholdings.
- ☐ The vendor is not the subject of any current litigation or findings of noncompliance under federal or County law.
- ☐ The vendor has no findings in any past litigation, or findings of noncompliance under federal or County law that may impact in any way its ability to fulfill the requirements of this Contract.
- ☐ He or she is authorized to make the foregoing statements on behalf of the vendor.

Note: This is a continuing certification and vendor shall notify the Contract Lead within 15 days of any material change to any of the representations made herein.

If any one or more of the foregoing boxes is NOT checked, vendor shall explain the reason in the space below:

Signature _____ Date _____

Printed Name _____ Title _____

[This Certification must be signed by an individual authorized to speak for the vendor]

ATTACHMENT E: CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

The Contractor, _____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official

Name and Title of Contractor's Authorized Official

Date

ATTACHMENT F: NONCOLLUSION AFFIDAVIT

NON-COLLUSION AFFIDAVIT

State of North Carolina County of Cumberland

_____, being first duly sworn, deposes and says that:

- 1. He/She is the _____ of _____, the proposer that has submitted the attached proposal.
- 2. He/She is fully informed respecting the preparation and contents of the attached proposal and of all pertinent circumstances respecting such proposal.
- 3. Such proposal is genuine and is not a collusive or sham proposal.
- 4. Neither the said proposer nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any other proposer firm or person to submit a collusive or sham proposal in connection with the contract for which the attached proposal has been submitted or to refrain from proposing in connection with such contract, or has in any manner, directly or indirectly sought by agreement or collusion of communication or conference with any other proposer, firm or person to fix the price or prices in the attached proposal or of any other proposers, or to fix any overhead, profit or cost element of the proposal price of the proposal of any other proposer or to secure through collusion, conspiracy, connivance or unlawful agreement any advantage against the County of Cumberland or any person interested in the proposed contract; and
- 5. The price or prices quoted in the attached proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the proposer or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Signature_____

Printed Name: _____

Title:_____

Date:_____

Subscribed and Sworn to Before Me,

This_day of_, Notary Public _____

My Commission Expires: _____

the same individuals with whom business is conducted on behalf of the County.

g. Authorized Financial Dealers and Financial Institutions

The Finance Director will maintain a list of financial institutions that are authorized to provide investment services. Authorized financial institutions will be selected by credit worthiness. These may include “primary” dealers or regional dealers that qualify under SEC Rule 15C3-1 (uniform net capital rule).

h. Any financial institutions and broker dealers that desire to become qualified to conduct investment transactions with the County must supply the Finance Director with the following:

- 1) Audited financial statements;
- 2) Proof of National Association of Securities Dealers certification;
- 3) Proof of State registration; and
- 4) Certification of having read the County’s Investment Policy.

i. Any previously qualified financial institution that fails to comply or is unable to comply with the above items upon request will be removed from the list of qualified financial institutions.

j. The Finance Director shall have discretion in determining the number of authorized financial institutions and may limit that number based upon the practicality of efficiently conducting the investment program. The Finance Director shall also have the discretion to add or remove authorized financial institutions based upon potential or past performance.

1) Internal Control

The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires the use of estimates and judgments by management.

2) Collateralization

Collateralization is required for certificates of deposit. North Carolina General Statutes allow the State Treasurer and the Local Government Commission to prescribe rules to regulate the collateralization of public deposits in North Carolina banks. These rules are codified in the North Carolina Administrative Code – Title 20, Chapter 7 (20 NCAC 7). The Pooling Method of collateralization under 20 NCAC 7 allows depositories to use an escrow account established with the State Treasurer to secure the deposits of all units of local government. This method transfers the responsibility for monitoring each bank's collateralization and financial condition from the County to the State Treasurer. The County will only maintain deposits with institutions using the Pooling Method of collateralization.

3) Delivery and Custody

All investment security transactions entered into by the County shall be conducted on a delivery versus payment basis. Securities will be held by a third party custodian designated by the Finance Director and each transaction will be evidenced by safekeeping receipts and tickets.

4) Authorized Investments

A. The County is empowered by North Carolina G.S. 159-30(c) to invest in certain types of investments. The Board of Commissioners approves the use of the following types, the list of which is more restrictive than G.S. 159-30(c):

- 1) Obligations of the United States or obligations fully guaranteed as to both principal and interest by the United States.
- 2) Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the United States Postal Service.
- 3) Obligations of the State of North Carolina.

- 4) Bonds and notes of any North Carolina local government or public authority that is rated "AA" or better by at least two of the nationally recognized ratings services or that carries any "AAA insured" rating.
- 5) Fully collateralized deposits at interest or certificates of deposit with any bank, savings and loan association or trust company that utilizes the Pooling Method of collateralization.
- 6) Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligation.
- 7) Bankers' acceptance of a commercial bank or its holding company provided that the bank or its holding company is either (i) incorporated in the State of North Carolina or (ii) has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligations.
- 8) Participating shares in a mutual fund for local government investment, provided that the investments of the fund are limited to those qualifying for investment under G.S. 150-30(c) and that said fund is certified by the LGC. (The only such certified fund is the North Carolina Capital Management Trust.)

B. Prohibited Forms of Investments

- 1) The use of repurchase agreements in the normal investment portfolio (not debt proceeds) is prohibited.
- 2) The use of collateralized mortgage obligations is prohibited.
- 3) The use of any type of securities lending practices is prohibited.

5) Diversification

- A. Investments will be diversified by security type and by institution.
- B. The total investment in certificates of deposit shall not exceed 25% of the County's total investment portfolio and the investment in certificates of deposit with a single financial institution shall not exceed \$3,000,000.
- C. The total investment in commercial paper shall not exceed 10% of the County's total investment portfolio and the investment in commercial paper of a single issuer shall not exceed \$4,000,000.
- D. The total investment in bankers' acceptances shall not exceed 10% of the County's total investment portfolio and the investment in bankers' acceptances of a single issuer shall not exceed \$7,000,000.
- E. The Finance Director is responsible for monitoring compliance with the above restrictions. If a violation occurs, the Finance Director shall report such to the County Manager and to the Board along with a plan to address the violation.

6) Maximum Maturities

- A. To the extent possible, the County will attempt to match its investments with anticipated cash flow requirements. Beyond identified cash flow needs, investments will be purchased so that maturities are staggered.

B. The following maturity limits are set for the County's investment portfolio:

- 1) No investment will have a maturity of more than two years without authorization from the County Manager.
- 2) No more than 10% of the total investment portfolio will be invested with a maturity longer than one year but less than two years. Because the total investment portfolio may fluctuate due to cash flow needs, investments with a maturity up to two years may exceed the calculated total. If this should occur, investments should not be liquidated to comply with this policy but future investing with maturities up to two years shall be avoided until the designated level is achieved.

7) Selection of Securities

The Finance Director or his or her designee will determine which investments shall be purchased and sold and the desired maturity date(s) that are in the best interest of the County. The selection of an investment will involve the evaluation of, but not limited to, the following factors: cash flow projections and requirements; current market conditions; and overall portfolio balance and makeup.

8) Responses to Changes in Short Term Interest Rates

- A. The County will seek to employ the best and most appropriate strategy to respond to a declining short-term interest rate environment. The strategy may include, but does not have to be limited to, purchases of callable "cushion" bonds, lengthening of maturities in the portfolio, and increases in the percentage of ownership of treasury notes relative to that of treasury bills.
- B. The County will seek to employ the best and most appropriate strategy to respond to an increasing short-term interest rate environment. That strategy may include, but does not have to be limited to, purchases of "step-up" securities, shortening of maturities in the portfolio, the use of floating rate investments, and increases in the percentage of

ownership of treasury bills relative to that of treasury notes.

9) Performance Standards

- A. The investment portfolio will be managed in accordance with the parameters specified within this policy. The investment portfolio will strive to obtain a market average rate of return within the constraints of the county's investment risk profile and cash flow needs.
- B. The performance benchmarks for the performance of the portfolio will be rates of return on 90-day commercial paper and on three-year treasury notes.

10) Active Trading of Securities

It is the County's intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal. However, if economic or market conditions change making it in the County's best interest to sell or to trade a security before maturity, that action may be taken.

11) Pooled Cash and Allocation of Interest Income

All monies earned and collected from investments other than bond proceeds will be allocated monthly to the various participating funds and component units based upon the average cash balance of each fund and component unit as a percentage of the total pooled portfolio. Earnings on bond proceeds will be directly credited to the same proceeds.

12) Market to Market

A report of the market value of the portfolio will be generated annually by the Finance Director. The Finance Director will use the reports to review the investment portfolio in terms of value and price volatility, as well as for compliance with GASB Statement #31.

6.0 ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES

6.1 General Policy

- 6.1.1 The County will maintain accounting systems in compliance with the North Carolina Local Government Budget and Fiscal Control Act. The County will maintain accounting systems that enable the preparation of financial statements in conformity with generally accepted accounting principals (GAAP).
- a. The basis of accounting within governmental funds will be modified accrual.
 - b. The basis for accounting within all Enterprise and Internal Service Funds will be the accrual basis.
- 6.1.2 Financial systems will be maintained to enable the continuous monitoring of revenues and expenditures or expenses with ~~monthly reports provided to the County Manager and the Finance Director~~ immediate access to real-time information to all users of the financial system. Financial summaries will be provided to the ~~Finance Committee~~ Board at their regularly scheduled Agenda Session meetings. ~~Monthly expenditure/expense reports will be provided to each director and department head for their functional area and~~ Online, real time, view only, access to the financial system will be made available to department heads and departmental other ~~staff as much as practical and its use encouraged.~~ On a periodic basis an interim financial update will be provided to the Board of County Commissioners.
- 6.1.3 The County will place emphasis on maintenance of an accounting system which provides strong internal budgetary and financial controls designed to provide reasonable, but not absolute, assurance regarding both the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and reports, as well as the accountability of assets.
- 6.1.4 An annual audit will be performed by an independent certified public accounting firm that will issue an opinion on the annual financial statements as required by the Local Government Budget and Fiscal Control Act.
- 6.1.5 The County will solicit proposals from qualified independent certified public accounting firms for audit services. The principal factor in the audit procurement process will be the auditor's ability to perform a quality audit. The County will enter into a multiyear agreement with the selected firm. Firms are not barred from consecutive contract awards.

- 6.1.6 The Finance Committee of the Board will serve as the standing audit committee. The committee will oversee the independent audit of the county's financial statements, from the selection of the auditor to the resolution of any audit findings. A staff report concerning the annual audit will be presented annually to the ~~Committee and the~~ Board of County Commissioners.
- 6.1.7 The Finance Department/Internal Auditor will conduct some form of internal audit procedures at least one time per year, specifically focusing upon cash receipts procedures.
- 6.1.8 The County will prepare an ~~CAFR~~ ACFR. The ~~CA~~ ACFR will be prepared in compliance with established criteria to obtain the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting and will be submitted to that award program each year.
- 6.1.9 Full and complete disclosure will be provided in all regulatory reports, financial statements and debt offering statements.
- 6.1.10 The County will use the ~~CAFR~~ ACFR as the disclosure document for meeting its obligation to provide certain annual financial information to the secondary debt market via various information repositories. The annual disclosure is a condition of certain debt covenants and contracts that are required by SEC Rule 15c2-12.
- 6.1.11 The Finance Department will maintain a Financial Procedures Manual as a central reference point and handbook for all financial, accounting and recording procedures.
- 6.1.12 The Information Technology Department will establish, document and maintain a Computer Disaster Recovery Plan and will provide for the daily backup of data and the offsite storage of the same.

7.0 SWAP POLICY

Use of synthetic debt transactions by use of swaps is permitted by Local Government Commission policy for selected counties and cities. Currently the County does not view synthetic debt transactions as consistent with its overall financial policies. The County will continue to review the potential for synthetic debt transactions using swaps and will adopt a formal swap policy to the extent needed in the future.

(Adopted 2-2-08) (Finance Cmte; 3-3-11; Adopted 3-21-11) (Finance Cmte. 6-7-18; Adopted 6-18-18) (ARPA committee 1-11-22; Agenda Session 1-13-22; Adopted 1-18-22)

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