



# Oregon

Kate Brown, Governor

## Department of Administrative Services

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### MEMORANDUM

**To:** Christian Gaston  
Elana Pirtle-Guiney

**From:** George Naughton  
Kate Nass

**Date:** August 25, 2021

**Subject:** ARPA Grant Agreement – Process and Next Steps

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Over the past few weeks, LFO has been working with legislators to compile contact information for each of the legislative member-identified ARPA Coronavirus State Fiscal Relief Fund (CSFRF) funded projects included in Section 74 of House Bill 5006 (2021). This is the first step in finalizing formal grant agreements before distributing funding; DAS expects to reach out to each grantee contact in September to begin gathering information required for the ARPA grant agreement. Based upon the current interim federal rules, each project will need its own grant agreement and every grant agreement in an amount over \$150,000 will need to go through DOJ's legal sufficiency review process. Please also note that each project will need to be closely evaluated to confirm project eligibility for the funds.

Each grant agreement will include various federal- and state-required terms, conditions, and requirements, which could include any, or all, of the following as applicable:

- Use of funds and timing restrictions for eligible costs and performance;
- Limit administrative costs to a federally approved indirect rate or the allowed de minimis administrative rate of 10 percent, if applicable;
- Reporting requirements;
- Recordkeeping requirements related to financial documents;
- Agreement to comply with applicable law, including the Uniform Administrative Requirements (federally approved indirect rate or the allowed de minimis administrative rate of 10 percent), Cost Principles and Single Audit Act requirements for Federal Awards as outlined in federal uniform guidance (2 CFR Part 200);
- Agreement to comply with applicable federal anti-discrimination requirements;
- Agreement to comply with applicable state prevailing wage requirements, depending on the type and total cost of the project;
- Insurance requirements and indemnity clauses; and
- Other miscellaneous provisions required by U.S. Treasury, such as provisions encouraging grantees and contractors to adopt and enforce on-the-job seat belt policies and programs, as

well as encouraging subrecipients, employees and contractors to adopt and enforce policies banning text messaging while driving.

Based on our recent experience with the federal Coronavirus Relief Fund (CRF), any of the above provisions can raise concerns and delays in the process of finalizing an agreement. By way of example only, attached is a grant agreement template used for certain CRF-funded programs. We stress that CRF was an entirely different federal program and the forthcoming ARPA agreements will have different and additional provisions as the associated federal requirements are different. The attached CRF agreement is purely an example of a previous federal grant agreement and should not be relied upon as an indication of the terms that will be in any ARPA grant agreement.

In preparation for the forthcoming information request from DAS, below are several items grantees can start thinking through, compiling or reviewing ahead of time:.

- ✓ Who will serve as the grantee's grant manager and what is that person's contact information?
- ✓ What is the grantee's Federal Tax ID Number and DUNS Number?
- ✓ Who will act as the grantee's authorized representative to sign on behalf of the grantee?
- ✓ What approvals from the grantee's board, commission or other governing body will be necessary for the grantee to enter into the agreement and accept the funds?
- ✓ Prepare a draft Statement of Work, which should include the purpose and use of the funding, project activities, schedule and budget.
- ✓ The grantee should review the U.S. Department of Treasury materials setting forth requirements and guidance for the allowed use of CSFRF funding and required reporting:
  - U.S. Department of Treasury State and Local Fiscal Recovery Funds website:  
<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>
  - Interim Final Rule: <https://www.govinfo.gov/content/pkg/FR-2021-05-17/pdf/2021-10283.pdf>
  - Frequently Asked Questions (FAQ):  
<https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf>
  - Compliance and Reporting Guidance: <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>

Finally, DAS has created a staffed generic email address for DAS-grantee communications as we work to disburse Oregon's CSFRF money: [StateFiscal.RECOVERYFUND@oregon.gov](mailto:StateFiscal.RECOVERYFUND@oregon.gov). DAS will use this email to distribute information to grantees and this address will be the best way for grantees to reach the DAS team with their CSFRF questions.