

City of Bloomington American Rescue Plan Act (ARPA) Socioeconomic Needs Grant Program Manual For Non-Profits



Chapter One: ARPA Program Overview

1.1 Introduction

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (ARPA) into law. The \$1.9 trillion Fiscal Recovery Funds package is intended to support the response and recovery from the COVID-19 pandemic, including public health and economic impacts. The City of Bloomington received \$13.4 million of these COVID-19 relief funds. In July of 2022, these funds were allocated by City Council into three purposes: Infrastructure, Economic Development, and Socioeconomic Development. The funding amounts were \$9 million, \$2.2 million, and \$2.2 million respectively. Of the \$2.2 million allocated to Socioeconomic Development, \$1.1 million were designated for the Non-Profit Grants Program and \$1.1 million for the Affordable Housing Rehabilitation Grant Program.

1.2 Purpose

The Non-Profit Grant Program was created to support individuals and organizations impacted by the COVID-19 pandemic, as defined by the U.S. Department of the Treasury. The Non-Profit Grant Program will provide grants of two (2) up to \$250,000.00 and three (3) up to \$150,000.00 to support the COVID-19 public health and economic response by addressing the negative economic impacts to non-profits.

1.3 Funding and Regulations

This grant program is funded by the U.S. Department of Treasury via the American Rescue Plan Act of 2021 (ARPA) funds allocated to Economic Development by the City of Bloomington's City Council on December 5, 2022 (2022-119). The American Rescue Plan Act of 2021 (Public Law 117- 2) (ARPA) authorized this funding for grants to assist in the response and recovery from the COVID-19 pandemic. This grant program was designed following guidance issued by the U.S. Department of Treasury in its Coronavirus State & Local Fiscal Recovery Funds Final Rule.

Funding is subject to [2 CFR Part 200](#), which governs federal funding awards.

1.4 Client Information Policies

Staff should follow the identity protection and technology policies located within the most recent City of Bloomington Employee Handbook. The following is a summary of related protections of client data and information.

- All client physical files should be kept in a locked storage device unless the file is being used by an authorized City staff member reviewing the information.
- Clients, program partners, subrecipients, and program applicants are strongly encouraged to not send personal information over email to City staff. They should upload sensitive documents to secure online software of the City's choice, mail the documentation to the office, or drop the information off to City staff. If a client does email personal

information to staff, the email system is monitored by the City's Information Technology staff for security breaches and the email accounts are password protected. Any client information system used by the City shall be password protected and accounts made available to staff members with proper clearance.

- No loan or application information may be provided to a third party without a valid and signed Third Party Authorization (TPA) form on file. All TPA forms must have a wet signature from the loan holder or applicant.

1.5 Non-Discrimination

The City as a recipient of ARPA funds shall ensure that subrecipients comply with Title VI of the Civil Rights Act of 1964 (prohibiting race, color, and national origin discrimination including language access for limited English proficient persons), Section 504 of the Rehabilitation Act of 1973 (prohibiting disability discrimination), Title IX of the Education Amendments of 1972 (prohibiting sex discrimination in education and training programs), the Age Discrimination Act of 1975 (prohibiting age discrimination in the provision of services), and a variety of program-specific statutes with nondiscrimination requirements. The City of Bloomington will follow all other applicable Federal and State fair housing and anti-discrimination laws.

Housing Discrimination Complaint Processing

If a housing discrimination complaint arises, a full report and the completed HUD Housing Discrimination Complaint form should be sent to the City of Bloomington's Human Relations Commission. The City will then forward the complaint to HUD and corrective action will be decided upon. The City of Bloomington may also refer housing discrimination complaints not related to City services to subrecipients or program partners involved in fair housing activities.

Chapter Two: Non-Profit Grants Program

2.1 Introduction

The Non-Profit Grant Program was created to support individuals and organizations impacted by the COVID-19 pandemic, as defined by the U.S. Department of the Treasury. The Non-Profit Grant Program will provide grants of two (2) up to \$250,000.00 and three (3) up to \$150,000.00 to support the COVID-19 public health and economic response by addressing the negative economic impacts to non-profits.

2.2 Eligibility Requirements

Non-Profits must meet all the following criteria to qualify for funds.

- Must be registered as a 501c3 with the IRS
- Beneficiaries of the funding must reside in the corporate limits of the City of Bloomington
- Must serve households with an annual income at or below 300% of the Federal Poverty Level
- Non-Profit Grants must be utilized for needs identified in Consolidated Plan/community health survey (homeless services, senior services, food services, health services focusing on disparities, disability services, mental health services, workforce development and job training activities)

2.3 Application Process

Application Process and Components

Applications for non-profit grants will be made available online. (Link to seamless Doc) No paper applications will be accepted. Below is the minimum information that an application for this partner program must gather.

- Contact information for the applying organization.
 - This would include mailing address, primary contact person name, phone number, website, email address, mailing address, fiscal contact name, fiscal contact email, and fiscal contact phone number.
- FEIN for the applying organization.
- Type of organization and brief description of the organization
- Proposed project/program type
- Eligible activity the proposed project/program will meet
- Proposed project/program start and end dates
- Proposed project/program service area

- How the proposed project/program meets the goals outline in the City’s current CDBG Consolidated Plan and the current CHNA Plans?
- Proposed project beneficiary income and age information
- How will client race, age, and income data will be collected?
- Goals for the proposed project/program
- Identification of other organizations involved in the proposed project/program
- Description of staff training for the proposed project/program
- Other funding sources for the proposed project/program
- How does the organization’s accounting system meets the requirements outlined in [2 CFR Part 200.302?](#)
- Proposed project/program budget
- Proposed project/program timeline
- SAM.gov verification
- Non-profit determination or certified local government certification
- Organizational chart
- Board of Directors list
- Current liability insurance certificate
- Chart of accounts
- Current audit
- Financial internal control procedure
- Governing body authorization to submit funding request
- Job descriptions for all positions assigned to the proposed project/program
- Conflict of interest policy for organization staff and Board of Directors
- Drug-Free workplace policy
- Grievance/Termination policy for agency staff and project/program participants
- Non-Discrimination policy
- Procurement policy
- Record retention policy
- Section 504 certification and checklist

- Programmatic risk assessment questionnaire

2.4 Funding Decision

Applications will be reviewed by City staff for eligibility based on allowable costs as outlined in the grant policy and procedures and the U.S. Department of Treasury in its Coronavirus State & Local Fiscal Recovery Funds Final Rule. Grants will be awarded to eligible applicants on a first come, first served basis until funds are exhausted as further defined and detailed in the program regulations.

Along with the award notification, the City will submit a draft Grant Agreement to the organization. Once the Grant Agreement is executed, a one-time payment for eligible program costs will be made. Organizations will have 24 months from award to spend funds.

Each organization that applied shall receive written notice, via email or U.S. mail, of the application decision.

2.5 Subrecipient Grant Agreements and Program Provisions

Once organizations have been notified of their award, the City will send subrecipient grant funding agreements to funded organizations. All subrecipient grant agreements shall contain the following sections. The City reserves the right to expand upon the following policies and sections within individual subrecipient grant funding agreements. Subrecipient grant agreements are executed by the City Manager.

Appendices to the Agreement

Any appendix to the subrecipient grant funding agreement is incorporated into the agreement. Subrecipients must follow any terms and conditions listed in any appendix.

Scope of Work to be Performed

Subrecipients must agree to follow any scope of work listed in their subrecipient grant funding agreement. This scope of work shall be defined in the subrecipient grant funding agreement.

General Compliance with Applicable Laws

Subrecipients must comply with all applicable federal, state, and local laws, regulations, and policies governing the funds provided under a subrecipient grant agreement.

Length of the Agreement

Subrecipient grant funding agreements cover the 24-month period they are funded.

Amount of the Appropriation

Each subrecipient grant funding agreement shall have the appropriation listed. Any appropriation given in a particular program year does not imply continued financial support beyond the length of time specified in the subrecipient grant funding agreement.

Ineligible Program Costs

Although certain recording requirements prescribed by Congress, the Department of the Treasury, or the City may require ineligible costs to be listed within the budget, ineligible costs will not be paid for using ARPA funds.

Suspension and Termination Language

The City has the right to suspend or terminate subrecipient grant funding agreements if a subrecipient fails to comply with any or all provisions within their valid subrecipient grant funding agreement. If the City or a subrecipient determines the award of funds under a subrecipient grant funding agreement for the subrecipient's proposed program cannot meet the goals outlined, either party can terminate the agreement in full or partially.

Termination of a subrecipient grant funding agreement is recognized upon the receipt of written notification by the party not initiating the termination. The written notification must include the reasons for termination, the effective date of the termination, and the portion to be terminated.

Meeting Requirements

The City shall have a staff member from the Economic and Community Development Department meet with subrecipients to review required reports, cases, invoices, or any other information relevant to the subrecipient on a schedule outlined in a subrecipient grant funding agreement. This is typically accomplished during monitoring.

Record Retention and Requirements

Subrecipients shall provide the City, the Department of the Treasury, the Inspector General of the United States, or any other duly authorized representatives access to any books, documents, papers, and records that pertain to the ARPA funded project/program. This is to allow monitoring, making audits, examinations, excerpts, transcripts, and photocopying.

Subrecipients are required to maintain all required records for five years after the subrecipient's final audit and project/program close-out by the City. Subrecipients shall establish and maintain a project/program file that contains the following information.

- General project/program correspondence and related items
- Financial source documentation and associated transaction documentation
- Procurement procedures and associated documents
- Compliance with applicable local, state, and federal regulations
- Project/program reports
- Documentation of persons benefiting from grant activities, including race/ethnicity and age to substantiate achievement of the eligible ARPA funded activity
- Personnel actions

- Acquisition and disposition of property

Subrecipients shall, at minimum, maintain the following records for each grant received.

- Cash receipts register
- Cash disbursements register
 - All disbursements must be supported by appropriate documentation that demonstrates the nature and use of each payment and showing the approval of the subrecipient's authorized official. Payroll records shall include the time each subrecipient employee spends working on the grant. Timesheets must be signed by the employee and their supervisor or other authorizing official.
- Equipment records
 - A record shall be maintained for each item of equipment acquired for the project/program. Equipment is defined as tangible personal property which has a useful life of more than one year and per-unit acquisition that equals or exceeds \$500.00. Records shall include a description (including model and serial number) of the equipment, date of acquisition, the acquisition cost (showing the percentage that was paid for by ARPA funds). This recording requirement does not indicate the City will pay for equipment. The City does not typically provide funds for equipment purchases, including information technology systems.
- Supply records
 - A record shall be maintained for supplies purchased for the project/program. Supplies include all tangible personal property other than equipment. Records shall be maintained for supplies which are acquired for the project/program for a cost equal or exceeding \$200.00. Supplies equal to or exceeding \$200.00 must have a record showing a comparison of supplies purchased.
- Indirect cost records
 - A record shall be kept of all indirect costs. Indirect costs are costs incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved. The City typically does not provide funding for indirect costs.

Reporting Requirements

The City shall include in any subrecipient grant funding agreement information about reporting schedules. Reporting measures are defined by required the Department of the Treasury reporting information that the City must provide for ARPA activities and any other measure to measure the success of the funded project/program as determined by the City's Grants Specialist.

Subrecipients must provide the City documents related to procedures, policies, copies of all contracts and subcontracts for work financed in whole or in part with ARPA funding, and a regularly updated schedule of project/program activities.

A pattern of late, improper, incomplete, or erroneous reports could be grounds for the termination of a subrecipient grant funding agreement at the City's sole discretion. The City reserves the right to make appropriate adjustments for any funds previously paid out by the City but unexpended by the subrecipient. Reports shall consist of the following.

- Beneficiary demographic data including, but not limited to, the number of people served, the number of City of Bloomington residents served, beneficiary race/ethnicity information, and beneficiary income information.
- Program accomplishments and narratives.

Annual Audit Requirements

Subrecipients are required to prepare and submit to the City an audit of the financial records statement of the subrecipient pertaining to the receipt and use of ARPA funds. If a subrecipient receives federal funds from multiple sources other than the City's ARPA program, a combined single audit is permissible provided it clearly outlines the amount of the City's ARPA funds received, the amount expended and encumbered, and the purposes of the expenditures.

An annual financial statement may be accepted with prior approval by the City. The City shall have the right to review and modify the scope of said audit or financial statement. Subrecipients are responsible for clearly identifying and accounting for funds received and expended during separate program years.

Alternative Funding Reporting Requirements

Subrecipients shall notify the City if the subrecipient receives funding, full or partial, that is incremental to the program budget outlined in the subrecipient grant funding agreement from any or all sources for the performance of activities in the agreement.

Revision of Budget and Project/Program Plans

The subrecipient shall request a budget change in writing and forward this request to the Grants Specialist. The written request must contain the following information.

- Reason and justification for the change
- Amounts to be changed
- Description of the line item(s) affected

Any change to the scope of work defined in the subrecipient grant funding agreement requires written permission from the City prior to the execution of any changes by the subrecipient. The written request must contain the following information.

- Reason and justification for the change
- Timeline for the change

If the subrecipient requests both a budget and scope of work change, the written request from the subrecipient and the written response from the City can be one document.

Non-Discrimination

Subrecipients must agree that no person shall on the grounds of race, color, religion, national origin, sex, sexual orientation, gender identity, marital status, age, source of income, physical disabilities, or mental disabilities be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination under any program or activity that receives financial assistance from the City's ARPA program.

Subrecipients must agree to including a statement of its non-discrimination policy in any printed or electronic information released to the public regarding program activities receiving financial assistance from the City.

Equal Opportunity Policy/Affirmative Action Plan/Current Policy Setting Body Information

A copy of the subrecipient's policy on equal opportunity employment and a copy of its most current Affirmative Action Plan. Such a plan shall incorporate language pursuant to 41 CFR Part60-1.4(b). The names, addresses, and professional affiliations of current members of the board of directors or policy-setting body of the subrecipient shall be provided to the City.

Workers' Compensation

Subrecipients are required to provide worker's compensation insurance coverage for all its employees involved in the performance of subrecipient grant funding agreements.

Indemnity

Subrecipients assume liability for and agrees to protect, hold harmless, and indemnify the City and its assigns, officers, directors, employees, agents, and servants from an against all liabilities, obligations, losses, damages, penalties, judgements, settlements, claims, actions, suits, proceedings, costs, expenses, and disbursements. This includes legal fees and expenses, of whatever kind or nature, imposed on, incurred by or asserted against the City, its successors, assigns, officers, directors, employees, agents, and servants in any way relating to or arising out of any of the following or allegations, claims or charges of any of the following.

- The use or application of the grant proceeds
- The violation by the subrecipient of any of its covenants or agreements under the subrecipient grant funding agreement
- Any tort or other action or failure to act done in connection with the performance or operation of the funded project/program

- Any act or failure to act of any officer, employee, agent, or servant of the subrecipient
- Any injury to any person, loss of life, or loss or destruction of property in any way arising out of or relating to the performance or operation of the funded project/program.

The City agrees to notify subrecipients in writing of any claim or liability which the City believes to be covered under this section. The City shall tender, and the subrecipient shall promptly accept tender of, defense in connection with any claim or liability the City is entitled to indemnification provided that the counsel retained by the subrecipient to defend the City is satisfactory to the City and the City shall be kept fully informed of the status of the proceeding.

In the event a subrecipient within ten calendar days after receipt of notice from the City of a claim or liability which the City believes to be covered under this section, fails to advise the City in writing that the subrecipient agrees that the City is entitled to indemnification under this section based on the claim or liability, the City without waiving or prejudicing any claim or right it may have to indemnification under this section (including the recovery of legal fees and expenses) may retain its own counsel and present its own defense in connection with such claim or liability.

The City shall not settle or compromise any claim, suit, action or proceeding in respect of which the subrecipient has agreed in writing that the City is entitled to indemnification under this section.

Insurance and Bonding

Subrecipients are required to carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud, and/or undue physical damage.

Non-Participation by Certain Persons

Subrecipients agree to not allow any member of, or delegate to, the United States Congress any share or part of a subrecipient grant funding agreement or allow any benefit to arise from the agreement.

Program Income

This is defined as gross income received by the subrecipient directly derived or generated from the use of ARPA funds. This includes, but is not limited to, fees for services performed, use or rental of real or personal property acquired under federal awards, the sale of commodities or items fabricated under a federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with federal award money.

Return of Unexpended Funds

Subrecipients must return all unexpended and/or unencumbered grant funds upon completion or termination of the program. If the work program cannot be completed or if the subrecipient

ceases to function as an operating entity, the subrecipient agrees to return to the City all unexpended and/or unencumbered grant funds.

Independent Contractor

Subrecipients are considered independent contractors. Subrecipients agree to defend, indemnify, and hold the City harmless from all claims, damages, liability, attorney's fees and expenses on the account of a failure or an alleged failure by the subrecipient to satisfy any such obligations or any other action or inaction of the subrecipient. Subrecipients are solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort. Subrecipients are required to follow all applicable federal laws and regulations in relation to ARPA funding.

Compliance with First Amendment Church and State Principles

Subrecipients must agree to comply with the First Amendment Church/State principles which state that ARPA funds may not be used for religious activities or provided to primarily religious entities for any activities, including secular activities.

ARPA funds may be used for eligible public services to be provided through a primarily religious entity, where the religious entity enters into an agreement with the City that in connection with the provision of such services it complies with the following requirements.

- It will not discriminate against any employee or applicant for employment based on religion and will not limit employment or give preference in employment to persons based on religion.
- It will not discriminate against any person applying for public services funded partially or in full by ARPA funds based on religion and will not limit such services or give preference to persons based on religion.
- It will provide no religious instruction or counseling, conduct no religious worship services, engage in no religious proselytizing, and exert no other religious influence in the provision of public services funded, in full or partially, by ARPA funds.

Certification Related to Federal Funds

Subrecipients must certify to the best of its knowledge or belief the following requirements are met.

- No federal appropriated funds have been paid or will be paid, by or on behalf of the subrecipient, 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 the 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.

- 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 the federal contract, grant, loan, or cooperative agreement, the subrecipient shall complete and submit [Standard Form-LLL](#).
- Subrecipients shall require that the language of an executed Standard Form-LLL be included in the award documents for all sub awards at all tiers and that sub awardees shall certify and disclose accordingly.
- A certification is a material representation of fact upon which reliance was placed when the current subrecipient grant funding agreement was made or entered into.
 - [Section 1352, Title 31, U.S.C.](#)

Severability

If any part of a subrecipient grant funding agreement is held invalid, the remainder of the agreement shall not be affected thereby, and all other parts of the agreement shall nevertheless be in full force and effect.

Section Heading and Subheading Limitations

Section headings and subheadings contained in subrecipient grant funding agreements are included for convenience only and shall not limit or otherwise affect the terms of agreements.

Waiver of Provisions Language

The City's failure to act on a breach by a subrecipient does not waive the City's right to act with respect to subsequent or similar breaches in the subrecipient grant funding agreement. The failure of the City to exercise or enforce any right or provision in a subrecipient grant funding agreement does not constitute a waiver of such a right or provision.

Entire Agreement Language

A subrecipient grant funding agreement constitutes the entire agreement between the City and a subrecipient for the use of ARPA funds. The subrecipient grant funding agreement supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the City and a subrecipient.

Notices

All notices, requests, demands, or other communications which are required or permitted to be given under subrecipient grant funding agreements shall be in writing and shall be deemed to have been duly given upon delivery.

Changes to the Agreement Language

Alterations, variations, modifications, or waivers of provisions in a subrecipient grant funding agreement shall only be valid when they have been reduced to writing, duly signed by both parties and attached to the original subrecipient grant funding agreement.

Signatures

The City Manager for the City of Bloomington, or the individual acting in this capacity, shall be the signatory for all subrecipient grant funding agreements. The Executive Director, Board of Directors President, or Program Manager for a subrecipient shall be the signatory for all subrecipient grant funding agreements.

2.6 Monitoring

The City shall monitor subrecipients to ensure compliance with the Department of the Treasury regulations and the subrecipient grant funding agreement. The City reserves the right to monitor the subrecipient at a frequency determined by the City. Additionally, the City reserves the right to monitor a subrecipient based on performance. The City shall notify the subrecipient in writing when a monitoring will occur and what, if any, documentation may be required for the monitoring.

Monitoring Process

- The City notifies the subrecipient that a monitoring needs to be scheduled and provides a checklist of needed documentation.
- The City works with the subrecipient to schedule a date that works for both parties.
- A monitoring is scheduled and the subrecipient is notified in writing.
- The City and subrecipient hold an entrance conference for the monitoring that provides an overview of the process, how long it will occur, and what will occur after the exit conference.
- City staff conduct a monitoring of the subrecipient.
- The City and subrecipient hold an exit conference that outlines any preliminary observations and describes what will be next in the process.
- City staff prepare and send the monitoring letter.
 - This monitoring letter must be sent not more than 30 calendar days from the date of the exit conference.
 - The monitoring letter shall outline any concerns, findings, corrective actions, or sanctions. The monitoring letter shall also contain required actions and requested actions the City would like the subrecipient will need to take to ensure compliance with applicable federal regulations.
- City staff reviews the subrecipient's response to the monitoring letter for compliance.

