



MEMORANDUM

DATE: July 6, 2021

TO: Janet Yellen, Secretary Department of Treasury

FROM: Todd Bond, Deputy County Manager, Polk County Florida

SUBJECT: **Comments and Questions on Interim Final Rule**

The American Recovery Plan Act Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule provided good guidance, however, after review, Polk County does have questions and comments. We are appreciative for the ability to supply our questions and comments regarding this document and ask that you consider the following items.

1. The Interim Final Rule states that “payments from the Fiscal Recovery Funds as a general matter will be subject to the provisions of the Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards (2 CFR 200) (the Uniform Guidance), including the cost principles and restrictions on general provisions for selected items of cost.”
 - a. If the County has calculated “Lost Revenue” based on the Department of Treasury formula, it seems that those funds that can now be used for most “Government Services” should be under local procurement rules as we have met the requirement to show that we would have had more local

revenue if it were not for COVID. Please confirm whether we must follow requirements for Federal Awards (2 CFR 200) while utilizing the “Lost Revenue” funds.

2. Eligible expenditures are permitted beginning on March 3, 2021.
 - a. We would ask that the eligible beginning date be moved back to January 2020, to cover the entire period of this pandemic.
3. During the pandemic, Florida Courts were shut down for an extended timeframe. This resulted in backlogs, including court cases, inmates that are now hitting our jail system, more violators being assigned to probation and electronic monitoring, etc....
 - a. Please provide clarification that these kinds of backlogs would be allowable expenditures:
 - i. Additional County Probation costs due to higher caseloads.
 - ii. Facility renovations to cover additional jail needs from higher inmate populations as courts start back up.
 - iii. Facility renovations for virtual court related activities.
 - iv. Additional detention staff needed while we have increased inmate populations due to court backlogs being worked on.
4. The Interim Final Rule speaks specifically to water, sewer, and broadband infrastructure being necessary. It also allows for expenditures to respond to the negative economic impacts of the pandemic.
 - a. Taking all of this into account, allowing other infrastructure would allow us to respond to the economic impacts better. For example, improving Road and Park infrastructure are critical to attracting businesses that would give unemployed residents more job opportunities. Better roads would mean an improved flow of traffic, allowing tourists and businesses to move around the County more efficiently.

5. Comments and Suggestions on the Interim Final Rule are due July 16, then it is my understanding that the Department of Treasury has 90 days to finalize the Final Rule.
 - a. We would request that the reporting requirements be moved back until after the Final Guidance is given. An Interim Report is currently showing as due on August 31, 2021; prior to getting final guidance and it may lead to reports having to be amended.
6. Guidance mentions “A severe recession-and its concentrated impact among low-income workers- has amplified food and housing insecurity with an estimated 17 million adults living in households where there is sometimes or often not enough food to eat...”
 - a. Polk County has a lot of individuals and families that need assistance with getting enough food to meet their basic needs. In addition, affordable housing and homelessness are growing needs around the county. These needs have been exacerbated due to the pandemic. Please clarify whether we can help purchase facilities for Food Distribution agencies that will be able to bring more food to our food banks, churches and other food delivery providers; as well as clarify that we can help purchase facilities for agencies that can run homeless shelters to help get people off the street.