

**Regular Meeting**  
**Monday, April 3, 2023**  
**Chowan County Public Safety Center**  
**305 West Freemason Street**  
**6:00pm**

*This meeting was recorded. A copy of the recording is in the meeting file labeled April 3, 2023.*

Present: Chair Bob Kirby, Commissioners, Ron Cummings, Larry McLaughlin and Alex Kehayes, Ellis Lawrence, Tray Taylor and Chris Evans.

Staff present County Manager Kevin Howard, Board Clerk Susanne Stallings, County Attorney Lauren Arizaga-Womble and Finance Officer Cathy Smith.

**Regular Meeting**

Chair Kirby called the regular meeting to order and led all in the pledge of allegiance.

Commissioner Evans then offered the invocation.

**Approval of Agenda**

Ms. Stallings noted the request to amend the agenda to add Commissioner travel as item 8a.

Commissioner McLaughlin moved to approve the agenda as amended.

Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

**Public Comment**

Chair Kirby opened the floor for public comment.

Andy White, 103 Kimberly Drive stated his support for a proposed initiative to construct a natatorium and senior center. He stated he is currently collecting data to bring to the Commissioners to support such a project.

**Consent Agenda**

All items on the Consent Agenda are considered to be routine and may be enacted by one motion. If a County Commissioner requests discussion on an item, the item will be removed from the Consent Agenda and considered separately.

- a. Tax Refund Release Report  
Martine, R.                      \$400.00                      Overpayment

Commissioner McLaughlin moved to approve the consent agenda as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

**Edenton Chowan Recreation Department and Boys and Girls Club Memorandum Of Understanding (MOU)**

Mr. Howard provided the Board an MOU between the Recreation Department and the Boys and Girls Club for use of the DF Walker Facilities that are managed by the Recreation Department. The MOU is a requirement of the PARTF grant. He stated the County Attorney will need to make more formal edits to the document and recommended approval contingent on attorney final review and markup.

Chair Kirby stated that he would suggest making sure the MOU states clearly it is for use of the gym.

Mr. Howard stated that would be added.

Commissioner Lawrence moved to approve the MOU based on the County Attorney's final review and mark up.

Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

**NCDOT Abandonment Petition**

Ms. Stallings provided the Board a petition to NCDOT to abandon a spur of Rocky Hock Road that is located in front of Rocky Hock Baptist Church as requested by neighboring property owners.

Chair Kirby stated he was asked to look into this by adjoining property owners and noted the road is no longer in use or being maintained and this will allow for the road to be taken off the DOT system.

Commissioner Evans moved to approve the resolution and request as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

**North Carolina Department of Transportation  
Division of Highways  
Request for Secondary Road Abandonment**

**North Carolina  
Chowan County**

**Road Description : Rocky Hock Church Road**

**WHEREAS, the attached petition has been filed with the Board of County Commissioners of the County of Chowan requesting that the above described road, the location of which has been indicated on the attached map, be abandoned from the Secondary Road System, and**

**WHEREAS, the Board of County Commissioners is of the opinion that the above described road should be abandoned from the Secondary Road System, and**

**NOW, THEREFORE, be it resolved by the Board of County Commissioners of the County of Chowan that the Division of Highways is hereby requested to review the above described road, and to abandon Rocky Hock Church Road from the State Maintained System.**

## **CERTIFICATE**

**The foregoing resolution was duly adopted by the Board of Commissioners of the County of Chowan at a meeting on the 3<sup>rd</sup> day of April, 2023.**

### **EMS Items**

EMS Director Colin Ryan presented the Board the following requests:

#### **Bedroom Modifications at Center Hill**

Mr. Ryan presented a request to modify two bedrooms at Center Hill Fire Department to provide private sleeping quarters. The cost for this modification is not to exceed \$15,000. He noted there are monies in the Maintenance budget that can be used for these modifications.

Commissioner McLaughlin asked what size the rooms will be.

Mr. Ryan stated it is currently one large room. A dividing wall will be put in and will create two separate sleeping quarters.

Mr. Howard stated that the cost estimates is around \$10,000 however they are requesting \$15,000 to cover any contingencies that come up.

Commissioner McLaughlin moved to approve the request to not exceed \$15,000 as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

#### **Ambulance Upgrade**

Mr. Ryan presented a request to refurbish the patient compartment and safety equipment on the EMS 2 ambulance. The ambulance is a 2014 model which recently underwent engine replacement. The cost for the upgrades is \$37,542.82.

Chair Kirby asked how long the ambulance will last after the modifications.

Mr. Ryan said typically 2-3 years.

Chair Kirby noted that the upgrades allow the County to have additional time in between purchasing a new ambulance for over \$300,000.

Commissioner Lawrence moved to approve the upgrades as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

#### **Ambulance Order**

Mr. Ryan requested that the Board grant authorization for staff to order an ambulance with a delivery date of 24-36 months out to reduce the production turnaround time due to the supply/work force shortages. He stated that doing this does not force the County to make the purchase when the time comes however it does lock in the purchase price of \$321,623. He noted this is the same type of truck that was purchased in 2021.

Commissioner McLaughlin asked if there would be any price increase over the next 24-36 months.

Mr. Ryan stated the price should be locked in.

Mr. Howard noted that because this is just an order, there is no contract in place and the ambulance could cost more when it is made. He stated this just allows the County time to get in line for the purchase. He stated if the price increases more than what the County is willing to spend, we can decide at that time.

Mr. Ryan noted he is only asked for permission to order the vehicle.

Commissioner McLaughlin moved to approve the request to order this ambulance.

Chair Kirby noted this request allows the County to spread these purchases out every two years to maintain the rotation program. He stated the cost is around \$160,000 per year or \$14,000 per month.

Commissioner Lawrence asked if this truck is 4 wheel drive.

Mr. Ryan stated his current fleet is half four wheel drive and two wheel drive. He stated the four wheel drive trucks are stationed outside of town. He stated he can request a price for a four wheel drive truck.

Board members discussed the difference in pricing and stated if it was not a large price difference they would be okay with Mr. Ryan going ahead and ordering the 4x4.

Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

### **Opioid Wave Two Settlement**

Ms. Arizaga-Womble presented the Board with supplemental agreement for additional funds settlements of the opioid litigation and the Board will consider approval of a Resolution which Approves the Supplement to the Agreement relating to the additional wave two settlement funds. She noted this litigation has been handled by national counsel and the funds are then sent to North Carolina. She stated that last year the Board approved the MOU and this is Phase II of the settlement.

Commissioner McLaughlin moved to approve the settlement and settlement resolution as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

## **RESOLUTION BY THE COUNTY OF CHOWAN AUTHORIZING EXECUTION OF OPIOID SETTLEMENTS AND APPROVING THE SUPPLEMENTAL AGREEMENT FOR ADDITIONAL FUNDS BETWEEN THE STATE OF NORTH CAROLINA AND LOCAL GOVERNMENTS ON PROCEEDS RELATING TO THE SETTLEMENT OF OPIOID LITIGATION**

**WHEREAS**, the opioid overdose epidemic had taken the lives of more than 32,000 North Carolinians (2000-2021);

**WHEREAS**, the COVID-19 pandemic has compounded the opioid overdose crisis, increasing levels of drug misuse, addiction, and overdose death; and

**WHEREAS**, the Centers for Disease Control and Prevention estimates the total economic burden of prescription opioid misuse alone in the United States is \$78.5 billion a year, including the costs of healthcare, lost productivity, addiction treatment, and criminal justice involvement; and

**WHEREAS**, certain counties and municipalities in North Carolina joined with thousands of local governments across the country to file lawsuits against opioid manufacturers, pharmaceutical distribution companies, and chain drug stores to hold those companies accountable for their misconduct; and

**WHEREAS**, settlements have been reached in litigation against Walmart, Inc., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., and Walgreen Co., as well as their subsidiaries, affiliates, officers, and directors named in these Settlements; and

**WHEREAS**, representatives of local North Carolina governments, the North Carolina Association of County Commissioners, and the North Carolina Department of Justice have negotiated and prepared a Supplemental Agreement for Additional Funds (SAAF) to provide for the equitable distribution of the proceeds of these settlements; and

**WHEREAS**, by joining the settlements and approving the SAAF, the state and local governments maximize North Carolina's share of opioid settlement funds to ensure the needed resources reach communities, as quickly, effectively, and directly as possible; and

**WHEREAS**, it is advantageous to all North Carolinians for local governments, including Chowan County and its residents, to sign onto the settlements and SAAF and demonstrate solidarity in response to the opioid overdose crisis, and to maximize the share of opioid settlement funds received both in the state and this county to help abate the harm; and

**WHEREAS**, the SAAF directs substantial resources over multiple years to local governments on the front lines of the opioid overdose epidemic while ensuring that these resources are used in an effective way to address the crisis;

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Chowan County hereby authorizes the County Manager or County Attorney to execute all documents necessary to enter into opioid settlement agreements with Walmart, Walgreens, CVS, Allergan, and Teva, to execute the SAAF, and to provide such documents to Rubris, the Implementation Administrator.

### **Ordinance Update RFP Proposal**

Mr. Howard stated that the Planning Department received one proposal for the Ordinance Update. He stated that based on conversations with other interested firms, the cost for the update is more than what was budgeted in the original RFP (\$50,000). He stated that the Planner, Mr. Shoaf is requesting permission from the Board to submit a revised RFP for advertisement. Mr. Howard noted that Mr. Shoaf indicated that some firms stated that the update could cost upwards

of \$100,000 however the original proposal had some contingencies in their proposal that would increase their price.

Commissioner McLaughlin moved to authorize staff to readvertise the RFP with a budget up to \$75,000.

Chair Kirby noted that the firms who wrote the original ordinance and Land Use Plan did not submit proposals and it may have been due to the lower budgeted amount. He stated by increasing the expense, this may allow for more proposals to be submitted.

Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Board members discussed how often this process takes place.

Ms. Womble stated that our Ordinance has not had a full review since 2006.

### **Commissioner Travel Request**

Ms. Stallings stated that there has been a request from Commissioner Evans and Commissioner Lawrence to travel to the NCACC County Assembly Days event which is now a two day event to be held in May. She stated that there are registration costs and hotel expenses. She noted that Chair Kirby plans to attend for only one day. She stated that she would request up to \$800 in travel expense monies to be authorized for this.

Commissioner Cummings moved to approve the request as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

### **Financial Items**

Finance Officer Cathy Smith presented the following:

- a. Current Fiscal Year Budget Amendments  
BA2023-065

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
<b>Capital Projects</b>			
32-3810-033-00	Contribution from Capital Reserve	8,109.75	
32-8100-457-00	Courthouse - Renovations		8,109.75
<b>Capital Reserve</b>			
33-3990-990-00	Fund Balance Appropriation	8,109.75	
33-9800-980-32	Transfer to Capital Projects		8,109.75
	Balanced	16,219.50	16,219.50
<b>Justification:</b>			
	<p style="text-align: center;"><i>To amend the 2023 budget to include painting of first floor of Courthouse. BOCC approved quote from Carrera Painting on 03/20/23.</i></p>		

BA2023-066

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
<b>Soil &amp; Water</b>			
11-3473-369-00	STRAP Grant Revenue	200,197.89	
11-4730-608-01	STRAP Grant Expenditures		200,197.89
	Balanced	200,197.89	200,197.89
<b>Justification:</b>			
	<p style="text-align: center;"><i>To amend the 2023 budget for Soil &amp; Water to include Stream Debris Removal (STRAP) grant for 2023.</i></p>		

Commissioner Taylor moved to approve the budget amendments as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

- b. Update on JA Holmes Highschool Project Expenses  
Ms. Smith presented the report. A copy is in the meeting file labeled April 3, 2023.
- c. Financial Report February 2023

Finance Officer Cathy Smith provided the Board with financial reports for February 2023. A copy is in the meeting file labeled April 3, 2023.

d. Audit Contract- Thompson, Price, Scott, Adams & Co, P.A. (TPSA)

Ms. Smith provided the Board with a contract and engagement letter between Chowan County and TPSA for auditing services. She noted the cost is the same as previous years.

Commissioner Lawrence moved to approve the engagement letter and contract as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

e. ARPA Policies

Ms. Smith provided the Board with five policies that are recommended by the School of Government.

Ms. Arizaga-Womble stated the County is required to have certain polices in place to utilize the ARPA funds. She stated that these policies require that the finance office do a lot of work to ensure compliance with the ARPA funds.

Commissioner Taylor moved to approve all polices as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0). The policy resolutions are below:

### **CONFLICT OF INTEREST POLICY**

#### **FOR THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT OF 2021 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS**

##### **I. Scope of Policy**

- a. Purpose of Policy. This Conflict of Interest Policy (“*Policy*”) establishes conflict of interest standards that (1) apply when Chowan County enters into a Contract (as defined in Section II hereof) or makes a Subaward (as defined in Section II hereof), and (2) meet or exceed the requirements of North Carolina law and 2 C.F.R. § 200.318(c).
- b. Application of Policy. This Policy shall apply when the Unit (1) enters into a Contract to be funded, in part or in whole, by Federal Financial Assistance to which 2 C.F.R. § 200.318(c) applies, or (2) makes any Subaward to be funded by Federal Financial Assistance to which 2 C.F.R. § 200.318(c) applies. If a federal statute, regulation, or the terms of a financial assistance agreement applicable to a particular form of Federal Financial Assistance conflicts with any provision of this Policy, such federal statute, regulation, or terms of the financial assistance agreement shall govern.

##### **II. Definitions**

Capitalized terms used in this Policy shall have the meanings ascribed thereto in this Section II: Any capitalized term used in this Policy but not defined in this Section II shall have the meaning set forth in 2 C.F.R. § 200.1.

- a. “*COI Point of Contact*” means the individual identified in Section III(a) of this Policy.



- b. “*Contract*” means, for the purpose of Federal Financial Assistance, a legal instrument by which the Unit purchases property or services needed to carry out a program or project under a Federal award.
- c. “*Contractor*” means an entity or individual that receives a Contract.
- d. “*Covered Individual*” means a Public Officer, employee, or agent of the Unit.
- e. “*Covered Nonprofit Organization*” means a nonprofit corporation, organization, or association, incorporated or otherwise, that is organized or operating in the State of North Carolina primarily for religious, charitable, scientific, literary, public health and safety, or educational purposes, excluding any board, entity, or other organization created by the State of North Carolina or any political subdivision of the State (including the Unit).
- f. “*Direct Benefit*” means, with respect to a Public Officer or employee of the Unit, or the spouse of any such Public Officer or employee, (i) having a ten percent (10%) ownership interest or other interest in a Contract or Subaward; (ii) deriving any income or commission directly from a Contract or Subaward; or (iii) acquiring property under a Contract or Subaward.
- g. “*Federal Financial Assistance*” means Federal financial assistance that the Unit receives or administers in the form of grants, cooperative agreements, non-cash contributions or donations of property (including donated surplus property), direct appropriations, food commodities, and other Federal financial assistance (except that the term does not include loans, loan guarantees, interest subsidies, or insurance).
- h. “*Governing Board*” means the Board of County Commissioners of the Unit.
- i. “*Immediate Family Member*” means, with respect to any Covered Individual, (i) a spouse, and parents thereof, (ii) a child, and parent thereof, (iii) a parent, and spouse thereof, (iv) a sibling, and spouse thereof, (v) a grandparent and grandchild, and spouses thereof, (vi) domestic partners and parents thereof, including domestic partners of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with the Covered Individual is the equivalent of a family relationship.
- j. “*Involved in Making or Administering*” means (i) with respect to a Public Official or employee, (a) overseeing the performance of a Contract or Subaward or having authority to make decisions regarding a Contract or Subaward or to interpret a Contract or Subaward, or (b) participating in the development of specifications or terms or in the preparation or award of a Contract or Subaward, (ii) only with respect to a Public Official, being a member of a board, commission, or other body of which the Public Official is a member, taking action on the Contract or Subaward, whether or not the Public Official actually participates in that action.
- k. “*Pass-Through Entity*” means a non-Federal entity that provides a Subaward to a Subrecipient to carry out part of a Federal program.

- l. “*Public Officer*” means an individual who is elected or appointed to serve or represent the Unit (including, without limitation, any member of the Governing Board), other than an employee or independent contractor of the Unit.
- m. “*Recipient*” means an entity, usually but not limited to a non-Federal entity, that receives a Federal award directly from a Federal awarding agency. The term does not include Subrecipients or individuals that are beneficiaries of the award.
- n. “*Related Party*” means (i) an Immediate Family Member of a Covered Individual, (ii) a partner of a Covered Individual, or (iii) a current or potential employer (other than the Unit) of a Covered Individual, of a partner of a Covered Individual, or of an Immediate Family Member of a Covered Individual.
- o. “*Subaward*” means an award provided by a Pass-Through Entity to carry out part of a Federal award received by the Pass-Through Entity. It does not include payments to a contractor or payments to a contractor or payments to an individual that is a beneficiary of a Federal program.
- p. “*Subcontract*” means mean any agreement entered into by a Subcontractor to furnish supplies or services for the performance of a Contract or a Subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.
- q. “*Subcontractor*” means an entity that receives a Subcontract.
- r. “*Subrecipient*” means an entity, usually but not limited to a non-Federal entity, that receives a subaward from a Pass-Through Entity to carry out part of a Federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.
- s. “*Unit*” has the meaning specified in Section I hereof.

### **III. COI Point of Contact.**

- a. Appointment of COI Point of Contact. The Finance Officer of the Unit, shall have primary responsibility for managing the disclosure and resolution of potential or actual conflicts of interest arising under this Policy. In the event that the Finance Officer is unable to serve in such capacity, the Assistant Finance Officer shall assume responsibility for managing the disclosure and resolution of conflicts of interest arising under this Policy. The individual with responsibility for managing the disclosure and resolution of potential or actual conflicts of interest under this Section III(a) shall be known as the “*COI Point of Contact*”.
- b. Distribution of Policy. The COI Point of Contact shall ensure that each Covered Individual receives a copy of this Policy.

### **IV. Conflict of Interest Standards in Contracts and Subawards**

- a. North Carolina Law. North Carolina law restricts the behavior of Public Officials and employees of the Unit involved in contracting on behalf of the Unit. The Unit shall conduct

the selection, award, and administration of Contracts and Subawards in accordance with the prohibitions imposed by the North Carolina General Statutes and restated in this Section III.

- i. G.S. § 14-234(a)(1). A Public Officer or employee of the Unit Involved in Making or Administering a Contract or Subaward on behalf of the Unit shall not derive a Direct Benefit from such a Contract or Subaward.
- ii. G.S. § 14-234(a)(3). No Public Officer or employee of the Unit may solicit or receive any gift, favor, reward, service, or promise of reward, including but not limited to a promise of future employment, in exchange for recommending, influencing, or attempting to influence the award of a Contract or Subaward by the Unit.
- iii. G.S. § 14-234.3. If a member of the Governing Board of the Unit serves as a director, officer, or governing board member of a Covered Nonprofit Organization, such member shall not (1) deliberate or vote on a Contract or Subaward between the Unit and the Covered Nonprofit Corporation, (2) attempt to influence any other person who deliberates or votes on a Contract or Subaward between the Unit and the Covered Nonprofit Corporation, or (3) solicit or receive any gift, favor, reward, service, or promise of future employment, in exchange for recommending or attempting to influence the award of a Contract or Subaward to the Covered Nonprofit Organization.
- iv. G.S. § 14-234.1. A Public Officer or employee of the Unit shall not, in contemplation of official action by the Public Officer or employee, or in reliance on information which was made known to the public official or employee and which has not been made public, (1) acquire a pecuniary interest in any property, transaction, or enterprise or gain any pecuniary benefit which may be affected by such information or other information, or (2) intentionally aid another in violating the provisions of this section.

b. Federal Standards.

- i. Prohibited Conflicts of Interest in Contracting. Without limiting any specific prohibition set forth in Section IV(a), a Covered Individual may not participate in the selection, award, or administration of a Contract or Subaward if such Covered Individual has a real or apparent conflict of interest.
  1. Real Conflict of Interest. A real conflict of interest shall exist when the Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward. Exhibit A attached hereto provides a non-exhaustive list of examples of (i) financial or other interests in a firm considered for a Contract or Subaward, and (ii) tangible personal benefits from a firm considered for a Contract or Subaward.
  2. Apparent Conflict of Interest. An apparent conflict of interest shall exist where a real conflict of interest may not exist under Section IV(b)(i)(1),

but where a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the appearance that a Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward.

ii. Identification and Management of Conflicts of Interest.

1. Duty to Disclose and Disclosure Forms

- a. Each Covered Individual expected to be or actually involved in the selection, award, or administration of a Contract or Subaward has an ongoing duty to disclose to the COI Point of Contact potential real or apparent conflicts of interest arising under this Policy.
- b. Prior to the Unit's award of a Contract or Subaward, the COI Point of Contact shall advise Covered Individuals expected to be involved in the selection, award, or administration of the Contract or Subaward of such duty.
- c. If the value of a proposed Contract or Subaward exceeds \$250,000, the COI Point of Contact shall collect a Conflict of Interest Disclosure Form contained in Exhibit C (for Contracts) and Exhibit E (for Subawards) from each Covered Individual and file such Conflict of Interest Disclosure Form in records of the Unit.

2. Identification Prior to Award of Contract or Subaward.

- a. Prior to the Unit's award of a Contract or Subaward, the COI Point of Contact shall complete the appropriate Compliance Checklist contained in Exhibit B (for Contracts) and Exhibit D (for Subawards) attached hereto and file such Compliance Checklist in the records of the Unit.

3. Management Prior to Award of Contract or Subaward

- a. If, after completing the Compliance Checklist, the COI Point of Contact identifies a potential real or apparent conflict of interest relating to a proposed Contract or Subaward, the COI Point of Contact shall disclose such finding in writing to the County Manager and to each member of the Governing Board. If the Governing Board desires to enter into the proposed Contract or Subaward despite the identification by the COI Point of Contact of a potential real or apparent conflict of interest, it may either:
  - i. accept the finding of the COI Point of Contact and direct the COI Point of Contact to obtain authorization to enter

into the Contract or Subaward from (a) if Unit is a Recipient of Federal Financial Assistance, the Federal awarding agency with appropriate mitigation measures, or (b) if Unit is a Subrecipient of Federal Financial Assistance, from the Pass-Through Entity that provided a Subaward to Unit; or

- ii. reject the finding of the COI Point of Contact and enter into the Contract or Subaward. In rejecting any finding of the COI Point of Contact, the Governing Board shall in writing document a justification supporting such rejection.

- b. If the COI Point of Contact does not identify a potential real or apparent conflict of interest relating to a proposed Contract or Subaward, the Unit may enter into the Contract or Subaward in accordance with the Unit's purchasing or subaward policy.

4. Identification After Award of Contract or Subaward.

- a. If the COI Point of Contact discovers that a real or apparent conflict of interest has arisen after the Unit has entered into a Contract or Subaward, the COI Point of Contact shall, as soon as possible, disclose such finding to the County Manager and to each member of the Governing Board. Upon discovery of such a real or apparent conflict of interest, the Unit shall cease all payments under the relevant Contract or Subaward until the conflict of interest has been resolved.

5. Management After Award of Contract or Subaward.

- a. Following the receipt of such disclosure of a potential real or apparent conflict of interest pursuant to Section IV(b)(ii)(4), the Governing Board may reject the finding of the COI Point of Contact by documenting in writing a justification supporting such rejection. If the Governing Board fails to reject the finding of the COI Point of Contact within 15 days of receipt, the COI Point of Contact shall:
  - i. if Unit is a Recipient of Federal Financial Assistance funding the Contract or Subaward, disclose the conflict to the Federal awarding agency providing such Federal Financial Assistance in accordance with 2 C.F.R. § 200.112 and/or applicable regulations of the agency, or
  - ii. if Unit is a Subrecipient of Federal Financial Assistance, disclose the conflict to the Pass-Through Entity providing a Subaward to Unit in accordance with 2 C.F.R. § 200.112

and applicable regulations of the Federal awarding agency and the Pass-Through Entity.

V. **Oversight of Subrecipient's Conflict of Interest Standards**

- a. **Subrecipients of Unit Must Adopt Conflict of Interest Policy.** Prior to the Unit's execution of any Subaward for which the Unit serves as a Pass-Through Entity, the COI Point of Contact shall ensure that the proposed Subrecipient of Federal Financial Assistance has adopted a conflict of interest policy that satisfies the requirements of 2 C.F.R. § 200.318(c)(1), 2 C.F.R. § 200.318(c)(2), and all other applicable federal regulations.
- b. **Obligation to Disclose Subrecipient Conflicts of Interest.** The COI Point of Contact shall ensure that the legal agreement under which the Unit makes a Subaward to a Subrecipient shall require such Subrecipient to disclose to the COI Point of Contact any potential real or apparent conflicts of interest that the Subrecipient identifies. Upon receipt of such disclosure, the COI Point of Contact shall disclose such information to the Federal awarding agency that funded the Subaward in accordance with that agency's disclosure policy.

VI. **Gift Standards**

- a. **Federal Standard.** Subject to the exceptions set forth in Section VI(b), a Covered Individual may not solicit or accept gratuities, favors, or anything of monetary value from a Contractor or a Subcontractor.
- b. **Exception.** Notwithstanding Section VI(a), a Covered Individual may accept an unsolicited gift from a Contractor or Subcontractor of one or more types specified below if the gift has an aggregate market value of \$20 or less per source per occasion, provided that the aggregate market value of all gifts received by the Covered Individual pursuant to this Section VI(b) does not exceed \$50 in a calendar year:
  - i. honorariums for participating in meetings;
  - ii. advertising items or souvenirs of nominal value; or
  - iii. meals furnished at banquets.
- c. **Internal Reporting.** A Covered Individual shall report any gift accepted under Section VI(b) to the COI Point of Contact. If required by regulation of a Federal awarding agency, the COI Point of Contact shall report such gifts to the Federal awarding agency or a Pass-Through Entity for which the Unit is a Subrecipient.

VII. **Violations of Policy**

- a. **Disciplinary Actions for Covered Individuals.** Any Covered Individual that fails to disclose a real, apparent, or potential real or apparent conflict of interest arising with respect to the Covered Individual or Related Party may be subject to disciplinary action, including, but not limited to, an employee's termination or suspension of employment with or without

pay, the consideration or adoption of a resolution of censure of a Public Official by the Governing Board, or termination of an agent's contract with the Unit.

- b. Disciplinary Actions for Contractors and Subcontractors. The Unit shall terminate any Contract with a Contractor or Subcontractor that violates any provision of this Policy.
- c. Protections for Whistleblowers. In accordance with 41 U.S.C. § 4712, the Unit shall not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant: (i) a member of Congress or a representative of a committee of Congress; (ii) an Inspector General; (iii) the Government Accountability Office; (iv) a Treasury or other federal agency employee responsible for grant oversight or management; (v) an authorized official of the Department of Justice or other law enforcement agency; (vi) a court or grand jury; of (vii) a management official or other employee of the Unit, a Contractor, or Subcontractor who has the responsibility to investigate, discover, or address misconduct.

\* \* \* \* \*

**CHOWAN COUNTY**  
**RESOLUTION FOR ALLOWABLE COSTS AND COST PRINCIPLES FOR**  
**EXPENDITURE OF AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE**  
**AND LOCAL FISCAL RECOVERY FUNDS BY NORTH CAROLINA LOCAL**  
**GOVERNMENTS**

**WHEREAS** Chowan 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 (ARP/CSLFRF); and

**WHEREAS** the funds may be used for projects within these categories, 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. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;

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; and,
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; and

**WHEREAS** the ARP/CSLFRF are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Sect. 200 (UG), as provided in the [Assistance Listing](#); and

**WHEREAS** 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.

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

**WHEREAS** Subpart E of the UG dictates allowable costs and cost principles for expenditure of ARP/CSLFRF funds; and

**WHEREAS** Subpart E of the UG (specifically, 200.400) states that:

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

- (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;

**BE IT RESOLVED** that the governing board of Chowan County hereby adopts and enacts the following US Cost Principles Policy for the expenditure of ARP/CSLFRF funds.

\* \* \* \* \*

**CHOWAN COUNTY  
ELIGIBLE USE POLICY FOR THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT OF 2021  
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS**

**WHEREAS** Chowan 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 (ARP/CSLFRF); and

**WHEREAS** US Treasury is responsible for implementing ARP/CSLFRF and has enacted a Final Rule outlining eligible projects; and

**WHEREAS** the funds may be used for projects within these categories, to the extent authorized by state law.

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to households, small businesses, non-profits, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
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; and,
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; and

**WHEREAS** the ARP/CSLFRF are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Part 200 (UG), as provided in the [Assistance Listing](#); and

**WHEREAS** US Treasury has issued a [Compliance and Reporting Guidance v.3.0 \(February 28, 2022\)](#) dictating implementation of the ARP/CSLFRF award terms and compliance requirements; and

**WHEREAS** the Compliance and Reporting Guidance states on page 6 that

Per 2 CFR Part 200.303, your organization must develop and implement effective internal controls to ensure that funding decisions under the SLFRF award constitute eligible uses of funds, and document determinations.

**BE IT RESOLVED** that Chowan County hereby adopts and enacts the following Eligibility Determination Policy for ARP/CSLFRF funds.

## Eligibility Determination Policy for American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds

This policy defines the permissible and prohibited uses of the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF) funds. It also outlines the procedures for determining how Chowan County will spend its ARP/CSLFRF funds.

### I. PERMISSIBLE USES OF ARP/CSLFRF FUNDING

US Treasury issued its [Final Rule](#) regarding use of ARP funds on January 6, 2022. (The Final Rule is effective as of April 1, 2022. Until that date, a local government may proceed under the regulation promulgated by US Department of the Treasury in its [Interim Final Rule](#) or the Final Rule.) The Final Rule (and the Interim Final Rule) identify permissible uses of ARP/CSLFRF funds and certain limitations and process requirements. Local governments must allocate ARP/CSLFRF funds no later than December 31, 2024 and disburse all funding no later than December 31, 2026. Failure of an entity to expend all funds by December 31, 2026 will result in forfeiture of ARP funds.

ARP/CSLFRF funds may be used for projects within the following categories of expenditures:

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, 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, non-profits, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
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; and
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; and

## II. PROHIBITED USES OF ARPA FUNDING

The ARP/CSLFRF and US Treasury's Final Rule prohibit certain uses of ARP/CSLFRF funds. Specifically, ARP/CSLFRF funds may not be used for projects within the following categories of expenditures:

1. To make a deposit into a pension fund that constitutes an extraordinary payment of an accrued, unfunded liability (Note that routine contributions as part of a payroll obligation for an eligible project are allowed.);
2. To borrow money or make debt service payments;
3. To replenish rainy day funds or fund other financial reserves;
4. To satisfy an obligation arising from a settlement agreement, judgment, consent decree, or judicially confirmed debt restricting in a judicial, administrative, or regulatory proceeding (There is an exception to this prohibition if the settlement or judgment requires the [Local Government Name] to provide services to respond to the COVID-19 public health emergency or its negative economic impacts or to provide government services, then the costs of those otherwise ARP/CSLFRF-eligible projects are allowed.);
5. For a project that includes a term or condition that undermines efforts to stop the spread of COVID-19 or discourages compliance with recommendations and guidelines in CDC guidance for stopping the spread of COVID-19;
6. In violation of the conflict-of-interest requirements imposed by the award terms and 2 CFR 200.318(c).
7. For any expenditure that would violate other applicable federal, state, and local laws and regulations.

Chowan County and any of its contractors or subrecipients may not expend any ARP/CSLFRF funds for these purposes.

## III. PROCEDURES FOR PROJECT APPROVAL

The following are procedures for ARP/CSLFRF project approvals. All Chowan County employees and officials must comply with these requirements.

1. Requests for ARP/CSLFRF funding, must be made in writing and include all the following:
  - a. Brief description of the project
  - b. Identification of ARP/CSLFRF Expenditure Category (EC) (A list of ECs is in the Appendix to the [US Treasury Compliance and Reporting Guidance](#).)
  - c. Required justifications for applicable projects, according to the requirements in the Final Rule. Employees or any applicant seeking ARP funding should review the [Final Rule](#) and [Final Rule Overview](#) prior to submitting a proposal.
  - d. Proposed budget, broken down by cost item, in accordance Chowan County's Allowable Cost Policy.
  - e. A project implementation plan and estimated implementation timeline (All ARP/CSLFRF funds must be fully obligated by December 31, 2024, and fully expended by December 31, 2026.)

2. Requests for funding must be submitted to County Manager for approval. All requests will be reviewed by Finance Officer for ARP/CSLFRF compliance, allowable costs and other financial review.
3. No ARP/CSLFRF may be obligated or expended before project approval by Chowan County Board of County Commissioners.
4. If a proposal does not meet the required criteria, it will be returned to the requesting party for revision and resubmittal.
5. Following approval, employees responsible for implementing the project must conform actual obligations and expenditures to the pre-approved project budget. Changes in project budgets must be approved by Chowan County Board of County Commissioners and may require a budget amendment before proceeding. Any delay in the projected project completion date shall be communicated to the County Manager and Finance Officer immediately.
6. Finance Officer must collect and document required information for each EC for purposes of completing the required Project and Expenditure reports.
7. Finance Officer must maintain written project requests and approvals, all supporting documentation, and financial information at least until December 31, 2031.

\* \* \* \* \*

**CHOWAN COUNTY  
NON-DISCRIMINATION POLICY FOR THE AMERICAN RESCUE PLAN ACT OF 2021  
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS**

**WHEREAS**, Chowan County has received an allocation of funds from the “Coronavirus State Fiscal Recovery Fund” or “Coronavirus Local Fiscal Recovery Fund” (together “CSLFRF funds”), established pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (the “ARP/CSLFRF award”).

**WHEREAS**, CSLFRF funds are subject to the U.S. Department of Treasury (“Treasury”) regulations, including the Final Rule, the Award Terms and Conditions, and the Title VII implementing regulations at 31 C.F.R. Part 22.

**WHEREAS**, pursuant to the ARP/CSLFRF Award Terms and Conditions, and as a condition of receiving CSLFRF funds, Chowan County agrees to follow all federal statutes and regulations prohibiting discrimination in its administration of CSLFRF under the terms and conditions of the ARP/CSLFRF award, including, without limitation, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury’s implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis

- of race, color, or national origin within programs or activities receiving federal financial assistance;
- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
  - iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving Federal financial assistance;
  - iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury’s implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
  - v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

**BE IT RESOLVED** that the governing board of Chowan County hereby adopts and enacts the following nondiscrimination policy, which shall apply to the operations of any program, activity, or facility that is supported in whole, or in part, by expenditures CSLFRF pursuant to the ARP/CSLFRF award.

### **Nondiscrimination Policy Statement**

It is the policy of Chowan County to ensure that no person shall, on the ground of race, color, national origin (including limited English Proficiency), familial status, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any program or activity administered by Chowan County, including programs or activities that are funded in whole or part, with Coronavirus State and Local Fiscal Recovery Funds (“CSLFRF”), which Chowan County received from the U.S. Department of Treasury (“Treasury”) pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (herein the “ARP/CSLFRF award”).

#### **I. Governing Statutory & Regulatory Authorities**

As required by the CSLFRF [Award Terms and Conditions](#), Chowan County shall ensure that each “activity,” “facility,” or “program”<sup>1</sup> that is funded in whole, or in part, with CSLFRF and administered under the ARP/CSLFRF award, will be facilitated, operated, or conducted in

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<sup>1</sup> 22 C.F.R. § 22.3 defines “program” and “activity” as all operations of an entity, including local governments, that receive Federal financial assistance, and the departments, agencies, or special purpose districts of the local governments to which Federal financial assistance is distributed. “Federal financial assistance” includes, among other things, grants and loans of federal funds. “Facility” includes all or any part of structures, equipment, or other real or personal property or interests therein, and the provision of facilities includes the construction, expansion, renovation, remodeling, alteration, or acquisition of facilities.

compliance with the following federal statutes and federal regulations prohibiting discrimination. These include, but are not limited to, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
- iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
- iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age within programs or activities receiving federal financial assistance; and
- v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

**II. Discriminatory Practices Prohibited in the Administration of the ARP/CSLFRF Award**

To ensure compliance with Title VII of the Civil Rights Act of 1964, and Title 31 Code of Federal Regulations, Part 22, the Civil Rights Restoration Act of 1987, and other pertinent nondiscrimination authorities, Chowan County shall prohibit, at a minimum, the following practices in its administration of CSLFRF pursuant to the ARP/CSLFRF award:

1. Denying to a person any service, financial aid, or other program benefit without good cause;
2. Providing to a person any service, financial aid, or another benefit which is different in quantity or quality, or is provided in a different manner, from that provided to others under the program.
3. Subjecting a person to segregation or separate treatment in any matter related to the receipt of any service, financial aid, or other benefit under the program;
4. Restricting a person in the enjoyment of any advantages, privileges, or other benefits enjoyed by others receiving any service, financial aid, or other benefit under the program;
5. Treating a person differently from others in determining whether that person satisfies any admission, enrollment, quota, eligibility, membership, or other requirement or

condition which persons must meet to be provided any service, financial aid, or other benefit provided under the program;

6. Implementing different standards, criteria, or other requirements for admission, enrollment, or participation in planning, advisory, contractual, or other integral activities to the program;
7. Adopting methods of administration which, directly or through contractual relationships, would defeat or substantially impair the accomplishment of effective nondiscrimination;
8. Selecting a site or location of facilities with the purpose or effect of excluding persons from, denying them the benefits of, subjecting them to discrimination, or with the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of Title VI or related acts and regulations;
9. Discriminating against any person, either directly or through a contractual agreement, in any employment resulting from the program, a primary objective of which is to provide employment;
10. Committing acts of intimidation or retaliation, including threatening, coercing, or discriminating against any individual for the purpose of interfering with any right or privilege secured by any pertinent nondiscrimination law, or because an individual made a complaint, testified, assisted, or participated in an investigation, proceeding, or hearing.

### **III. Reporting & Enforcement**

1. Chowan County shall cooperate in any enforcement or compliance review activities by the Department of the Treasury. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. Chowan County shall comply with information requests, on-site compliance reviews, and reporting requirements.
2. Chowan County shall maintain a complaint log and inform the Treasury of any complaints of discrimination on the grounds of race, color, or national origin (including limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, whether pending or completed, including the outcome. Chowan County shall inform the Treasury if it has received no complaints under Title VI.
3. Any person who believes they have been aggrieved by a discriminatory practice under Title VI has a right to file a formal complaint with the Treasury. Any such complaint must be in writing and filed with the Treasury's Title VI Coordinator within



one hundred eighty (180) days following the date of the alleged discriminatory occurrence.

4. Any person who believes that because of that person's race, color, national origin, limited English proficiency, familial status, sex, age, religion, or disability that he/she/they have been discriminated against or unfairly treated by Chowan County in violation of this policy should contact the following office within 180 days from the date of the alleged discriminatory occurrence:

Chowan County Manager's Office  
Ms. Susanne Stallings  
Clerk to the Board of County Commissioners  
305 W. Freemason St.  
Edenton, NC 27932  
(252) 482-8431

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**CHOWAN COUNTY  
RECORD RETENTION POLICY FOR THE AMERICAN RESCUE PLAN ACT OF 2021 CORONAVIRUS  
STATE AND LOCAL FISCAL RECOVERY FUNDS**

**Retention of Records:** The Coronavirus Local Fiscal Recovery Funds ("CSLFRF") [Award Terms and Conditions](#) and the [Compliance and Reporting Guidance](#) set forth the U.S. Department of Treasury's ("Treasury") record retention requirements for the ARP/CSLFRF award.

It is the policy of Chowan County to follow Treasury's record retention requirements as it expends CSLFRF pursuant to the APR/CSLFRF award. Accordingly, Chowan County agrees to the following:

- Retain all financial and programmatic records related to the use and expenditure of CSLFRF pursuant to the ARP/CSLFRF award for a period of five (5) years after all CLFRF funds have been expended or returned to Treasury, whichever is later.
- Retain records for real property and equipment acquired with CSLFRF for five years after final disposition.

- Ensure that the financial and programmatic records retained sufficiently evidence compliance with section 603(c) of the Social Security Act “ARPA,” Treasury’s regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
- Allow the Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, the right of timely and unrestricted access to any records for the purpose of audits or other investigations.
- If any litigation, claim, or audit is started before the expiration of the 5-year period, the records will be retained until all litigation, claims, or audit findings involving the records have been resolved.

**Covered Records:** For purposes of this policy, records are information, regardless of physical form or characteristics, that are created, received, or retained that evidence Chowan County’s expenditure of CSLFRF funds on eligible projects, programs, or activities pursuant to the ARP/CSLFRF award.

Records that shall be retained pursuant to this policy include, but are not limited to, the following:

- Financial statements and accounting records evidencing expenditures of CSLFRF for eligible projects, programs, or activities.
- Documentation of rationale to support a particular expenditure of CSLFRF (e.g., expenditure constitutes a general government service);
- Documentation of administrative costs charged to the ARP/CSLFRF award;
- Procurement documents evidencing the significant history of a procurement, including, at a minimum, the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for contract cost or price;
- Subaward agreements and documentation of subrecipient monitoring;
- Documentation evidencing compliance with the Uniform Guidance property management standards set forth in 2 C.F.R. §§ 200.310-316 and 200.329;
- Personnel and payroll records for full-time and part-time employees compensated with CSLFRF, including time and effort reports; and
- Indirect cost rate proposals

**Storage:** Chowan County’s records must be stored in a safe, secure, and accessible manner. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

**Departmental Responsibilities:** Any department or unit of Chowan County, and its employees, who are responsible for creating or maintaining the covered documents in this policy shall comply with the terms of this policy. Failure to do so may subject Chowan County to civil and/or criminal liability. Any employee who fails to comply with the record retention

requirements set forth herein may be subject to disciplinary sanctions, including suspension or termination.

The Finance Officer is responsible for identifying the documents that Chowan County must or should retain and arrange for the proper storage and retrieval of records. Finance Officer shall also ensure that all personnel subject to the terms of this policy are aware of the record retention requirements set forth herein.

**Reporting Policy Violations:** Chowan County is committed to enforcing this policy as it applies to all forms of records. Any employee that suspects the terms of this policy have been violated shall report the incident immediately to that employee's supervisor. If an employee is not comfortable bringing the matter up with the supervisor, the employee may bring the matter to the attention of the Clerk to the Board. Chowan County prohibits any form of discipline, reprisal, intimidation, or retaliation for reporting incidents of inappropriate conduct of any kind, pursuing any record destruction claim, or cooperating in related investigations.

**Questions About the Policy:** Any questions about this policy should be referred to Cathy Smith, Finance Officer, at (252) 482-8334 ext. 1 or [cathy.smith@chowan.nc.gov](mailto:cathy.smith@chowan.nc.gov), who is in charge of administering, enforcing, and updating this policy.

#### **External Board/Committee Report**

Chair Kirby stated that Board members are asked to report on the activities of the external boards to which they have been appointed. He reported on the Albemarle Commission Board.

#### **Manager's Report**

County Manager Kevin Howard reported on the following:

- Painting in the Courthouse is ongoing
- The Library has requested that maintenance look at repairing the outdoor fountain
- The Budget will be presented at the first meeting in May
  - The Tax Administrator resigned effective April 28<sup>th</sup>, the position is being advertised.

#### **Timely and Important Matters**

##### **Budget Meetings**

Ms. Stallings noted she has emailed potential budget meeting dates to the Board.

##### **Ag Building**

Commissioner Lawrence stated he would discuss with Mr. Howard some potential leak at the Ag Building.

#### **Adjourn**

Being no further business, Commissioner Cummings moved that the meeting be adjourned. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

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Bob Kirby, Chairman

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Susanne Stallings, Clerk