

NOTICE OF SUBAWARD



Subrecipient Name: North Slope Borough School District	Name of Federal Awarding Agency: Department of Treasury
Subrecipient's DUNS Number: 002381580	Federal Award Date: March 27, 2020
Federal Award Identification Number (FAIN): SLT2046	Name of Pass-Through Entity: Arctic Slope Regional Corporation
Catalog of Federal Domestic Assistance (CFDA) Number: 21.019	Contact Information for Pass-Through Entity: caresgrants@asrc.com ; ASRC VP Finance (Walter Williams IV) 907-339-6029
Subrecipient Program Name: School Reopening Costs	Subaward Period of Performance: November 17 – December 31, 2021
Federal Award Program Description: The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") established the \$150 billion Coronavirus Relief Fund ("the Fund"). Payments must be used for necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) between March 1, 2020, to December 30, 2020. Payments must be used to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. Governments otherwise have broad discretion to utilize payments for expenditures ranging from COVID-19 testing to reimbursing small businesses for the costs of business interruption caused by required closures.	
Total Amount of Federal Funds Obligated by this Agreement: \$1,019,500.00	Total Amount of Federal Funds Obligated to the Subrecipient: \$4,318,542.41
Approved Budget Categories: Facilitating Distance Learning – School District is receiving the \$500 per student allowed by Treasury's FAQ #53	
Is the award for Research and Development (R&D)? N	Indirect Cost Rate for federal award: Not applicable to the Coronavirus Relief Fund
Terms & Conditions: Grant funding is provided per the \$500 per student allowed by Treasury FAQ #53	
Incorporated Documents: 1. Notice of Subaward 2. Subrecipient Agreement 3. Exhibit A – Scope of Work 4. Exhibit B – Project Budget 5.	

SUBRECIPIENT AGREEMENT

THIS AGREEMENT is made by and between Arctic Slope Regional Corporation (ASRC), with offices located at 3900 C Street, Anchorage, AK, and North Slope Borough School District, (hereinafter referred to as “Subrecipient”) with administrative offices at 829 Aivik Street, Utqiagvik, AK 99723 (each being at times referred to as “Party” or “Parties”).

WHEREAS, on or about March 27, 2020, the President of the United States signed into law the *Coronavirus Aid, Relief, and Economic Security Act*, Public Law 116-136, (hereinafter referred to as the “CARES Act”) to facilitate the provision of federal assistance and relief in response to the COVID-19 pandemic;

WHEREAS, Title V of the CARES Act created the Coronavirus Relief Fund (hereinafter referred to as the “CRF”), and \$150 billion dollars was appropriated to the Fund for Fiscal Year 2020 to provide direct assistance to state, tribal, territorial, and local governments to fund certain necessary and allowable expenses incurred due to the public health emergency with respect to COVID-19;

WHEREAS, the U.S. Department of the Treasury (“USDOT”) is authorized to distribute funding from the CRF utilizing a population-based formula as set forth in the CARES Act; and

WHEREAS, ASRC received an allocation from the CRF fund; and

WHEREAS, the purpose of this Agreement is to provide for the sub-award of a portion of the financial assistance received by ASRC under the CRF to assist Subrecipient with funding such necessary expenses incurred due to the COVID-19 public health emergency as are described in this Agreement and the attachments hereto, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual terms and conditions, promises, covenants and payment hereinafter set forth, the receipt and sufficiency of which is hereby acknowledged, ASRC and Subrecipient agree as follows:

Section 1: Compliance

- A. Subrecipient acknowledges that Fund payments made by Grantee to Subrecipient are not considered to be grants but are “other financial assistance” under 2 C.F.R. 200.40. This Agreement requires compliance with certain provisions of Title 2 C.F.R. 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”). Subrecipient agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this Agreement. Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.
- B. Subrecipient will publicly identify ASRC as a supporter of its activities, in such a manner as mutually agreed to by the parties. The parties acknowledge and agree that ASRC will not receive any personal benefit beyond recognition of issuing the funds per the terms of this Agreement.
- C. During the performance of this Subrecipient Agreement, the Subrecipient shall comply with all applicable federal laws and regulations, including but not limited to the provisions in this Agreement and the required federal provisions. Violations of law will be referred to the proper authority in the applicable jurisdiction.
- D. Contracts awarded by Subrecipient under this Agreement shall comply with all applicable Federal laws, regulations, executive orders, Department of Treasury policies, procedures, and directives. With respect to any conflict between such federal requirements and the terms of the contract and/or the provisions of state law and except as otherwise required under federal law or regulation, the more stringent requirement shall control. The Subrecipient must comply with all applicable Federal law, regulations, executive orders, Department of Treasury policies, procedures, and directives. The Subrecipient shall comply with all federal requirements including, but not limited to, the following:
 - Fund payments are considered to be federal financial assistance subject to the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507).
 - Subrecipients are subject to a single audit or program specific audit pursuant to 2 C.F.R. 200.501(a) when Subrecipient spends \$750,000 or more in federal awards during their fiscal year.
 - Fund payments are subject to 2 C.F.R. 200.303 regarding internal controls.
 - Fund payments are subject to 2 C.F.R. 200.330 through 200.332 regarding subrecipient monitoring and management.
 - Fund payments are subject to Subpart F regarding audit requirements.
 - NOTE: The CRF is not subject to the regulations pursuant to 2 C.F.R. 200.318-326.

- E. Subcontracts, if any, shall contain a provision making them subject to all of the provisions stipulated in this Agreement, including but not limited to 2 C.F.R. 200.303, 2 C.F.R. 200.330-332, and 2 C.F.R. Part 200 Subpart F.

Section 2: Term

- A. This Agreement shall begin upon the date last executed by the Parties (the “Effective Date”) and shall remain in effect until March 31, 2022 (the “Expiration Date”) unless terminated earlier in accordance with Section 6: Termination of this agreement.
- B. The Subrecipient shall be eligible to receive funding for eligible and allowable costs (as defined in Section 4) from the period commencing March 1, 2020, through December 31, 2021 (the “Covered Period”).

Section 3: Funding

- A. Subject to the terms and conditions of this Agreement, ASRC shall pay the Subrecipient up to a maximum of \$1,019,500.00 to implement the projects and/or activities described in the Scope of Work (SOW). It is understood and agreed that any additional funds necessary in connection with the projects and/or activities described in the SOW above and beyond this amount are the sole responsibility of the Subrecipient.
- B. Eligible and allowable costs are defined as costs that:
 1. Are necessary expenditures incurred due to the public health emergency with respect to COVID-19;
 2. Were not accounted for in the Subrecipient’s budget most recently approved as of March 27, 2020;
 3. Were incurred during the Covered Period;
 4. Are described in the SOW; and
 5. Are otherwise in accordance with the terms and conditions of this Agreement, Title V of the CARES Act, and all other applicable laws, rules, regulations, and guidance.

The amount of funding committed through this action is based on the administrative allowance from Department of Treasury to provide \$500 per student to assist with costs associated with reopening and operating schools during the COVID-19 pandemic.

Section 4: Accounting; Duplication of Benefits

- A. Subrecipient’s accounting and financial management system shall be sufficient to permit the preparation of reports required in connection with this Agreement and the tracing of funds to a level of expenditures adequate to establish that such funds have been used pursuant to the terms of this Agreement. All payments to Subrecipient contemplated under this Agreement may be contingent upon certification of the Subrecipient’s financial management system in accordance with this requirement. Subrecipient must ensure that all sub-subrecipients comply with the provisions of this paragraph.
- B. Subrecipient hereby certifies and affirms that the projects and/or activities to be funded under this Agreement shall not result in a prohibited duplication of the benefits obtained by Subrecipient, any sub-sub recipient (as defined in 2 C.F.R. §§ 200.92-93), or any individual or entity that is a beneficiary of such projects and/or activities from other Non-Title V CARES Act programs, other local, state, or federal funding sources (e.g. the Stafford Disaster Relief and Emergency Assistance Act, etc.), private insurance, or other private organizations. It is Subrecipient’s responsibility and obligation to implement processes and procedures to select and subsequently monitor all sub-subrecipients, individuals, and entities receiving funds under this Agreement to ensure compliance with this paragraph. All agreements entered into between Subrecipient and any sub-subrecipient, individual, or entity providing for the subaward or payment of funds under this Agreement shall contain provisions permitting the Subrecipient to recapture funds provided under this Agreement in the event an impermissible duplication of benefit is discovered. Subrecipient acknowledges and agrees that it has an affirmative obligation to promptly identify and report any duplication of benefits to ASRC. In the event that the Subrecipient recovers costs incurred under this Agreement and reimbursed by ASRC from another source, the Subrecipient shall reimburse ASRC for all recovered funds originally provided under this Agreement. Interest on any refund shall be calculated based on the prevailing rate used by the State Board of Administration. Interest shall be calculated from the date(s) the payment(s) are recovered by the Subrecipient to the date repayment is made to ASRC by the Subrecipient.

Section 5: Termination

- A. Termination for Cause. ASRC may terminate this Agreement for cause at any time if any covenant, warranty, or representation made by Subrecipient in this Agreement, the SOW, or in any application materials for funding submitted to ASRC in connection with this Agreement shall at any time be false or misleading in any respect, or in the event of the failure of the Subrecipient to satisfactorily perform any task, deliverable, or activity under this Agreement or otherwise comply with the terms and conditions of this Agreement. Prior to termination, ASRC shall provide fifteen (15) days written notice of its intent to terminate and shall provide the Subrecipient an opportunity to consult with ASRC regarding the reason(s) for termination.

- B. Termination for Convenience. This Agreement may be terminated for convenience by either Party upon providing the non-terminating Party with ten (10) days written notice.
- C. Effect of Termination. Costs incurred by the Subrecipient after termination of this Agreement shall not be reimbursable unless expressly authorized by ASRC prior to the effective date of termination. Ineligible costs shall not be reimbursable.

Section 6: Audits

- A. In the event that the Subrecipient expends \$750,000.00 or more in Federal awards in its fiscal year, the Subrecipient must have a single or program-specific audit conducted within nine (9) months of the end of the Subrecipient's audit period, in accordance with the provisions of 2 C.F.R. Part 200. In determining the Federal awards expended in its fiscal year, the Subrecipient shall consider all sources of Federal awards, including Federal financial assistance received from ASRC under this Agreement. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by 2 C.F.R. Part 200.
- B. If the Subrecipient expends less than \$750,000.00 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of 2 C.F.R. Part 200, as revised, is not required for that year, except as noted in 2 C.F.R. §200.503. In the event that the Subrecipient expends less than \$750,000.00 in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 C.F.R. Part 200, as revised, the cost of the audit must be paid from non-Federal resources. In accordance with 2 C.F.R. § 200.501(d), records must be available for review or audit by appropriate officials ASRC, USDOT, and the U.S. Government Accountability Office (GAO).
- C. Upon completion of the audit required in this Section, Subrecipient shall promptly transmit a copy of the audit report to ASRC.
- D. In addition to reviews of audits conducted in accordance with 2 C.F.R. Part 200, monitoring procedures under this Agreement may include, but are not limited to, on-site visits by ASRC; limited-scope audits as defined by 2 C.F.R. Part 200; submittal and review of financial management statements; and/or other procedures. By entering into this Agreement, the Subrecipient agrees to comply and cooperate with any reasonable monitoring procedures/processes deemed appropriate by ASRC. In the event ASRC determines that a limited-scope audit of the Subrecipient is appropriate, the Subrecipient agrees to comply with any additional instructions provided by ASRC to the Subrecipient regarding such audit. The Subrecipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by ASRC.

Section 7: Closeout

- A. Unless an extension is approved by ASRC, the Subrecipient must liquidate all obligations incurred under this agreement by the Expiration Date.

Section 8: Governing Law and Venue

This agreement is to be governed by the laws of the State of Alaska. Venue shall be in Anchorage, Alaska.

Section 9: Indemnification

Subrecipient hereby releases and agrees to defend, indemnify, and hold ASRC and ASRC's affiliates and their respective officers, directors, employees, agents, assigns, representatives, managers, consultants and other contractors and subcontractors, harmless from and against any and all claims, demands, causes of action, suits, damages, liabilities, losses, injury, death, and expenses (including, without limitation, court costs and reasonable attorneys' fees) ("Claims"), resulting from or relating to this Agreement, in each case whether or not such Claims are due to the act, omission, negligence (whether contributory, or joint), fault or strict liability of ASRC. Subrecipient hereby releases and agrees to defend, indemnify, and hold ASRC and its affiliates and their respective officers, directors, employees, agents, assigns, representatives, managers, consultants and other contractors and subcontractors, harmless from and against any and all Claims resulting from this Agreement. The parties agree that ASRC's provision of the aforementioned grant in no way renders ASRC responsible for any payments, obligations, or fees owed by Subrecipient.

ASRC shall have no authority to enter into contracts on behalf of Subrecipient and neither ASRC nor any party employed by ASRC shall be deemed for any purpose to be an employee, agent, servant, or representative of Subrecipient. ASRC shall have no direction or control over Subrecipient, its employees, agents, or subcontractors. ASRC is in no way acting in a managerial role, nor does ASRC have authority over Subrecipient's decision making.

On behalf of the Subrecipient, I understand and agree to the foregoing terms and conditions set forth above and certify my authority to execute this agreement.

Authorized Officer Signature: _____

Printed Name: _____

Title: _____ Date: _____



EXHIBIT A – SCOPE OF WORK

The North Slope Borough School District has identified many eligible costs associated with re-opening the schools and facilitating distance learning. Rather than claim direct reimbursement for these re-opening costs, the Borough has elected to request funding using the \$500 per student allowance as an administrative convenience. No other CRF funding has been received by the North Slope School District so we believe this to be an eligible use of funding.



EXHIBIT B – PROJECT BUDGET

Project Line-Item Budget

Not Applicable