



CITY OF OPELIKA
CITY COUNCIL
WORKSESSION MEETING AGENDA
300 Martin Luther King Blvd.
September 20, 2022
TIME: 5:30 PM

1. CALL TO ORDER

1. George Allen, Erica Norris, Tim Aja, Todd Rauch, Eddie Smith

2. PRESENTATIONS

3. RESOLUTIONS

1. Approve Eligible Use Policy Related to ARPA Funds - ADMIN.
2. Approve Internal Control Policies and Procedures for ARPA Funds - ADMIN.
3. Approve Policy for Property Management Related to the Expenditure of ARPA Funds - ADMIN.
4. Approve Policy for Allowable Costs and Cost Principles for Expenditure of ARPA Funds - ADMIN.
5. Approve Nondiscrimination Policy Consistent with Uniform Guidance Related to ARPA Funds - ADMIN.
6. Approve Record Retention Policy for Documents Created or Maintained Pursuant to the ARPA/CSLFRF Award - ADMIN.
7. Approve Conflict of Interest Policy Applicable to Contracts and Subawards of the City of Opelika Supported by Federal Financial Assistance - ADMIN.

4. ORDINANCES

1. Authorize the Operation of Medical Cannabis Dispensing Sites - 1st Reading.

5. GENERAL UPDATES

6. REVIEW/DISCUSS CURRENT COUNCIL MEETING AGENDA

7. GENERAL / DISCUSSION

8. END OF WORK SESSION

“In compliance with the Americans with Disabilities Act, the City of Opelika will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the ADA Coordinator 72 hours prior to the meeting at (334)705-5130.”

RESOLUTION NO. _____

**RESOLUTION ADOPTING ELIGIBLE USE POLICY RELATED TO
AMERICAN RESCUE PLAN ACT CORONAVIRUS RECOVERY FUNDS**

WHEREAS the City of Opelika, AL 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.2.1 (November 15, 2021) 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 the City of Opelika, AL 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 the City of Opelika will spend its ARP/CSLFRF funds.

I. PERMISSIBLE USES OF ARP/CSLFRF FUNDING

US Treasury issued its [Final Rule](#) regarding use of ARPA 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 ARPA 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.

The City of Opelika, 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 City of Opelika 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 in 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 ARPA 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 with the City of Opelika'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 Joey Motley for approval. All requests will be reviewed by Joey Motley for ARP/CSLFRF compliance and by Cindy Boyd for allowable costs and other financial review.
3. No ARP/CSLFRF may be obligated or expended before final approval by City Council.
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 Joey Motley and may require a budget amendment before proceeding. Any delay in the projected project completion date shall be communicated to Cindy Boyd immediately.
6. Cindy Boyd must collect and document required information for each EC, for purposes of completing the required Project and Expenditure reports.
7. Cindy Boyd must maintain written project requests and approvals, all supporting documentation, and financial information at least until December 31, 2031.

ADOPTED AND APPROVED this the _____ day of _____, 2022.

PRESIDENT OF THE CITY COUNCIL
OF THE CITY OF OPELIKA

ATTEST:

CITY CLERK

RESOLUTION NO. _____

**RESOLUTION ADOPTING INTERNAL CONTROL POLICY
RELATED TO AMERICAN RESCUE ACT RECOVERY FUNDS**

WHEREAS, the City of Opelika 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 (ARPA/CSLFRF); and

WHEREAS, U.S. Treasury is responsible for implementing ARPA/CSLFRF and has enacted a Final Rule outlining eligible projects; and

WHEREAS, CSLFRF funds are subject to U.S. Department of Treasury (“Treasury”) regulations, including the Final Rule, the award terms and conditions, and Title 7 implementing regulations at 31 CFR. Part 22; and

WHEREAS, the City of Opelika desires to adopt internal control policies and procedures that the City of Opelika uses in tracking, monitoring and reporting the City’s CSLFRF projects and expenditures; and

WHEREAS, the five components of internal control are: Control Environment, Risk Assessment, Control Activities, Information and Communication Monitoring.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Opelika adopts and enacts the attached internal control policies and procedures which shall apply to ARPA Fiscal Recovery Funds. A copy of the internal policies and procedures is attached hereto as Exhibit “A” and incorporated herein by reference.

ADOPTED AND APPROVED this the ____ day of _____, 2022.

PRESIDENT OF THE CITY COUNCIL
OF THE CITY OF OPELIKA

ATTEST:

CITY CLERK

EXHIBIT "A"



ARPA Fiscal Recovery Funds: Internal Control Policies and Procedures

City of Opelika Accounting Office

Opelika, Alabama

August 2022

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Introduction

On March 11, 2021, President Joe Biden signed into law the \$1.9 trillion American Rescue Plan Act (ARPA). Included in the ARPA is the Coronavirus State and Local Fiscal Recovery Fund (SLFRF), which provides \$350 billion to state, local, and Tribal governments throughout the country to support their recovery from the COVID-19 pandemic.

The City of Opelika received \$6.4 million. In accordance with the US Treasury's Interim Final Rule, all SLFRF revenues must be obligated by Dec. 31, 2024, and all project expenditures must be completed by Dec. 31, 2026.

The purpose of this document is to state the internal control policies and procedures that the City of Opelika's Accounting Office uses in tracking, monitoring, and reporting the city's SLFRF projects and expenditures. This document is in accordance with the following directive from US Treasury's Compliance and Reporting Guidance: "Per 2 CFR Part 200.303, your organization must develop and implement effective internal controls to ensure that funding decisions under the SLFRF award constitutes eligible uses of funds, and document determinations."¹

Our efforts are taxpayer-centric and compliance-focused grounded in the following principles:

- *Understandability:* The public should have readily accessible information in easy-to-understand terms in order to clearly comprehend Porter County's use of the SLFRF funding and the benefits to the public of the various investments.
- *Transparency:* The SLFRF projects and expenditures should be fully disclosed so the taxpaying public can assess how their tax dollars are being spent
- *Accountability:* Our responsibility in the City of Opelika's Accounting Office is to ensure that 1) SLFRF funds are spent in accordance with the U.S. Treasury Final Rule and all other federal and state requirements; 2) that City of Opelika complies fully with U.S. Treasury reporting requirements; and 3) that City of Opelika receives a satisfactory audit opinion on the use of its SLFRF allocation.

This document provides a brief summary of each internal control component and a discussion of how the component applies to the City of Opelika's SLFRF program. We state our office policies as they relate to administration of the SLFRF program. We list our control procedures and reference the associated principle as stated in the Government Accountability Office's *Standards for Internal Control in the Federal Government* (the "Green Book").

Just as an effective internal control system is a process that must adapt with new or changing circumstances, this document is intended to be a living document that will be amended as necessary.

¹ *Compliance and Reporting Guidance*, June 10, 2022, p. 7

Internal Controls and Procedures

Internal control is a process, effected by management, staff and other stakeholders, designed to provide reasonable assurance that an entity is meeting its objectives with respect to the reliability of financial reporting, compliance with laws and regulations, and effectiveness and efficiency of operations.¹

The five components of internal control are: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring. Each component consists of principles that are required for an effective internal control system.

The five components and 17 principles are presented in the GOA's Green Book. Each component, and the required principles, are discussed below as they relate to the City of Opelika's SLFRF program.

Control Environment

The Control environment is described as the "tone at the top." The entity's environment influences how objectives are defined and control activities are structured. Management maintains an environment that sets a positive attitude toward internal control.²

The City of Opelika's Accounting department strongly believes that the public has the right to know how their SLFRF dollars are being spent locally and that the information should be readily accessible and easy to understand. Our control environment regarding oversight of the city's SLFRF program is rooted in understandability, accountability, and transparency. We place top priority on strong ethical principles. Our ethical values are reflected in our commitment to develop and maintain a cooperative, professional relationship with all participants involved in the city's SLFRF program, by treating all parties uniformly, and by emphasizing the need to comply with all federal, state and local regulations and policies.

Environment Controls:

- The Accounting office demonstrates a commitment to integrity and ethical values by clearly communicating our procedures to all participants and by emphasizing compliance in our interactions with participants. (Principle 1)
- The Accounting office periodically reviews our internal control system to identify weaknesses and needed adjustments, as well as strengths that should be sustained and enhanced. (Principle 2)

¹Adapted by the definitions in place by the GAO, State Board of Accounts, and COSO

²Adapted from the GAO's Standards for Internal Control

- The Accounting office establishes a “SLFRF Team” consisting of staff members who are assigned specific tasks, including verification of each other’s work. By segregating the duties involved in the SLFRF, we can help ensure accuracy in claims processing, record keeping, and reporting. The team members’ roles are communicated to the SLFRF participants. (Principle 3)
- The Accounting office is committed to ongoing education by attending as many webinars and in-person seminars as feasible and by utilizing published resources in order to gain a complete understanding of the SLFRF program and related regulations, including updates. (Principle 4)
- Accountability is enforced in such ways as communicating instances of non-compliance with the city’s procedures to governing officials and by withholding SLFRF distributions to participants who demonstrate an unwillingness to abide by our procedures. (Principle 5).

Risk Assessment

The risk assessment component of internal control involves management evaluating the risk that the entity faces that could negatively impact it from achieving its objectives.

The City of Opelika’s accounting office believes that risks are greater if personnel lack a thorough understanding of the SLFRF program and if management fails to provide proper oversight of the SLFRF expenditures. Oversight includes thorough recordkeeping needed to meet our objective of accurate reports to U.S. Treasury. Without controls, any of the following could result: Expenditures might not fully comply with the intent of city governance or with the Treasury’s Final Rule, reporting to Treasury could be flawed, audit findings of non-compliance could result, and information shared with the public could be incomplete or inaccurate. We are committed to minimizing these risks to the fullest extent possible.

One area of the SLFRF program that could lend itself to higher risk involves distributions to non-city government entities, i.e., subrecipients and beneficiaries. As defined in the final rule, a beneficiary is and end-user of the award and directly benefits by it. Conversely, a subrecipient carries out an enumerated use on behalf of the recipient government.³

³As explained in the Final Rule, the distinction between subrecipients and beneficiaries is contingent upon why the recipient is providing the SLFRF funds to the entity. Beneficiaries such as non-profits and small businesses that experienced economic harm due to the pandemic may receive direct assistance; the response should be related and reasonably proportional to the harm. Subrecipients must abide by all award terms and conditions including provisions of the Uniform Guidance 2 CFR 200.331 to 200.333. Subrecipients that spend more than \$750,000 in their fiscal year are subject to audit under the Single Audit Act and 2 CFR 200 Subpart F.

Because the terms and conditions of the award flow down to subrecipients, the recipient government is responsible for monitoring and overseeing the subrecipient's use of the SLFRF funds and other activities related to the award.⁴

Risk Assessment Controls

- The Accounting office has established objectives to properly administer the city's SLFRF program. These objectives will help us identify risks and risk tolerances. Our objectives are:
Operations Objective: All expenditures follow an established process for claims processing, and all claims include supporting documentation that substantiate that the expenditures are appropriate uses of the SLFRF funds and for the use intended.
Reporting Objective: The City of Opelika's required reports are accurate, complete, on time, and well-articulated.
Compliance Objective: All expenditures comply with U.S. Treasury's Final Rule and other federal, state, and local regulations in addition to State Board of Accounts guidance. Audit opinions reflect that our internal control system is effective and that our SLFRF program complies with federal regulations. (Principle 6)
- The Accounting office establishes a risk assessment evaluation for each SLFRF subrecipient and beneficiary to evaluate risks, the degree to which the risks may impact our objectives, and the degree to which the risk may involve fraud. Depending on the participant, the risk assessment includes an evaluation of audits, experience with federal awards, tax returns, relationship to governing boards, and degree to which the participants have demonstrated cooperation with the city including the Accounting Office. (Principle 7)
- The risk assessment includes an evaluation of participants' likelihood for fraud and abuse, misleading or incomplete supporting documentation, and misleading project descriptions. (Principle 8)
- To respond to changes that could impact the internal control system, the Accounting office participates in SLFRF training when available and updates the risk assessment evaluation as needed. (Principle 9)

⁴Final Rule, page 4434. See also Final Rule, page 4435, which states that recipients "...are responsible for the actions of their subrecipients."

- The Accounting office abides by IC 5-11-1-27(l) *Report of Misappropriation of Funds to State Board of Accounts and Prosecuting Attorney* and IC 5-11-1-27(j) *Report of Material Variances, Losses, Shortages or Thefts* to the SBOA in response to fraud. (Principle 8)

Control Activities

Control activities are the actions taken by management, through policies and procedures, to respond to risks that may prevent the entity from meeting its objectives.

The control activities below follow the SLFRF expenditures from start to finish, beginning with the pre-approval analysis to reporting.

Appropriation process

In accordance with the SBOA's *Accounting Processes for ARP Subtitle M-Coronavirus State and Local Fiscal Recovery Funds*, all expenditures from the SLFRF will be made from a single fund.

All expenditures must follow the appropriation process established by the state and local policy. No expenditures will be made without a City of Opelika council-approved appropriation.

Appropriation Control Activities

- Departments seeking the appropriation must submit an additional appropriation form to the Mayor and/or City Administrator within the required time period. Appropriation requests related to awards to subrecipients, and beneficiaries will be prepared by the Accounting Office. (Principle 10, 12)
- The Accounting Office reviews the proposed appropriation to align the request with the proper budget account code, prepares the legal notice required for the additional appropriation hearing and once approved, enters the appropriation in our financial ledger. A second staff member provides a verification check. (Principles 10, 12)

Agreements and Supporting Documents

Written agreements between the City of Opelika and all subrecipients and beneficiaries are prepared. The agreements include the terms and conditions of the award, including the manner of distributions. The agreements also include a description of how the project complies with the Final Rule. This explanation is reflected in written summaries required in the Project and Expenditure quarterly reports. All agreements are approved by the City Council and each subrecipient and beneficiary prior to the use of funds.

Each agreement states that the subrecipient and beneficiary are required to provide certain documentation as a condition of the award. It is the policy of the Accounting office that all participants are treated in the same manner when it comes to supporting documentation requirements. The documentation requirements are a preventative control that allow us to verify that the projects and expenditures are eligible uses and are in accordance with the originally stated purpose. The documentation also helps us achieve our objective of thorough and accurate reporting.

Supporting Documentation Control Activities

- City entities, subrecipients, and beneficiaries that enter into contract provide the Accounting Office their approved contracts for any portion of their project. (Principle 10)
- If required, subrecipients submit documentation that they sought competitive bids or quotes in accordance with the Uniform Guidance. (Principle 10)
- Subrecipients demonstrate compliance with the conflict of the interest requirements in the Uniform Guidance. (Principle 10)
- Where applicable, participants provide accompanying documentation outlining the proposed program, service, or capital expenditure. Examples include building plans, project brochure, and job descriptions for new personnel. (Principle 10)

Additional requirements of Non-Profit and Small Business beneficiaries

The expenditures category of Assistance to Non-Profits and Assistance to Small Businesses requires a two-step analysis: Identify an economic harm caused or exacerbated by the pandemic and develop a response that is related to and reasonably proportional to the harm.

As noted above, the accounting office's policy requires entities in these two categories to submit their latest available tax return. Each return is analyzed by the accounting office in order to gain a better understanding of the economic hardship experienced by the entity. The accounting office also reviews the IRS Nonprofit database to evaluate if nonprofit applicants have had revocation of their nonprofit status. These actions help us achieve our compliance and reporting objectives.

As noted in Treasury's *Overview of the Final Rule*, recipients may gauge economic impact in "many" ways, including financial insecurity, capacity to weather financial hardship, and challenges covering operating expenses.⁵ Accordingly, a beneficiary may post an increase in fund balance and still claim economic harm due to difficulties or challenges. In cases in which the economic harm cannot be quantified, beneficiaries must explain the harm they experienced. This explanation is the foundation for the reporting requirements in the required reports for approved projects.

It is the accounting office's policy to have a written summary of economic harm prepared prior to the city's approval of funding for the beneficiaries in these categories.

Claims Process

Several staff members (SLFRF team members) are involved in the processing and recording of each SLFRF claim. The segregation of duties is a control that can help ensure accuracy of recordkeeping. This control also augments each staff member's knowledge of the SLFRF reporting, monitoring, and audit process.

The accounting office's policy is that the claims process will be the same for all entities (city departments, subrecipients, and beneficiaries).

The Final Rule states that Treasury does not have a position as to the method of distribution, such as advance payments or reimbursements. Except as noted below, it is the Accounting Office's policy that all participants submit their claims for processing in the same manner followed by city departments, i.e., by submitting a claims voucher with acceptable supporting documentation. Alternatively, participants may submit claims, with supporting documentation, on a reimbursement basis.

⁵"Overview of the Final Rule," pp.21, 23

Claims Process Control Activities:

- Each participant submits expenditure claims on a State Board of Accounts voucher (Accounts Payable voucher) and includes an invoice and/or other relevant documentation. For award subrecipients and beneficiaries, the Accounting Office will provide guidance on filling out the form properly. This process will ensure consistency in application and in record keeping. (Principle 10, 12)

Claims are forwarded to a SLFRF team member for an initial review. The team member enters the claim data in the financial software system as well as an internal master file.

- This procedure is a preventive control to provide a running total of all claims to be paid out of the ARPA fund and compilation of supplemental information necessary for accurate reporting. (Principle 10)
- The claim/supporting documentation is filed in a separate ARPA file and a copy made and given to a second team member, who maintains copies of all claims for reporting and auditing purposes. This process ensures a segregation of duties that provides added assurance of accuracy. The duplicate claim guards against lost or misplaced documentation. (Principle 10)

Reporting

The City of Opelika submits all required reports. We are committed to providing accurate and timely reports containing well-written explanations when required. Advance preparation is key so that we are not completing our reports under the pressure of deadline and/or without all the information we need for an accurate report. Ongoing compilation of expenditures and supporting documentation is essential for us to meet our reporting objective.

Reporting Control Activities:

- The internally generated claims lists are regularly updated and verified by a second accounting department staff member. (Principle 10)
- Accounting staff members initialize when they verify the claims data. (Principle 10)
- At least one other SLFRF team member reviews the report prior to submission. (Principle 10)

Additional Control Activities:

- The City of Opelika Controller is designated as the contact person and authorized agent for purposes of filing the required reports. The log-in information is kept confidential. The process for changing the designation, in the event of a personnel change or emergency, is articulated to other SLFRF team members to ensure a smooth transition in data. (Principle 11)
- The Accounting office's policies regarding the SLFRF program are incorporated with internal controls in this document. A summary of the policies and procedures is given to all participants. This document, as updated, is made available upon request. (Principle 12)

Information and Communication

The information and communication component of internal control requires the use of quality information for an effective control system. Management must communicate-both internally and externally – the necessary quality information needed to achieve its objectives.

The City of Opelika's accounting department believes that transparency of the SLFRF program results in accountability. Quality information that is accurate, up-to-date, and easily understood must be the foundation of our communications with internal and external parties.

We place a strong emphasis on continuing education, as the laws, guidance, and policies governing our work can frequently change. With respect to the SLFRF and ARPA in general, we place top priority on staff members continually educating themselves on the latest developments related to ARPA and other relevant federal and state regulations.

A successful SLFRF program requires positive interactions between the Accounting Office and others, as follows:

City governance: The City Council approve all appropriation and claims and amendments to the SLFRF plan.

Participants: The City's SLFRF program has a mix of participants, including city departments, other governmental units, and not-for-profit organizations with different missions and constituencies.

Accounting and audit authorities: The SBOA, the U.S. Treasury, and other state and federal agencies provide vital guidance necessary for City of Opelika to achieve our objectives.

The public: Taxpayers are interested in the use of the SLFRF dollars and need to have accurate information in order to understand the city's SLFRF program.

Information and Communication Controls:

- The SLFRF team maintains open dialogue with all participants with an emphasis on compliance in our communications. (Principle 14)
- To the extent feasible, Accounting staff members will participate in as many in-person and virtual SLFRF meetings to help us stay up to date and in compliance. (Principle 13)
- Summary reports of the SLFRF projects will be prepared regularly and upon request for the City of Opelika's City Council. (Principle 14)

Monitoring

The monitoring component of internal control requires a periodic or ongoing evaluation of the internal control system in response to changing circumstances and/or new or changing risks.

Ongoing monitoring of the City's SLFRF expenditures is essential to achieve our objectives of compliance with the Final Rule and accurate reporting. A periodic review of our internal control policies and procedures is needed in order to identify weaknesses or failures so that we may adjust when necessary. At the same time, we need to identify the procedures that are effective and, to the extent possible, build on those successes.

Monitoring controls:

- The SLFRF team identifies strengths and weaknesses of the control system and evaluates if changes in controls are needed (Principle 16)
- In response to new or changing risks or weaknesses, amendments are made to the control procedures on a timely basis; written updates are incorporated in this document, which is made available to the public; changes that result in revised procedures for the SLFRF participants are communicated directly to the participants. (Principle 17)

Our efforts at monitoring the City of Opelika SLFRF participants incorporate several control activities and communication controls noted above. Our intention is to monitor claim activity and data submitted by beneficiaries and subrecipients on an ongoing basis. This control helps us achieve our compliance objective in a number of ways:

- By monitoring the claims and data submission activity, we will detect if the obligation deadline of December 31, 2024 can be met.
- When and if it is deemed necessary, we will conduct onsite visits to the entity to substantiate how the SLFRF funds are being used.
- Expenditures by project will be routinely checked to ensure that the total spent does not exceed authorized amounts.

Appendix A

The Five Components and 17 Principles of Internal Control

From *Standards for Internal Control in the Federal Government*, U.S. Government Accountability Office, September, 2014

Control Environment

- The oversight body and management should demonstrate a commitment to integrity and ethical values.
- The oversight body should oversee the entity's internal control system.
- Management should establish an organization structure, assign responsibility, and delegate authority to achieve the entity's objectives.
- Management should demonstrate a commitment to recruit, develop, and retain competent individuals.
- Management should evaluate performance and hold individuals accountable for their internal control responsibilities.

Risk Assessment

- Management should define objectives clearly to enable the identification of risks and define risk tolerances.
- Management should identify, analyze, and respond to risks related to achieving the defined objectives.
- Management should consider the potential for fraud when identifying, analyzing, and responding to risks.
- Management should identify, analyze, and respond to significant changes that could impact the internal control system.

Control Activities

- Management should design control activities to achieve objectives and respond to risks.
- Management should design the entity's information system and related control activities to achieve objectives and respond to risks.
- Management should implement control activities through policies.

Information and Communication

- Management should use quality information to achieve the entity's objectives.
- Management should internally communicate the necessary quality information to achieve the entity's objectives.
- Management should externally communicate the necessary quality information to achieve the entity's objectives.

Monitoring

- Management should establish and operate monitoring activities to monitor the internal control system and evaluate the results.
- Management should remediate identified internal control deficiencies on a timely basis.

RESOLUTION NO. ____

**RESOLUTION APPROVING POLICY FOR PROPERTY MANAGEMENT RELATED
TO THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT CORONAVIRUS
STATE AND LOCAL FISCAL RECOVERY FUNDS BY THE CITY OF OPELIKA**

WHEREAS the City of Opelika, 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.

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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 Sect. 200 (UG), as provided in the [Assistance Listing](#); and

WHEREAS the [Compliance and Reporting Guidance for the State and Local Fiscal Recovery Funds](#) (v2.1 November 2021) provides, in relevant part:

Equipment and Real Property Management. Any purchase of equipment or real property with SLFRF funds must be consistent with the Uniform Guidance at 2 CFR Part 200, Subpart D. Equipment and real property acquired under this program must be used for the originally authorized purpose. Consistent with 2 CFR 200.311 and 2 CFR 200.313, any equipment or real property acquired using SLFRF funds shall vest in the non-Federal entity. Any acquisition and maintenance of equipment or real property must also be in compliance with relevant laws and regulations.

WHEREAS Subpart D of the UG dictates title, use, management, and disposal of real property, equipment, and supplies acquired in whole or in part with ARP/CSLFRF funds;

BE IT RESOLVED that the governing board of City of Opelika hereby adopts and enacts the following UG Property Management Policy for the expenditure of ARP/CSLFRF funds.

Property Standards for Real Property, Equipment, and Supplies Acquired with American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds

I. POLICY OVERVIEW

[Title 2 U.S. Code of Federal Regulations Part 200](#), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance (UG), specifically Subpart D, details post award requirements related to property management of property acquired or updated, in whole or in part, with funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF).

2 CFR 200.311 through 2 CFR 200.316 detail property standards related to the expenditure of ARP/CLSFRF funds. The City of Opelika, hereinafter the “City”, shall adhere to all applicable property standards, as detailed below.

II. DEFINITIONS

The following definitions from 2 CFR 200.1 apply in this policy.

Computing devices: machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. See also the definitions of supplies and information technology systems in this section.

Equipment: tangible [personal property](#) (including information technology systems) having a useful life of more than one year and a per-unit [acquisition cost](#) which equals or exceeds the lesser of the capitalization level established by the City for financial statement purposes, or \$5,000. See also the definitions of *capital assets*, *computing devices*, *general purpose equipment*, *information technology systems*, *special purpose equipment*, and *supplies* in this section.

Information technology systems: computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. See also the definitions of computing devices and equipment in this section.

Intangible property: property having no physical existence, such as trademarks, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

Personal property: property other than [real property](#). It may be tangible, having physical existence, or intangible.

Property: [real property](#) or [personal property](#).

Real property: land, including land improvements, structures and appurtenances thereto, but excludes moveable machinery and equipment.

Supplies: all tangible [personal property](#) other than those described in the definition of equipment in this section. A computing device is a supply if the [acquisition cost](#) is less than the lesser of the capitalization level established by the local government for financial statement purposes or \$5,000, regardless of the length of its useful life. See also the definitions of computing devices and equipment in this section.

III. REAL PROPERTY

Title to Real Property: Title to real property acquired or improved with ARP/CSLFRF funds vests with the City. 2 CFR 200.311(a).

Use of Real Property: Real property acquired or improved with ARP/CSLFRF funds must be used for the originally authorized purpose as long as needed for that purpose, during which time the City must not dispose of or encumber its title or other interests. 2 CFR 200.311(b).

Insurance of Real Property: The City must provide the equivalent insurance coverage for real property acquired or improved with ARP/CSLFRF funds as provided to property owned by the City. 2 CFR 200.310.

Disposition of Real Property: When the City no longer needs real property purchased with ARP/CSLFRF for ARP/CSLFRF purposes, the City must obtain disposition instructions from US Treasury. The instructions must provide for one of the following alternatives:

1. The City retains title after compensating US Treasury. The amount paid to US Treasury will be computed by applying US Treasury's percentage of participation in the cost of the original purchase (and costs of any improvements) to the fair market value of the property. However, in those situations where the City is disposing of real property acquired or improved with ARP/CSLFRF funds and acquiring replacement real property under the ARP/CSLFRF, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.
2. The City sells the property and compensates US Treasury. The amount due to US Treasury will be calculated by applying US Treasury's percentage of participation in the cost of the original purchase (and cost of any improvements) to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the ARP/CSLFRF award has not been closed out, the net proceeds from sale may be offset against the original cost of the property. When the City is directed to sell property, sales procedures must be followed that provide for competition to the extent practicable and result in the highest possible return.
3. The City transfers title to US Treasury or to a third party designated/approved by US Treasury. The City is entitled to be paid an amount calculated by applying the City's percentage of participation in the purchase of the real property (and cost of any improvements) to the current fair market value of the property. 2 CFR 200.311(c).

IV. EQUIPMENT

Title to Equipment: Title to equipment acquired or improved with ARP/CSLFRF funds vests with the City. 2 CFR 200.313(a).

Use of Equipment: The City must use equipment acquired with ARP/CSLFRF funds for the project for which it was acquired as long as needed, whether or not the project continues to be supported by the ARP/CSLFRF award, and the City must not encumber the property without prior approval of US Treasury. 2 CFR 200.313(a)(1)-(2).

When no longer needed for the original project, the equipment may be used in other activities supported by a Federal awarding agency, in the following order of priority:

1. Activities under a Federal award from the Federal awarding agency which funded the original project, then
2. Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems. 2 CFR 200.313(c)(1).

During the time that equipment is used on the project for which it was acquired, the City must also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, provided that such use will not interfere with the work on the project for which it was originally acquired. First preference for other use must be given to other programs or projects supported by US Treasury and second preference must be given to programs or projects under Federal awards from other Federal awarding agencies. Use for non-federally-funded programs or projects is also permissible. User fees should be considered if appropriate. 2 CFR 200.313(c)(2).

Noncompetition: The City must not use equipment acquired with the ARP/CSLFRF funds to provide services for a fee that is less than private companies charge for equivalent services unless specifically authorized by Federal statute for as long as the Federal Government retains an interest in the equipment. 2 CFR 200.313(c)(3).

Replacement Equipment: When acquiring replacement equipment, the City may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property. 2 CFR 200.313(c)(4).

Management of Equipment: The City will manage equipment (including replacement equipment) acquired in whole or in part with ARP/CSLFRF funds according to the following requirements.

1. The City will maintain sufficient records that include
 - a) a description of the property,
 - b) a serial number or other identification number,
 - c) the source of funding for the property (including the Federal Award Identification Number (FAIN)),
 - d) who holds title,
 - e) the acquisition date,
 - f) cost of the property,
 - g) percentage of Federal participation in the project costs for the Federal award under which the property was acquired,
 - h) the location, use and condition of the property, and

- i) any ultimate disposition data including the date of disposal and sale price of the property.
2. The City will conduct a physical inventory of the property and reconcile results with its property records at least once every two years.
3. The City will develop a control system to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft will be investigated by the City.
4. The City will develop and implement adequate maintenance procedures to keep the property in good condition.
5. If the City is authorized or required to sell the property, it will establish proper sales procedures to ensure the highest possible return, in accordance with state and federal law.

Insurance of Equipment: The City must provide the equivalent insurance coverage for equipment acquired or improved with ARP/CSLFRF funds as provided to property owned by the City . 2 CFR 200.310.

Disposition of Equipment: When the equipment is no longer needed for its original ARP/CSLFRF purpose, the City may either make the equipment available for use in other activities funded by a Federal agency, with priority given to activities funded by US Treasury, dispose of the equipment according to instructions from US Treasury, or follow the procedures below. 2 CFR 200.313(e).

1. Equipment with a per-item fair market value of less than \$5,000 may be retained, sold or transferred by the City, in accordance with state law, with no additional responsibility to US Treasury;
2. If no disposal instructions are received from US Treasury, equipment with a per-item fair market value of greater than \$5,000 may be retained or sold by the City. The City must establish proper sales procedures, in accordance with state law, to ensure the highest possible return. The City must reimburse US Treasury for its federal share. Specifically, US Treasury is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the ARP/CSLFRF funding percentage of participation in the cost of the original purchase. If the equipment is sold, US Treasury may permit the City to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
3. Equipment may be transferred to US Treasury or to a third-party designated by US Treasury in return for compensation to the City for its attributable compensation for its attributable percentage of the current fair market value of the property.

V. SUPPLIES

Title to Supplies. Title to supplies acquired with ARP/CSLFRF funds vests with the City upon acquisition. 2 CFR 200.314(a).

Use and Disposition of Supplies: If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the ARP/CSLFRF project and the supplies are not needed for any other Federal award, the City must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal Government for its share. The amount of compensation must be computed in the same manner as for equipment. 2 CFR 200.314(a).

Noncompetition. As long as the Federal Government retains an interest in the supplies, the City must not use supplies acquired under the ARP/CSLFRF to provide services to other organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute. 2 CFR 200.314(b).

VI. PROPERTY TRUST RELATIONSHIP

Real property, equipment, and intangible property, that are acquired or improved with ARP/CSLFRF funds must be held in trust by the City as trustee for the beneficiaries of the project or program under which the property was acquired or improved. US Treasury may require the City to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with a Federal award and that use and disposition conditions apply to the property. 2 CFR 200.316.

VII. IMPLEMENTATION OF POLICY

The Controller shall adopt procedures to track all real property, equipment, and supplies (collectively, property) acquired or improved in whole or in part with ARP/CLSFRF funds. At a minimum, those procedures must address the following:

- Ensure proper insurance of property
- Document proper use of property
- Working with the City Administrator, record and maintain required data records for equipment
- Conduct periodic inventories of equipment, at least every two years
- Create processes for replacement and disposition of property
- Establish other internal controls to safeguard and properly maintain property

ADOPTED AND APPROVED this the ____ day of _____, 2022.

PRESIDENT OF THE CITY COUNCIL
OF THE CITY OF OPELIKA

ATTEST:

CITY CLERK

RESOLUTION NO. ____

**RESOLUTION ADOPTING POLICY FOR ALLOWABLE COSTS
AND COST PRINCIPLES FOR EXPENDITURE OF AMERICAN RESCUE
PLAN ACT CORONAVIRUS STATE AND LOCAL FISCAL
RECOVERY FUNDS BY CITY OF OPELIKA**

WHEREAS the City of Opelika 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 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.

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.

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 City Council of the City of Opelika hereby adopts and enacts the following UG Allowable Costs and Cost Principles Policy for the expenditure of ARP/CSLFRF funds.

The City of Opelika Allowable Costs and Costs Principles Policy

I. ALLOWABLE COSTS AND COSTS PRINCIPLES POLICY OVERVIEW

[Title 2 U.S. Code of Federal Regulations Part 200](#), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance (UG), specifically Subpart E, defines those items of cost that are allowable, and which are unallowable. The tests of allowability under these principles are: (a) the costs must be reasonable; (b) they must be allocable to eligible projects under the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the ARP/CSLFRF grant award as to types or amounts of cost items. Unallowable items fall into two categories: expenses which are by their nature unallowable (e.g., alcohol), and unallowable activities (e.g., fund raising).

The City of Opelika (the “City”) shall adhere to all applicable cost principles governing the use of federal grants. This policy addresses the proper classification of both direct and indirect charges to ARP/CSLFRF funded projects and enacts procedures to ensure that proposed and actual expenditures are consistent with the ARP/CSLFRF grant award terms and all applicable federal regulations in the UG.

Responsibility for following these guidelines lies with the City Administrator and the Controller, who are charged with the administration and financial oversight of the ARP/CSLFRF. Further, all local government employees and officials who are involved in obligating, administering, expending, or monitoring ARP/CSLFRF grant funded projects should be well versed with the categories of costs that are generally allowable and unallowable. Questions on the allowability of costs should be directed to the Accounting Department. As questions on allowability of certain costs may require interpretation and judgment, local government personnel are encouraged to ask for assistance in making those determinations.

II. GENERAL COST ALLOWABILITY CRITERIA

All costs expended using ARP/CSLFRF funds must meet the following general criteria:

1. **Be necessary and reasonable for the proper and efficient performance and administration of the grant program.**

A cost must be *necessary* to achieve a project object. When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant project.
- Whether the cost is identified in the approved project budget or application.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.

- Whether the cost addresses project goals and objectives and is based on program data.

A cost is *reasonable* if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices. When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the operation of the City of Opelika or the proper and efficient performance of the federal award.
- The restraints or requirements imposed by factors, such as: sound business practices; arm's-length bargaining; federal, state, and other laws and regulations; and terms and conditions of the ARP/CSLFRF award.
- Market prices for comparable goods or services for the geographic area.
- Whether individuals concerned acted with prudence in the circumstances considering their responsibilities to City of Opelika, its employees, the public at large, and the federal government.
- Whether City of Opelika significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the ARP/CSLFRF award's cost.

- 2. Be allocable to the ARP/CSLFRF federal award.** A cost is allocable to the ARP/CSLFRF award if the goods or services involved are chargeable or assignable to the ARP/CSLFRF award in accordance with the relative benefit received. This means that the ARP/CSLFRF grant program derived a benefit in proportion to the funds charged to the program. *For example, if 50 percent of a local government program officer's salary is paid with grant funds, then the local government must document that the program officer spent at least 50 percent of his/her time on the grant program.*

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized by the ARP/CSLFRF, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required.

- 3. Be authorized and not prohibited under state or local laws or regulations.**

4. **Conform to any limitations or exclusions set forth in the principles, federal laws, ARP/CSLFRF award terms, and other governing regulations as to types or amounts of cost items.**
5. **Be consistent with policies, regulations, and procedures that apply uniformly to both the ARP/CSLFRF federal award and other activities of City of Opelika.**
6. **Be accorded consistent treatment.** A cost MAY NOT be assigned to a federal award as a direct cost and also be charged to a federal award as an indirect cost. And a cost must be treated consistently for both federal award and non-federal award expenditures.
7. **Be determined in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in the UGG.**
8. **Be net of all applicable credits.** The term “applicable credits” refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to and received by the local government related to the federal award, they shall be credited to the ARP/CSLFRF award, either as a cost reduction or a cash refund, as appropriate and consistent with the award terms.
9. **Be adequately documented.**

III. SELECTED ITEMS OF COST

The UGG examines the allowability of fifty-five (55) specific cost items (commonly referred to as Selected Items of Cost) at 2 CFR § 200.420-.475.

The controller is responsible for determining cost allowability must be familiar with the Selected Items of Cost. The City of Opelika must follow the applicable regulations when charging these specific expenditures to the ARP/CSLFRF grant. The Accounting Department personnel will check costs against the selected items of cost requirements to ensure the cost is allowable and that all process and documentation requirements are followed. In addition, State laws, City of Opelika regulations, and program-specific rules may deem a cost as unallowable, and [DEPARTMENT OR POSITION(S)] personnel must follow those non-federal rules as well.

Exhibit A identifies and summarizes the Selected Items of Cost.

IV. DIRECT AND INDIRECT COSTS

Allowable and allocable costs must be appropriately classified as direct or indirect charges. It is essential that each item of cost be treated consistently in like circumstances either as a direct or an indirect cost.

Direct costs are expenses that are specifically associated with a particular ARP/CSLFRF-eligible project and that can be directly assigned to such activities relatively easily with a high degree of accuracy. Common examples of direct costs include salary and fringe benefits of personnel directly involved in undertaking an eligible project, equipment and supplies for the project,

subcontracted service provider, or other materials consumed or expended in the performance of a grant-eligible project.

Indirect costs are (1) costs incurred for a common or joint purpose benefitting more than one ARP/CSLFRF-eligible project, and (2) not readily assignable to the project specifically benefited, without effort disproportionate to the results achieved. They are expenses that benefit more than one project or even more than one federal grant. Common examples of indirect costs include utilities, local telephone charges, shared office supplies, administrative or secretarial salaries.

For indirect costs, the City of Opelika may charge a 10 percent de minimis rate of modified total direct costs (MTDC). According to UGG Section 200.68 MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance the subawards under the award). MTDC EXCLUDES equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000.

V. SPECIAL PROVISIONS FOR STATE AND LOCAL GOVERNMENTS

There are some special provisions of the UG that apply only to states, local governments, and Indian Tribes.

§ 200.444 General costs of government.

(a) For states, local governments, and Indian Tribes, the general costs of government are unallowable (except as provided in [§ 200.475](#)). Unallowable costs include:

- (1) Salaries and expenses of the Office of the Governor of a [state](#) or the chief executive of a [local government](#) or the chief executive of an [Indian tribe](#);
- (2) Salaries and other expenses of a [state](#) legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction;
- (3) Costs of the judicial branch of a government;
- (4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General as described in [§ 200.435](#)); and
- (5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.

(b) For [Indian tribes](#) and Councils of Governments (COGs) (see definition for *Local government* in [§ 200.1](#) of this part), up to 50% of salaries and expenses directly attributable to managing and operating [Federal programs](#) by the chief executive and his or her staff can be included in the indirect cost calculation without documentation.

§ 200.416 COST ALLOCATION PLANS AND INDIRECT COST PROPOSALS.

(a) For states, local governments and Indian tribes, certain services, such as motor pools, computer centers, purchasing, accounting, etc., are provided to operating agencies on a centralized basis. Since Federal awards are performed within the individual operating agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process.

(b) Individual operating agencies (governmental department or agency), normally charge Federal awards for indirect costs through an indirect cost rate. A separate indirect cost rate(s) proposal for each operating agency is usually necessary to claim indirect costs under Federal awards. Indirect costs include:

(1) The indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and

(2) The costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

(c) The requirements for development and submission of cost allocation plans (for central service costs and public assistance programs) and indirect cost rate proposals are contained in appendices V, VI and VII to this part.

§ 200.417 INTERAGENCY SERVICE.

The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro-rated share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Appendix V to Part 200.

VI. COST ALLOWABILITY REVIEW PROCESS

PREAPPROVAL COST ALLOWABILITY REVIEW

Before an ARP/CSLFRF-funded project is authorized, the Accounting Department must review the proposed cost items within an estimated project budget to determine whether they are allowable and allocable and whether cost items will be charged as direct or indirect expenses. This review will occur concurrently with the review of project eligibility and *before* obligating or expending any ARP/CSLFRF funds.

- Local government personnel must submit proposed ARP/CSLFRF projects to the Accounting Department for review. In addition to other required information, all proposed project submissions must delineate estimated costs by cost item.
- Along with a general review of project eligibility and conformance with other governing board management directives, the Accounting Department must review estimated costs for specific allowable cost requirements, budget parameters, indirect rates, fringe benefit rates, and those activities/costs that require pre-approval by the US Treasury.
- If a proposed project includes a request for an unallowable cost, the Accounting Department will return the proposal to the requesting party for review and, if practicable, resubmission with corrected cost items.
- Once a proposed project budget is pre-approved by the Accounting Department, the City Administrator is responsible for implementing the project must conform actual obligations and expenditures to the pre-approved project budget.

POST-EXPENDITURE COST ALLOWABILITY REVIEW

Once an expenditure is incurred related to an eligible project, and an invoice or other demand for payment is submitted to the local government, the Accounting Department must perform a second review to ensure that actual expenditures comprise allowable costs.

- All invoices or other demands for payment must include a breakdown by cost item. The cost items should mirror those presented in the proposed budget for the project. If an invoice or other demand for payment does not include a breakdown by cost item, the Accounting Department will return the invoice to the project manager and/or vendor, contractor, or subrecipient for correction.
- The Accounting Department must review the individual cost items listed on the invoice or other demand for payment to determine their allowability and allocability.
- If all cost items are deemed allowable and properly allocable, the Accounting Department must proceed through the local government's normal disbursement process.
- If any cost item is deemed unallowable, the Accounting Department will notify the project management and/or vendor, contractor, or subrecipient that a portion of the invoice or other demand for payment will not be paid with ARP/CSLFRF funds. The Accounting Department may in their discretion, and consistent with this policy, allow an invoice or other demand for payment to be resubmitted with a revised cost allocation. If the local government remains legally obligated by contract or otherwise to pay the disallowed cost item, it must identify other local government funds to cover the disbursement. The City Council must approve any allocation of other funds for this purpose.

- The Accounting Department must retain appropriate documentation of budgeted cost items per project and actual obligations and expenditures of cost items per project.

VII. COST TRANSFERS

Any costs charged to the ARP/CSLFRF federal award that do not meet the allowable cost criteria must be removed from the award account and charged to an account that does not require adherence to federal UGG or other applicable guidelines.

Failure to adequately follow this policy and related procedures could result in questioned costs, audit findings, potential repayment of disallowed costs and discontinuance of funding.

ADOPTED AND APPROVED this the ____ day of _____, 2022.

PRESIDENT OF THE CITY COUNCIL
OF THE CITY OF OPELIKA

ATTEST:

CITY CLERK

EXHIBIT A

Selected Items of Cost	Uniform Guidance General Reference	Allowability
Advertising and public relations costs	2 CFR § 200.421	Allowable with restrictions
Advisory councils	2 CFR § 200.422	Allowable with restrictions
Alcoholic beverages	2 CFR § 200.423	Unallowable
Alumni/ae activities	2 CFR § 200.424	Not specifically addressed
Audit services	2 CFR § 200.425	Allowable with restrictions
Bad debts	2 CFR § 200.426	Unallowable
Bonding costs	2 CFR § 200.427	Allowable with restrictions
Collection of improper payments	2 CFR § 200.428	Allowable
Commencement and convocation costs	2 CFR § 200.429	Not specifically addressed
Compensation – personal services	2 CFR § 200.430	Allowable with restrictions; Special conditions apply (e.g., § 200.430(i)(5))
Compensation – fringe benefits	2 CFR § 200.431	Allowable with restrictions
Conferences	2 CFR § 200.432	Allowable with restrictions
Contingency provisions	2 CFR § 200.433	Unallowable with exceptions
Contributions and donations	2 CFR § 200.434	Unallowable (made by non-federal entity); not reimbursable but value may be used as cost sharing or matching (made to non-federal entity)
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent	2 CFR § 200.435	Allowable with restrictions

infringements		
Depreciation	2 CFR § 200.436	Allowable with qualifications
Employee health and welfare costs	2 CFR § 200.437	Allowable with restrictions
Entertainment costs	2 CFR § 200.438	Unallowable with exceptions
Equipment and other capital expenditures	2 CFR § 200.439	Allowability based on specific requirement
Exchange rates	2 CFR § 200.440	Allowable with restrictions
Fines, penalties, damages and other settlements	2 CFR § 200.441	Unallowable with exceptions
Fund raising and investment management costs	2 CFR § 200.442	Unallowable with exceptions
Gains and losses on disposition of depreciable assets	2 CFR § 200.443	Allowable with restrictions
General costs of government	2 CFR § 200.444	Unallowable with exceptions
Goods and services for personal use	2 CFR § 200.445	Unallowable (goods/services); allowable (housing) with restrictions
Idle facilities and idle capacity	2 CFR § 200.446	Idle facilities - unallowable with exceptions; Idle capacity - allowable with restrictions
Insurance and indemnification	2 CFR § 200.447	Allowable with restrictions
Intellectual property	2 CFR § 200.448	Allowable with restrictions
Interest	2 CFR § 200.449	Allowable with restrictions
Lobbying	2 CFR § 200.450	Unallowable
Losses on other awards or contracts	2 CFR § 200.451	Unallowable (however, they are required to be included in the indirect cost rate base for

		allocation of indirect costs)
Maintenance and repair costs	2 CFR § 200.452	Allowable with restrictions
Materials and supplies costs, including costs of computing devices	2 CFR § 200.453	Allowable with restrictions
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454	Allowable with restrictions; unallowable for lobbying organizations
Organization costs	2 CFR § 200.455	Unallowable except federal prior approval
Participant support costs	2 CFR § 200.456	Allowable with prior approval of the federal awarding agency
Plant and security costs	2 CFR § 200.457	Allowable; capital expenditures are subject to § 200.439
Pre-award costs	2 CFR § 200.458	Allowable if consistent with other allowabilities and with prior approval of the federal awarding agency
Professional services costs	2 CFR § 200.459	Allowable with restrictions
Proposal costs	2 CFR § 200.460	Allowable with restrictions
Publication and printing costs	2 CFR § 200.461	Allowable with restrictions
Rearrangement and reconversion costs	2 CFR § 200.462	Allowable (ordinary and normal)
Recruiting costs	2 CFR § 200.463	Allowable with restrictions
Relocation costs of employees	2 CFR § 200.464	Allowable with restrictions
Rental costs of real property and equipment	2 CFR § 200.465	Allowable with restrictions
Scholarships and student aid costs	2 CFR § 200.466	Not specifically addressed
Selling and marketing costs	2 CFR § 200.467	Unallowable with exceptions

Specialized service facilities	2 CFR § 200.468	Allowable with restrictions
Student activity costs	2 CFR § 200.469	Unallowable unless specifically provided for in the federal award
Taxes (including Value Added Tax)	2 CFR § 200.470	Allowable with restrictions
Termination costs	2 CFR § 200.471	Allowable with restrictions
Training and education costs	2 CFR § 200.472	Allowable for employee development
Transportation costs	2 CFR § 200.473	Allowable with restrictions
Travel costs	2 CFR § 200.474	Allowable with restrictions
Trustees	2 CFR § 200.475	Not specifically addressed

RESOLUTION NO. _____

**RESOLUTION APPROVING NONDISCRIMINATION POLICY CONSISTENT
WITH UNIFORM GUIDANCE RELATED TO AMERICAN RESCUE
PLAN ACT CORONAVIRUS RECOVERY FUNDS**

Recitals

WHEREAS, the City of Opelika 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, the City of Opelika 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.

RESOLVED, That the City Council of the City of Opelika 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 the City of Opelika 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 the City of Opelika, including programs or activities that are funded in whole or part, with Coronavirus State and Local Fiscal Recovery Funds ("CSLFRF"), which the City of Opelika 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](#), the City of Opelika shall ensure that each "activity," "facility," or "program"¹ that is funded in whole, or in part, with CSLFRF and administered under the ARP/CSLFRF award, will be facilitated, operated, or conducted in 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

¹ 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.

- 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, the City of Opelika 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. The City of Opelika 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. The City of Opelika shall comply with information requests, on-site compliance reviews, and reporting requirements.
2. The City of Opelika 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. The City of Opelika 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 the City of Opelika in violation of this policy should contact the following office within 180 days from the date of the alleged discriminatory occurrence.
5. The Human Resources Department is responsible for the investigation of any complaints alleging discrimination with any City-affiliated program, service or activity including programs or activities funded in whole or in part with Coronavirus State and Local Recovery Funds ("CSLFRF"). Any questions regarding this Policy shall be directed to the Director of Human Resources, 608 Avenue A, P.O. Box 390, Opelika, AL 36801; email: rbleasing@opelika-al.gov; telephone: 334-705-5130.

ADOPTED AND APPROVED this the ____ day of _____, 2022.

ATTEST:

PRESIDENT OF THE CITY COUNCIL
OF THE CITY OF OPELIKA

CITY CLERK

RESOLUTION NO. _____

**RESOLUTION ADOPTING RECORD RETENTION POLICY: DOCUMENTS
CREATED OR MAINTAINED PURSUANT TO THE ARP/CSLFRF AWARD**

WHEREAS, the City of Opelika has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Plan Act of 2021; and

WHEREAS, the City of Opelika must maintain records and financial documents for five years after all funds have been expended or returned to the U.S. Treasury, as outlined in paragraph 4.c of the [Award Terms and Conditions](#); and

WHEREAS, the City of Opelika must provide or make available such records to Treasury upon request, and to the Government Accountability Office (“GAO”), Treasury’s Office of Inspector General (“OIG”) and their authorized representative in order to conduct audits or other investigations.

NOW, THEREFORE, be it resolved by the City Council of the City of Opelika as follows:

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 the City of Opelika to follow Treasury’s record retention requirements as it expends CSLFRF pursuant to the APR/CSLFRF award. Accordingly, the City of Opelika 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 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.
- The Local Government Records Commission (“LGRC”) issues disposition requirements to local governments establishing disposition requirements by designating records as either temporary records, which may be destroyed after a specified retention period or permanent records which must be preserved. The LGRC has approved Records Disposition Authority (“RDA”) for Alabama municipalities. The City of Opelika must satisfy the RDA’s minimum retention requirements. If the minimum RDA requirement is longer than 5 years, the City Council must satisfy the RDA requirement. The City of Opelika must submit a Local Government Records Destruction Notice to the Alabama Department of Archives and History each time that records are destroyed.

Covered Records: For purposes of this policy, records are information, regardless of physical form or characteristics, that are created, received, or retained that evidence the City of Opelika’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 rational 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: City of Opelika’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 the City of Opelika, 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 the City of Opelika 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 City Administrator is responsible for identifying the documents that City of Opelika must or should retain and arrange for the proper storage and retrieval of records. City Administrator 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: The City of Opelika 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 City Administrator. The City of Opelika 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.

ADOPTED AND APPROVED this the ____ day of _____, 2022.

PRESIDENT OF THE CITY COUNCIL
OF THE CITY OF OPELIKA

ATTEST:

CITY CLERK

RESOLUTION NO. _____

**RESOLUTION ADOPTING CONFLICT OF INTEREST POLICY
APPLICABLE TO CONTRACTS AND SUBAWARDS OF THE CITY OF OPELIKA
SUPPORTED BY FEDERAL FINANCIAL ASSISTANCE**

WHEREAS, the City Council desires to adopt a conflict of interest policy related to federal financial assistance.

NOW, THEREFORE, BE IT RESOLVED, that the City of Opelika enacts the following Conflict of Interest Policy applicable to contracts and subawards supported by federal financial assistance:

I. Scope of Policy

- a. Purpose of Policy. This Conflict of Interest Policy (“*Policy*”) establishes conflict of interest standards that (1) apply when the City of Opelika (the “City”) 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 Alabama law and 2 C.F.R. § 200.318(c).¹

2 C.F.R. § 200.112 separately requires each Federal awarding agency to “establish conflict of interest policies for Federal awards”—and in such policies, some federal agencies have extended the conflict of interest standards in 2 C.F.R. § 200.318(c)(1) to the selection, award, and administration of subawards. *See, e.g., Environmental Protection Agency, Financial Assistance Conflict of Interest Policy, Amended Grants Policy Issuance (GPI) 15-02, § 4.0(d) (hereinafter “EPA COI Policy”);* (requiring recipients to disclose “[conflicts of interest] *similar* to those described at 2 CFR 200.318(c)(1) including consulting fees or other compensation paid to employees, officers, agents of a pass-through entity or members of their Immediate Family by subrecipients or their procurement contractors receiving EPA funding under a subaward”) (*emphasis added*). In responding to “frequently asked questions” on the Uniform Guidance, the Chief Financial Officers’ Council (“CFO Council”) has indicated its view that the “policies” to which 2 C.F.R. § 200.112 refers might cover “how a non-Federal entity expends funds under a Federal award” and that “[t]hese types of decisions include . . . *selection of a subrecipient* or procurements as described in section 200.318.” (*emphasis added*). *See 2014, 2017, and 2021*. While the CFO Council’s interpretations are not binding upon any federal agency, federal agencies and others often cite them when addressing ambiguities in the Uniform Guidance. In 2016, the Council on Governmental Relations (“COGR”), an association of research universities, expressed its concern to OMB that the “open-ended structure of § 200.112[] gives [federal] agencies the opportunity to develop conflict of interest policies outside of the procurement requirement [of 2 C.F.R. § 200.318(c)(1)]”, and noted that pursuant to § 200.112, federal agencies had adopted a wide range of conflict-of-interest policies with conflicting definitions and requirements. *See Letter from Council on Governmental Relations to Office of Management and Budget (July 8, 2016)*. COGR also requested that the CFO Council clarify its Uniform Guidance FAQs to eliminate a reference to selection of “subrecipients” in addressing the intended scope of a conflict-of-interest policy that a federal agency adopts pursuant to 2 C.F.R. § 200.112. *See id.* OMB has not addressed any of COGR’s concerns.

The U.S. Department of the Treasury has not comprehensively addressed how a recipient City of local government should address potential conflicts of interest when making subawards of Fiscal Recovery Funds. The Final Rule provides that “[r]ecipients may avoid conflicts of interest in . . . making subrecipient awards by, *inter alia*, . . . utilizing a competitive grant process, . . . [and that a] recipient may not use control over [Fiscal Recovery Funds] for their own private gain.” Final Rule at 159. This may signal an openness to accept subawards to nonprofit organizations for which a governing board member of a recipient City of local government serves as a direct or officer, so long as (1) the City conducts a competitive solicitation process to select the subrecipient; and (2) for governing board officials, the City follows the process contained in G.S. § 14-234.3(a). It also may indicate that Treasury *has* extended the prohibitions in 2 C.F.R. § 200.318(c)(1) to subawards—otherwise, the competitive selection process set forth for subawards in the Final Rule would not be necessary.

- b. Application of Policy. This Policy shall apply when the City (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 City 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 City.
- e. “*Covered Nonprofit Organization*” means a nonprofit corporation, organization, or association, incorporated or otherwise, that is organized or operating in the State of Alabama 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 Alabama or any political subdivision of the State (including the City).
- f. “*Direct Benefit*” means, with respect to a Public Officer or employee of the City, 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 City 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 City Council of the City of Opelika.

In the absence of specific regulatory guidance from the Treasury, a City of local government should exercise caution when making subawards of Fiscal Recovery Funds to third parties when the impartiality of an employee, official, or agent of the City could be questioned in connection with a proposed subaward. To that end, this Policy implements rules that may be more restrictive than what Treasury ultimately requires of a recipient of Fiscal Recovery Funds.

- 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 City (including, without limitation, any member of the Governing Board), other than an employee or independent contractor of the City.
- 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 City) 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. “City” or “Unit” has the meaning specified in Section I hereof.

III. COI Point of Contact.

- a. Appointment of COI Point of Contact. The Purchasing/Revenue Manager, an employee of the City, 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 Purchasing/Revenue Manager is unable to serve in such capacity, the City Administrator 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. Alabama Law. Alabama law restricts the behavior of Public Officials and employees of the City involved in contracting on behalf of the City. The City shall conduct the selection, award, and administration of Contracts and Subawards in accordance with the prohibitions imposed by the Alabama General Statutes and restated in this Section III.

The Alabama Ethics Law deals with issues involving conflicts of interest, or the use of office for personal gain, on the part of public officials and public employees in Alabama. A brief overview of the most important provisions for municipal officials and employees is set forth below.

CONFLICT OF INTEREST

The Ethics Law defines a “conflict of interest” as, “A conflict on the part of a public official or public employee between his or her private interests and the official responsibilities inherent in an office of public trust”. Ala. Code § 36-25-1(8). A conflict occurs when:

- Any action, inaction, or decision by a public official/employee in the discharge of his or her official duties would materially affect his or her financial interest or that of his/her family or business in a manner different from how it affects other members of the class to which he or she belongs

A conflict also exists when a public official/employee has a substantial financial interest or is an officer in a company which is uniquely affected by proposed or pending legislation

“Substantial financial interest” means ownership, control, or the exercise of power over more than 5% of the value of a company or other business entity

PERSONAL USE OF OFFICE

The Ethics Law prohibits a public official/employee from using his or her official position to obtain personal gain for himself or herself, or for a family member or any business with which he or she is associated unless the use and gain is otherwise specifically authorized by law. Ala. Code § 36-25-5.

- Personal gain is achieved when the public official/employee or his or her family member receives, obtains, exerts control over, or otherwise converts to personal use the object constituting personal gain
- A public official/employee is prohibited from soliciting use of, using, or causing to be used public time, labor, or property under his or her discretion or control for his or her private or business benefit
- It is also a violation of the Ethics Law for any individual to request use of public time or property for his or her personal benefit
- An individual is prohibited from offering or giving a public official/employee a thing of value for the purpose of influencing official action
- There is also a prohibition against a public official/employee soliciting or receiving a thing of value for the purpose of influencing official action

USE OF INFLUENCE FOR THING OF VALUE

The law protects against a public official or employee using his or her office or position for influence. Under Ala. Code § 36-25-7, as amended by Act No. 2010-764 and Act No. 2011- 632), there is a prohibition against an individual offering or giving a public official or employee anything for the purpose of corruptly influencing official action, regardless of whether or not the thing solicited is a thing of value (as defined in Ala. Code § 36-25-1(31)).

- To act “corruptly” means “to act voluntarily, deliberately, and dishonestly to either accomplish an unlawful end or result or to use an unlawful method or means to accomplish an otherwise lawful end or result”
- There is also a prohibition against a public official/employee soliciting or receiving anything for the purpose of corruptly influencing official action
- These prohibitions extend to family members and businesses as well

In addition to the above, § 36-25-7 specifically provides that no public official/employee shall solicit or receive any money in addition to that received in an official capacity for advice or assistance on matters concerning the body of which he or she is a member.

Ala. Code § 36-25-12 also addresses prohibitions against offering a thing of value to or from a member of a regulatory body in exchange for certain action. This provision states that, other than

in the ordinary course of business, no person shall offer or give to a member or employee of a regulatory agency, board, or commission with which the person is associated a thing of value while the member or employee is associated with the regulatory body.

- This section also provides that no member or employee of a regulatory body shall solicit or accept a thing of value

THING OF VALUE

The definition of “thing of value” was substantially rewritten in 2010 and these changes were at the heart of the legislative intent to “strengthen” the law. These changes have led to much confusion about proper practices between public officials/employees and persons or entities with whom business is transacted. However, the major changes in the new law are as follows:

- Limits “gifts” to those of “de minimus value”¹
- Eliminates ability to provide tickets to events except those of de minimus value
- Limits hospitality to situations which are an integral part of an educational or economic development function, work session, or widely attended event
- Limits meals provided by lobbyists to \$25 a meal with a total of \$150 per year per person

In addition to the Alabama Ethics Law, there are definite provisions on the subject of conflict of interest found in the *Code of Alabama*. A number of statutes prohibit municipal officers and employees from having specific dealings with a municipality, but the one most widely referred to is found in §11-43-12, *Code of Alabama*, 1975. It provides, in part, as follows:

“No alderman or officer or employee of the municipality shall be directly or indirectly interested in any work, business, or contract, the expense, price or consideration of which is paid from the treasury, nor shall any member of the council or any officer of the municipality be surety for any person having a contract, work or business with such municipality, for the performance of which the surety may be required.”

§41-16-60, *Code of Alabama*, 1975 states as follows:

“Members and officers of the city may be financially interested in or have any personal beneficial interest, either directly or indirectly, in the purchase of or contract for **any personal property or contractual service** in either of the following conditions:

1. The contract or agreement under which the financial interest arises was created prior to the election or appointment of the individual to the position he or she holds.
2. The individual holding the position does not participate in, by discussion or by vote, the decision-making process which creates the financial or personal beneficial interest.”

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.²

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 City'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

²Neither 2 C.F.R. § 200.318(c)(1) nor any guidance released by the U.S. Treasury applicable to Fiscal Recovery Funds requires a City to undertake the identification and mitigation procedures set forth in this Section. This Section creates a conflict of interest disclosure and management system that ensures governing board review in some circumstances. The purpose of review by the governing board and a management official is to serve as an internal control mechanism.

file such Conflict of Interest Disclosure Form in records of the City.³

2. Identification Prior to Award of Contract or Subaward.

- a. Prior to the City'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 City.

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 Mayor 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 City is a Recipient of Federal Financial Assistance, the Federal awarding agency with appropriate mitigation measures, or (b) if City is a Subrecipient of Federal Financial Assistance, from the Pass-Through Entity that provided a Subaward to City; 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 City may enter into the Contract or Subaward in accordance with the City's purchasing or subaward policy.

4. Identification After Award of Contract or Subaward.

³Neither 2 C.F.R. § 200.318(c)(1) nor any guidance released by the U.S. Treasury applicable to Fiscal Recovery Funds requires a City to obtain conflict of interest disclosures from Covered Individuals. This is intended to serve as an internal control mechanism to prevent a City from inadvertently entering into prohibited transactions and a City might chose not to adopt it.

- a. If the COI Point of Contact discovers that a real or apparent conflict of interest has arisen after the City has entered into a Contract or Subaward, the COI Point of Contact shall, as soon as possible, disclose such finding to the Mayor and to each member of the Governing Board. Upon discovery of such a real or apparent conflict of interest, the City 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 the City 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 the City is a Subrecipient of Federal Financial Assistance, disclose the conflict to the Pass-Through Entity providing a Subaward to City 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 City Must Adopt Conflict of Interest Policy. Prior to the City's execution of any Subaward for which the City 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 City 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 City 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 City.
- b. Disciplinary Actions for Contractors and Subcontractors. The City 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 City 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 City, a Contractor, or Subcontractor who has the responsibility to investigate, discover, or address misconduct.

* * * * *

ADOPTED AND APPROVED this the ____ day of _____, 2022.

PRESIDENT OF THE CITY COUNCIL
OF THE CITY OF OPELIKA

ATTEST:

CITY CLERK

EXHIBIT A

Examples

<i>Potential Examples of a “Financial or Other Interest” in a Firm or Organization Considered for a Contract or Subaward</i>	<i>Potential Examples of a “Tangible Personal Benefit” From a Firm or Organization Considered for a Contract or Subaward</i>
Direct or indirect equity interest in a firm or organization considered for a Contract or Subaward, which may include: - Stock in a corporation. - Membership interest in a limited liability company. - Partnership interest in a general or limited partnership. - Any right to control the firm or organization’s affairs. For example, a controlling equity interest in an entity that controls or has the right to control a firm considered for a contract. - Option to purchase any equity interest in a firm or organization.	Opportunity to be employed by the firm considered for a contract, an affiliate of that firm, or any other firm with a relationship with the firm considered for a Contract. A position as a director or officer of the firm or organization, even if uncompensated.
Holder of any debt owed by a firm considered for a Contract or Subaward, which may include: - Secured debt (e.g., debt backed by an asset of the firm (like a firm’s building or equipment)) - Unsecured debt (e.g., a promissory note evidencing a promise to repay a loan). - o Holder of a judgment against the firm.	A referral of business from a firm considered for a Contract or Subaward.
Supplier or contractor to a firm or organization considered for a Contract or Subaward.	Political or social influence (e.g., a promise of appointment to a local office or position on a public board or private board).

EXHIBIT B

COMPLIANCE CHECKLIST FOR OVERSIGHT OF CONTRACT CONFLICTS OF INTEREST

The City of Opelika (“City”) has adopted a Conflict of Interest Policy (“Policy”) that governs the City’s expenditure of Federal Financial Assistance (as defined in Section II of the Policy). The Policy designates the Purchasing/Revenue Manager as the “COI Point of Contact.” The Policy requires the COI Point of Contact to complete this Compliance Checklist to identify potential real or apparent conflicts of interest in connection with proposed Contracts (as defined in Section II) and file the Checklist in the records of the City.

Instructions for Completion

1. The COI Point of Contact shall complete Steps 1 through 5 of the Checklist below.
2. If the value of the proposed Contract exceeds \$250,000, the COI Point of Contact shall collect a Conflict of Interest Disclosure Form from each Covered Individual.
3. If the COI Point of Contact identifies a potential real or apparent conflict of interest after completing this Compliance Checklist, the COI Point of Contact shall report such potential conflict of interest to the City Administrator and to each member of the City Council.

Definitions.

1. *Covered Individual.* Each person identified in Section 1 of this Checklist is a “Covered Individual” for purposes of this Compliance Checklist and the Policy.
2. *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.
3. *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 City) of a Covered Individual, of a partner of a Covered Individual, or of an Immediate Family Member of a Covered Individual.

Step			
1	Identify the proposed Contract, counterparty, and the subject of the Contract.	<u>Name of Contract:</u> <u>Name of Counterparty</u> <u>Subject of Contract:</u> 	
2	Identify all individuals involved in the selection, award, or administration of the Contract. These individuals are “Covered Individuals”. Ensure that each Covered Individual has been provided with a copy of the Conflict of Interest Policy.		
	<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>
3	Identify whether any Covered Individual has a (i) financial or other interest in, or (ii) tangible personal benefit from the firm considered for a Contract. [If the estimated Contract amount exceeds \$250,000, ensure that each Covered Individual files a Conflict of Interest Disclosure Form with the COI Point of Contact.]		
Any identified interest in Step 3 is a potential “real” conflict of interest.	<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>
4	Identify whether any Related Party has a (i) financial or other interest in or (ii) tangible personal benefit from the firm considered from a Contract. If the estimated Contract amount exceeds \$250,000, ensure that each Covered Individual files a Conflict of Interest Disclosure Form with the COI Point of Contact.		
Any identified interest in Step 4 is a potential “real” conflict of interest.	<u>Public Officials – Related Party</u>	<u>Employees – Related Party</u>	<u>Agents – Related Party</u>

5	Identify whether a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the <i>appearance</i> 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? If yes, explain.		
Any identified interest in Step 5 is a potential “apparent” conflict of interest.	<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>

COI Point of Contact: _____

Signature of COI Point of Contact: _____

Date of Completion: _____

EXHIBIT C

CONTRACT CONFLICT OF INTEREST DISCLOSURE FORM

FOR OFFICIALS, EMPLOYEES, AND AGENTS

The City of Opelika (“City”) has adopted a Conflict of Interest Policy (“Policy”) that governs the City’s expenditure of Federal Financial Assistance (as defined in Section II of the Policy). The Policy designates the Purchasing/Revenue Manager as the “COI Point of Contact.”

The COI Point of Contact has identified you as an official, employee, or agent of the City that may be involved in the selection, award, or administration of the following contract: _____ (the “Contract”). To safeguard the City’s expenditure of Federal Financial Assistance, the COI Point of Contact has requested that you identify any potential real or apparent conflicts of interest in the Firm considered for the award of a Contract. Using the Exhibit A to the Policy as a guide, please answer the following questions:

1. Do you have a financial or other interest in a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

2. Will you receive any tangible personal benefit from a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

3. For purposes of Question 3(a) and 3(b), your “Immediate Family Members” include: (i) your spouse and their parents, (ii) your child, (iii) your parent and any spouse of your parent, (iv) your sibling and any spouse of your sibling, (v) your grandparents or grandchildren, and the spouses of each, (vi) any domestic partner of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with you is the equivalent of a family relationship.

- a. Do you have an Immediate Family Member with a financial or other interest in a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

- b. Do you have an Immediate Family Member that will receive a tangible personal benefit from a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

4. Do you have any other partner with a financial or other interest in a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

5. Will any other partner of yours receive any tangible personal benefit from a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

6. Does your current or potential employer (other than the City) have a financial or other interest in a firm considered for this Contract or will such current or potential employer receive a tangible personal benefit from this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

7. Benefits to Employers

- a. Does a current or potential employer (other than the City) of any of your Immediate Family Members have a financial or other interest in a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

- b. Will a current or potential employer (other than the City) of any of your Immediate Family Members receive a tangible personal benefit from this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

-
- c. Does a current or potential employer (other than the City) of any partner of yours have a financial or other interest in a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

- d. Will a current or potential employer (other than the City) of any partner of yours receive a tangible personal benefit from this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

8. Does any existing situation or relationship create the appearance that you have a financial or other interest in a firm considered for this Contract or will receive a tangible personal benefit from a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

9. Does any existing situation or relationship create the appearance that any Immediate Family Member of yours has a financial or other interest in a firm considered for this Contract or will receive a tangible personal benefit from a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

10. Does any existing situation or relationship create the appearance that your current or potential employer (other than the City) has a financial or other interest in a firm considered for this Contract or will receive a tangible personal benefit from a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

11. Does any existing situation or relationship create the appearance that any current or potential employer (other than the City) of any of your Immediate Family Members has a financial or other

interest in a firm considered for this Contract or will receive a tangible personal benefit from a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

12. Does any existing situation or relationship create the *appearance* that any current or potential employer (other than the City) of any other partner has a financial or other interest in a firm considered for this Contract or will receive a tangible personal benefit from a firm considered for this Contract?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

* * * * *

Sign Name: _____

Print Name: _____

Name of Employer _____

Job Title: _____

Date of Completion: _____

* * * * *

EXHIBIT D

COMPLIANCE CHECKLIST FOR SUBAWARD OVERSIGHT

The City of Opelika (“City”) has adopted a Conflict of Interest Policy (“Policy”) that governs the City’s expenditure of Federal Financial Assistance (as defined in Section II of the Policy). The Policy designates the Purchasing/Revenue Manager as the “COI Point of Contact.” The Policy requires the COI Point of Contact to complete this Compliance Checklist to identify potential real or apparent conflicts of interest in connection with proposed Subawards (as defined in Section II) and file the Checklist in the records of the City.

Instructions for Completion

1. The COI Point of Contact shall complete Steps 1 through 5 of the Checklist below.
2. If the value of the proposed Subaward exceeds \$250,000, the COI Point of Contact shall collect a Conflict of Interest Disclosure Form from each Covered Individual.
3. If the COI Point of Contact identifies a potential real or apparent conflict of interest after completing this Compliance Checklist, the COI Point of Contact shall report such potential conflict of interest to the Mayor and to each member of the Governing Board.

Definitions.

1. *Covered Individual.* Each person identified in Section 1 of this Checklist is a “Covered Individual” for purposes of this Compliance Checklist and the Policy.
2. *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.
3. *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 City) of a Covered Individual, of a partner of a Covered Individual, or of an Immediate Family Member of a Covered Individual.

Step			
1	Identify the proposed Subaward, Subrecipient, and the subject of the Subaward.	<u>Name of Contract:</u> <u>Name of Counterparty</u> <u>Subject of Subaward:</u> 	
2	Identify all individuals involved in the selection, award, or administration of the Subaward. These individuals are “Covered Individuals”. Ensure that each Covered Individual has been provided with a copy of the Conflict of Interest Policy.		
	<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>
3	Identify whether any Covered Individual has a (i) financial or other interest in, or (ii) tangible personal benefit from the firm considered for a Subaward. [If the estimated Subaward amount exceeds \$[100,000], ensure that each Covered Individual files a Conflict of Interest Disclosure Form with the COI Point of Contact.]		
Any identified interest in Step 3 is a potential “real” conflict of interest.	<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>
4	Identify whether any Related Party has a (i) financial or other interest in or (ii) tangible personal benefit from the firm considered from a Subaward. If the estimated Subaward amount exceeds \$[100,000], ensure that each Covered Individual files a Conflict of Interest Disclosure Form with the COI Point of Contact.]		
Any identified interest in Step 4 is a potential “real” conflict of interest.	<u>Public Officials – Related Party</u>	<u>Employees – Related Party</u>	<u>Agents – Related Party</u>

5	Identify whether a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the <i>appearance</i> 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 Subaward? If yes, explain.		
Any identified interest in Step 5 is a potential “apparent” conflict of interest.	<u>Public Officials</u>	<u>Employees</u>	<u>Agents</u>

COI Point of Contact: _____

Signature of COI Point of Contact: _____

Date of Completion: _____

EXHIBIT E

SUBAWARD CONFLICT OF INTEREST DISCLOSURE FORM

FOR OFFICIALS, EMPLOYEES, AND AGENTS

The City of Opelika (“City”) has adopted a Conflict of Interest Policy (“Policy”) that governs the City’s expenditure of Federal Financial Assistance (as defined in Section II of the Policy). The Policy designates the Purchasing/Revenue Manager as the COI Point of Contact.

The COI Point of Contact has identified you as an official, employee, or agent of the City that may be involved in the selection, award, or administration of the following subaward: _____ (the “Subaward”). To safeguard the City’s expenditure of Federal Financial Assistance, the COI Point of Contact has requested that you identify any potential real or apparent conflicts of interest in the Firm considered for the award of a Subaward. Using the Exhibit A to the Policy as a guide, please answer the following questions:

1. Do you have a financial or other interest in a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

2. Will you receive any tangible personal benefit from a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

3. For purposes of Question 3(a) and 3(b), your “Immediate Family Members” include: (i) your spouse and their parents, (ii) your child, (iii) your parent and any spouse of your parent, (iv) your sibling and any spouse of your sibling, (v) your grandparents or grandchildren, and the spouses of each, (vi) any domestic partner of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with you is the equivalent of a family relationship.

- a. Do you have an Immediate Family Member with a financial or other interest in a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

- b. Do you have an Immediate Family Member that will receive a tangible personal benefit from a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

4. Do you have any other partner with a financial or other interest in a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

5. Will any other partner of yours receive any tangible personal benefit from a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

6. Does your current or potential employer (other than the City) have a financial or other interest in a firm considered for this Subaward or will such current or potential employer receive a tangible personal benefit from this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

7. Benefits to Employers

- a. Does a current or potential employer (other than the City) of any of your Immediate Family Members have a financial or other interest in a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

- b. Will a current or potential employer (other than the City) of any of your Immediate Family Members receive a tangible personal benefit from this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

-
- c. Does a current or potential employer (other than the City) of any partner of yours have a financial or other interest in a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

- d. Will a current or potential employer (other than the City) of any partner of yours receive a tangible personal benefit from this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

8. Does any existing situation or relationship create the appearance that you have a financial or other interest in a firm considered for this Subaward or will receive a tangible personal benefit from a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

9. Does any existing situation or relationship create the appearance that any Immediate Family Member of yours has a financial or other interest in a firm considered for this Subaward or will receive a tangible personal benefit from a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

10. Does any existing situation or relationship create the appearance that your current or potential employer (other than the City) has a financial or other interest in a firm considered for this Subaward or will receive a tangible personal benefit from a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

11. Does any existing situation or relationship create the appearance that any current or potential employer (other than the City) of any of your Immediate Family Members has a financial or other

interest in a firm considered for this Subaward or will receive a tangible personal benefit from a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

12. Does any existing situation or relationship create the *appearance* that any current or potential employer (other than the City) of any other partner has a financial or other interest in a firm considered for this Subaward or will receive a tangible personal benefit from a firm considered for this Subaward?

Yes _____ No _____ Unsure: _____

If the answer is Yes or Unsure, please explain:

* * * * *

Sign Name: _____

Print Name: _____

Name of Employer _____

Job Title: _____

Date of Completion: _____

* * * * *

ORDINANCE NO. _____

**AN ORDINANCE AUTHORIZING THE OPERATION OF
MEDICAL CANNABIS DISPENSING SITES**

WHEREAS, in the 2021 Legislative Session, the Alabama Legislature passed Act No. 21-450 (the “Act”) legalizing and creating a regulatory framework for medical cannabis; and

WHEREAS, the Alabama Legislature made a number of findings of fact, including:

“Medical research indicates that the administration of medical cannabis can successfully treat various medical conditions and alleviate the symptoms of various medical conditions.”

“There are residents in Alabama suffering from a number of medical conditions whose symptoms could be alleviated by the administration of medical cannabis products if used in a controlled setting under the supervision of a physician licensed in this state.”

“Establishing a program providing for the administration of cannabis derivatives for medical use in this state will not only benefit patients by providing relieve to pain and other debilitating symptoms, but also provide opportunities for patients with these debilitating conditions to function and have a better quality of life and provide employment and business opportunities for farmers and other residents of this state and revenue to state and local governments.”

; and

WHEREAS, the Act authorizes and requires the Medical Cannabis Commission to regulate dispensary operations, thus addressing any health, safety or welfare concerns for the citizens of the City of Opelika; and

WHEREAS, the Act requires the governing body of any municipality by ordinance to authorize the operation of the dispensing sites within the corporate limits of the municipality; and

WHEREAS, a dispensary would be required to purchase a business license and pay sales tax to the City of Opelika, thus increasing revenue; and

WHEREAS, the City of Opelika wishes to authorize the operation of medical cannabis dispensing sites within the corporate limits of the City of Opelika to assure its citizens can receive the medical and economic benefits of medical cannabis.

NOW, THEREFORE, BE IT ORDAINED by the City Council (the “Council”) of the City of Opelika, Alabama (the “City”) that, in accordance with Alabama Code §20-2A-51, a holder of a license granted by the State of Alabama pursuant to Act No. 21-450 is hereby authorized to operate a medical cannabis dispensing site within the corporate limits of the City of Opelika subject to the provisions of Act No. 21-450, any relevant provisions of the *Code of Ordinances* of the City of Opelika and any applicable zoning restrictions the City of Opelika may adopt pursuant to §20-2A-51(c)(3), *Code of Alabama*.

BE IT FURTHER ORDAINED, that any business license or sales tax revenue generated by medical cannabis dispensaries authorized by this Ordinance shall be deposited to the general fund.

BE IT FURTHER ORDAINED, that this Ordinance shall become effective immediately upon its adoption, approval and publication as required by law.

BE IT FURTHER ORDAINED, that the City Clerk of the City of Opelika, Alabama is hereby authorized and directed to cause this Ordinance to be published one (1) time in a newspaper of general circulation published in the City of Opelika, Lee County, Alabama.

ADOPTED AND APPROVED this the _____ day of _____, 2022.

PRESIDENT OF THE CITY COUNCIL OF THE
CITY OF OPELIKA, ALABAMA

ATTEST:

CITY CLERK

TRANSMITTED TO MAYOR on this the ____ day of _____, 2022.

CITY CLERK

ACTION BY MAYOR

APPROVED this the ____ day of _____, 2022.

MAYOR

ATTEST:

CITY CLERK