

Architect of the Capitol Status of CARES Act Funding



The Office of the Inspector General (OIG) was directed to review the Architect of the Capitol's (AOC's) exercise of authorities, disbursement and use of funds under the emergency supplemental appropriations provided in P.L. 116-136 "Coronavirus Aid, Relief, and Economic Security (CARES) Act."

Authorization and Appropriation Information

The CARES Act enacted on March 27, 2020, provides over \$2 trillion in relief to individuals; businesses; state, local and tribal government; federal agencies; and industry sectors impacted by the COVID-19 pandemic. Under the CARES Act, the AOC received an appropriation of \$25 Million to prevent, prepare for and respond to the novel coronavirus including to purchase and distribute cleaning and sanitation products throughout all facilities and grounds under the stewardship of the AOC. In addition, the AOC was authorized to continue to make payments associated with service related contracts to prevent a disruption in employee salaries and benefits.



To increase transparency and facilitate oversight, the Act included a reporting proviso that directed the AOC to provide an expenditure report of amounts appropriated within 30 days of enactment (April 26, 2020), and every 30 days thereafter to the Committees on Appropriations of the Senate and House of Representatives, the Senate Committee on Rules and Administration and the Committee on House Administration.¹ The AOC has complied with the reporting requirement; the most recent expenditure report was submitted to the OIG on July 27, 2020.

¹ Although the CARES Act has general reporting requirements under Section 15011, AOC is exempt from these requirements as it is not considered an "agency" as defined by 5 U.S.C. §551.

AOC Use of CARES Act Funds as of July 22, 2020

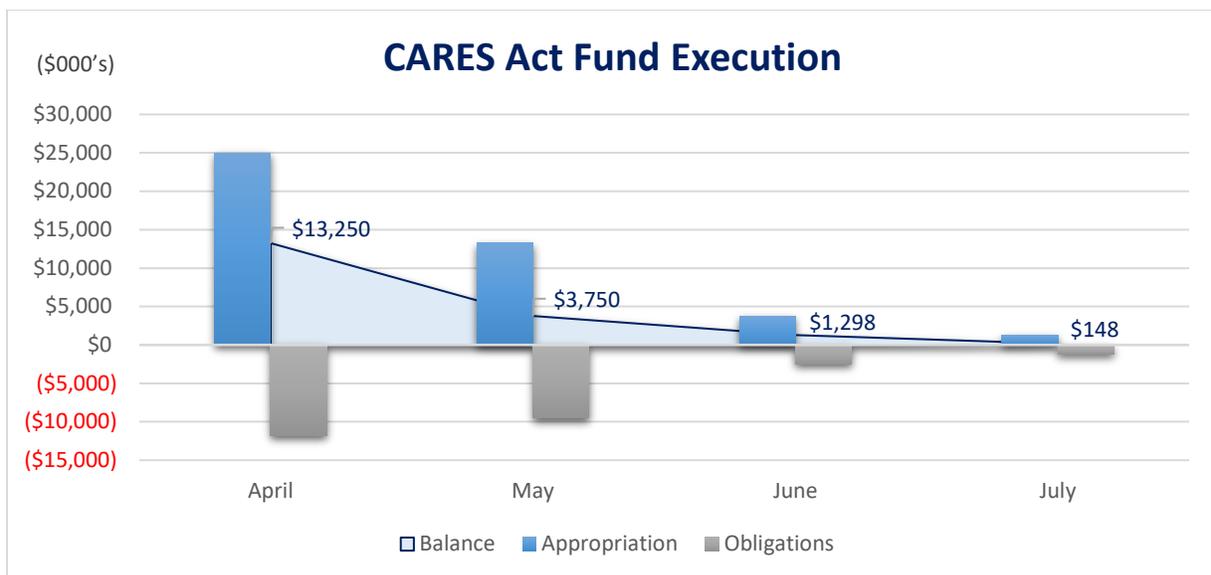
The AOC’s plan for the use of CARES Act funding included the procurement of face coverings, hand sanitizer, disinfectant wipes, and gloves for the AOC, U.S. House of Representatives, United States Senate, legislative branch support agencies, and the Supreme Court. Resource requirement identification and distribution is coordinated through the Office of Security Programs (OSP); jurisdictions are directed to submit requirements to OSP via a COVID-19 specific email address. The AOC distributes supplies based upon initial estimates and requests for additional supplies.

CARES Act Status of Funds (\$000’s)

	April	May	June	July
Appropriations Beginning Balance	\$25,000	\$13,250	\$3,750	\$1,298
Obligations	(\$11,750)	(\$9,500)	(\$2,452)	(\$1,150)
Appropriations Ending Balance	\$13,250	\$3,750	\$1,298	\$148
Execution Rate	47%	85%	95%	99%

The supply chain for COVID-19 supplies remains strained with shortages of Personal Protective Equipment (PPE) including N-95 masks and disinfectant wipes. In order to meet demand, AOC sourced supplies utilizing pre-existing contracts and vendor relationships. As a steward of resources, AOC does not question jurisdictions on the amount of supplies requested or in use, nor do they ensure supplies are not misused - the AOC notes that responsibility remains with the requesting office.

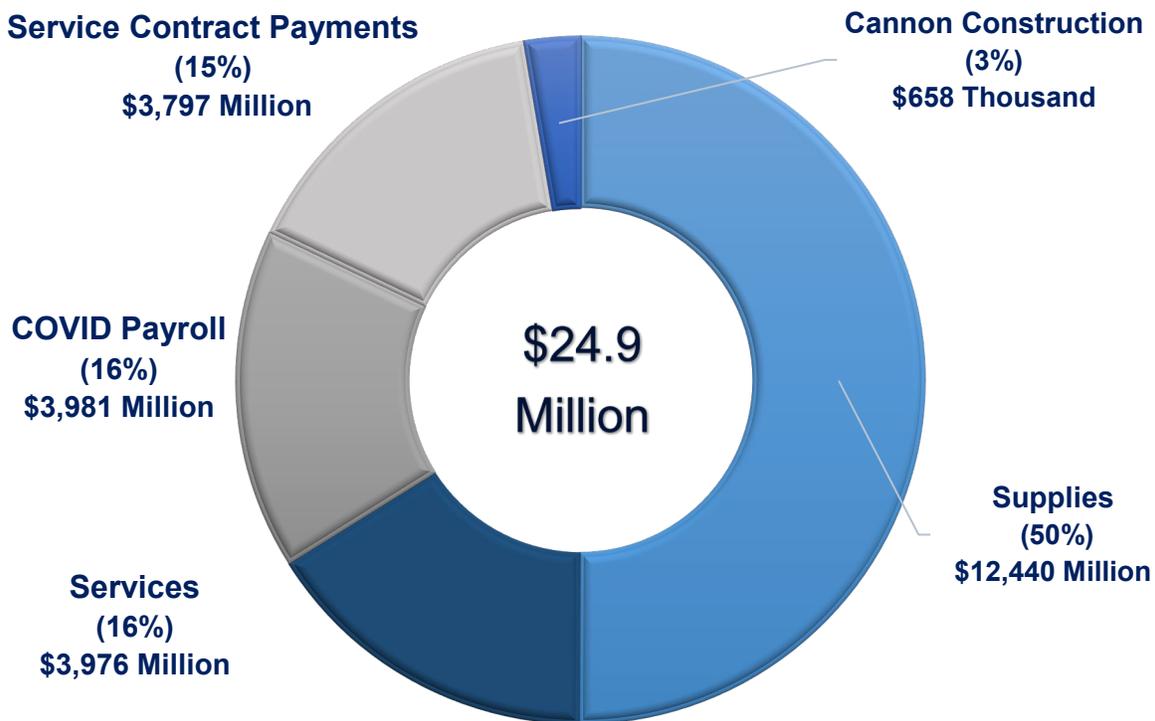
As of July 22, 2020, AOC has obligated \$24,852,000 (99 percent) of appropriated resources.



The AOC states that funds are tracked according to five spending categories.

CARES Act Obligation Data as of July 22, 2020

CARES Act Obligations by Spend Category



- Supplies - PPE including face coverings, gloves, hand sanitizer and disinfectant wipes for all on-site employees.
- Services - Specialized cleaning conducted by contractors with expertise in comprehensive disinfection services.
- Payroll - Construction Division or project funded employees on administrative leave, COVID-related overtime or temporary employees hired for COVID-related activities.
- Service contracts under Sec. 19005(a) - Provides payments for the weekly salaries and benefits of employees under AOC service contracts (up to 16 weeks). Employees must be furloughed or otherwise unable to work during closures, stop work orders or reductions in service arising from or related to the impacts of COVID-19.
- Cannon Construction Project Impacts - to support enhanced and specialized cleaning for the project site and office trailers.



The authorization of payments under service contracts as addressed in Sec. 19005(a) of the CARES Act, instructs the AOC to promulgate regulations as necessary to carry out the section. The OIG asked about the standards by which an application for funding under Sec. 19005(a) were assessed and the entity within the AOC responsible for approving allocation of these funds. The AOC states that they developed a Standard Operating Procedure (SOP) that outlined the standards by which payments were made. The SOP addressed the inclusion of an implementation of CARES Act, Sec. 19005(a) contract clause that included a mutually agreed upon not-to-exceed amount. It also included a sample Vendor CARES Act Request for Equitable Adjustment (REA) form for reimbursement of “allowable and allocable costs incurred to ensure continued payment of salaries and benefits to eligible employees.” Vendors were required to submit an REA with certified costs on a monthly basis. The allocation of funds was based upon the reimbursement request submitted by the vendor and approved by the AOC contracting official. To date, three vendors applied for and received funds, two of which provide food services for the Senate. The third vendor provides uniform services to the AOC.

Service Contract Payments

Vendor	Obligations (\$000's)
KSC, Inc.– Senate Office Buildings	\$231.58
Restaurant Associates – Senate Office Buildings	\$2,702.55
Restaurant Associates – Capitol Visitor Center	\$857.81
Hanover Uniform Co.	\$4.85
Total	\$3,796.79

Pandemic Plan Moving Forward

Resource requirements continue to change due to unexpected circumstances presented by the pandemic. This requires a flexible agency response. In anticipation of resuming public activities, campus safety requirements have shifted to include orders for plexiglass and “no-touch” items (faucets/lights/soap dispensers/paper towels) to avoid rush orders or possible supply shortages. In addition, the AOC continues to implement rigorous cleaning and disinfecting protocols in accordance with Centers for Disease Control and Office of the Attending Physician guidance. Given that resources are significantly depleted and demand continues to increase, the AOC has asked for supplemental appropriations for the continued heightened cleaning of the Capitol campus beyond June 2020. Resources required to support the purchase of the bulk of PPE items (e.g.,wipes, masks, hand sanitizer) are anticipated to expire by the end of July 2020 based on current appropriations.

