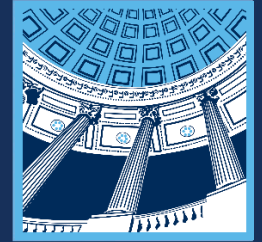


Architect of the Capitol's COVID-19 Emergency Supplemental Spending



The Office of the Inspector General (OIG) was directed to inquire about the Architect of the Capitol's (AOC) use of supplemental funds under the emergency supplemental appropriations provided in P.L. 116-136 "Coronavirus Aid, Relief and Economic Security (CARES) Act" and P.L. 117-31 "Emergency Security Supplemental Appropriations (Emergency) Act."

Authorization and Appropriation Information

The AOC received total appropriations of \$46.9 million in emergency supplemental funding to prevent, prepare for and respond to coronavirus (COVID-19), including the purchase and distribution of cleaning and sanitation products throughout all facilities and grounds under the care of the AOC, wherever located; and any related services and operational costs. Specifically, the AOC received an appropriation of \$25 million under the CARES Act and an additional appropriation of \$21.9 million under the Emergency Act.


Pandemic Relief Legislative Action	Enacted Date	Expiration Date
Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136)	March 27, 2020	September 30, 2021
Emergency Security Supplemental Appropriations (Emergency) Act (P.L. 117-31)	July 30, 2021	September 30, 2022

Enacted March 27, 2020, the CARES Act appropriated funding and required the AOC to provide a monthly report on the expenditure of funds 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.

The CARES Act, also included:

- Section 3610 authorizing the AOC to modify the terms and conditions of a contract, or other agreement, without consideration, to reimburse at the minimum applicable contract billing rates not to exceed an average of 40 hours per week and any paid leave, including sick leave before September 30, 2020.
- Section 19005(a) authorizing payments to service contract employees 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 for not more than 16 weeks.

Enacted July 30, 2021, the Emergency Act authorized appropriations to remain available to prevent, prepare for, and respond to COVID-19, for necessary expenses of the AOC to supplement the funding



made available under the CARES Act, and for the same purposes, to include related purchases for Congressional offices, including in Congressional Districts and State Offices, wherever located.

Execution of Supplemental Funds

The AOC coordinated with the Office of the Chief Financial Officer (OCFO) to oversee fund control, to include establishing the budgetary structure, and allocating, transferring and reporting supplemental funds; and the Office of the Chief Security Officer (OCSO) to provide emergency management services, to include the procurement and distribution of COVID-19 related equipment, supplies and services.

The OCFO tracks and monitors supplemental funding using two separate budgetary fund accounts due to the availability of funds. The CARES Act funding expired in September 30, 2021, and the Emergency Act funding is due to expire on September 30, 2022. The OCFO generates the Status of Funds Report on a daily or weekly basis to verify the availability of supplemental funds. The OCFO also creates Monthly Execution Reports to comply with the requirement to report on the expenditure of CARES Act funds to the Committees. The Monthly Execution Reports include a summary of the total appropriations, transfers, obligations and balance, in addition to accounting for the annual funding AOC Offices and Jurisdictions used to support COVID-19 related purchases before the CARES Act was enacted and after the supplemental funding was exhausted. There is no requirement to report on expenditures under the Emergency Act; therefore, the Monthly Execution Reports only account for CARES Act and AOC Offices and Jurisdiction obligations.

The OCSO is responsible for procuring and distributing equipment, supplies and services for the AOC, U.S. House of Representatives (House), United States Senate (Senate), legislative branch support agencies and the Supreme Court; and acts as the Contracting Officer's Representative on the facilities management contract. The majority of the COVID-19 related equipment, supplies and services were purchased through the facilities management contract. The funding and supplies were allocated based on the most needed supplies and number of staff.

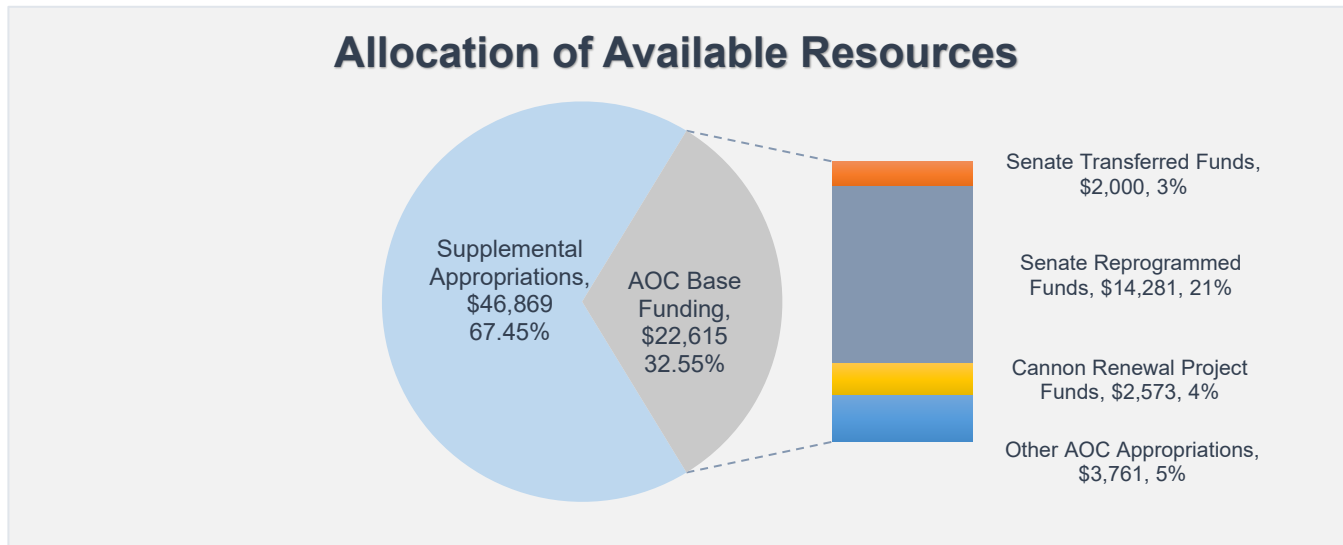
In addition, the AOC developed standard operating procedures in response to the Acts, outlining the standards and requirements. These written procedures provided guidance on Capturing Cost of Coronavirus Emergency Response; CARES Act Section 19005a Implementation; CARES Act Section 3610 Implementation; Timekeeper Guidance; and Government Payments under the CARES Act. The payments authorized under the CARES Act Sections 3610 and 19005a are based upon requests submitted by the vendor and approved by the AOC contracting officials.

Spending of Emergency Supplemental Funds

The emergency supplemental funds appropriated to the AOC were not enough to compensate for all of the AOC's COVID-19 related expenses. The CARES Act funding was exhausted quickly, thus requiring the

Jurisdictions to reallocate base funding¹ to ensure the AOC had the funding to purchase the necessary COVID-19 related equipment, supplies and services.

Figure 1: AOC's Available COVID Resources (\$000's)

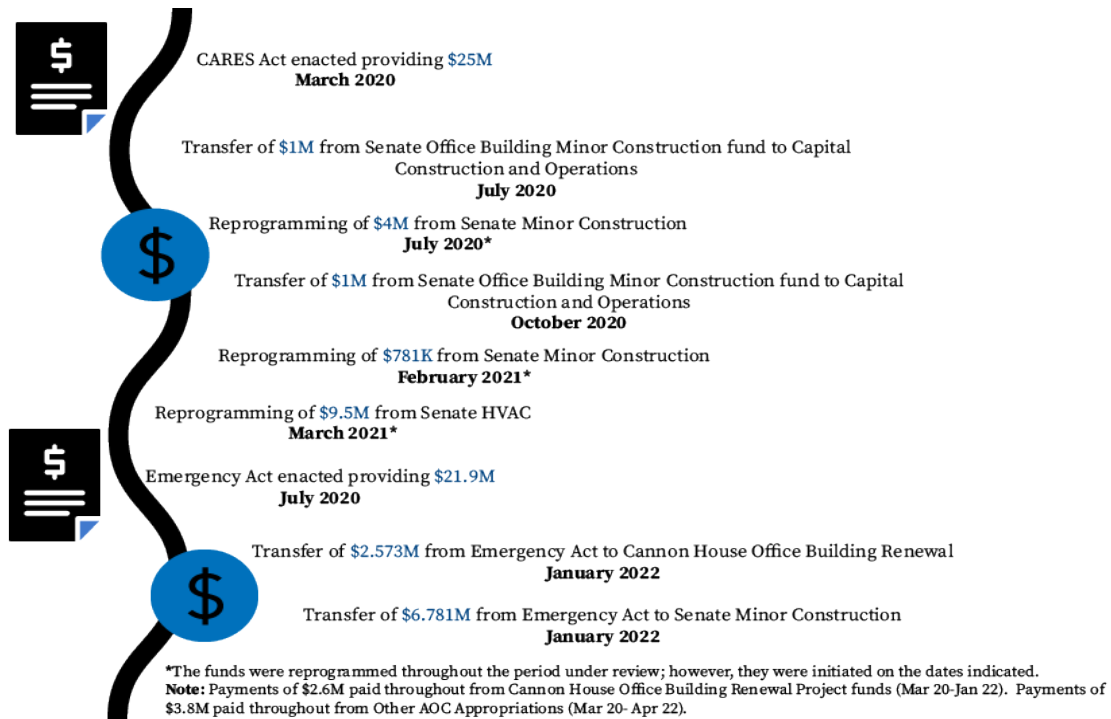


As of April 30, 2022, the AOC received \$25 million in CARES Act supplemental funding (March 2020), \$21.9 million in Emergency Act supplemental funding (July 2021), transferred \$2 million (\$1 million July 2020 and \$1 million October 2020), reprogrammed \$14.3 million (\$4 million July 2020, \$781 thousand February 2021 and \$9.5 million March 2021)² and utilized \$2.6 million in Cannon Renewal Project and \$3.8 million from other AOC appropriations throughout the pandemic, totaling \$69.6 million in funds. See *Figure 1: AOC's Available COVID Resources* and *Figure 2: AOC's Funding Timeline*. In the course of this research project, we note that \$9.4 million of the \$21.9 million Emergency Act supplemental funding was reimbursed to the Senate and House resulting in total funds of approximately \$60.2 million expended on COVID-19 related expense.

¹ Base funding refers to annual appropriations (no-year, fiscal year, and multiple-year) that fund the regular operations of government. These appropriations are separate from supplemental and deficiency appropriations.

² The funds were reprogrammed over the pandemic period – \$4M commenced on July 2020 through November 2020; \$781K commenced on February 2021 through May 2021; and \$9.5M commenced March 2021 through July 2022.

Figure 2: AOC's Funding Timeline



The Monthly Execution Reports show a total of CARES Act obligations amounting to \$47.6 million, which is a combination of obligations funded by both the CARES Act supplemental and AOC Offices and Jurisdictions annual appropriations. For the Emergency Act, the obligations were reported on the AOC's Status of Funds Report, which reported additional obligations amounting to \$11.2 million, for a total of \$58.8 million in obligations. The Monthly Executive Reports were used to calculate total obligations for CARES Act supplemental funding because the Status of Funds Report for the CARES Act funds does not take into account the obligations paid by Jurisdiction annual appropriations. See *Table 1 Status of Supplemental Funds* and *Table 2 Obligation of Supplemental and Jurisdiction Appropriated Funds* for additional details.

Due to finite CARES Act funds, all Jurisdictions also utilized base funding to support COVID-19 related expenses; however, the Senate and House were impacted the most. The AOC reprogrammed and transferred a total of \$16.3 million in Senate funding from minor construction and the Heat, Air Ventilation and Cooling (HVAC) projects, and the House Cannon Renewal project utilized \$2.6 million.

The Senate specifically:

- transferred \$2 million from the Senate Minor Construction 2020/2024
- reprogrammed:
 - \$781 thousand from the Senate Minor Construction 2019/2023
 - \$4 million from the Senate Minor Construction 2020/2024

- \$9.5 million from the Senate HVAC 2020/2024.

Once the Emergency Act supplemental funding of \$21.8 million was received, the AOC reimbursed the House and Senate jurisdictions. In January 2022, the House Cannon Renewal Project received a full reimbursement of approximately \$2.6 million, while the Senate was only reimbursed \$6.8 million (\$2M + \$4M + \$0.781M transferred and reprogrammed funds) of the \$16.3 million, totaling \$9.4 million in reimbursements. The remaining \$12.5 million was available to purchase additional equipment, supplies and services. As of June 2022, \$11.2 million of these funds were obligated. Table 1 below provides additional details.

Table 1: Status of Supplemental Funds (\$000's)

	CARES Act (Mar 20-Apr 22)	Emergency Act (Jul 21-Jun 22)
Supplemental Appropriations	\$25,000	\$21,869
AOC's Annual Appropriations		
Senate Transferred Funds	\$2,000	(\$2,000)*
Senate Reprogrammed Funds	\$14,281	(\$4,781)*
Cannon Renewal Project Funds	\$2,573	(\$2,573)*
Annual Appropriated Funds**	\$3,761	
Total Funds Available for Obligation	\$47,615	\$12,515
Obligations	(\$47,615)	(\$11,226)
Remaining Funds	\$0***	\$1,289

*Emergency Act funds reimbursed to the Senate and House Jurisdictions

**Additional Jurisdiction annual appropriations used to fund COVID related expenses

***Minimum funds expired, less than \$1,000.00

Table 2: Obligation of Supplemental and Jurisdiction Appropriated Funds (\$000's)

Total Supplemental Appropriations	\$46,869
Less: Emergency Act Remaining Funds	(\$1,289)
Net: Total Supplemental Funds Available for Obligation	\$45,580
Total Obligations	(\$58,841)
Bal: Net Total of Jurisdiction Appropriated Funds Used*	(\$13,261)

*Total Jurisdiction appropriated funds used after reimbursement from the Emergency Act Funds (\$22,615 million total Jurisdiction appropriated funds used – \$9,354 million reimbursed = \$13,261 million)

The AOC grouped supplemental funding into spending categories. See Table 3 AOC's Obligations by Spending Category (as of April 30, 2022) below for additional details.

Table 3: AOC's Obligations by Spending Category (as of April 30, 2022)

Spending Category	(\$\$\$)
Supplies/Services	\$27,395
Contract Payments	\$6,413
Payroll	\$3,759
Projects	\$658
AOC Offices and Jurisdictions Appropriated Funds Used (not categorized)*	**\$20,615
Total Spending	**\$58,841

*Appropriated funds expended by the Jurisdictions were not categorized by AOC, with the exception of the transfer funds of \$2 million (\$22,615 million minus \$2 million = \$20,615 million)

**Difference due to rounding.

The spending categories are explained as follows:

- Supplies/Services - supplies acquired included face coverings, hand sanitizer and dispensers, disinfectant wipes, hand soap and gloves purchased specifically for COVID-19 response activities; and services included specialized cleaning, sanitation and comprehensive disinfection services in accordance with the Center for Disease Control and the Office of the Attending Physician guidance for the facilities on the Capitol campus.
- Contract Payments - reimbursements to service contractors³ who were furloughed or otherwise unable to work as a result of the COVID-19 pandemic.
- Payroll - COVID-19 related salaries, overtime and benefits for permanent full-time and part-time agency staff assigned to COVID-19 prevention, preparation and response.
- Projects – CARES Act funding to support enhanced and specialized cleaning for the Cannon Renewal site, including the project's office trailers. Total amount spent from the project was \$2,573.
- AOC Offices and Jurisdictions appropriated funds used – AOC offices and jurisdictions appropriated funds used for COVID-19-related costs. These costs were not categorized by AOC.

Conclusion

Overall, the supplemental funding of \$46.9 million received by the AOC was not sufficient for the agency to properly respond to the COVID-19 pandemic and therefore required the use of Jurisdictions appropriated funds to cover the total obligations of \$58.8 million. The Emergency Act supplemental funding was used to reimburse the reprogrammed funds from the Senate and House construction projects as well as used to purchase additional equipment, supplies and services. The Emergency Act's remaining funds of \$1.3 million are currently available for future COVID-19 related expenses. Consequently, full reimbursement could not be made to all Jurisdictions, to include the \$9.5 million reprogrammed from the Senate HVAC project. AOC noted that the Budget Request for FY 2023 included \$25 million in no-year

³ Hanover Uniform Company, KSC Inc. Cups & Co., and Restaurant Associates



funding for the Air Handling Unit Refurbishments and Replacements project in the Hart Senate Office Building.