

General

1. Who will be receiving these funds?
 - Only the Destination Marketing Organizations (“DMOs”) designated by the state of Tennessee are eligible to receive funding under this program. DMOs from every Tennessee county have been allocated funding under this program.
2. How much funding will my DMO receive?
 - The allocation amounts by county can be found at <https://industry.tnvacation.com/american-rescue-plan>. Recipients will have access to an online dashboard showing their total allocation and the available balance of funds throughout the duration of the program.
3. Will the funds be disbursed on a reimbursement basis, or advanced to the DMOs?
 - Funds will be available on a reimbursement basis after eligible program expenses have been incurred and paid. A portal will be available for DMOs to make reimbursement requests.
4. What does a DMO need to do to receive its allocated funds?
 - DMOs must log into their account in the portal and first submit a spend plan outlining their plans for spending their allocated funds. Once their plan has been approved, they may begin submitting requests to be reimbursed for expenditures once they’ve been incurred and paid.

Uniform Guidance

5. What is the guidance on how DMOs are allowed to handle funding from the Tennessee Tourism and Hospitality Recovery Fund to ensure compliance with the federal Uniform Guidance?
 - Because the fund is drawn on ARPA funds, fund recipients must comply with the federal Uniform Guidance (2 CFR 200).
 - To comply with 2 CFR 200, recipients need to understand what type of entity they are. All DMO’s are considered sub-recipients and must follow the applicable rules for sub-recipients.
 - Because they are considered sub-recipients, DMO’s have several important obligations under the Uniform Guidance, which, without limitation, include the following:
 - Procurement requirements – further guidance is provided below.
 - Audit requirements – further guidance is provided below.
 - DMOs must complete a Subrecipient Risk Assessment form prior to receiving access to the portal.
6. What are the Procurement Requirements?
 - Procurement Requirements – Sub-recipients are required to follow a procurement process that is as stringent if not more stringent than the federal procurement requirements contained in the Uniform Guidance. In some cases, that may require purchases of eligible goods and services to be procured through a competitive bidding process, depending on the circumstances.
7. How will I know if I need to complete a competitive procurement process?
 - Micro-purchases under \$10,000 do not require formal bids. Between \$10,000 and \$250,000 will require 3 quotes and documentation about why that vendor was selected. For larger amounts, a formal procurement process is required, using either sealed bids or proposals. Please see § 2 CFR 200.320 for more information about methods of procurement.

8. What if a contract for goods or services has already been entered into?

- If a contract has already been entered into, you may need to go back and engage in a procurement process. Unless the purchase qualifies for noncompetitive procurement (see below), you will need to halt any further work or delivery under that contract and engage in a procurement process. That will require soliciting bids from that vendor and others. You have the option to select your previously selected vendor, but you must document why you chose them after seeking and considering all bids. Vendor selection should be consistent with the requirements outlined in the Uniform Guidance.

9. What qualifies as a single source?

- Single source good or services are those that are only provided by one vendor. For example, there is only one New York Times, so if placing an ad in the New York Times is determined to be the preferred marketing strategy, purchasing that advertisement does not require a competitive process. You must still show that you completed research to determine that the vendor was a single source vendor (in other words, in the case of an advertisement, that it was uniquely positioned to reach the desired market – the target viewers, listeners, etc.).

10. Can we use a vendor with a contract that was created prior who is on retainer, or who is an approved vendor?

- No, existing retainer contracts are not allowed to be utilized under the Uniform Guidance (despite the fact that they may be more efficient in some cases, due to the history with the vendor). You must enter into a competitive procurement process to select a vendor. You may select your legacy vendor, but a separate contract is required, and you must document why you selected that vendor and that you completed the procurement process.

11. What are the regulations for completing a single audit?

- § 2 CFR 200.501 Audit requirements state that a non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year.

Spending Plan

12. Will there be help with strategic planning?

- Yes, TDTD and Horne will assist with any questions that arise when preparing your spend plan.

13. Do we have to include the plan for all our allocation or just the 25% annually?

- The spend plan will be completed each year to tell us your general plans for that year.

Expense Reimbursement

14. Is there a limit on the number of expense reimbursement requests a DMO may submit?

- No, there is no limit on the number of reimbursement requests a DMO may submit, but each request must contain at least \$1,000 of expenses.

15. What substantiating documentation for program expenses will be required?

- Reference the Required Documentation Guide for a detailed list of required documentation.

16. What operating expenses may be reimbursed under this program?

- Payroll Expense
 - DMOs should prioritize submitting lower-level employees' payroll costs first, then work up towards officers/executives.
 - Payroll expense may include covered employee benefits (i.e., leave, employee insurance, pensions, and unemployment benefit plans).
 - Employer portion of payroll taxes is also eligible for reimbursement.

**Note that payroll expenses must be reasonable and consistent with the DMO's written policies.*

- Equipment for new employee positions hired
 - I.e., computer, other technology such as licenses, office supplies specific to the person/position, etc.
- Lease payments for facilities open prior to the pandemic
- Utility expenses for facilities open prior to the pandemic
 - I.e., Water, electricity, garbage pickup
- Maintenance of facilities existing prior to the pandemic
- Maintenance of equipment existing prior to the pandemic

**Note that operating expenses may still be subject to additional procurement considerations depending on the cost and nature of the contract/purchase.*

17. How will I receive the payment for reimbursement?

- Payments will be made following the settings associated with your supplier ID in the Tennessee Edison system.

18. When is the deadline to spend the funds?

- Funds must be fully committed and obligated by December 31, 2024 and fully expended by June 30, 2026.

19. Do expenses have to be incurred by the DMO or can local governments spend the funds on the DMO's behalf and receive reimbursement?

- Expenses must be incurred by the DMO to be eligible.

20. Are the expenses for hiring contract or temporary employees eligible?

- Yes.

21. Are "bricks and mortar: transformational projects eligible?

- No, construction is not an eligible expense.

22. Can we only use first year funds to reimburse for past projects in 2022?

- No, you can use them for future projects if needed.

23. Can funds be used for both operating and transformational expenses?

- Yes, you can choose to mix your eligible expenses or "paths" to reimbursement.

24. Can the funds be used on new signage for the city?

- Likely yes. These will be evaluated on a case by case basis to ensure the plan meets the requirements.