



U.S. Department of Housing and Urban Development
Washington, D.C. 20410

APR 03 2020

CHIEF PROCUREMENT OFFICER

Dear HUD Industry Partner,

Section 3610, Federal Contractor Authority, of the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act of 2020 provides that a contractor may be reimbursed for the cost of keeping certain employees in a ready state. To comply with the Act, contractors should be prepared to demonstrate that funds are used to maintain readiness, for example, by continuing to compensate your employees. Evidence of keeping employees in a ready state may include payroll showing payment of employees' salaries. Prime contractors are responsible for including any affected subcontractors in their reporting.

The potential for reimbursement arises only when access to an approved worksite (contractor or government) has been curtailed due to COVID-19 restrictions and only if the affected employees cannot telework. Contractors will need to document 1) that the worksite is a federally owned or leased site, or that it has been approved by the government; 2) that work at the facility has actually been disrupted as a result of COVID-19; and 3) that telework is not an option.

Compensation is not to exceed the minimum established contract billing rates and is capped at 40 hours per week. Paid leave, including sick leave, is reimbursable but will be reduced to the extent of any tax credits taken.

In order to implement this section of the CARES Act of 2020, the Department of Housing and Urban Development (HUD), Office of the Chief Procurement Officer (OCPO) will need the following information from you:

1. Contract Number
2. Worksite
3. Count of employees affected through September 30, 2020
4. Hourly rates of employees affected through September 30, 2020
5. Hours projected to be expended by employees affected through September 30, 2020
6. Miscellaneous ODCs (not including labor) projected due to COVID-19 through September 30, 2020

Please send your response to the information requested by email to
CPO_COVID19tracking@hud.gov

A handwritten signature in blue ink that reads "Ronald C. Flom".

Ronald C. Flom
Chief Procurement Officer