Ohio | The Ohio Grants Partnership

American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund

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Local Fiscal Recovery Funds

Where to Find Information

U.S. Treasury

Non-entitlement unit information, interim final rule, fact sheet, FAQs, compliance and reporting guidance, and quick reference guide are published on the U.S. Treasury website:

https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recov\ery-funds

Ohio Office of Budget and Management

Information for NEUs to include allocations, a general information document, required attachments, job aids to assist with registration, and additional resource links are published on the Ohio Grants Partnership website:

https://grants.ohio.gov/fundingopportunities.aspx#funding-opportunities-arpa

Application portal: https://grants.ohio.gov/FundingOpportunityDetails.aspx?detailId=22

Interim Final Rule and FAQ

Changes from Coronavirus Relief Funds

- Assistance Listing Number (formerly CFDA) is 21.027.
- Funds are generally subject to the requirements set forth in the Uniform Guidance (2 CFR Part 200) versus only a few specific sections.
- Interest earnings do not have to be returned nor are they limited to eligible uses under the award.
- Indirect costs are allowable.
- Longer time period for use of funds, recognizing both an obligation date and a longer period of performance.
- Reporting extends beyond financial activity (includes program and performance reporting).
- Standard for charging public safety and public health payroll has changed.

Allowable Uses of Funds

Cover costs incurred by December 31, 2024

- **To respond to the public health emergency or its negative economic impacts**, including assistance to households, small businesses and nonprofits, or aid to impacted industries such as tourism, travel and hospitality;

- To provide **premium pay to essential employees** or grants to employers to provide premium pay (premium pay cannot exceed $13 per hour or $25,000 per worker and cannot exceed certain local averages, unless specifically justified);

- To provide government services affected by a **revenue reduction** due to the public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and

- To make necessary investments in **water, sewer, or broadband infrastructure**.

Fiscal Recovery Key Dates

Payments from the Fiscal Recovery Fund can only be used for costs incurred from March 3, 2021 through December 31, 2024.

The Interim Final Rule defines **costs incurred** in alignment with the Uniform Guidance and requires funds to be **obligated by December 31, 2024.**

Use of Fiscal Recovery Funds is forward-looking:

- The Interim Final Rule permits funds to be used to cover costs incurred beginning on March 3, 2021.

- Recipients are not permitted to use funds to cover pre-award costs (only those on or after March 3, 2021, which were made with the intention of receipt of future ARPA funding).

- *The period of performance runs until December 31, 2026*.

Restrictions to cover costs incurred beginning March 3, 2021, does not apply to costs incurred by households, businesses, and individuals benefiting from assistance as long as the cost was not incurred by the recipient prior to that date.

Public Health/Negative Economic Impacts – economic harms experienced by individuals, businesses, and households can be prior to March 3, 2021

Premium Pay – retrospectively for work performed at any time since the start of the pandemic

Revenue Loss – use of funds for government services is forward-looking after March 3, 2021

Investments in Water, Sewer, and Broadband – can cover costs for eligible projects planned or started prior to March 3, 2021, provided project costs covered are incurred after March 3, 2021

Other Key Provisions

Funds may not be used to:

- Deposit into any pension fund - *does not include the payment to a pension fund as part of covered benefits for eligible personnel charged to the fund.*

- Contribute to rainy day funds, financial reserves, budget stabilization, or similar funds – the revenue reduction amounts must be applied to general government services.

- Offset a reduction in net tax revenue.

- Pay interest or principal on outstanding debt instruments, including short-term revenue or tax anticipation notes, or other debt service costs.

- Satisfy a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding.

- Serve as non-federal match for other federal grant programs.

Transfers of Funds

Funds may be transferred to private nonprofit organizations, public benefit corporations involved in the transportation of passengers or cargo, or special-purpose districts (e.g., fire, water, sewer, etc.).

A transfer is still considered a subrecipient relationship – you are still responsible for monitoring and overseeing the subrecipient's use of funds and activities as well as reporting to the U.S. Treasury on the subrecipient's use of funds.

Transfers must qualify as an eligible use of funds by the transferor and all federal requirements remain with those funds. The transfer must be to carry out the goals of the original recipient.

Transfers must be for entities within the recipient's borders except for a regional project. For example: County A cannot transfer funds to County B; however, County A can transfer funds to Village A within its borders.

FAQ 4.9: Recipients can pool funds for regional projects by spending funds directly or transferring to another government that is undertaking the project on behalf of multiple recipients. Must document the recipient jurisdiction receives a benefit proportionate to the amount contributed.
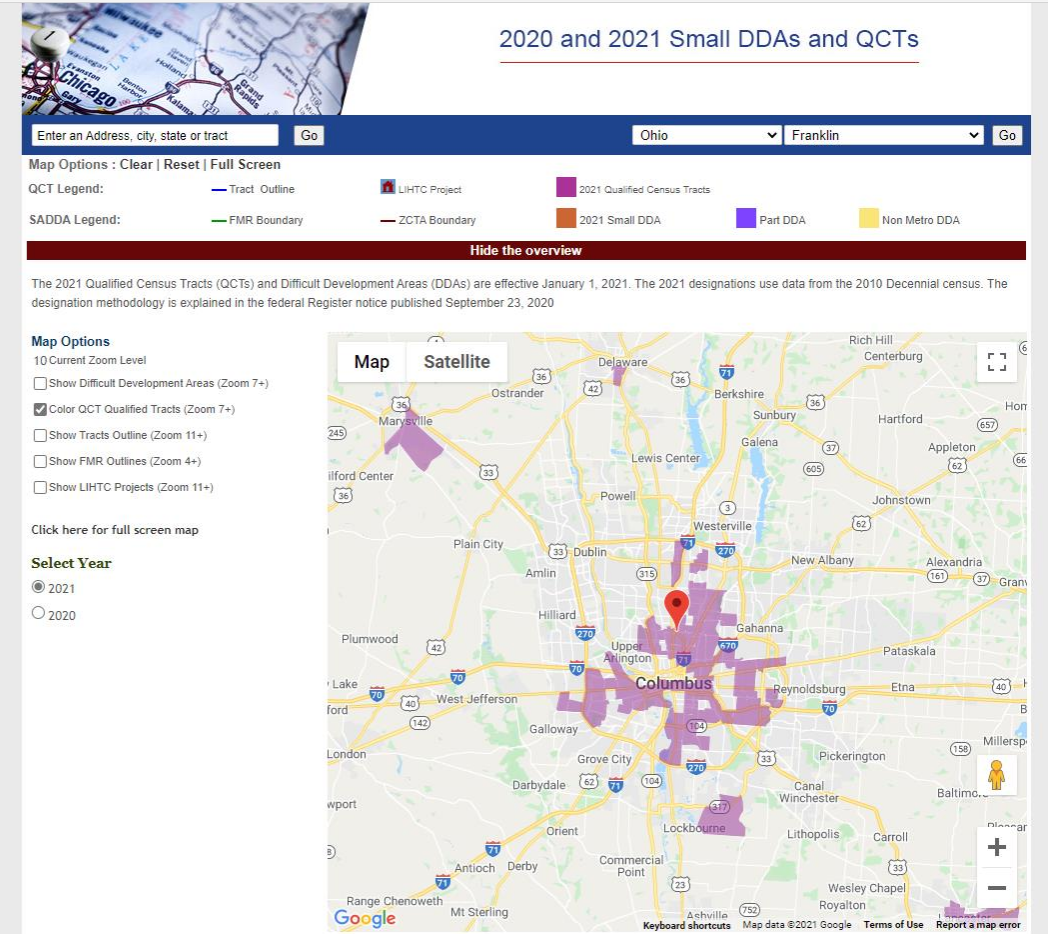
Qualified Census Tract (QCT)

https://www.huduser.gov/portal/sadda/sadda_qct.html

Presumption that certain types of services are eligible uses when provide in a QCT.

- Addressing health disparities and the social determinants of health

- Building stronger neighborhoods and communities

- Addressing educational disparities

- Promoting healthy childhood environments

May also provide services to other populations, households, or geographic areas disproportionately impacted by the pandemic. However, will need to provide support for the determination.

Reporting Requirements

Guidance on Recipient Compliance and Reporting Responsibilities
https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf

Specific to Fiscal Recovery Funds and does not cover Coronavirus Relief Funds

Key principles include:
Projects should advance shared interests and promote equitable delivery to underserved communities (Executive Order 13985)
Transparency and public accountability (OMB Memorandum M-21-20 and M-20-21)

Reporting has expanded from the CRF requirements and includes an interim report, project and expenditure reports, and annual recovery plan performance reports.

Reporting is completed in the U.S. Treasury Portal and registering with ID.me is required for access.

Non-entitlement local governments (NEUs) will report directly to the U.S. Treasury.

Reporting applicability is based on your entity type. For example, NEUs are only responsible to complete annual project and expenditure reports.

Report Type	Applies To	Reporting Period	Initial Report Due	Subsequent Reports	Included in Report
Interim Report	State, Metros, Counties	Date of award-July 31, 2021	August 31, 2021	N/A	Summary level expenditures by category
Quarterly Project and Expenditure Report	State, Metros, Counties	Calendar Quarter	October 31, 2021	30 days after end of each quarter through project period	Financial data, information on contracts and subawards over $50k, types of projects funded, other information on utilization of funds
Annual Project and Expenditure Report	NEUs	Annually	October 31, 2021	October 31 each year through project period	Financial data, information on contracts and subawards over $50k, types of projects funded, other information on utilization of funds
Recovery Plan Performance Report	State, Metros, Counties >250K residents Also,	Annually	August 31, 2021	30 days after each 12-month period	Funded projects, plans for project outcomes to be achieved, key performance indicators, programmatic data. Also, must publish on a public facing site.

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Project and Expenditure Reports include projects and contracts, grants, direct payment, and subawards over $50,000.

Projects and Expenditures
- Project Inventory
- Expenditures
- Project Status
- Project Demographic Distribution
- Civil Rights Compliance

Subawards
- Subawards

Program data
- Required Programmatic Data
- Required Programmatic Data (for infrastructure)

Key Concepts: Projects

- Projects are closely related activities toward a common purpose/goal.

- Each project must align to one Expenditure Category.

- The Expenditure Category defines the additional programmatic reporting required.

Key Concepts: Expenditure Category

An Expenditure Category must be assigned to each project to identify how funding is used and will identify where additional programmatic reporting is required.

^ Denotes areas where recipients must report on whether projects are primarily serving disadvantaged communities.

* Denotes areas where recipients must identify the amount of total funds that are allocated to evidence-based interventions.

Appendix 1 of the Compliance and Reporting Guidance includes a list of 66 Expenditure Categories.

Appendix 1: Expenditure Categories

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term "Expenditure Category" refers to the detailed level (e.g., 1.1 COVID-10 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

1: Public Health	
1.1	COVID-19 Vaccination ^
1.2	COVID-19 Testing ^
1.3	COVID-19 Contact Tracing
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
1.5	Personal Protective Equipment
1.6	Medical Expenses (including Alternative Care Facilities)
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
1.10	Mental Health Services*
1.11	Substance Use Services*
1.12	Other Public Health Services

Key Concepts: Relationships
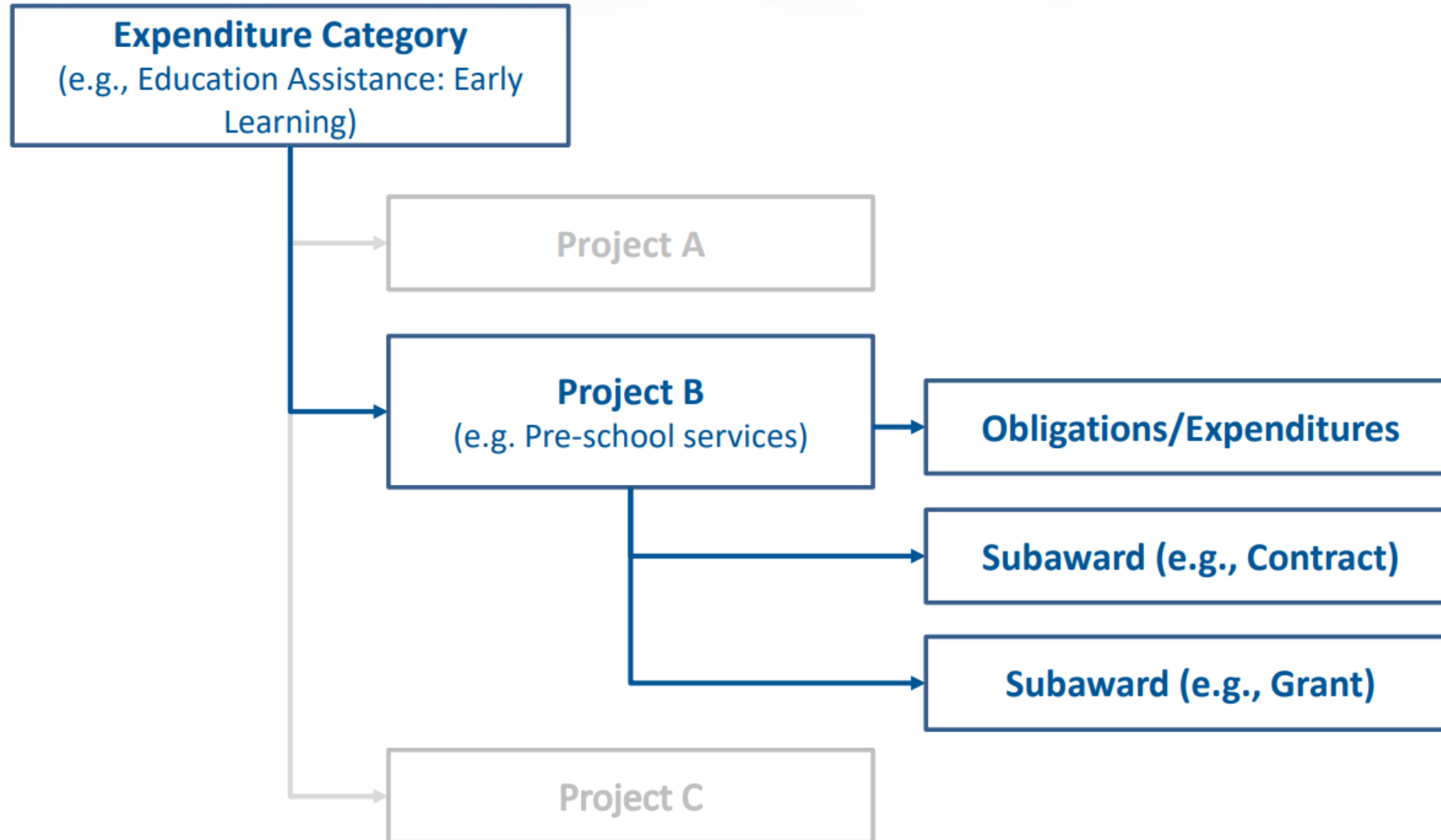
Required Programmatic Data (Non-Infrastructure Projects)

Specific programmatic data requirements for non-infrastructure projects for each Expenditure Category, including:

• Payroll for Public Health and Safety Employees

• Household Assistance

• Small Business Economic Assistance

• Aid to Travel, Tourism, and Hospitality or Other Impacted Industries

• Rehiring Public Sector Staff

• Education Assistance

• Premium Pay

• Revenue Replacement

Required Programmatic Data (Infrastructure Projects)

Detailed project level information, location, and expenditure data will be required for all infrastructure projects.

Infrastructure projects over $10 million must also report:

Number of employees/contractors

• Number of direct or third-party hires

• Wages/benefits by worker classification

• Whether wages are at prevailing page

Recipients must also report:

• Detailed information on the wages and benefits provided, and how they will ensure a ready supply of skilled and unskilled labor, minimize the risk of labor disputes, and ensure a safe and healthy workplace.

• Some additional reporting requirements may be waived for recipients who can certify compliance with Davis-Bacon or certify they have entered a Project Labor Agreement.

Helpful Tips

1) **Establish defined projects for the use of funds**

2) **Associate each project to a single expenditure category then determine additional reporting requirements and performance metrics.**

3) **Start planning an approach to track activity to meet the reporting requirements**

   - How will you track expenditures by category?

   - What report will provide purchase order information on expenditures over $50K (e.g., supplier information, obligation amount, current quarter obligations, related expenditures and dates, etc.)?

   - Do you have a way to run a report for contracts which provides necessary reporting details (e.g., contract number, contract type, contract amount, period of performance, contract date, primary place of performance address, etc.)?

   - How will program information and/or performance metrics be tracked?

Looking for previous webinars?

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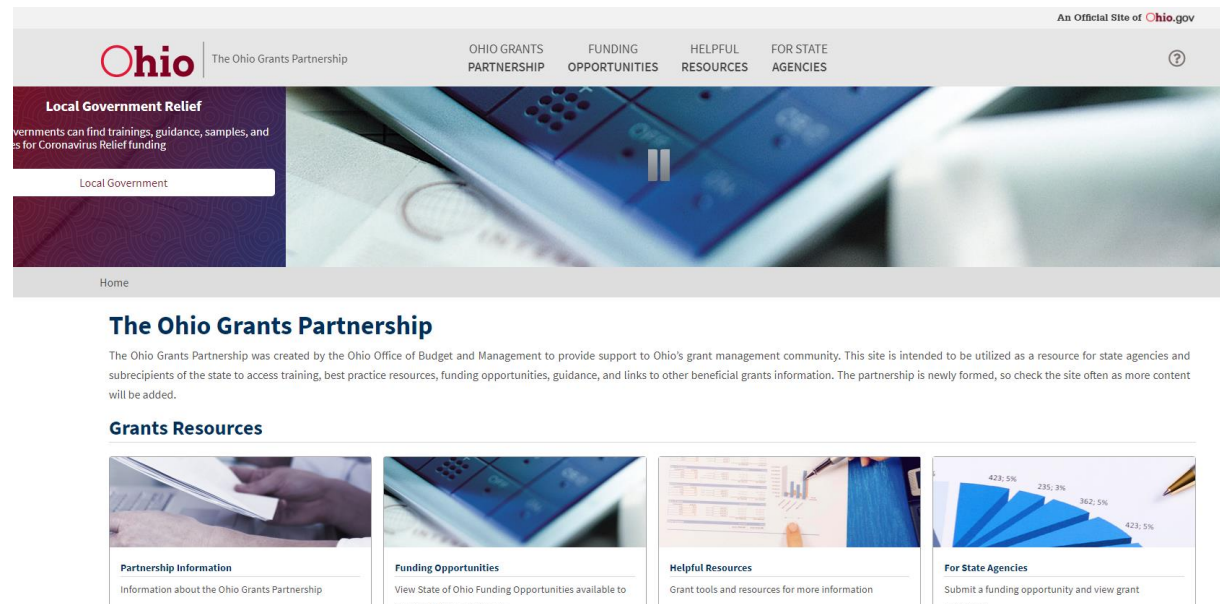
https://grants.ohio.gov/

Navigation:

Helpful Resources> Grant Training

Funding Opportunities > American Rescue Plan Act Local Fiscal Recovery Fund

Sign up for the Ohio Connects Newsletter to get notifications on upcoming webinars.

Contact Information

For general information and support with NEU registration,
contact the Ohio Grants Partnership at
grants@obm.ohio.gov

For authoritative guidance, contact the U.S. Treasury at
SLFRP@treasury.gov

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Questions?