

American Rescue Plan Programs Training

2023 CJAA Meeting

Agenda

- **State and Local Fiscal Recovery Funds**
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 - New Eligible Uses Passed with FY2023 Appropriations Law
 - Compliance Requirements for AR Counties based on SLFRF allocation
 - Reporting and Compliance Requirements
 - Key Guidance for County Judges
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 - Reporting and Compliance Requirements
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State and Local Fiscal Recovery Fund

Overview of the State and Local Fiscal Recovery Funds (SLFRF) Original Eligible Uses

ARPA provides that SLFRF funds may be used:

- ✓ **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 respond to workers performing essential work** during the COVID-19 public health emergency by providing premium pay to eligible workers;
- ✓ **For the provision of government services** to the extent of the reduction in revenue due to the COVID-19 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.**

Specified ineligible uses of funds:

- X Funds may not be used for an extraordinary deposit into any pension fund
 - Counties may use funds for routine payroll contributions connected to an eligible use of funds
- X No debt service or replenishing financial reserves.
- X No satisfaction of settlements and judgments.
- X SLFRF funds may not be used for a project that conflicts with or contravenes the purpose of the American Rescue Plan Act statute (e.g. uses of funds that undermine COVID-19 mitigation practices in line with CDC guidance and recommendations)
- X may not be used in violation of the Award Terms and Conditions or conflict of interest requirements under the Uniform Guidance

SLFRF Flexible Uses as of December 2022

Revenue Replacement Allowance for Provision of Government Services: Counties may select one of two options.

- Up to \$10 million
- Revenue loss calculation

Investments in Certain Infrastructure Projects and Disaster Relief

- Allows states and local governments to spend up to the greater of \$10 million or 30% of their total allocation on certain infrastructure projects and to address impacts of natural disasters.
- Legislation allowing for this flexibility was passed as an amendment to the FY2023 Consolidated Appropriations Bill.

Breaking Down SLFRF Flexible Uses – Revenue Replacement

62 Arkansas Counties have received less than \$10 million, via two payments, in SLFRF Funds.

Spending on provision of government services through the Revenue Replacement category allows a county to simplify Treasury reporting and federal compliance by:

- Allowing simplified entries in the Treasury’s reporting portal
- Allows counties to use state compliant procurement standards by waiving the requirement for federal procurement compliance. (Refer to Treasury [Final Rule FAQ 13.15](#) for details)

Counties below \$10 million in SLFRF Funds

- This flexibility allows those counties that received \$10 million or less in SLFRF funds to spend their entire allocation on the provision of government services.

Counties over \$10 million in SLFRF Funds

- Allows counties that received over \$10 million in SLFRF funds to choose to spend up to \$10 million, or an amount based on the Treasury’s SLFRF Revenue Loss Calculation, on the uses for the provision of government services outside of the eligible use categories for SLFRF funds. SLFRF funds left after the revenue loss allowance must be spent on eligible uses defined in Treasury’s Final Rule and provided by the FY2023 Consolidated Appropriations Act changes.

Arkansas
Counties
with over
\$10 million
awarded in
SLFRF
funds

Crawford County

Pope County

Jefferson County

Lonoke County

White County

Garland County

Craighead County

Saline County

Faulkner County

Sebastian County

Washington County

Benton County

Pulaski County

Breaking Down SLFRF Flexible Uses – Additional Eligible Uses for Certain Infrastructure Projects and Disaster Relief

This is relevant to Arkansas Counties that received more than \$10 million in SLFRF funds.

The FY2023 Consolidated Appropriations Act passed in December of 2022 contained provisions providing additional flexibility for SLFRF funds for state and local governments. **The following flexibilities are not tied to the revenue replacement allowance SLFRF funds.**

With “Regular SLFRF funds”, counties are now allowed to:

- **Use up to \$10 million or 30% of their total SLFRF allocation, whichever is greater, to:**
 - Invest in infrastructure projects that are eligible under certain federal infrastructure programs.
 - Invest in emergency relief from natural disasters or the negative economic impacts of natural disasters, including
 - temporary emergency housing,
 - food assistance,
 - financial assistance for lost wages, or
 - other immediate needs.

Eligible Infrastructure Projects - The greater of \$10 million or 30% of SLFRF allocation can be used for projects that are eligible under the following programs. Only programs relevant to AR Counties are listed.

Nationally significant multimodal freight and highway projects	Congestion mitigation and air quality improvement program	Federal lands transportation program	State of good repair grants
Community Development Block Grant (CDBG)	RAISE Grant Program	Federal lands access program	Grants for buses and bus facilities
National highway performance program	National highway freight program	Highway safety improvement program	National culvert removal, replacement, and restoration grant program
Bridge investment program	Carbon reduction program	Formula grants for rural areas	Urbanized area formula grants
Rural surface transportation grant program	Fixed guideway capital investment grants	PROTECT Grant Program	Surface transportation block grant program
Metropolitan transportation planning	A project eligible for credit assistance under the TIFIA program under chapter 6 of title 23, United States Code	A project eligible under the U.S. Department of Transportation bridge replacement, rehabilitation, preservation, protection, and construction program	TIFIA Funded projects to satisfy a non-Federal share requirement applicable to such a project and to repay a loan provided under such program
National electric vehicle charging and hydrogen, propane, and natural gas fueling corridors			

To Satisfy Non-Federal Cost Shares for:

- Nationally significant multimodal freight and highway projects
- Fixed guideway capital investment grants
- National infrastructure project assistance

Documents for
County Judges
to Review and
Refer to
throughout
management of
SLFRF Funds

- [Final Rule](#)
- [Overview of the Final Rule](#)
- [Final Rule FAQs](#)
- [2 CFR 200](#) – Governments management, spending, and audit requirements
 - [Subpart D - Post Federal Award Requirements \(§§ 200.300 - 200.346\)](#)
 - [Subpart E - Cost Principles \(§§ 200.400 - 200.476\)](#)
 - [Subpart F - Audit Requirements \(§§ 200.500 - 200.521\)](#)

Keys to Compliance for General SLFRF Funds

- Refer to Final Rule to ensure eligible use
- Review and Understand [SLFRF Assistance Listing via Sam.gov](#)
- Ensure compliance with [2 CFR Part 200](#), Treasury requires compliance with the following provisions:
 - Subpart B, General provisions
 - Subpart C, Pre-Federal Award Requirements and Contents of Federal Awards
 - [Subpart D, Post Federal; Award Requirements](#)
 - [Subpart E, Cost Principles](#)
 - [Subpart F, Audit Requirements](#)
- Review and comply with reporting requirements

The following 2 CFR Policy requirements also apply to this assistance listing:

- 2 C.F.R. Part 25, Universal Identifier and System for Award Management;
- 2 C.F.R. Part 170, Reporting Subaward and Executive Compensation Information; and
- 2 C.F.R. Part 180, OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement).

Document, Document, Document...and then Document some more!

Defining Conflicts of Interest

As part of accepting the Award Terms and Conditions for SLFRF, each recipient agreed to maintain a conflict-of-interest policy consistent with 2 C.F.R. § 200.318(c) and 2 C.F.R. § 200.112 that is applicable to all activities funded with the SLFRF award.

A recipient may not use control over SLFRF funds for their own private gain. Furthermore, no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest.

Recipients may avoid conflicts of interest in providing assistance to nonprofits or making subrecipient awards by making aid available to nonprofits on generally applicable terms or utilizing a competitive grant process, respectively.

Decisions concerning SLFRF funds must be free of undisclosed personal or organizational conflicts of interest, both in fact and in appearance.

Recipients and subrecipients are required to establish policies and procedures to manage potential conflicts of interest and are required to report to Treasury any potential conflict of interest related to procurement and awarding of contracts per [2 C.F.R. § 200.318\(c\)](#)

Consistent with this policy, elected officials are prohibited from using their official position and control over SLFRF funds for their own private gain.

- [This policy also prohibits, among other things, elected officials from steering funds to projects in which they have a financial interest or using funds to pay themselves premium pay.](#)

Keys to Compliance for SLFRF Revenue Replacement Funds

Counties are required to follow ALL of Subparts A, B, C, and F of 2 CFR 200 Uniform Guidance for expenses categorized under Expenditure Category 6 “Revenue Replacement.”

However, given the purpose and very broad scope of eligible uses of the revenue replacement funds, **only a subset of the requirements in Subparts D and E of 2 CFR 200 apply to recipients’ use of SLFRF Revenue Replacement funds.**

In short:

- AR Counties can use normal procurement procedures and standards that are state compliant. No need for federal procurement compliance when dealing with the Revenue Replacement use of SLFRF Funds.
- Subrecipients and Subawards do not exist when using SLFRF Revenue Replacement Funds
- For more information refer to [Treasury SLFRF Final Rule FAQ 13.15](#)

Compliance for SLFRF Revenue Replacement

Uniform Guidance Subpart D and E Requirements Applicable to Revenue Loss Funds Used for the Provision of Government Services

Subpart D Post Federal Award Requirements

- 200.300 Statutory and national policy requirements.
- 200.302 Financial management.
- 200.303 Internal controls.
- 200.328 Financial reporting.
- 200.329 Monitoring and reporting program performance.

Record Retention and Access (2 C.F.R. 200.334 – 200.338)

- 200.334 Retention requirements for records.
- 200.335 Requests for transfer of records.
- 200.336 Methods for collection, transmission, and storage of information.
- 200.337 Access to records.
- 200.338 Restrictions on public access to records.

Remedies for Noncompliance (2 C.F.R. 200.339 – 200.343)

Note: Recipients will not be in a position to apply these provisions with respect to subrecipient relationships.

- 200.339 Remedies for noncompliance.
- 200.340 Termination.
- 200.341 Notification of termination requirement.
- 200.342 Opportunities to object, hearings, and appeals.
- 200.343 Effects of suspension and termination.

200.344 Closeout. *Note: Recipients will not be in a position to apply this provision with respect to subrecipient relationships.*

- 200.345 Post-closeout adjustments and continuing responsibilities.
 - Note: Recipients will not be in a position to apply this provision with respect to subrecipient relationships.
- 200.346 Collection of amounts due.

Treasury SLFRF Reporting Requirements

Arkansas Counties that received over \$10 million submit Quarterly Project and Expenditure Reports to the U.S. Department of Treasury.



Arkansas Counties that received less than \$10 million submit Annual Project and Expenditure Reports to the U.S. Department of Treasury.



Table 3: Quarterly Project and Expenditure Report Timeline

Report	Year	Quarter	Period Covered	Due Date
1	2021	2 – 4	March 3 – December 31	January 31, 2022
2	2022	1	January 1 – March 31	April 30, 2022
3	2022	2	April 1 – June 30	July 31, 2022
4	2022	3	July 1 – September 30	October 31, 2022
5	2022	4	October 1 – December 31	January 31, 2023
6	2023	1	January 1 – March 31	April 30, 2023
7	2023	2	April 1 – June 30	July 31, 2023
8	2023	3	July 1 – September 30	October 31, 2023
9	2023	4	October 1 – December 31	January 31, 2024
10	2024	1	January 1 – March 31	April 30, 2024
11	2024	2	April 1 – June 30	July 31, 2024
12	2024	3	July 1 – September 30	October 31, 2024
13	2024	4	October 1 – December 31	January 31, 2025
14	2025	1	January 1 – March 31	April 30, 2025
15	2025	2	April 1 – June 30	July 31, 2025
16	2025	3	July 1 – September 30	October 31, 2025
17	2025	4	October 1 – December 31	January 31, 2026
18	2026	1	January 1 – March 31	April 30, 2026
19	2026	2	April 1 – June 30	July 31, 2026
20	2026	3	July 1 – September 30	October 31, 2026
21	2026	4	October 1 – December 31	April 30, 2027

Table 4: Annual Project and Expenditure Report timeline

Report	Period Covered	Due Date
1	March 3, 2021 – March 31, 2022	April 30, 2022
2	April 1, 2022 – March 31, 2023	April 30, 2023
3	April 1, 2023 – March 31, 2024	April 30, 2024
4	April 1, 2024 – March 31, 2025	April 30, 2025
5	April 1, 2025 – March 31, 2026	April 30, 2026
6	April 1, 2026 – December 31, 2026	April 30, 2027

Local Assistance and Tribal Consistency Fund

Treasury Local Assistance and Tribal Consistency Fund Overview

The Local Assistance and Tribal Consistency Fund provides flexible support for eligible revenue sharing counties and eligible Tribal governments to meet their jurisdiction's needs. Funds will be awarded through 2 payments, 1st in 2022, and 2nd in 2023. **No Deadline for spending the funds. Must complete regular reporting until all funds are spent.**

Eligible Uses:

- Specifically, the statute directs that recipients may use funds for any governmental purpose other than a lobbying activity.
- As a general matter, recipients may treat these funds in a similar manner to how they treat funds generated from their own revenue.
- Programs, services, and capital expenditures that are traditionally undertaken by a government are considered to fulfill a “governmental purpose.”

AR Counties should have already submitted the request for LATCF funds to the U.S. Department of Treasury and received payment. If the request was not submitted prior to January 31st, 2023, all funds were forfeited.

Check to see if your county is eligible for funds by clicking [here](#).

LATCF and 2 CFR 200 Compliance

Regarding 2 CFR 200 Compliance, please see the below language from the LATCF Guidance:

LATCF recipients are subject to the following provisions of 2 C.F.R. Part 200 (the Uniform Guidance):

- 2 C.F.R. Subpart A (Acronyms);
 - 2 C.F.R. 200.100-110 (certain General Provisions);
 - 2 C.F.R. 200.203 (public notice of Federal financial assistance programs);
 - 2 C.F.R. 200.303 (internal controls); and
 - Single Audit Act and its implementing regulations at 2 C.F.R. Part 200 Subpart F.
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- Per 2 C.F.R. § 200.101(b), the **program is not subject to other Uniform Guidance provisions beyond those detailed above, such as the provisions regarding program income, interest advances, equipment and real property management, procurement requirements, or subrecipient monitoring and reporting requirements.** Therefore, capital assets acquired using LATCF funds are not subject to the Uniform Guidance's use and disposition instructions, and program income is income to the recipient government and not subject to program restrictions.

Key Treasury Policy and Guidance for LATCF Funds

Below are some of the key federal guidance resources Arkansas counties receiving funds will need to administer their compliance with the program.

- [Local Assistance and Tribal Consistency Fund Guidance](#)
 - Review this guidance for information on compliance requirements, eligible uses, non-federal match policy, compliance with other applicable laws, ineligible uses, 2 CFR 200 compliance requirements and more.
- [Local Assistance and Tribal Consistency Fund Reporting Guidance](#)

Documents for
County Judges
to Review and
Refer to
throughout
management of
LATCF Funds

- [Local Assistance and Tribal Consistency Fund Guidance on Eligible Uses and Management Compliance Requirements](#)
- [Local Assistance and Tribal Consistency Fund Reporting Guidance](#)
- [2 CFR 200](#) – Governments management, spending, and audit requirements
 - [Subpart D - Post Federal Award Requirements \(§§ 200.300 - 200.346\)](#)
 - [Subpart E - Cost Principles \(§§ 200.400 - 200.476\)](#)
 - [Subpart F - Audit Requirements \(§§ 200.500 - 200.521\)](#)

Treasury Submission Portal

Treasury Reporting Portal for SLFRF and LATCF

The U.S. Department of Treasury uses an online portal to manage compliance reporting and funding request submissions. Newly elected officials will need to be set up and assigned a user role, appropriate to their office, within the portal.

SLFRF and LATCF recipients are required to designate at least one individual to each of the three roles for managing reports required for Treasury awards (SLFRF and LATCF funds).

Account Administrator is responsible for the administrative role of maintaining the names and contact information of the designated individuals for the portal.

- At least two individuals should fill the role of Account Administrator. This could be a combination of the County Judge and County Treasurer but should be at least 2 individuals who have the ability to access, navigate, and maintain, the Treasury Portal on a regular long-term basis.

Point of Contact for Reporting is the primary contact for receiving official Treasury notifications about reporting on the SLFRF award, including alerts about upcoming reporting, requirements, and deadlines. The Point of Contact for Reporting is responsible for completing the SLFRF reports.

- This role should be filled by at least 2 individuals who have the ability to regularly access emails and ensure the County Judge, County Treasurer, and other county elected officials are kept up to date on the status of Treasury grant program changes in guidance, policy, or reporting requirements.

Authorized Representative for Reporting is responsible for certifying and submitting official reports on behalf of the county. Treasury will accept reports or other official communications only when submitted by the Authorized Representative for Reporting.

- This role should be filled by the County Judge, unless extraordinary circumstances are present. If the County Judge is unable or unwilling to fill this role, proper measures can be explored to designate the County Treasurer as the Authorized Representative for Reporting.
 - If this extraordinary circumstance exists, [contact AAC's American Rescue Plan team](#) for guidance.

How Get Access to Treasury's Submission and Reporting Portal

Anyone that will be assigned a role in the Treasury Portal must first complete registration in ID.me or login.gov. The links and instructions to register in those systems are provided below.

Counties must make the required designations prior to accessing Treasury's Portal. **The only person who can assign new individuals to roles and delete outgoing elected officials from the portal is the individual who is currently listed in the portal as the Account Administrator.**

Please note that you'll need to have valid forms of government ID to register. These systems are used to provide security for your county's grant account and confidential financial information.

Due to security considerations only use your official county email address and telephone number (cell or landline) when registering. You only must be registered in one of the following options.

- [ID.me](#)
 - [Treasury Portal Instructions - ID.me](#)
- [Login.gov](#)
 - [Treasury Portal Instructions - Login.gov](#)

Treasury Reporting Portal Links

- [Click here to access the Treasury Reporting portal if you are registered through ID.me](#)
- [Click here to access the Treasury Reporting portal if you are registered through login.gov](#)

Key Treasury SLFRF Guidance and Policy Documents

- [Treasury SLFRF Program Webpage](#)
- [Final Rule](#)
- [Overview of the Final Rule](#)
- [Final Rule FAQs](#)
- [Treasury Self-Service Resources](#)
- [Compliance and Reporting Guidance Webpage](#)
 - [Treasury has provided a list for Recipients to identify their Reporting Tiers here](#)
 - [Compliance and Reporting Guidance](#)
 - [January 2023 Project and Expenditure Report User Guide](#)
 - [2022 SLFRF Compliance Supplement – Related to Federal Audit Requirements](#)
 - [Alternative Compliance Examination Engagement Report User Guide](#)

Key Treasury LATCF Guidance and Policy Documents

- [Treasury LATCF Program Page](#)
- [LATCF Self-Service Resources](#)
- [Local Assistance and Tribal Consistency Fund Submission Portal](#)
- [Local Assistance and Tribal Consistency Fund Guidance on Eligible Uses and Management Compliance Requirements](#)
- [Local Assistance and Tribal Consistency Fund Reporting Guidance](#)

Additional Key Program Deadlines

January 31, 2023 – New Elected Officials Portal Access Deadline for counties that:

- have received over \$10 million in SLFRF Funds (Quarterly Reports are due to Treasury January 31st) and/or
- have not requested to received their first payment of LATCF funds. [Eligibility for LATCF Payments can be checked by clicking here](#). Payment requests are due by January 31, 2023 or both payments are forfeited and the county will not receive the funds.

April 30, 2023 - New Elected Officials Portal Access Deadline for counties that

- Have received \$10 million or less in SLFRF Funds (**Annual Reports are due to Treasury April 30st**) and/or
- Have requested and received their first LATCF Payment.

December 31, 2024

- All SLFRF Funds must be obligated

December 31, 2026

- All SLFRF Funds be spent and associated project work completed

No Deadline

- Obligation and Spending of LATCF funds

Upcoming
Developments
Anticipated from the
U.S. Department of
Treasury

February 21st, 2023: Additional Policy and Rules for Treasury's implementation of expanded flexible uses for SLFRF funds tied to:

- Infrastructure Projects
- Natural Disaster Relief

Return of Treasury Administrative support for recipients regarding SLFRF and LATCF funds

Additional reporting guidance and requirements tied to the LATCF funds

Key Contacts and AAC Resources

For policy and compliance questions email the Association of Arkansas Counties American Rescue Plan Team

arp@arcounties.org

For portal access and technical assistance with the portal email

covidreliefitsupport@treasury.gov

[AAC's American Rescue Plan Resources Page](#) – links to previous ARPA program training webinars recordings and presentations, as well as federal guidance and policy documents