

# New American Rescue Plan Act (ARPA) Compliance and Reporting Requirements



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# Welcome – Presenters with you today



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# Outline

- Refresher on ARPA
- ARPA Reporting Requirements
- What's New?
- Reporting Overview
- Reporting Requirements
- Project and Expenditure Report Requirements
- Reporting Tool

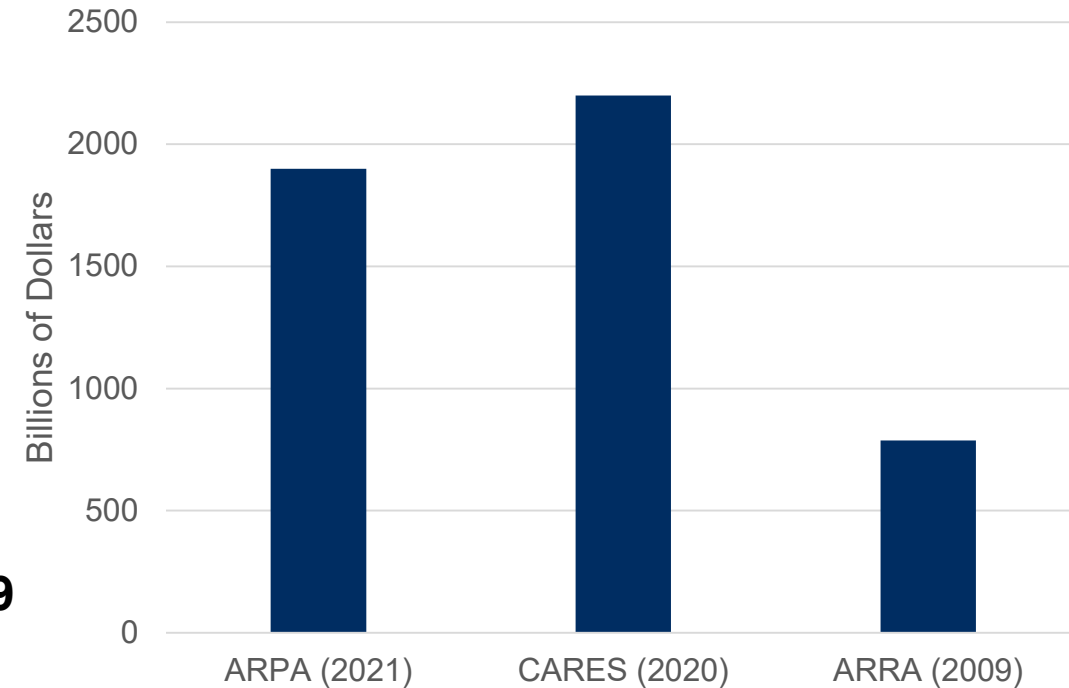
# What is the American Rescue Plan Act (ARPA)?

## American Rescue Plan Act (ARPA)

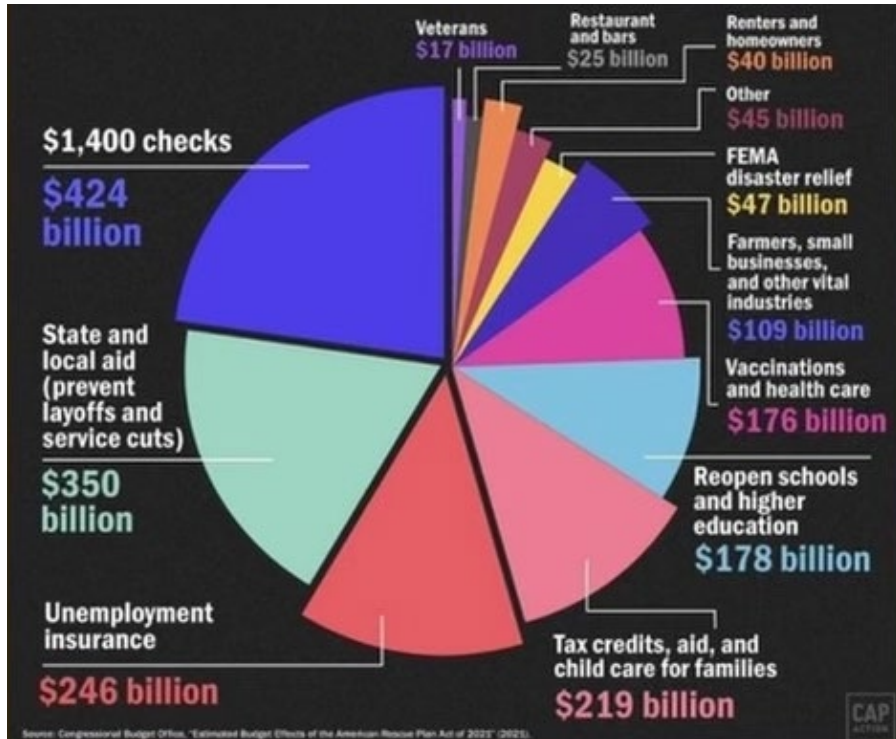
- Signed into law March 11, 2021
- \$1.9 trillion in state, local, and individual monetary relief

For Comparison:

- **Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020**
  - \$2.2 trillion for direct economic aid following COVID-19
- **American Recovery & Reinvestment Act (ARRA) of 2009**
  - \$787 billion to stimulate economy following 2008 recession



# What does ARPA do?



Source: Congressional Budget Office (CBO). 2021.

- \$424B – Individual relief funds (\$1,400 checks)
- \$350B – Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)
  - Aid to state, local, territorial, and Tribal governments
  - Funding for eligible costs incurred by 12/31/2024
- \$246B – Unemployment assistance
- \$219B – To extend previous COVID-19 tax relief bills
- Additional amounts for small businesses, education, vaccines, etc.

# ARPA CSLFRF at-a-Glance

**\$350 Billion**

**Infusion of  
Resources**

**Direct Funds**

**Non-Entitlement  
Units Funds**

- Purpose is to turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.
- Direct funds provided to states, territories, Tribal governments, counties, and metropolitan cities.
- Funds provided to non-entitlement units (local governments under 50,000 in population) through their states.



# What's New

- ARPA will be direct payments from Treasury
  - Four permitted uses
  - Certain restricted uses
- CSLFRF
  - Eligible Costs incurred between March 3, 2021, and December 31, 2024
  - Funds Obligated by December 31, 2024, and expended by December 31, 2026
- REPORTING!!!



# Reporting Overview

**The American Rescue Plan Act (ARPA) may require *you* to report to the federal government.** Even if you're getting your funds through your state. Even if you weren't required to prepare federal reports under the CARES Act, or you've never had to do federal reporting before for any other program.

While the funding is needed, reporting the required data may feel like a heavy burden — or simply take more time than your team has.



# Guidance from Treasury

- On June 17, 2021, Treasury released *Compliance and Reporting Guidance* for the CSLFRF.
  - Guidance provides additional detail and clarification for recipient compliance and reporting responsibilities under the CSLFRF program.
  - Builds on the Interim Final Rule.
  - Guidance should be read in concert with the Award Terms and Conditions, the authorizing statute, the CSLFRF implementing regulation, and other regulatory and statutory requirements, including regulatory requirements under the Uniform Guidance (2 CRF Part 200).

**Please note:** This guidance document applies to the CSLFRF program only and does not change reporting and compliance requirements for the Coronavirus Relief Fund established by the CARES Act.

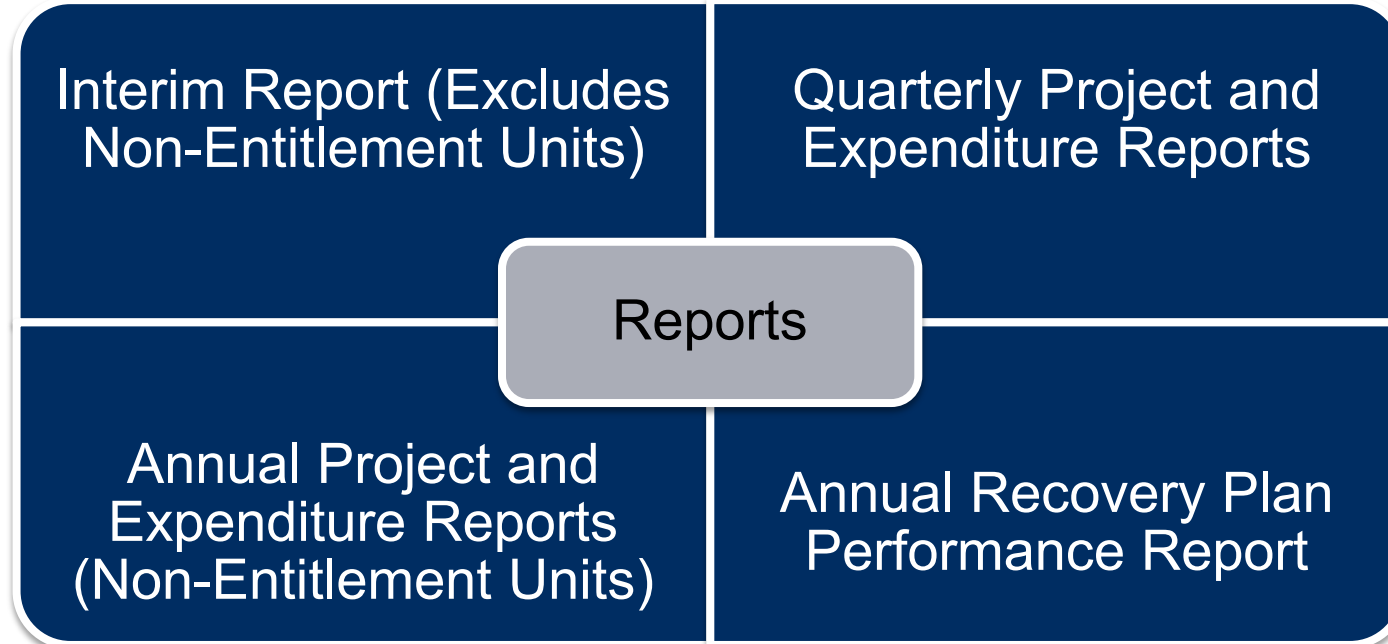
- <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds/recipient-compliance-and-reporting-responsibilities>

# Reporting Requirements

Reporting will serve as one of the higher-risk areas from both a management and compliance perspective. Consider:

- Reporting requirements incorporated within the Uniform Guidance are applicable; and
- Treasury's program-specific guidance addressed in the interim final rule applies.

What must be reported by recipients, and what should you do to prepare?



## Other Reporting Items

- Recipients and subrecipients are the first line of defense, and responsible for ensuring the award funds are not used for ineligible purposes, and there is no fraud, waste, and abuse associated with their award.
- To ensure public trust, Treasury expects all recipients to serve as strong stewards of these funds. This includes ensuring funds are used for intended purposes and recipients have in place effective financial management, internal controls, and reporting for transparency and accountability.
- Most of the provisions of the Uniform Guidance (2 CFR Part 200) apply to this program, including the Cost Principles and Single Audit Act requirements.
- Financial records and supporting documents related to the award must be retained for a period of five years after all funds have been expended or returned to Treasury, whichever is later.
- Recipients may provide data on a cash, accrual, or modified accrual basis, provided that recipients are consistent in their choice of methodology throughout the covered period and until reporting is no longer required.
- In calculating General Revenue, recipients should exclude all intergovernmental transfers from the federal government.

See U.S. Treasury's *Coronavirus State and Local Fiscal Recovery Funds Guidance on Recipient Compliance and Reporting Responsibilities* for more detail.

# Interim Report (Excludes Non-Entitlement Units)

States (defined to include the District of Columbia), territories, metropolitan cities, counties, and Tribal governments will be required to submit one interim report.

The interim report will include a recipient's expenditures by category at the summary level and for states, information related to distributions to non-entitlement units of local government must also be included in the interim report.

The interim report will cover activity from the date of award to July 31, 2021, and must be submitted to Treasury by August 31, 2021.

Non-entitlement units of local government are not required to submit an interim report.

# Annual Project and Expenditure Reports (Non-Entitlement Units)

Non-entitlement units of local government will be required to submit the project and expenditure report annually.

The initial annual Project and Expenditure report for non-entitlement units of local government will cover activity from the date of award to September 30, 2021, and must be submitted to Treasury by October 31, 2021.

The subsequent annual reports must be submitted to Treasury by October 31 each year.

# Quarterly Project and Expenditure Reports

State (defined to include the District of Columbia), territorial, metropolitan city, county, and Tribal governments will be required to submit quarterly project and expenditure reports.

This report will include financial data, information on contracts and subawards over \$50,000, types of projects funded, and other information regarding a recipient's utilization of award funds.

Reports will be required quarterly with the exception of non-entitlement units, which will report annually.

An interim report is due on August 31, 2021. The reports will include the same general data as those submitted by recipients of the Coronavirus Relief Fund, with some modifications to expenditure categories and the addition of data elements related to specific eligible uses.

# Annual Recovery Plan Performance Report

States (defined to include the District of Columbia), territories, metropolitan cities, and counties with a population that exceeds 250,000 residents will also be required to submit an annual Recovery Plan Performance Report to Treasury.

This report will include descriptions of the projects funded and information on the performance indicators and objectives of each award, helping local residents understand how their governments are using the substantial resources provided by Coronavirus State and Local Fiscal Recovery Funds program.

The initial Recovery Plan Performance Report will cover activity from date of award to July 31, 2021, and must be submitted to Treasury by August 31, 2021.

The report will cover a 12-month period, and recipients will be required to submit the report to Treasury within 30 days after the end of the 12-month period. The second Recovery Plan Performance Report will cover the period from July 1, 2021, to June 30, 2022, and must be submitted to Treasury by July 31, 2022.

Each annual Recovery Plan Performance Report must be posted on the public-facing website of the recipient.

Local governments with fewer than 250,000 residents, Tribal governments, and non-entitlement units of local government are not required to develop a Recovery Plan Performance Report.



## Focus – Project and Expenditure Report Requirements

- Projects
- Expenditures
- Project Status
- Project Demographic Distribution
- Subawards
- Civil Rights Compliance
- Required Programmatic Data
- Distributions to NEUs (States and territories only)
- NEU Documentation (NEUs only)





## Demo: Crowe Grant Recipient Tracker

# Questions?



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# Thank You

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