



# ARPA At-A-Glance

August 23, 2021

## Eligible Uses

1. Public Health
2. Negative Economic Impacts
3. Services to Disproportionality Impacted Communities
4. Premium Pay
5. Infrastructure (Water, Sewer, Broadband)

## Glossary of Terms

- Types of local government under the Act:
  - Metros: Metropolitan communities (i.e., entitlement cities under CDBG): Manchester, Nashua, Portsmouth, Rochester & Dover
  - NEUs—Non-entitlement units of local government: All other cities and towns in NH
- ARPA: The American Rescue Plan Act
- CSLFRF: Coronavirus State and Local Fiscal Recovery Funds (created by ARPA)
- LFRF: Local Fiscal Recovery Funds (just the money going to local government from the CSLFRF, sometimes even abbreviated as FRF)
- IFR: Interim Final Rule: US Treasury's rule on eligible uses of the CSLFRF (must read for all local governments)
- GOFERR: The Governor's Office for Emergency Relief and Recovery, responsible for administering the money to NEUs (created by Governor Sununu in 2020)
- Guidehouse: The entity contracted by GOFERR to provide resources and support to NEUs.

## Key Documents (all municipalities must read!)

- [Interim Final Rule](#)
- [US Treasury FAQ](#)
- [US Treasury FAQ for NEUs](#)
- [US Treasury Compliance and Reporting Guide](#)
- [Treasury Portal Recipient Reporting User Guide](#)
- GFOA Revenue Calculator (download for NHMA's ARPA [Page](#))

## Key Resources

- [US Treasury](#)
- [GOFERR's LFRF website](#) (for NEUs)
- [NHMA's ARPA website](#)
- [National League of Cities website](#)
- [GFOA's CSLFRF Guidance FAQ](#)

## Key Contacts

- NEU's : GOFERR Inquiry site: [https://new-hampshire.secure.force.com/support/GOV\\_GOFERR\\_Inquiry](https://new-hampshire.secure.force.com/support/GOV_GOFERR_Inquiry)
  - Entitlement Cities and Counties : Treasury Inquiry email [SLFRP@treasury.gov](mailto:SLFRP@treasury.gov)
  - Treasury Submission Portal or for technical support, please e-mail [covidrelieftsupport@treasury.gov](mailto:covidrelieftsupport@treasury.gov)
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| <ul style="list-style-type: none"> <li>• <b>Water, Wastewater and Infrastructure Projects:</b><br/>Peter Clark<br/>Special Assistant for Projects and Policy<br/>Office of U/S. Senator Jeanne Shaheen<br/><a href="mailto:Peter_clark@shaheen.senate.gov">Peter_clark@shaheen.senate.gov</a><br/>603-647-7500</li> <li>• <b>Community economic development strategies and financing,:</b><br/>NH Community Development Finance Authority<br/>Kevin Peterson<br/><a href="mailto:kp@nhcdfa.org">kp@nhcdfa.org</a><br/>603-717-9114<br/><a href="http://www.nhcdfa.org">www.nhcdfa.org</a></li> <li>• <b>Clean water and drinking water grant opportunities:</b><br/>NH Dept. of Environmental Services<br/>Commissioner Robert Scott,<br/><i>General questions and assistance</i><br/>603- 271-3503</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Tax credits to households and partnerships,:</b><br/>Granite United Way<br/>Call 211<br/><a href="mailto:info@graniteuw.org">info@graniteuw.org</a><br/>For Assistance by Region Visit <a href="http://www.graniteuw.org/covid-19">:http://www.graniteuw.org/covid-19</a></li> <li>• <b>Housing Assistance Fund</b><br/>NH Housing Finance Authority<br/>Andrew Cadorette, Senior Manager<br/>Business Development<br/>603-310-9287<br/><a href="mailto:acadorette@nhhfa.org">acadorette@nhhfa.org</a></li> <li>• <b>Nonprofit partnership opportunities:</b><br/>Granite United Way<br/>Call 211<br/><a href="mailto:info@graniteuw.org">info@graniteuw.org</a><br/>For Assistance by Region Visit <a href="http://www.graniteuw.org/covid-19">:http://www.graniteuw.org/covid-19</a></li> </ul> |
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## IMPORTANT INFORMATION

The Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance") apply to the LFRF. These include, but are not limited to:

- Contracts must follow federal procurement rules and cost principles.
  - Cities/towns may enter into Grant Agreements with subrecipients (such as to broadband suppliers, water departments, or school districts that serve multiple NEUs). Cities/towns are responsible for monitoring and reporting on subrecipient use of LFRF funds.
  - Single Audit requirements apply to subrecipients who receive in the aggregate more than \$750,000 in federal funds for the year.
- For more information:**
- For a summary of LFRF-applicable requirements, see the [SAM.gov site specific to Coronavirus State and Local Fiscal Recovery Funds here](#) (see "Compliance Requirements" section).
  - For the full text of applicable requirements, [see Title 2, Part 200](#) of the Code of Federal Regulations.

If you're a member of NHMA and you have a question about ARPA, please email: [governmentaffairs@nhmunicipal.org](mailto:governmentaffairs@nhmunicipal.org).



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## Compliance & Reporting

1. [SAM.gov registration](#) (For NEUs, not required prior to application; must obtain as soon as possible after receipt of funds to use Treasury Reporting Portal). *Please note that completing a new SAM.gov registration can take up to three weeks.*
2. Reporting requirements depend on the size/funding your community is receiving. [US Treasury Website on Compliance & Reporting](#)
3. Compliance and Portal Reposting Instructions can be found here: [Treasury Portal Recipient Reporting User Guide](#)  
[Treasury Template for Recovery Plan Performance Template](#)

**Table 2: Reporting requirements by recipient type**

Recipient	Interim Report	Project and Expenditure Report	Recovery Plan Performance Report
States, U.S. territories, metropolitan cities and counties with a population that exceeds 250,000 residents	By August 31, 2021, with expenditures by category	By October 31, 2021, and then 30 days after the end of each quarter thereafter <sup>9</sup>	By August 31, 2021, and annually thereafter by July 31 <sup>10</sup>
Metropolitan cities and counties with a population below 250,000 residents which received more than \$5 million in SLFRF funding			Not required
Tribal Governments			
Metropolitan cities and counties with a population below 250,000 residents which received less than \$5 million in SLFRF funding		By October 31, 2021, and then annually thereafter <sup>11</sup>	
NEUs	Not required		

## COMPLIANCE ASSISTANCE UNDER THE INTERIM FINAL RULE:

**Covered period: March 3, 2021 - December 31, 2024**

- Costs can be incurred by December 31, 2024
- Must be expended by December 31, 2026

### Cost Principles

- Review 2 CFR Part 200, Subpart E [HERE](#).
- Recipients must implement robust internal controls/effective monitoring to ensure compliance with the Cost Principles (important for building trust and accountability).
- Direct and indirect administrative costs are eligible expenditures.
- Current Negotiated Indirect Costs Rate Agreement (NICRA) or De minimis rate of 10% applies.
- Salaries and related costs (e.g., fringe benefits) are allowable as provided for in the interim final rule
- **Cash Management**
- CSLFRF payments made **are not subject to Cash Management Improvement Act**.
- Funds can be placed in interest-bearing accounts.
- Governments do not need to remit interest to Treasury.
- Recipients are not limited to using that interest for eligible uses under the CSLFRF.

### Equipment and Real Property Management

- Must be used for the originally authorized purpose.
- Shall vest in the non-Federal entity (2 CFR 200.311).

### Procurement

- Recipients are responsible for ensuring that any procurement using CSLFRF funds, or payments under procurement contracts using such funds are consistent with the procurement standards.

### 2 CFR 200.317 through 2 CFR 200.327

- All procurement transactions must follow full and open competition.

### 2 CFR 200.319

- Recipients must have and use documented procurement procedures consistent with standards outlined in:

### 2 CFR 200.317 -320

### Recordkeeping requirements

- 5 Years after all funds have been expended or Returned to Treasury

Source : GFOA

## REVENUE LOSS

- The IFR allows cities and towns to use LFRF to pay for the general "provision of government services," but only to the extent of revenue loss. How to calculate revenue loss is explained in the IFR, but here is an example. We highly recommend using GFOA's revenue loss calculator to determine lost revenue. (download form NHMA's ARPA [Page](#))
  - US Census Bureau Classification Structure of Revenue [Flow Chart](#)
- For more instructions, go to NHMA's ARPA page.

Example – Town with December FYE:

- Revenue Growth Rate: Pre-pandemic revenue growth rate was calculated to be **2.1 percent**; Town opts to use the Treasury's greater growth rate amount of **4.1 percent**.
- Base year - fiscal year ending prior to pandemic: December 31, 2019
- Base year annual revenue: **\$500,000**

First Reporting Period: December 31, 2020

- Projected revenue for the first reporting period using **4.1 percent** growth rate:  $\$500,000 * 1.041 = \underline{\$520,500}$
- Actual revenue for the first reporting period: **\$505,000**
- Extent of lost revenue for first reporting period:  $\$520,500 - \$505,000 = \underline{\$15,500}$

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