Treasury's Final Rule and Reporting Requirements

March 23, 2022

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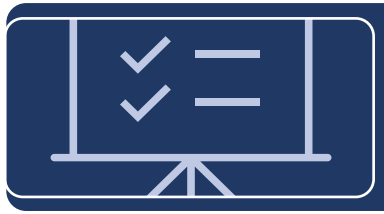
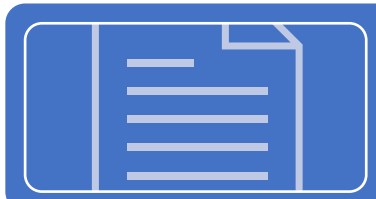
EST. 1941

Presentation Goals



Introduction

Updates: Treasury Final Rule



Reporting Guidance

User Guide

Treasury Portal

ARPA Resources: Overview and Final Rule

U.S. DEPARTMENT OF THE TREASURY

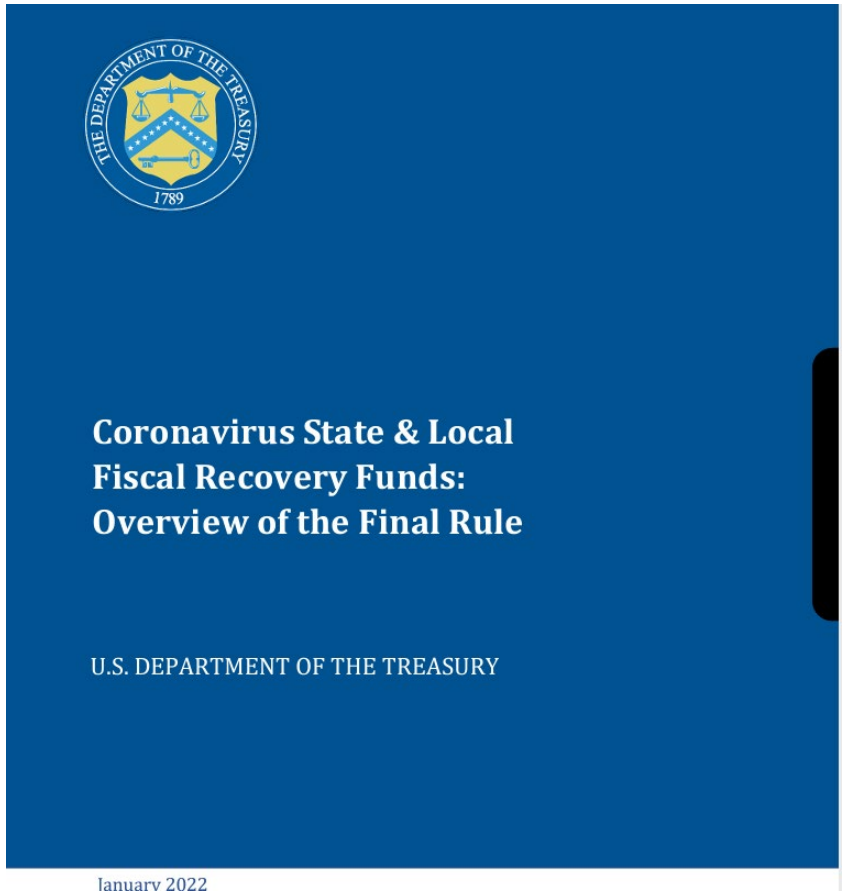
SLFFRF Overview of Final Rule

- https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-Overview.pdf

SLFRF Final Rule

- https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf

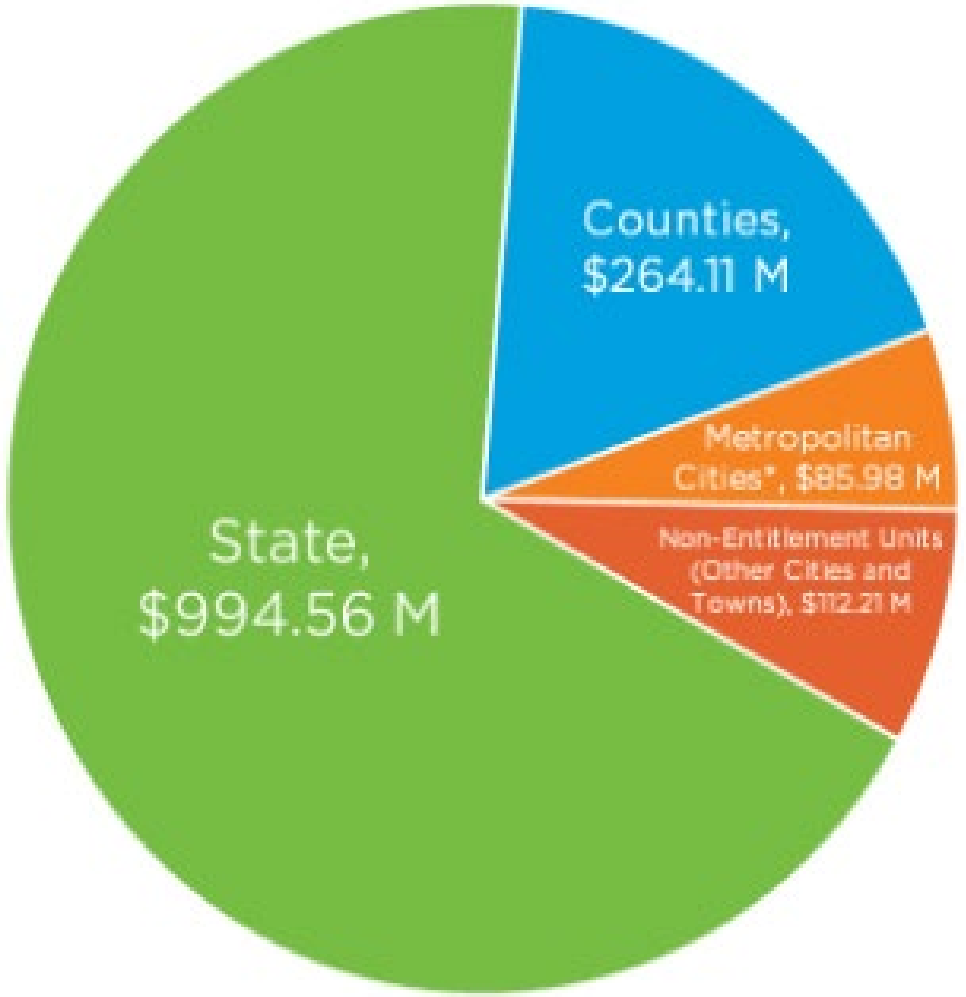
For any general questions, email SLFRP@treasury.gov



TREASURY'S GUIDING PRINCIPLES

- Accountable
- Transparent
- User friendly reporting
- Focused on Recovery

NH ARPA ALLOCATIONS



*"Metropolitan Cities" in New Hampshire include Dover, Manchester, Nashua, Portsmouth, and Rochester.

Allocations

- State: $ 994.56 Million
- Counties: $ 264.11 Million
- Metro Cities: $ 85.98 Million
- Towns (NEU): $ 112.21 Million

Chart: New Hampshire Fiscal Policy Institute

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Updates to the Final Rule: Overview

Key Changes

Replacing Lost Public Sector Revenue

- Standard Allowance of $10 million

Public Health and Economic Impacts

- Capital Expenditures
- Impacted and those Disproportionately effected

Water, Sewer, & Broadband Infrastructure

Premium Pay

***Final Rule Effective Date – April 1, 2022**

Final Rule: Lost Revenue

Standard Allowance up to $10 million

Replace Lost Public Sector Revenue

- ❑ Simplified reporting requirements
- ❑ Choose either the standard allowance or the regular formula
- ❑ Can be used to fund any service traditionally provided by a government

- ➢ Calculate Revenue Loss using Treasury Formula
  - ➢ General Revenue – now includes all utilities
  - ➢ Default growth rate increased from 4.1% to 5.2%
  - ➢ Can calculate on a fiscal year or calendar year basis

Final Rule: Lost Revenue

- Revenue Loss provision provides broad flexibility.
- Focus on the long-term value of investments and stability.
- One-time infusion of resources for one-time non-reoccurring expenditures.
- Cities and Towns can spend revenue loss funding on any traditional government service.

Final Rule: Lost Revenue (Continued)

Spending on Government Services

- ✓ Pay-go funded infrastructure
- ✓ Road building and maintenance, and other infrastructure
- ✓ Health services
- ✓ General government administration, staff, and administrative facilities
- ✓ Environmental remediation
- ✓ Provision of police, fire, and other public safety services (i.e., purchase of fire trucks, police vehicles)

Final Rule: Prohibited Expenditures

Restrictions on Use	**No Payments to Elected Officials/Volunteers under Premium Pay**
	No deposits into pension funds
	No debt service
	No replenishing financial reserves/capital reserves
	No satisfaction of settlements and judgments
	SLFRF funds may not be used for a project that conflicts with or contravenes the purpose of the American Rescue Plan Act statute

Final Rule: Public Health and Economic Impact

Capital Expenditures

In Order to Be Eligible:

- Must respond to public health and negative economic impacts
- Must be related/ proportional to pandemic impact identified
- Designed to benefit the impacted population or class

Examples of Capital Expenditures:

- Affordable housing, childcare facilities, ambulances, ventilation systems, and other projects

Ineligible Capital Expenditures:

- New correctional facilities, new congregate facilities, new convention centers, stadiums or other large capital projects intended for general economic development

Final Rule: Assistance to Households

Final Rule presumes certain classes are Impacted and Disproportionately Impacted Households and Communities

- Impacted: Low- or moderate-income at or below 300% of Federal Poverty Guidelines or below 65% of area median income
- Disproportionately Impacted: Low-income at or below 185% of Federal Poverty Guidelines or at or below 40% of area median income
- Review Final Rule for enumerated projects for Impacted and Disproportionately Impacted Communities
  - Visit Treasury website for Tool for Determining Low and Moderate Income (LMI) Households

Final Rule: Premium Pay

Framework to Determine Premium Pay Eligibility:

1. Identify eligible workers
2. Identify those performing "essential work" – in-person interactions/handling items handled by others
3. Premium Pay must respond to workers performing essential work during pandemic

❖ **Final Rule Updates:**

- ❖ All government employees included in "eligible worker" definition
- ❖ Elected officials and volunteers are not eligible for premium pay
- ❖ Essential work definition maintained without modification
- ❖ Eligible workers must fall into one category:
  - ➢ Worker's pay is below the wage threshold,
  - ➢ Worker is not exempt from the FLSA overtime provisions, or
  - ➢ Recipient has submitted written justification to Treasury
  - ➢ Can be paid in installments or lump sums

Final Rule: Restore Public Sector Capacity

Final Rule updates – Employment and Rehiring Public Sector Staff:

- Can hire up to a pre-pandemic baseline or up to 7.5% above baseline

Provide additional funds for employees who experienced pay cuts or were furloughed

- Maintain current compensation levels to prevent layoffs
- Provide worker retention incentives including reasonable increases in pay

Pay for ancillary administrative costs related to hiring, support, and retention programs

Final Rule update – Effective Service Delivery

- “technology infrastructure to adapt government operations to the pandemic”

Final Rule: Water, Sewer & Broadband

- Final Rule Water/Sewer updates:
  - Broadened eligibility including: stormwater infrastructure, residential wells, lead remediation, and certain rehabilitations of dams and reservoirs -- beyond the CWSRF and DWSRF if they are deemed “necessary”
  - Responsive to an identified need to achieve or maintain an adequate minimum level of service
  - A cost-effective means for meeting that need, taking into account available alternatives, and
  - Investments in infrastructure that supply drinking water in order to meet projected population growth, projected to be sustainable over its estimated useful life

- Final Rule Broadband updates:
  - Greater ability to identify areas of need (access, affordability, reliability)
  - Modernization of cybersecurity for existing/new broadband infrastructure, regardless of speed delivery standards (includes hardware and software)
  - Requires service provider enrollment in low-income subsidy program

Reporting Guidance: Resources

U.S. Department of Treasury Compliance and Reporting Landing Page: SLFRF Project and Expenditures Report User Guide (January 24, 2022)
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

U.S. Department of Treasury Landing page for NEU's:
https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund/non-entitlement-units

- Introductory overview of SLFRF Compliance and Reporting Guidance for NEU's- presentation and recorded webinar
- For NEU grant managers: Step-by-step guidance on account creation, roles, and agreements/supporting docs submission for NEU's: NEU Intro to Reporting

➔ NEU and Non-UGLG Agreements and Supporting Documents User Guide (December 14, 2021)
➔ Compliance and Reporting Guidance (November 15, 2021)

NHMA
https://www.nhmunicipal.org/american-rescue-plan-act-2021-information-page

➢ NLC's COVID-19 Hub
https://www.nlc.org/covid-19-pandemic-response/

Reporting Webinars Hosted by Treasury:

- NEU Intro to Reporting – Account Creation, Roles, and Agreements/Supporting Docs Submission
- Project and Expenditure Report - submission of the Project and Expenditure Report
- Reporting Tiers - overview of each reporting tier and how to identify the reporting tier for a jurisdiction
- Account Creation and Login - creation of account in Treasury's Portal through ID.me or Login.gov
- User Roles - assignment and updates of user roles in Treasury's Portal
- Bulk Uploads - overview of submitting bulk uploads in Treasury's Portal
- Interim Report and Recovery Plan- submission of Interim Reports and Recovery Plans using Treasury's Portal

Reporting Guidance: Compliance

Required to submit periodic reports with current performance and financial information including background information about the SLFRF projects

Financial information with details about obligations, expenditures, direct payments, and subawards

Most of the provisions of the Uniform Guidance (2 CFR Part 200) apply to this program:

- Cost Principles
- Federal Single Audit requirement applies if more than $750,000 in federal funds spent in a year
- ARPA Compliance Audit Readiness (NLC presentation)

Local governments should continue to take into consideration the State Constitution's ban on gifts of public funds to private individuals or organizations and its applicability to use of ARPA aid

Counties and Entitlement Cities:

Reporting Guidance:

Types of Reports

Three Types of Reporting Requirements:

- Interim Report
- Project and Expenditure Report
- Recovery Plan Performance Report

User Guide: Concepts

Expenditure Category (EC)

Subrecipient versus Beneficiary

Revenue Replacement

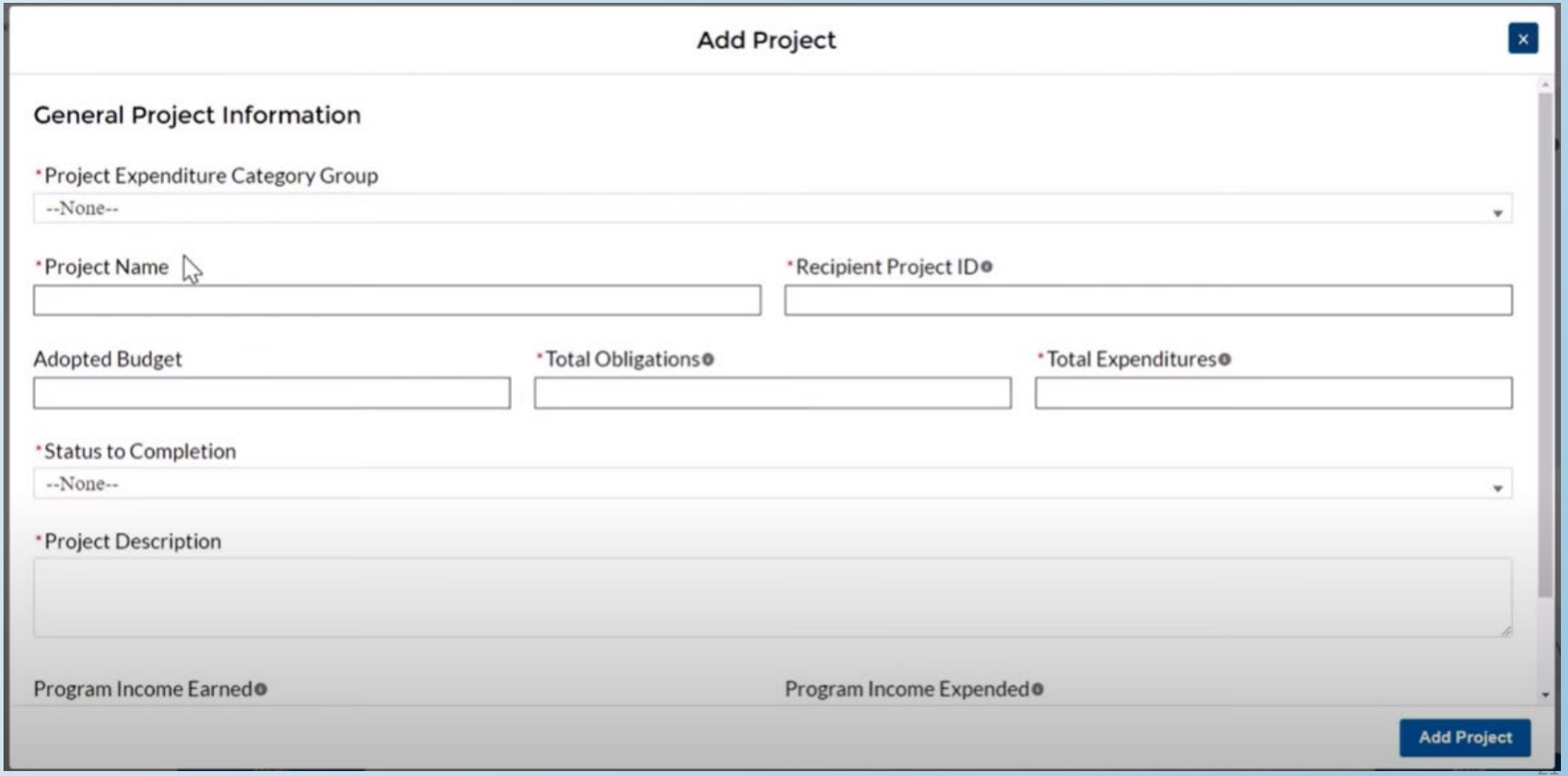
Projects

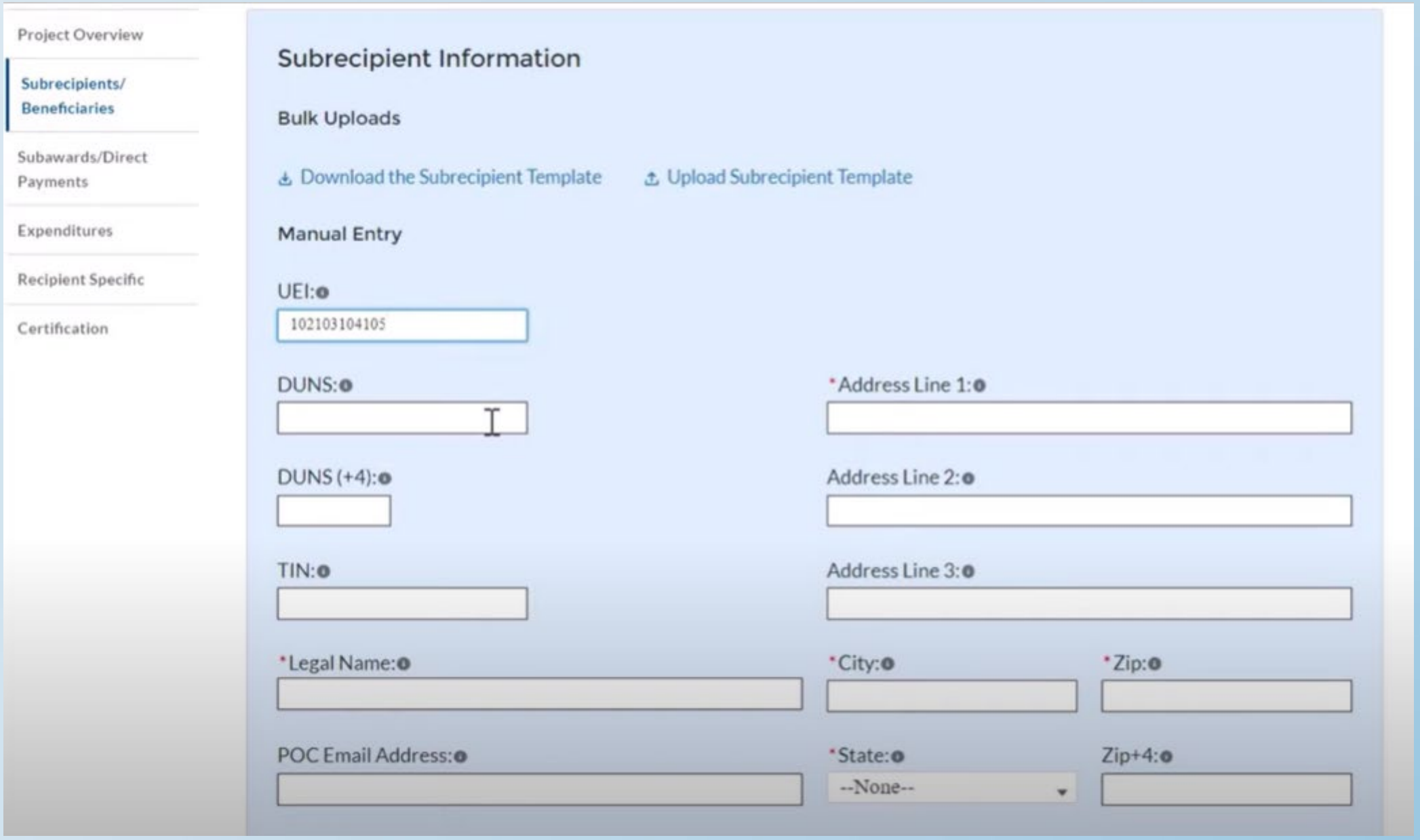
Expenditures

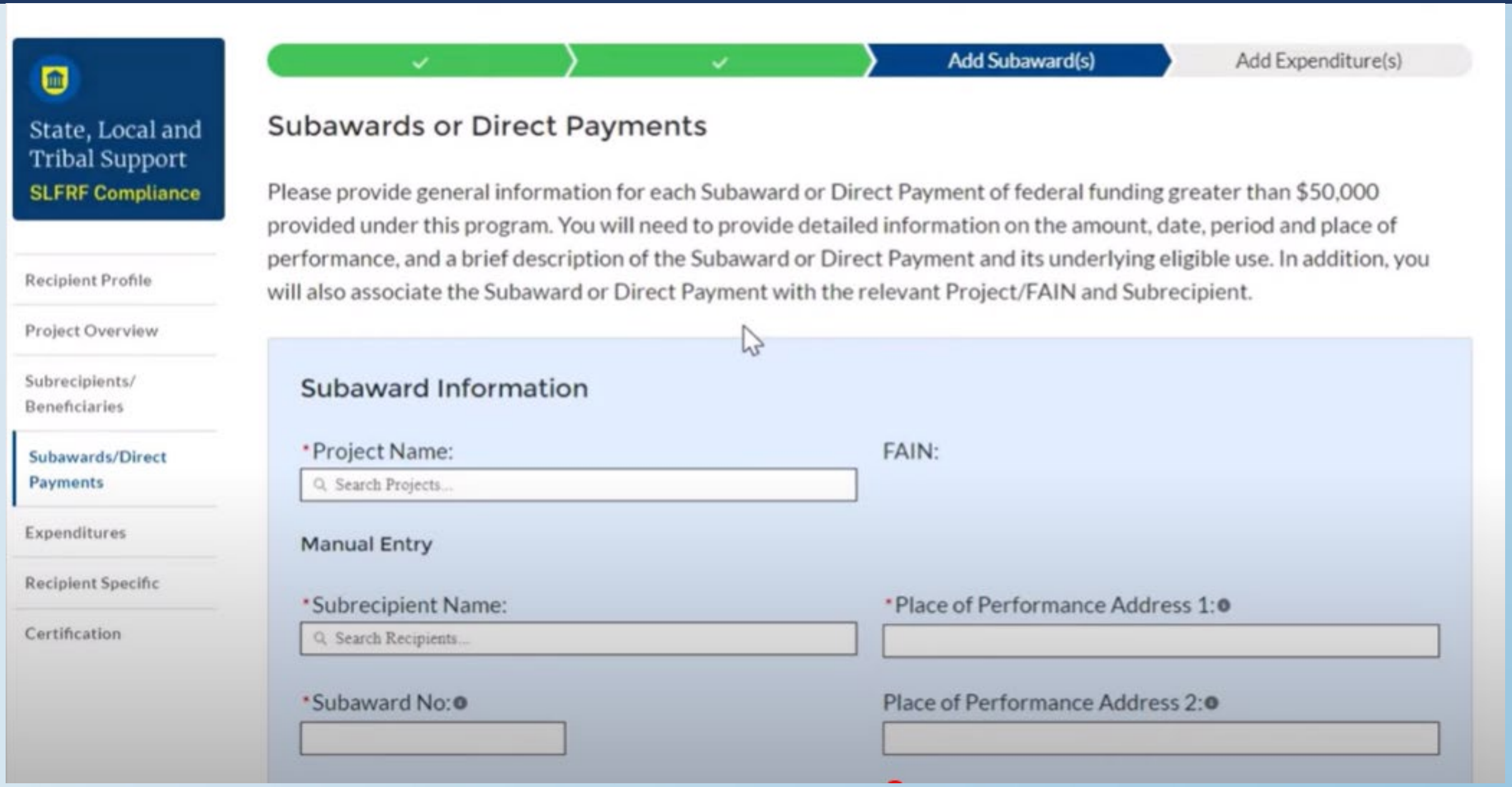
Project Status

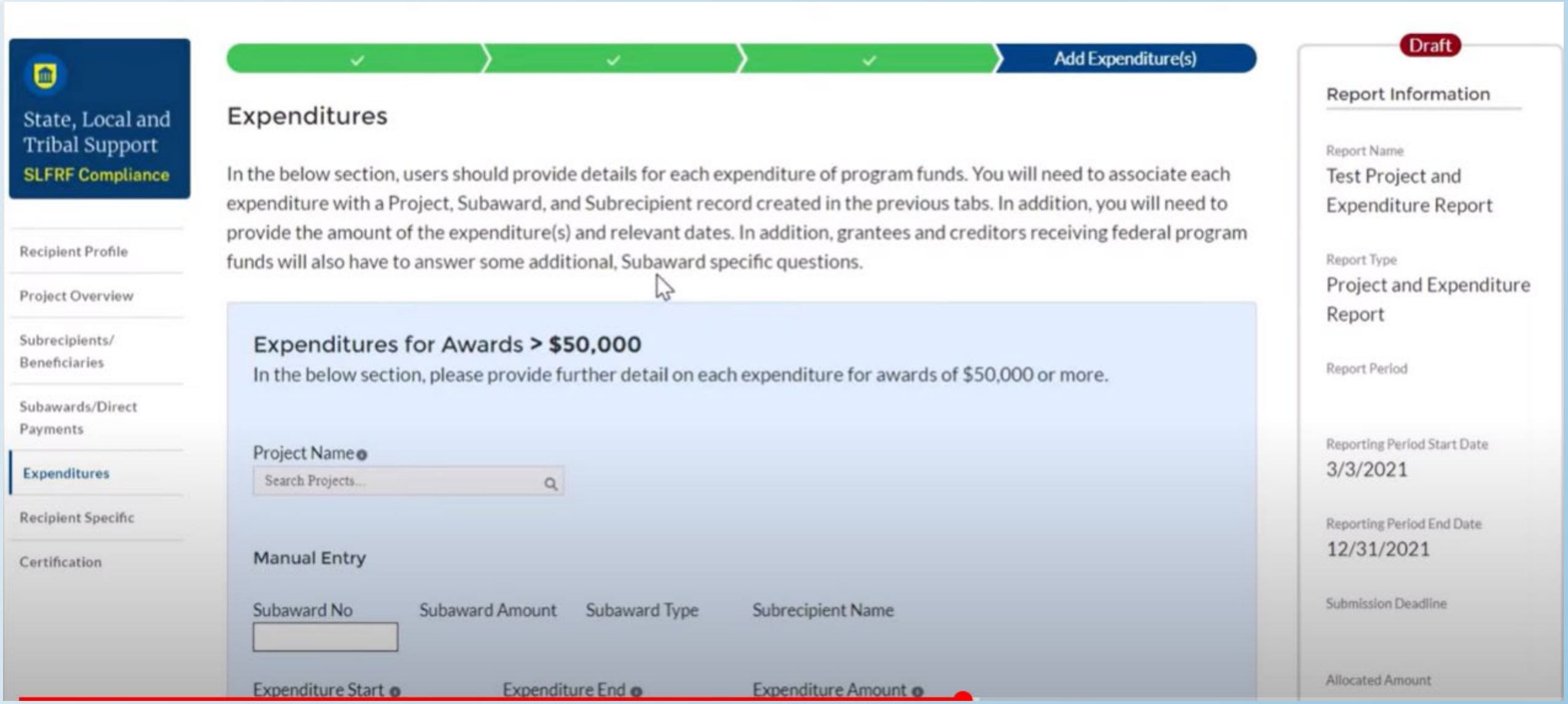
https://www.youtube.com/watch?v=6YTsxrEMS1o

All projects, regardless of Expenditure Category, require a set of "standard" data fields. Some of these fields, such as project name and project ID, are static and do not change across reporting periods. Other fields, such as status of completion and total obligations, will change across reporting periods.




Project Overview
Subrecipients/ Beneficiaries
Subawards/Direct Payments
Expenditures
Recipient Specific
Certification
Subrecipient Information
Bulk Uploads
Download the Subrecipient Template
Upload Subrecipient Template
Manual Entry
UEI:
102103104105
DUNS:
DUNS (+4):
TIN:
*Legal Name:
POC Email Address:
*Address Line 1:
Address Line 2:
Address Line 3:
*City:
*State:
--None--
*Zip:
Zip+4:


State, Local and Tribal Support
SLFRF Compliance
Recipient Profile
Project Overview
Subrecipients/ Beneficiaries
Subawards/Direct Payments
Expenditures
Recipient Specific
Certification
Add Subaward(s)
Add Expenditure(s)
Subawards or Direct Payments
Please provide general information for each Subaward or Direct Payment of federal funding greater than $50,000 provided under this program. You will need to provide detailed information on the amount, date, period and place of performance, and a brief description of the Subaward or Direct Payment and its underlying eligible use. In addition, you will also associate the Subaward or Direct Payment with the relevant Project/FAIN and Subrecipient.
Subaward Information
*Project Name:
Search Projects...
FAIN:
Manual Entry
*Subrecipient Name:
Search Recipients...
*Place of Performance Address 1:
*Subaward No:
Place of Performance Address 2: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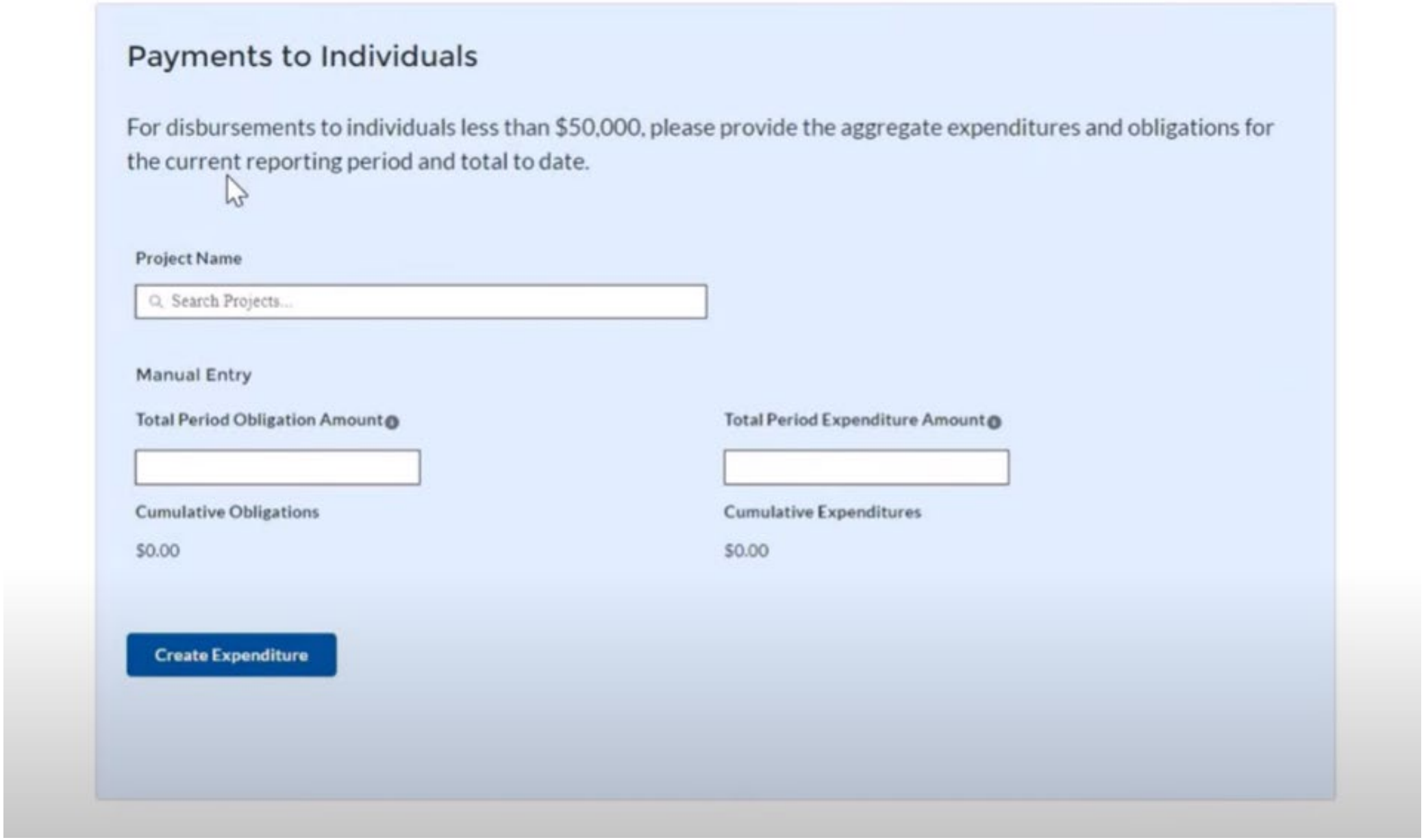
Certification
Add Expenditure(s)
Expenditures
In the below section, users should provide details for each expenditure of program funds. You will need to associate each expenditure with a Project, Subaward, and Subrecipient record created in the previous tabs. In addition, you will need to provide the amount of the expenditure(s) and relevant dates. In addition, grantees and creditors receiving federal program funds will also have to answer some additional, Subaward specific questions.
Expenditures for Awards > $50,000
In the below section, please provide further detail on each expenditure for awards of $50,000 or more.
Project Name
Search Projects...
Manual Entry
Subaward No
Subaward Amount
Subaward Type
Subrecipient Name
Expenditure Start
Expenditure End
Expenditure Amount
Draft
Report Information
Report Name
Test Project and Expenditure Report
Report Type
Project and Expenditure Report
Report Period
Reporting Period Start Date
3/3/2021
Reporting Period End Date
12/31/2021
Submission Deadline
Allocated Amount


Payments to Individuals
For disbursements to individuals less than $50,000, please provide the aggregate expenditures and obligations for the current reporting period and total to date.
Project Name
Search Projects...
Manual Entry
Total Period Obligation Amount
Total Period Expenditure Amount
Cumulative Obligations
$0.00
Cumulative Expenditures
$0.00
Create Expenditure

State, Local and Tribal Support

SLFRF Compliance

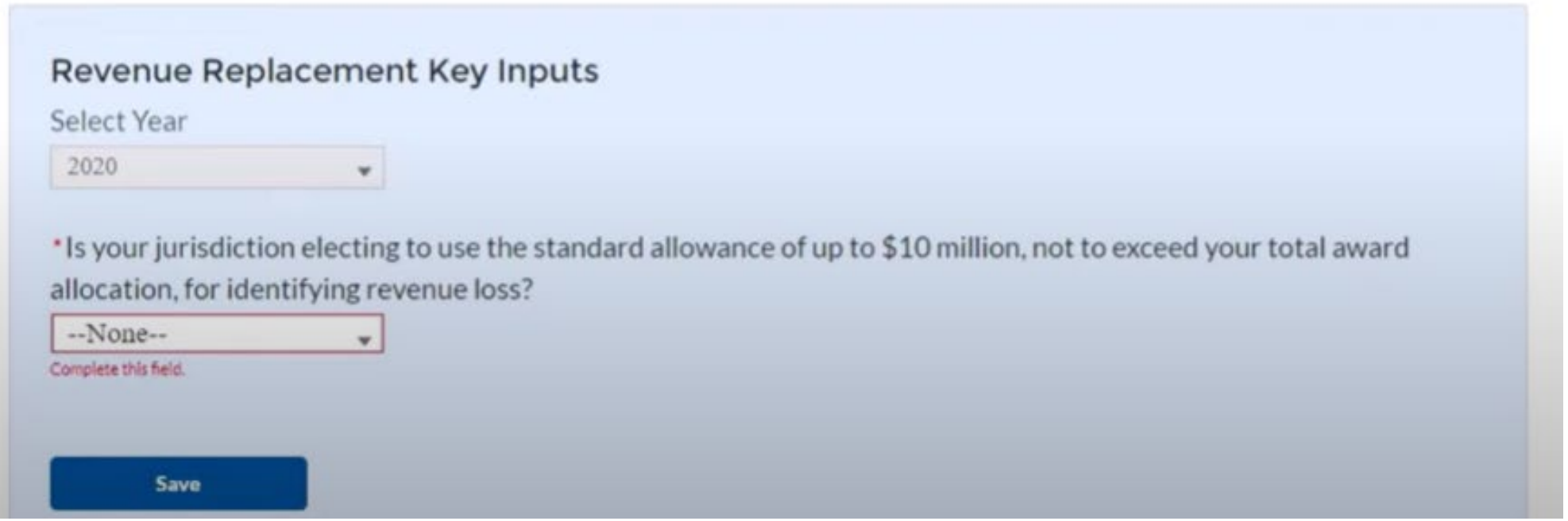
- Recipient Profile
- Project Overview
- Subrecipients/ Beneficiaries
- Subawards/Direct Payments
- Expenditures
- **Recipient Specific**
- Certification

Revenue Replacement

Recipients will have the option below to update or provide information associated with revenue replacement.

Depending on your answer to the question, "Is your jurisdiction electing to use the standard allowance of up to $10 million for identifying the revenue loss?" you will be asked conditional questions.

Information that was previously provided as part of the Interim Report (if applicable) will display in this screen by selecting "Import Interim Report Data".



State, Local and Tribal Support

SLFRF Compliance

- Recipient Profile
- Project Overview
- Subrecipients/ Beneficiaries
- Subawards/Direct Payments
- Expenditures
- Recipient Specific
- Certification

Official Certification

Statement

I certify that the information provided is accurate and complete after reasonable inquiry of people, systems, and other information available to the SLFRF recipient. The undersigned acknowledges that any materially false, fictitious, fraudulent statement, or representation (or concealment or omission of a material fact) in this submission may be the subject of criminal prosecution under the False Statements Accountability Act of 1996, as amended, 18 USC 1001, and also may subject me and the SLFRF Recipient to civil penalties, damages, and administrative remedies for false claims or otherwise (including under 31 USC 3729 et seq.) The undersigned is an authorized representative of the SLFRF Recipient with authority to make the above certifications and representations on behalf of the SLFRF Recipient.

By signing this report, the Authorized Representative for Reporting acknowledges in accordance with 31 CFR 35.4(c) that recipients shall provide to the Secretary periodic reports providing detailed accounting of the uses of funds, as applicable, all modifications to a State's or Territory's tax revenue sources, and such other information as the Secretary may require for the administration of this program. In addition to regular reporting requirements, the Secretary may request other additional information as may be necessary or appropriate, including as may be necessary to prevent evasions of the requirements of this program. False statements or claims made to the Secretary may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in Federal awards or contracts, and/or any other remedy available by law.

User Guide: Designate Staff for Key Roles

Account Administrator

Point of Contact for Reporting

Authorized Representative for Reporting

Key Considerations:

- Each designee must register with ID.me (for returning users) or Login.gov (for new users) to gain access to Treasury Portal
- An individual may be designated for multiple roles
- Multiple individuals can be designated for each role.
- Account Administrator may make changes and updates to the list of designation individuals whenever needed

*Contact SLFRP@treasury.gov for more information on procedures for registering with ID.me or Login.gov.

Treasury Portal: Online Overview

- Online forms located in Treasury's Portal
- Review Recipient Profile
- Option of Manual Entry or Bulk Upload File
- Narrative Boxes
- Project Overview

Treasury Portal: NEUs

For "Non-entitlement units" (NEUs):

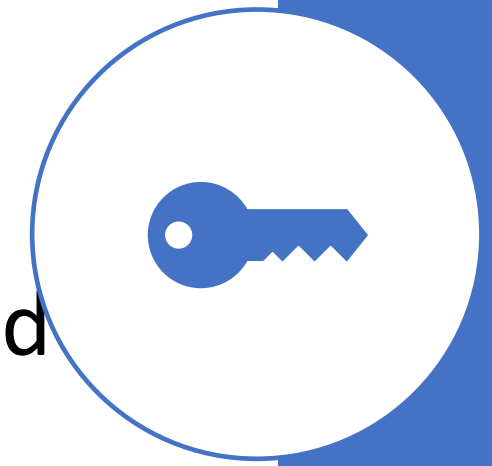
Project & Expenditure Report (by **April 30, 2022** and annually thereafter through 2026 by April 30 each year.

- Initial report must also include actual budget document that validates "total annual operating budget" figure submitted to GOEFFER.
- Initial Project and Expenditure Report will cover from March 3, 2021 to March 31, 2022
- NOT required to submit Interim Report or Recovery Plan Performance Report
- You will be asked to upload signed award terms and conditions agreement, Civil Rights compliance, and copy of actual budget documents

1. NEU Agreements and Supporting Documents
   - Available now!
   - Due before April 30, 2022 and is one-time only.
   - Quick and easy – just upload up to three documents!

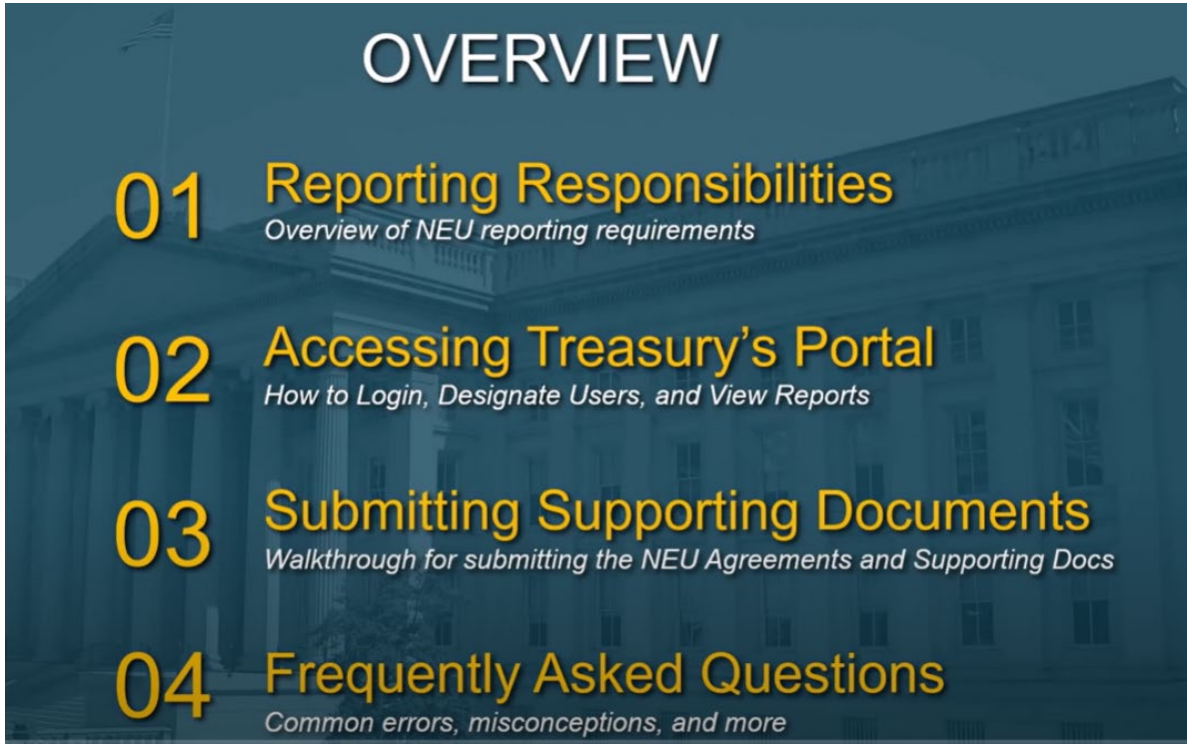
Portal Key Points:

- Registration with SAM.gov
- First time users to the Portal must first register with Login.gov
  - (ID.me may continue to be used)
- Treasury will assign as the Account Administrator the Point of Contact provided to Treasury by the State
- Be sure to check and, if necessary, update Point of Contact and assigned roles.



Webinar Hosted by Treasury, March, 2022

https://www.youtube.com/watch?v=3qd8tYYl0pg



U.S. DEPARTMENT OF THE TREASURY

You can Email Treasury at SLFRP@treasury.gov or call

Treasury Contact Center : (844)529-9527

Questions?