



American Rescue Plan Coronavirus State and Local Fiscal Recovery Funds (SLFRF)

Preparing for the initial Project and
Expenditure Report

February 24, 2022

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Agenda

- Reporting Process Overview
- Key considerations for NEUs and Treasury's guidance on reporting
- Hypothetical example #1: Townsville
- Hypothetical example #2: Countyville
- Next steps in the Reporting Process
- QA

Reporting Process Overview

- As recipients of SLFRFs, NEUs are required to submit annual Project and Expenditure Reports to the U.S. Treasury.
- These reports provide information on projects funded, expenditures, and contracts and subawards over \$50,000, and other information required from recipients.
- The initial report to Treasury is due by April 30, 2022 and will cover the period from award date through March 31, 2022.
- Treasury will release a Project and Expenditure Report User Guide for NEUs with step-by-step instructions on how to submit reports through their Portal for Recipient Reporting.

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NEU Reporting Schedule

Report	Period Covered	Due Date
1	Award date - 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

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Treasury's Guiding Principles for SLFRF Reporting

- **Accountability:** recipients are required to account for every dollar spent and provide detailed information on how funds are used.
- **Transparency:** Treasury will provide comprehensive public transparency reports each quarter across all recipients.
- **User Friendliness:** the reporting process includes significant streamlined requirements for smaller funding recipients.
- **Focused on Recovery:** the program addresses priority areas for a strong economic recovery, including provisions that prioritize equity, focus on economically distressed areas, support community empowerment, among others.

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Key Considerations for NEUs

- Is your NEU's point of contact up to date?
- Is your organization registered on SAM.gov?
- Will you be electing the Standard Allowance available under the Revenue Loss Provision?
- Will you have any obligations or expenditures to report?
- Do you have the NEU Documentation that is required to be uploaded on Treasury's Portal?
- Have you created an account through Login.gov or ID.me?

Please reach out to arpa.neuadmin@maryland.gov if you need to update your information or require additional assistance.

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Guidance from Treasury on Reporting

- [Compliance and Reporting Guidance](#)
- [NEU Agreements and Supporting Documents User Guide](#)
- [Treasury Portal Instructions – Login.gov](#)
- Forthcoming: NEU Project and Expenditure Report User Guide

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Standard Allowance Election

- Recipients should make a one-time choice whether they want to select the standard allowance of up to \$10 million (not to exceed the total allocation amount) of revenue loss for the provision of government services or will continue to calculate revenue loss moving forward.
 - The following question (or a similarly worded one) will likely appear on the Project and Expenditure Report: *Is your jurisdiction electing to use the standard allowance of up to \$10 million, not to exceed your total award allocation, for identifying revenue loss? Yes/No (Please note electing the standard allowance does not change your total allocation).*

Standard Allowance Election

Data	Standard Allowance - Yes	Standard Allowance - No
Base Year Revenue	N/A	Required
Fiscal Year End Date	N/A	Required
Growth Adjustment Used	N/A	Required
Actual General Revenue as of 12 months ended December 31, 2020	N/A	Required
Estimated Revenue Loss	N/A	Required
Select whether Fiscal Recovery Funds were used to make a deposit into a pension fund.	Required	Required
Provide an explanation of how revenue replacement funds were allocated to government services.	Required	Required

Example #1: Townsville

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Introduction to Townsville

- Townsville is a NEU with a population of 6,300 residents.
- The main industries in Townsville are tourism and hospitality due to the close proximity to local beaches and outdoor recreation.
- The annual median household income in Townsville is \$67,000.
- Townsville has a police department, EMS, and a local volunteer fire department.

Reporting process for Townsville

Townsville received a total SLFRF allocation of \$3M and decides to take the following steps:

1. Townsville makes the determination to take the standard allowance allowed under the Final Rule, and elects to claim their full award amount of \$3M.
2. Townsville will declare they have elected to claim the standard allowance in their initial Project and Expenditure Report, due to Treasury by April 30, 2022.
3. Townsville may use the \$3M standard allowance for the provision of government services. The following slide describes an example spending plan (not required by Treasury).

Townsville's Spending Plan

Townsville decides to allocate funding among the following projects:

Project	Project Name	Allocation
1	COVID-19 Response	\$250K
2	Family and Youth Services	\$100K
3	Upgrades to Town Facilities	\$150K
4	Purchase of three police vehicles	\$150K
5	Assistance to small businesses	\$200K
6	Hiring and administrative services	\$250K
7	Unallocated	\$1.9M
TOTAL	Total	\$3M

Reporting process for Townsville - continued

- Townsville will report any expenditures incurred on or before March 31, 2022 to Treasury in their initial Project and Expenditure Report.
- Since Townsville elected the standard allowance, they are subject to streamlined reporting requirements as indicated by Treasury in the Final Rule.
- Townsville will be required to provide a written narrative for funds expended for the provision of government services.

Written Narrative Example

- Townsville has elected the standard allowance, available under the Revenue Loss provision, and is actively developing a comprehensive recovery plan to guide the planning and administration of Fiscal Recovery Funds through the period of performance. To date, Townsville has allocated funding for the following uses: COVID-19 Response (this includes the Town's testing and vaccination site, operating since November 1, 2021), Family and Youth Services, Upgrades to Town Facilities, Purchase of police vehicles (three vehicles purchased), Assistance to Small Businesses, and Hiring and administrative services. Townsville will continue to develop its spending plan to ensure that funds are invested equitably and responsibly throughout the community.

Townsville's Expenditures

To date, Townsville has incurred the following expenditures and will report them under expenditure category 6.1:

Project	Project name	Current period obligation	Cumulative obligation	Current period expenditure	Cumulative expenditure
1	COVID-19 Response	\$100K	\$100K	\$50K	\$50K
2	Family and Youth Services	\$20K	\$20K	\$20K	\$20K
3	Upgrades to Town Facilities	\$0	\$0	\$0	\$0
4	Purchase of police vehicles	\$150K	\$150K	\$150K	\$150K
5	Assistance to small businesses	\$0	\$0	\$0	\$0
6	Hiring and administrative services	\$150K	\$150K	\$70K	\$70K
Total under 6.1	Provision of Government Services	\$420K	\$420K	\$290K	\$290K

Example #2: Countyville

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Introduction to Countyville

- Countyville is a NEU with a population of 35,000 residents.
- The annual median household income in Countyville is \$85,000.
- The Countyville Executive Office recently received responses to a survey issued on use of SLFRF Funding. The majority of the responses from the community survey suggested the need to upgrade the municipality's stormwater management system to respond to increased flooding.
- Countyville has a municipal water and sewer utility, a department of parks and recreation, a department of environment, and local fire and police services.

Reporting process for Countyville

Countyville received a total SLFRF allocation of \$13M and decides to take the following steps:

1. Countyville makes the determination to take the standard allowance allowed under the Final Rule, and elects to take the full amount of \$10M.
2. Countyville will declare they have elected to claim the standard allowance in their initial Project and Expenditure Report due to Treasury by April 30, 2022.
3. Countyville may use the \$10M standard allowance for the provision of government services.
4. Countyville elects to use the remaining \$3M for water/sewer infrastructure projects. The following slide describes an example spending plan (not required by Treasury).

Countyville's Spending Plan

Countyville decides to allocate funding among the following projects:

Project	Project Name	Allocation
1	Provision of Government Services	\$10M
2	Stormwater Management Project	\$2.5M
3	Unallocated	\$500K
TOTAL	Total	\$13M

Reporting process for Countyville - continued

- Countyville will report any expenditures incurred on or before March 31, 2022 to Treasury in their initial Project and Expenditure Report.
- Since Countyville elected the standard allowance, they are subject to streamlined reporting requirements for the portion of funds they are reporting under the provision of government services (EC 6.1).
 - Countyville will be required to provide a written narrative for funds expended in the provision of government services.
- Countyville will also need to report on any spending incurred for projects that fall outside of expenditure category 6.1.

Stormwater Management Project - Required Information

Project Name: Stormwater Management Project

Project ID Number: CP001

Project Expenditure Category: Clean Water - Stormwater (5.6)

- Please note: Projects should be scoped to align to a single Expenditure Category

Project Status: Completed less than 50 percent

Project Description: Funding will be used to support a stormwater management project to respond to increased flooding. This proposed investment seeks to address current unmet needs and reduce future costs through strategic investment in new and existing infrastructure at the residential, commercial and community-level. Countyville recognizes the treatment that stormwater plays in protecting public health, the environment and spurring the region's economic growth. The project will be conducted in two distinct phases.

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Stormwater Management Project - Required Programmatic Data

- Projected/actual construction start date (month/year)
- Projected/actual initiation of operations date (month/year)
- Location
- National Pollutant Discharge Elimination System (NPDES) Permit Number - if applicable
- Public Water System (PWS) ID number - if applicable

Countyville's Expenditures

To date, Countyville has incurred the following expenditures and will report them under expenditure categories 5.6 and 6.1:

EC	EC Name	Current period obligations	Cumulative Obligation	Current period expenditure	Cumulative expenditure
5.6	Clean Water: Stormwater	\$300K	\$300K	\$100K	\$100K
6.1	Provision of Government Services	\$200K	\$200K	\$150K	\$150K
Total	Total	\$500K	\$500K	\$250K	\$250K

Next Steps

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Your next steps in the Reporting Process

- Once Treasury designates your NEU's Account Administrator, proceed to establish an account through Login.gov and access your information on Treasury's portal, assign user roles, and upload the required NEU documentation:
 - Signed award terms and conditions agreement
 - Signed assurances of compliance with Title VI
 - Copy of actual budget documents validating top-line budget total

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QUESTIONS?

For any questions following this webinar, please email:
arpa.neuadmin@maryland.gov or submit questions
through the [Technical Assistance Portal](#)

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Appendix

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Resources

- [U.S. Treasury Final Rule](#)
- [U.S. Treasury Final Rule Overview](#)
- [U.S. Treasury Statement on Final Rule Compliance](#)
- [U.S. Treasury Compliance and Reporting Guidance](#)
- [State of Maryland NEU Technical Assistance Webpage](#)
- [State of Maryland NEU Technical Assistance Question Portal](#)
- [Maryland Municipal League ARP Resource Page](#)
- [U.S. Census Bureau Government Finance and Employment Classification Manual](#)

U.S. Treasury guidance is subject to change. As a recipient of Federal funds, each non-entitlement unit of government is responsible for administration and compliance of fiscal recovery funds.

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Please note that the prior reporting examples and content are for informational-purposes only. Each recipient is responsible for complying with SLFRF reporting requirements and any other applicable Federal regulations.

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