




American Rescue Plan
Laying the Foundation: Pre-Award Grant Set-Up

Kansas Office of Recovery

June 30, 2021



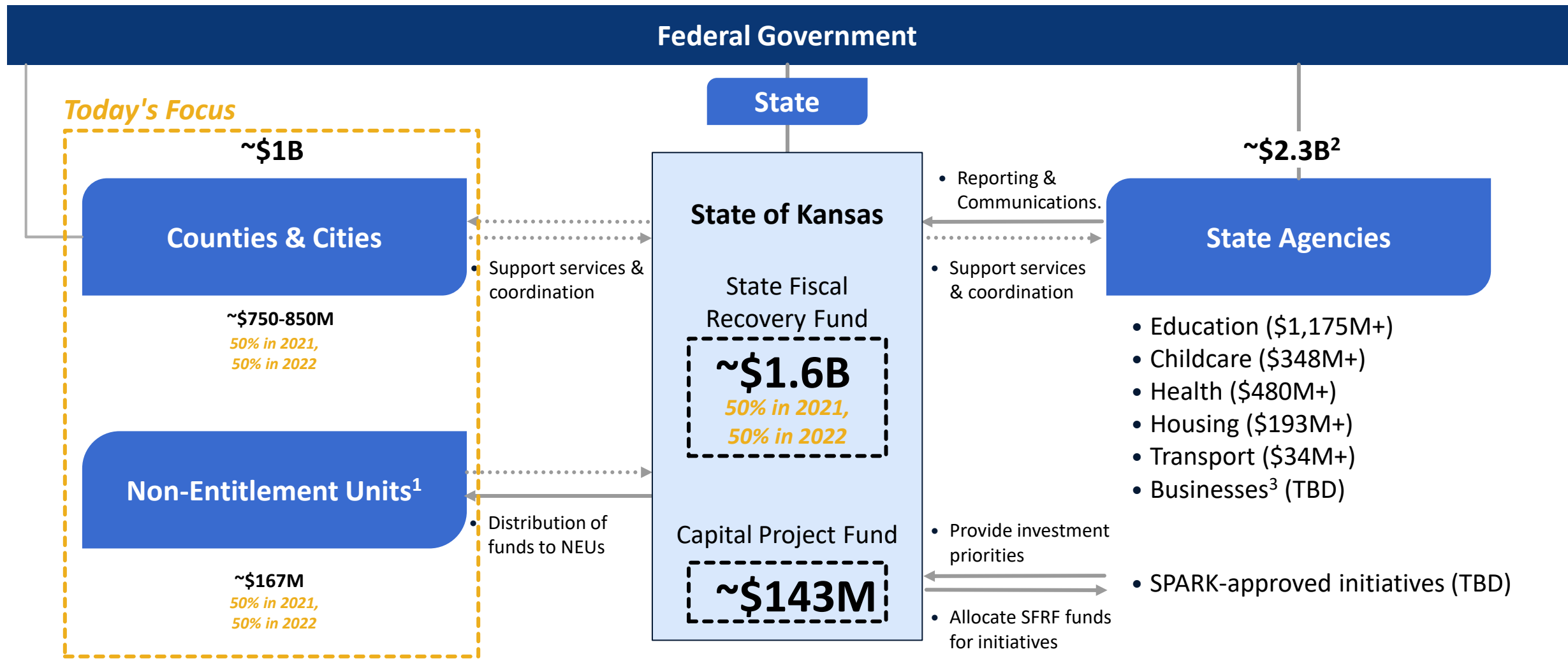
Questions Being Answered Today

1. What is the Local Fiscal Recovery Fund (LFRF) and how can I apply for dollars?

2. What should I consider before any issuance of LFRF dollars?

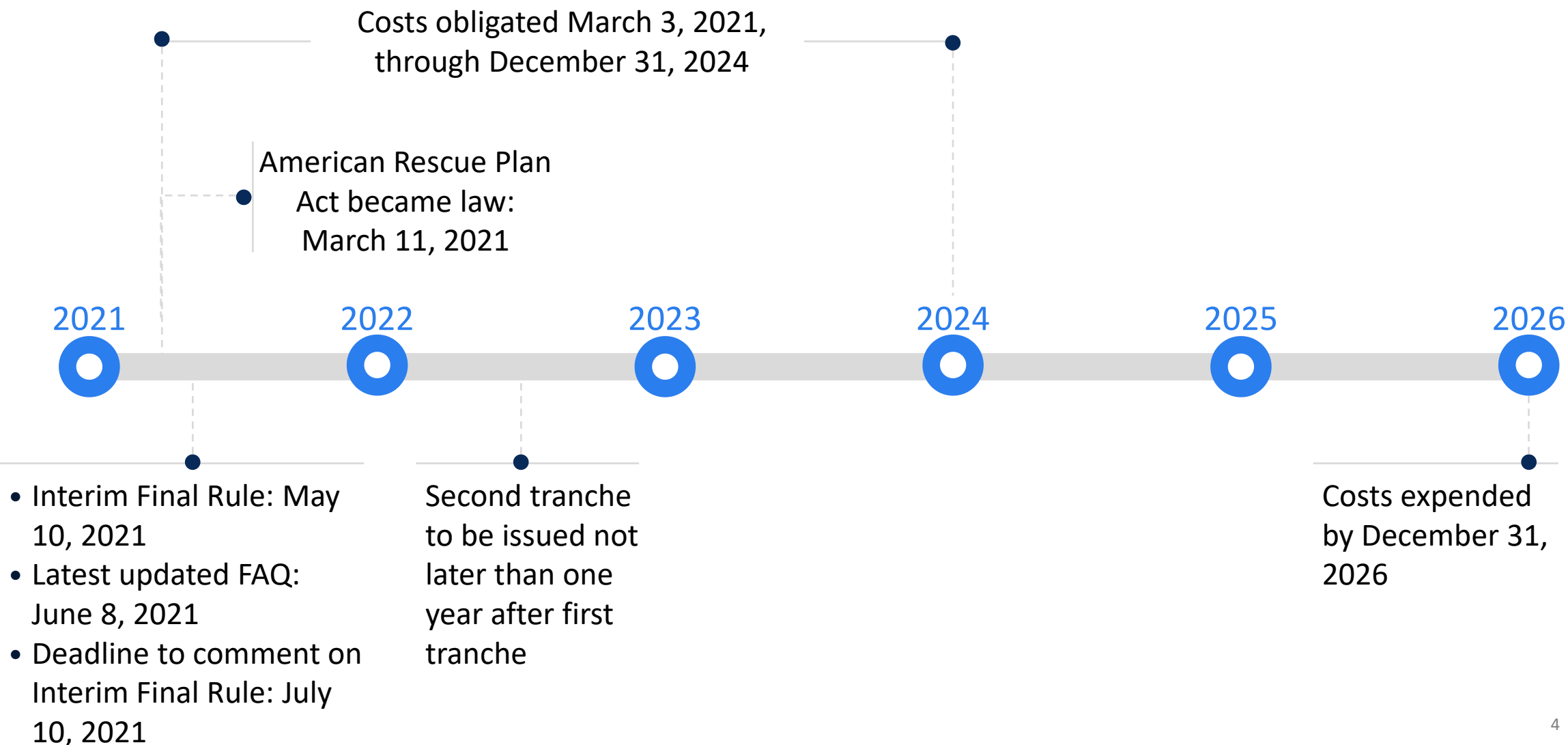
3. What steps can I take to prepare for receiving and spending LFRF dollars?

Local Fiscal Recovery Fund dollars will flow to counties, cities, and non-entitlement units



1. A Non-Entitlement Unit (NEU) is a city with a population of less than 50,000. Under federal law, generally, a “metropolitan city” is defined as a city with a population greater than or equal to 50,000. Under the provisions of ARPA, NEUs are Non-entitlement Units of Local Government, or a city that is not a metropolitan city. 2. Final value dependent on final funding formulas, application-based awards, etc. 3. Funds awarded directly to applicants (e.g., airports, farmers, restaurants); opportunity for agency to facilitate/support

Timeline for Local Fiscal Recovery Fund



Applying for Local Fiscal Recovery Fund Dollars



Counties & Metropolitan Cities

To receive funding directly from Treasury, submit request for funding through the Treasury Submission Portal

Treasury Submission Portal Requirements

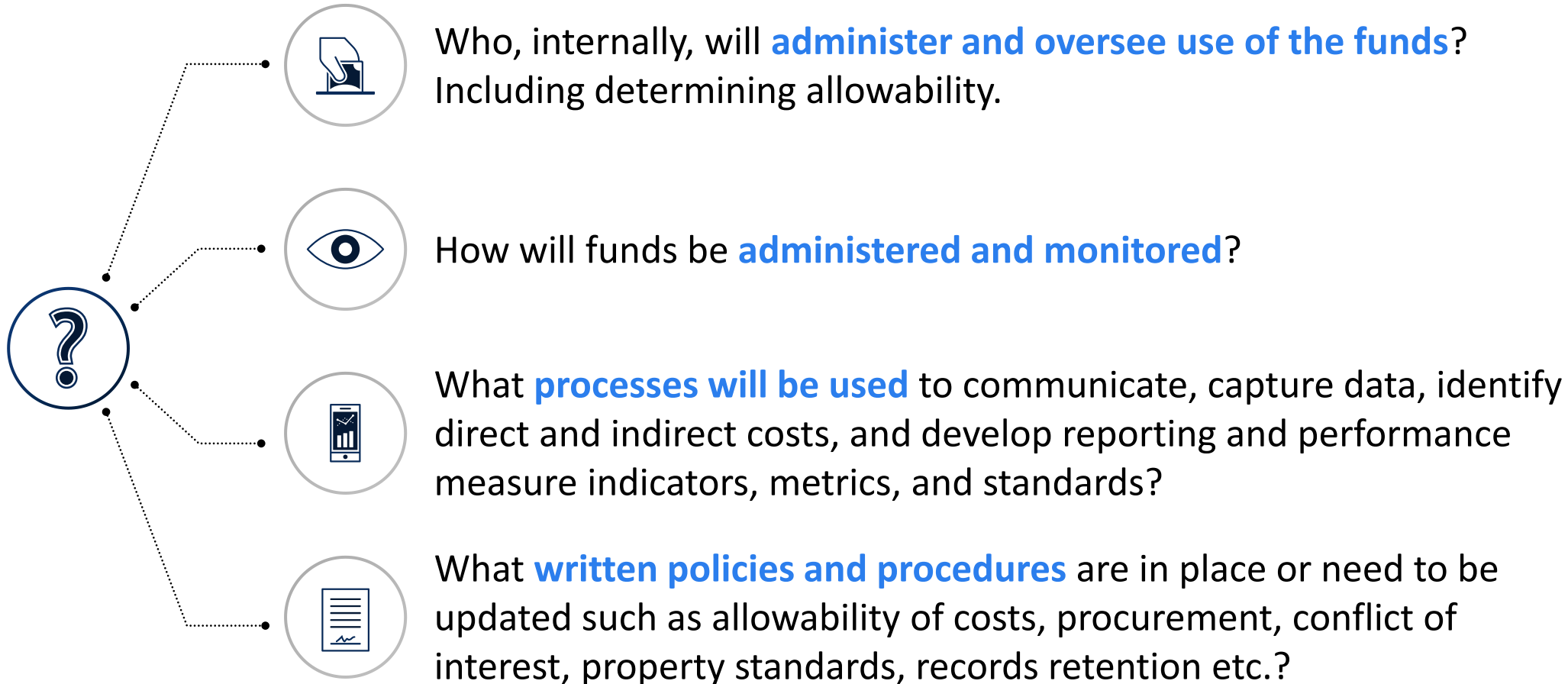
To complete a request for funding, access the portal and provide the following information:

1. Jurisdiction name, taxpayer ID number, DUNS Number, and address
2. Authorized representative name, title, and email
3. Contact person name, title, phone, and email
4. Funds transfer information, including recipient's financial institution, address, phone, and routing number and account number
5. Completed award terms and conditions and assurances (to be signed by the authorized representative)

NEU Application Submission

1. Submit State of Kansas portal application
2. Have a DUNS Number, Authorized Representative, Point of Contact (if different from Authorized Representative), and financial institution information
3. Review executed Awards Terms & Conditions Agreement provided by Treasury setting forth compliance obligations
4. Review assurances of compliance with Title VI of the Civil Rights Act of 1964 signed and provided by Treasury

Considerations for LFRF statute, Uniform Guidance & Treasury Interim Final Rule compliance



Additional Pre-Award Set-Up considerations



What internal controls exist and will be used?

When and how will a risk assessment be performed, including SAM.gov verification?

How will determination of subrecipients vs. vendors be made?

What will be the process used to determine and allocate funds to external Entities?

How will grant programs be designed and administered (types of document templates available or needed)?

Initial set-up to align with LFRF Awards Terms & Conditions

Designate individual and/or entity
responsible for administration



Check and revise **internal controls** to
include allowance for direct and
indirect costs, separation of duties,
programmatic performance and
compliance, and best practices



Review and update **written policies
and procedures** (fiscal, personnel,
procurement, conflict of interest,
mandatory disclosure for fraud,
waste, and abuse, etc.)



Establish **communication
and work plans**



Allocation of Funds: Pre- Award & Disbursement

Identify and define process, including and not limited to:

- Conduct subrecipient vs. vendor determinations
- Perform risk assessment
- Determine criteria for award of funds
- Set objectives to meet program objectives and key performance indicators
- Describe in writing how funds will be awarded, disbursed and documented
- Develop list of potential entities eligible for award of funds
- Consider what documents and/or templates to use and retain in award files

Determine types of allocation of funds:

- Internal – (Counties, Cities, and NEUs)
- External – Transfers (Subrecipients) and Grant Programs

Pre-Award External Allocation of Funds: Subrecipient Considerations



Signed agreement or record of award with awards terms and conditions



Review and acknowledgement of subrecipient financial and progress reports



Subrecipient supporting documentation accessible and available as Requested



Verification of subrecipient use and existence of procurement policy and procedures, internal controls, and record retention



Confirmation of subrecipient audit planned on use of funds awarded (if necessary)



Documentation and communication of findings, including follow up or corrective action to be taken for compliance

Pre-Award External Allocation of Funds: Grant Program Considerations



Establish **written program design and timeline** with defined advertising and application process, criteria for awards (selection criteria), funds distribution, monitoring, reporting, and closeout



Have a **fully signed and dated agreement** detailing grant awards terms and conditions



Perform applicant tests to ensure potential awardee will **meet stipulations and requirements** of an awards agreement, including suspension and debarment



Capacity to **monitor and maintain for each awardee** all grantee identifying information, amount awarded, purpose of award, award date, and documentation

Pre-Award External Allocation of Funds: Other Considerations



Consistent approaches and requirements for subrecipient and grant program designs, awards, communications, funds distribution, monitoring, reporting, documentation, and closeout



Anticipate unexpected issues such as fewer applications received to determine alternatives to take such as reallocation of funds



Central records and files depository location –
five to eight year strategy



Recipients of
LFRF funds are
responsible for
compliance
and ensuring
eligible use of
funds



Summary and Next Steps

Prior to Issuing Any Payment of Funds

- 1 Address considerations and begin initial set-up for funds received
- 2 Review Awards Terms & Conditions in detail along with Treasury Interim Final Rule, guidance and FAQs issued to date and Uniform Guidance
- 3 Perform due diligence and technical review of initial set-up
- 4 Establish allocation process for award and disbursement
- 5 Assess needs to determine allowable uses of funds to allocate funds based on Treasury's eligible categories
- 6 Design ARP program to respond to the pandemic and promote economic recovery
- 7 Document, document, document

Stay tuned for upcoming webinars with more information and details on items presented today



Questions