American Rescue Plan Act (ARPA)
Non-Entitlement Unit (NEU)
April 2023
US Department of the Treasury
Project and Expenditure (P&E) Report

Kansas Office of Recovery

April 5, 2023

Today's objectives

Provide update on Treasury reporting guidance for the April 2023 P&E report

Discuss FAQs and resources

Review timetable and next steps

The Office of Recovery's mission and purpose is to deliver maximum impact with COVID-19 relief funding for Kansans

RO has purview over various funding...

Overall ARPA enablement

State Fiscal Recovery Funds

Local Fiscal Recovery Funds
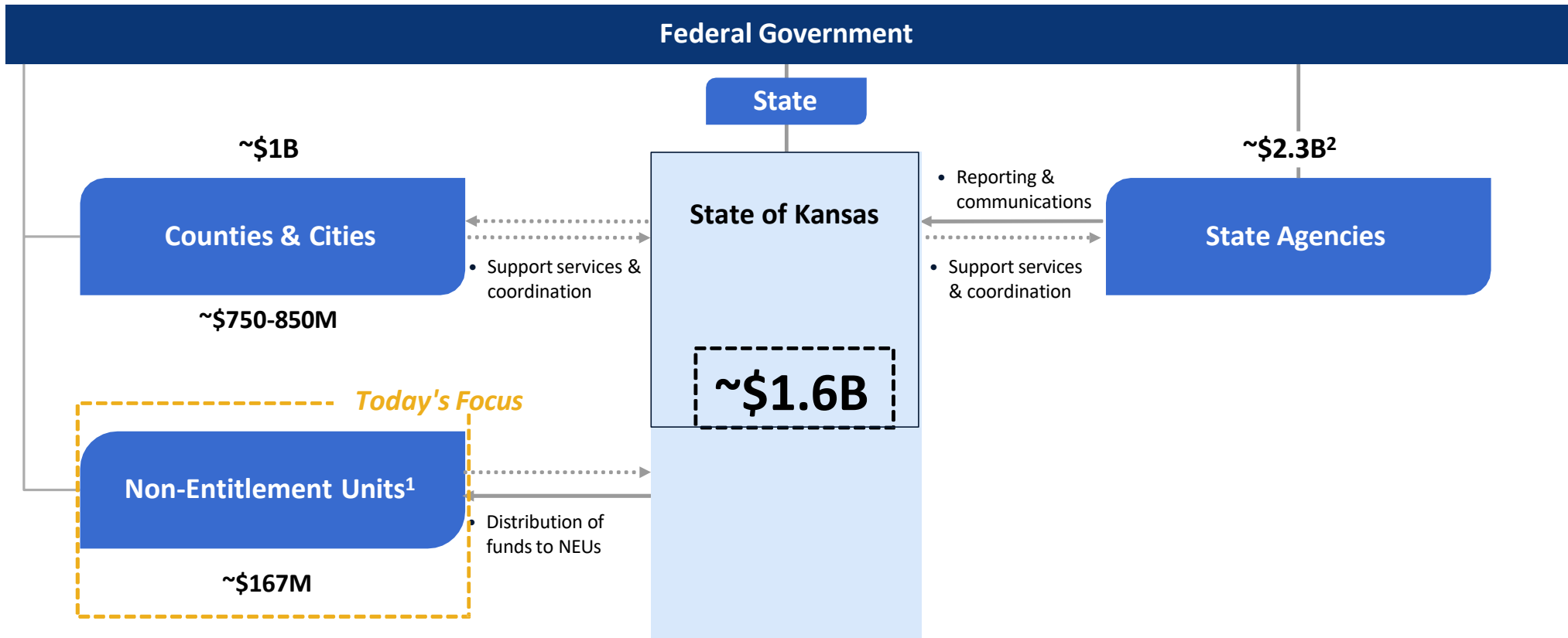
State agency program funding

Other COVID-19 federal funding (CARES Act, CAA, etc.)

...and will deliver impact by:

1 Ensuring all funds allocated to Kansas are spent on areas, initiatives, and programs that meet the needs of Kansans

2 Coordinating across stakeholders in charge of spending and distributing funding to optimize impact across areas of needs

ARPA State & Local Fiscal Recovery Funds (SLFRF)

ARPA funding will flow to Non-Entitlement Units via State of Kansas

Federal Government

State

~$1B

Counties & Cities

~$750-850M

State of Kansas

~$1.6B

- Reporting & communications

~$2.3B[2]

State Agencies

- Support services & coordination

- Support services & coordination

Today's Focus

Non-Entitlement Units[1]

~$167M

- Distribution of funds to NEUs

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

Treasury Guidance and NEU Updates

Treasury guidance

On Monday, May 10, 2021, the Treasury released the following guidance information:
- Interim Final Rule
- Fact Sheet
- Frequently Asked Questions (FAQs)

On Monday, May 24, 2021, the Treasury released additional guidance information related to Non- Entitlement Units (NEUs):
- Guidance on distribution of funds to NEUs
- NEU definitional and data methodology
- NEU checklist for requesting initial payment

On Friday, April 1st, 2022, the Final Rule became effective:
- Provided clarification on wide variety of FAQs submitted by recipients (e.g., expenditure categories, revenue loss calculations, eligibility, etc.)
- Set final standards for reporting

Updated Treasury guidance for all recipients for the April 2023 P&E report

Unique Entity ID requirement emphasis:
- All subrecipients and contractors are required to have Unique Entity IDs (UEIs)
- The UEI is the replacement for the previously used DUNS number
  - Please consult SAM.gov if you have questions about obtaining a UEI
- April 2023's P&E report will now return an error for an invalid UEI when creating a new subrecipient or contractor entity

New subaward/direct payments entity type:
- All subaward/direct payment records will be required to have an "entity type" selected before a "subaward" can be created
  - This field will capture whether the entity receiving the award or payment is a subrecipient, contractor, or beneficiary
  - Attempts to create a new subaward without a populated entity type field will result in an error

Updated Treasury guidance for all recipients for the April 2023 P&E report

Confirming NEU Contact Information
- Verify Recovery Office has up-to-date contact information for your NEU
- Confirm your access to the [Treasury Portal](#)
- Having problems accessing the portal, or if new personnel need to get assigned a role, utilize the resources provided here today
  - SLFRF@treasury.gov for portal support
- Portal access was scheduled to open April 1st
  - You should see your submitted 2022 report and a templated draft 2023 report created by the Treasury

	Report Name	Report Type	CFDA No	Report Period	Deadline	Status	Provide Information	Download
1	- P&E Report - 2023	Project and Expenditure Report		2023	4/30/2023	Draft	✏️	
2	-P&E Report- 2022	Project and Expenditure Report		2022	4/30/2022	Submitted		⬇️

Updated Treasury guidance for all recipients for the April 2023 P&E report

Confirming submission of NEU agreement and supporting documents
- Some NEUs that have received funds may still need to submit the required supporting documents, including the required:
  - Budget document;
  - Signed award document; and/or
  - Assurance of Compliance with Civil Rights document
- NEU recipients should verify that their documents have been submitted when they confirm access to the portal
  - If you do not have access to your supporting documentation, please reach out to the Recovery Office (RO) using the KS Office of Recovery Question/Request Form

Updated Treasury guidance for all recipients for the April 2023 P&E report

NEU Treasury Resources
- Links to self-help resources and FAQs available on the Treasury [Coronavirus State and Local Fiscal Recovery Funds](#), [Coronavirus State and Local Fiscal Recovery Funds for Non-entitlement Units of Local Government](#), and the [Recipient Compliance and Reporting Responsibilities](#) pages
  - On the Recipient Compliance and Reporting Responsibilities page, under the PUBLIC REPORTING section:
    - Your April 2022 report data has been released by the Treasury
      - [April-2022-Quarterly-and-Annual-Reporting-Data-through-March-31-2022.xlsx (live.com)](#)

- [April 2023 Project and Expenditure Report User Guide](#)
- [Webinar: State & Local Recovery Funds: Project & Expenditure Simplified Reporting](#)

Highlighted Treasury resources for the April 2023 NEU P&E reporting

The best source of information on how to submit reports is the Treasury [User Guide](), which contains detailed submissions instructions and includes answers to FAQs for reporting

The Treasury has also posted a series of recorded webinars to assist recipients to understand and comply with relevant reporting requirements and assist recipients in accessing Treasury's Portal:

- [Account Creation and Login: Account Creation in Treasury's Portal through ID.me/Login.gov]()
- [User Roles: Assignment and Updates of Treasury's Portal User Roles]()
- [NEU Intro to Reporting: Account Creation, Roles, and Agreements/Supporting Documents Submission]()
- [Project and Expenditure Report Part 1: Reporting under Revenue Replacement]()
- [Project and Expenditure Report Part 2: Reporting using All Expenditure Categories]()
- [Project and Expenditure Report: Simplified Submissions]()
- [Bulk Uploads: Overview of Submitting Bulk Uploads in Treasury's Portal]()

Treasury Guidance - Administrative Highlights

Funds **must be obligated (under contract) by 12/31/2024** but additional two years (12/31/2026) to expend and liquidate

NEUs will be required to **submit a project and expenditure report annually in April** to the federal government until April 2027

Funds **can be used for administrative purposes**

Recovery Office Support

FAQs received by the Recovery Office

FAQ Category	Potential Resources

1 **Expenditure Eligibility**
Example questions:
    Is X purchase allowable under SLFRF?
    Can we provide $X lump sum payments to employees?
	• SLFRF Final Rule/Final Rule FAQs
	• Treasury highlighted projects
	• American Rescue Plan Act Information - Kansas COVID-19 Response and Recovery (ks.gov)

2 **Revenue Loss Calculations**
Example questions:
    Can revenue loss assumptions be changed?
    Can we revise our revenue loss calculation?
	• SLFRF Final Rule/Final Rule FAQs
	• Project and Expenditure Report User Guide
	• Treasury webinars (slide 12)

3 **Project and Expenditure Reporting**
Example questions:
    When is the next report due?
    How do we make changes to previous submissions?
	• SLFRF Final Rule/Final Rule FAQs
	• Project and Expenditure Report User Guide
	• Treasury webinars (slide 12)

4 **Procurement Practices**
Example questions:
    How many bids are required?
    At what point are bids required?
	• SLFRF Final Rule/Final Rule FAQs
	• "Recipients should not deviate from established practices and policies regarding the incurrence of costs"
	• Use most stringent between Federal, State and Local procurement practices
	• KS-RO-Grant-Implementation-Procurement-Best-Practices-Webinar_vPresentF.pdf

Potential allowable uses of NEU funds

Allowable Uses	Potential expenditures
1 Respond to the **public health emergency** with respect to COVID-19 or its negative **economic impacts**, including assistance to: • Households, small businesses, and nonprofits • Aid to impacted industries (e.g., tourism, travel, etc.)	• Direct financial relief payments to residents • Direct financial relief payments to local businesses • Investment in public health equipment (e.g., hand sanitizer, PPE, etc.)
2 **Provide premium pay**[1] for public employees that are performing essential work, or by providing grants to eligible employers that have eligible workers who perform essential work	• Premium pay for employees
3 **Provide government services** to the extent of reduction in revenue due to COVID-19 relative to revenues collected in most recent full fiscal year	• Revenue loss • General government services
4 Make **necessary investments** in water, sewer, or broadband infrastructure	• Water tanks • Sewer infrastructure • Broadband equipment

1. Up to $13 per hour—premium amount may not exceed $25,000 with respect to any single eligible worker

Expenditure Category 6: Revenue Replacement

The Final Rule offers a standard allowance for revenue loss of up to $10M
- Select between the standard allowance for revenue loss or complete a full revenue loss calculation
- The standard allowance of $10M can be claimed even if no revenue loss took place

Streamlined reporting requirements
- The Treasury has determined that there are no subawards under this category
- Can be used on "general government services" with the exceptions of:
  o Offsetting a reduction in net tax revenue
  o Deposits into a pension fund
  o Servicing debt or replenishing financial reserves (e.g., "rainy day funds")
  o Satisfying settlements and judgments
  o Funding programs, services, or capital expenditures that include a term or condition that undermines efforts to stop the spread of COVID-19

Recovery Office Resources for Local Governments

Resource	Content
RO Website (Covid.KS.Gov)	**Kansas COVID-19 Response and Recovery (ks.gov)**—This is the online location for all RO ARPA support materials, grouped by audience and user objective. Includes Federal and State information/resources including the Treasury's Final Rule, Compliance and Reporting Guide, and NEU specific information.
RO Website – Compliance Resource Library	**Compliance Resource Library - Kansas COVID-19 Response and Recovery (ks.gov)** – This site lists job aids (resources) by grant phase. Checklists and job aids include: • *ARPA SLRF Grant Compliance Checklist and Guide* – a comprehensive list of compliance requirements and related resources. Links to applicable sections of the Uniform Guidance are also included. • *Procurement Job Aid – Public Procurement-Introduction and First Steps* – This aid guides you through the first steps of purchasing decisions/actions and contains a federal procurement types-threshold chart. • *Internal Controls Checklist* – As a recipient of ARPA SLRF funds, your entity is responsible for ensuring that it is maintaining effective internal controls. Review this tool to learn more about internal controls (such as policies and procedures, organizational structure, segregation of duties). • *Duplication of Benefits Guide* – ARPA grantees are required to avoid a duplication of benefits. This guide can assist your entity in conducting a Duplication of Benefits analysis. • *Many more* including risk assessment tools; cost principles; subrecipient/pass-through entity resources; fraud, waste, abuse guide, etc.
RO Website – NEU - ARPA Webinars	**Webinar Materials - Kansas COVID-19 Response and Recovery (ks.gov)** – Past NEU webinars contain a wealth of information. Both the videos and the webinar slides are available on this site. Specific topics *include*: • Grant Implementation: Getting Started • Procurement Best Practices • Statewide Contracts and Cooperative Agreements • Overview of US Treasury Final Rule

Recovery Office Resources for Local Governments

Resource	Content
Inquiry Form	**KS Office of Recovery Question/Request Form** – This is the direct link to the inquiry form where you can send questions/inquiries. You can also get to this form by clicking "Contact Us" on the upper right of the Covid.KS.Gov page.
Ongoing Communications	Consistent email communications, including: • Biweekly newsletters • Grant opportunities for your NEU to apply for
Shared Services Vehicle Contract	**Procurement and Contracts (ks.gov)** is the link to the Office of Procurement and Contracts site. Contract 45457 is a vehicle rental contract with Enterprise that is open to political subdivisions.

Best Practices

Best practices local government should consider

Prioritization

- ❑ Review ARPA **allowable uses of funds**
- ❑ Identify **existing programs** that require ongoing funding
- ❑ Identify **unmet needs** that require new funding
- ❑ Refer to **Bloomberg Cities Network Federal Assistance e311 Program (bloombergcities.jhu.edu/ program/e311)**

Collaboration

- ❑ Identify **Single Point of Contact** (SPOC) by subscribing to the RO listserv
- ❑ Establish **partnerships with community-based organizations**
- ❑ Engage with **other local, tribal governments and state agencies**

Operations

- ❑ Establish **organizational structure** to administer funds
- ❑ Establish mechanisms to **monitor use of funds** (funds used directly by your entity and/or by subrecipients)
- ❑ Ensure **administering entity** establishes necessary agreements with subrecipients and/or contractors

Next Steps

Next Steps (I of II)

Prepare for your submission of the April 2023 P&E report:

- Obtain or confirm a valid **UEI number**
- Gather **key data for the application portal**:
  - Local government name, Entity's Taxpayer Identification Number (TIN), UEI number, and address
  - Authorized representative name, title, and email
  - Contact person name, title, phone, and email
  - Financial institution information (e.g., routing and account number, financial institution name and contact information, certification of suspension and debarment)
- Review **award terms and conditions agreement** (as provided by the Treasury to be signed)
- Review **assurances of compliance** with Title VI of the Civil Rights Act of 1964 (as provided by the Treasury to be signed)

Next Steps (II of II)

Engaging with Recovery Office (RO):
- Subscribe to the **RO listserv**
- Attend **upcoming webinars**
  - Utilize additional resources from the RO
- Reach out to RO with reporting questions at [KS Office of Recovery Question/Request Form](#)

April 2023 Project and Expenditure report:
- Portal access opened April 1, 2023
- Your report is due April 30, 2023

Treasury reporting schedule

Report type	Applies to:	Dates included in report	Initial report due to Treasury	Subsequent reports due to Treasury	Included in Report
Interim Report	States, Territories, Metropolitan Cities, Counties, and Tribal Governments	Date of Award - July 31, 2021	August 31, 2021	N/A	Expenditures by category at the summary level
Quarterly Project and Expenditure Report	States, Territories, Metropolitan Cities, Counties, and Tribal Governments	Calendar Quarter	January 31, 2022	The last day of the month after the end of each quarter thereafter	Financial data, information on contracts and subawards over $50,000, types of projects funded, and other information regarding recipient's utilization of funds
Annual Project and Expenditure Report	NEUs (if <$10M)	Annually	April 30, 2022	Annually thereafter	Financial data, information on contracts and subawards over $50,000, types of projects funded, and other information regarding utilization of funds
Recovery Plan Performance Report	States, Territories, Metropolitan Cities, and Counties >250K residents	Annually	August 31, 2021	Annually thereafter by July 31	Funded projects, plans for project outcomes to be achieved, key performance indicators, and programmatic data

Appendix

General Treasury Resources

- [Interim Final Rule](#)
- [Interim Final Rule FAQs](#)
- [Interim Final Rule Quick Reference Guide](#)
- [Final Rule](#)
- [Overview of the Final Rule](#)
- [Final Rule FAQs](#)
- [Final Rule Press Release](#)
- [Compliance and Reporting Guidance](#)
- [April 2023 Project and Expenditure Report User Guide](#)

NEU Treasury Resources

- Guidance on Distribution of Funds to Non-entitlement Units of Local Government
- Non-entitlement Unit of Local Government Definitional and Data Methodology
- List of Local Governments
- Distribution of Funds to NEUs FAQs
- Status of Payments for Distribution to NEUs
- Non-entitlement Unit of Local Government Checklist for Requesting Initial Payment
- Award Terms and Conditions for Non-entitlement Units of Local Government
- Assurances of Compliance with Title VI of the Civil Rights Act of 1964
- System for Award Management
- NEUs with Funding over $10M P&E Report User Guide