

ARPA CSLFRF Update: Compliance and Reporting Guidance

National League of Cities

NLC NATIONAL
LEAGUE
OF CITIES

CITIES STRONG TOGETHER

During an unprecedented time, NLC delivered
unprecedented results for our members.

\$65 billion of DIRECT aid to
EVERY city, town or village
across the country.

nlc.org/stateleague

NLC **DELIVERS**

Framework

- \$1.2 Trillion Bipartisan Infrastructure Framework
 - \$312 Billion for Transportation
 - \$55 Billion for Water Infrastructure
 - \$65 Billion for Broadband Infrastructure
 - \$20 Billion for Infrastructure Financing
- ARPA CSLFRF clawback not included

	Amount (billions)
Total	\$579
Transportation	\$312
Roads, bridges, major projects	\$109
Safety	\$11
Public transit	\$49
Passenger and Freight Rail	\$66
EV infrastructure	\$7.5
Electric buses / transit	\$7.5
Reconnecting communities	\$1
Airports	\$25
Ports & Waterways	\$16
Infrastructure Financing	\$20
Other Infrastructure	\$266
Water infrastructure	\$55
Broadband infrastructure	\$65
Environmental remediation	\$21
Power infrastructure incl. grid authority	\$73
Western Water Storage	\$5
Resilience	\$47

*New spending + baseline (over 5 years) = \$973B

*New spending + baseline (over 8 years) = \$1,209B

THE WALL STREET JOURNAL

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Biden, Senators Agree to Roughly \$1 Trillion Infrastructure Plan

Plan secures bipartisan agreement on overhauling the nation’s transportation, water and broadband infrastructure

NLC's Highlights

- Largest dedicated bridge investment since interstate highway system
- Largest federal investment in passenger rail since the creation of Amtrak
- Largest investment in addressing legacy pollution

NLC's Concerns

- EV infrastructure investment outside cities
- Broadband funding repurposed
- **Workforce investments are missing**

Treasury's Guidance and Supplementary Information:

- Interim Final Rule (IFR)
- Allocations and Methodology for Non-Entitlement Units
- Allocations and Methodology for Metropolitan Cities
- Guidance on State Distribution of Funds to NEUs
- Frequently Asked Questions (*Periodically Updated*)
- Compliance and Reporting Requirements

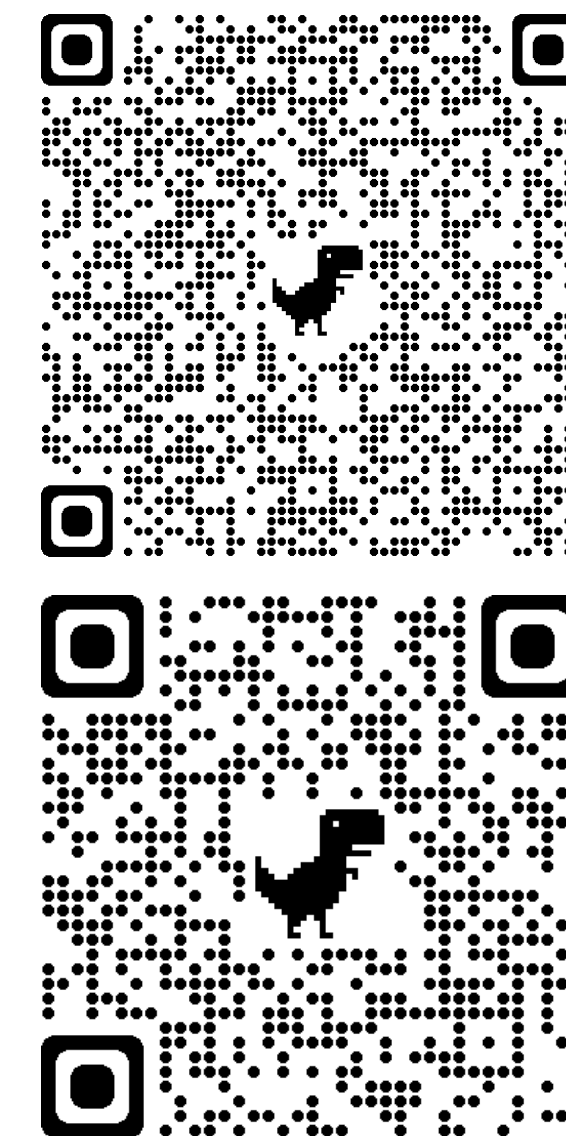
Visit [Treasury.gov/SLFRP](https://www.treasury.gov/SLFRP) for these resources

- For questions, email SLFRP@treasury.gov

Comments on the IFR are due **July 16, 2021**

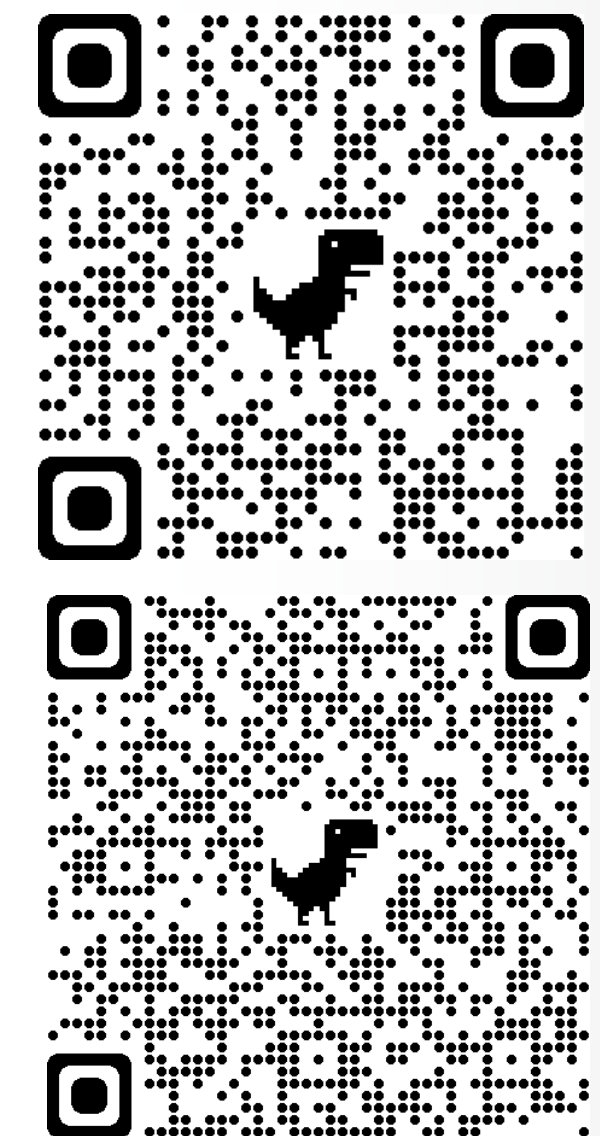


CSLFRF



IFR

Comments



Reporting

Broadband

- What does the requirement that infrastructure “be designed to” provide service to unserved or underserved households and businesses mean?

Emergency Rental Assistance

- Can funds be used for eviction prevention efforts or housing stability services?

Small Business and Built Environment

- Are recipients required to demonstrate that each individual or business experienced a negative economic impact for that individual or business to receive assistance?
- Would investments in improving outdoor spaces (e.g. parks) be an eligible use of funds as a response to the public health emergency and/or its negative economic impacts?
- Can funds be used to assist small business startups as a response to the negative economic impact?

Violence Prevention

- How can I use funds to prevent and respond to crime, and support public safety in my community?

Recordings of these webinars will be available on [Treasury.gov/SLFRP](https://www.treasury.gov/SLFRP)

Local recipients with populations over 250,000

- Thursday, June 24 at 1:30 PM ET

Local recipients with populations under 250,000 and grants over \$5 million

- Thursday, June 24 at 12:00 PM ET
- Friday, June 25 at 1:30 PM ET

Local recipients with populations under 250,000 and grants under \$5 million

- Tuesday, June 22 at 11:30 AM ET
- Wednesday, June 23 at 1:30 PM ET



Statutory Eligible Uses

- Respond to public health emergency and negative economic impact
- Premium pay
- Revenue replacement
- Necessary investment in water, sewer, and broadband infrastructure

Expenditure Categories (EC)

1. Public Health (12)
2. Negative Economic Impacts (14)
3. Services to Disproportionately Impacted Communities (16)
4. Premium Pay (2)
5. Infrastructure (17)
6. Revenue Replacement (1)
7. Administrative (4)

Projects

- Can be new or existing eligible government services or investments funded in whole or in part by SLFRF funding
- Should include only closely related activities directed toward a common purpose
- Must be scoped to align to a single Expenditure Category

Evidence-based Intervention

- Interventions with strong or moderate evidence
- Reporting and compliance document provides more explanation

Uniform Administrative Requirement

- Generally subject to Uniform Administrative Requirements, Cost Principles, and Audit Requirements (Uniform Guidance)
- Implement robust internal controls and effective monitoring to ensure compliance

Administrative Costs

- Supporting effective management and oversight
- Ensuring compliance with legal, regulatory, and other requirements
- Including cost of consultants

Cash Management

- SLFRF can be placed in interest-bearing accounts
- Interest does not need remitted to Treasury
- Interest is not subject to SLFRF eligible uses

Equipment and Real Property Management

- Must be used for originally authorized purpose

Procurement

- Defined by Uniform Guidance
- Procurement documenting procedures outlined in Uniform Guidance

Program Income

- Does not prohibit program income
- Additional guidance coming on uses and regulation

Recordkeeping Requirements

- Maintain records and financial documents for five years after program
- Recipients must provide these records upon request

Civil Rights Act Compliance

- Ensure no discrimination on basis of race, color, national origin, disability, age, or sex
- Signed assurance when requesting funds
- Provide annual information on compliance

Subrecipients and Subawards (Internal Controls)

- Manage and monitor subrecipients for compliance
- Identify for subrecipient
 - Subaward of SLFRF
 - Compliance requirements for use
 - Reporting requirements
- Evaluate risk of noncompliance
- Develop written process/procedures for monitoring and risk assessment

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 expenditure summary by category	By October 31, 2021, and then 30 days after the end of each quarter thereafter ⁹	By August 31, 2021, and annually thereafter by July 31 ¹⁰
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 ¹¹	
NEUs	Not required		

Metropolitan Cities

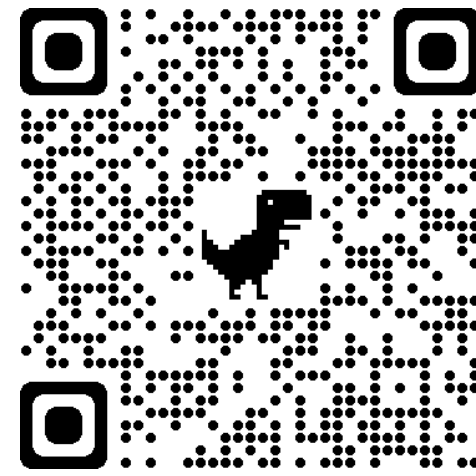
- Interim Report
 - Fund totals by Expenditure Category at the summary level from award date to June 30, 2021
 - **DEADLINE**: August 31, 2021
- Quarterly Project and Expenditure reports
 - Project and Programmatic Details (varies by Expenditure Category)
 - **DEADLINE**: October 31, 2021 (following reports due 30 days after calendar quarter)
- For populations +250K, annual Recovery Plan Performance
 - Public facing report
 - Demonstrates performance and use according to various metrics
 - Initial report from receipt through July 31, 2021
 - **DEADLINE**: August 31, 2021 (July 31, each year thereafter)

Non-Entitlement Unites of Local Government (NEUs)

- Annual Project and Expenditure Reports
 - Initial report from receipt to September 30, 2021
 - Project and Programmatic Details (varies by Expenditure Category)
 - **DEADLINE**: October 31, 2021 (each year)

NLC's COVID-19 Hub

- Blogs
- Local Action Tracker
- Fact sheets
- Frequently Asked Questions
- Webinar recordings



NLC's Question Form

- Support our content
- Inform our talks with Treasury
- <https://bit.ly/3eVyvWt>



The screenshot shows the top section of the NLC COVID-19 Pandemic Response & Relief hub page. The header features the title "COVID-19 Pandemic Response & Relief" in white and green text against a dark blue background with a blurred image of people. Below the title is a navigation bar with a home icon, the text "COVID-19 PANDEMIC RESPONSE & RELIEF", and a dropdown arrow. The main content area is divided into two columns. The left column has the heading "Your hub for the latest on infection, vaccination, response and relief" followed by a paragraph: "We are bringing you the tools, resources and events necessary to fight back against COVID-19. Check back here for the latest in pandemic response protocols, funding options and more for your city, town or village." The right column has the heading "OUR COMMUNITIES WILL RECEIVE" followed by the large text "\$65.1 BILLION" and a paragraph: "in necessary aid through the American Rescue Plan Act (ARPA) of 2021. Learn everything you need to know about funding through ARPA." At the bottom of the right column is a purple button labeled "AMERICAN RESCUE PLAN ACT".

NLC DELIVERS



Let NLC deliver for your city with:

- Advocacy Support
- Peer Networking
- National Leadership
- Education + Training
- Hands-On Assistance
- Community Discounts
- And more!

Learn more at nlc.org/stateleague

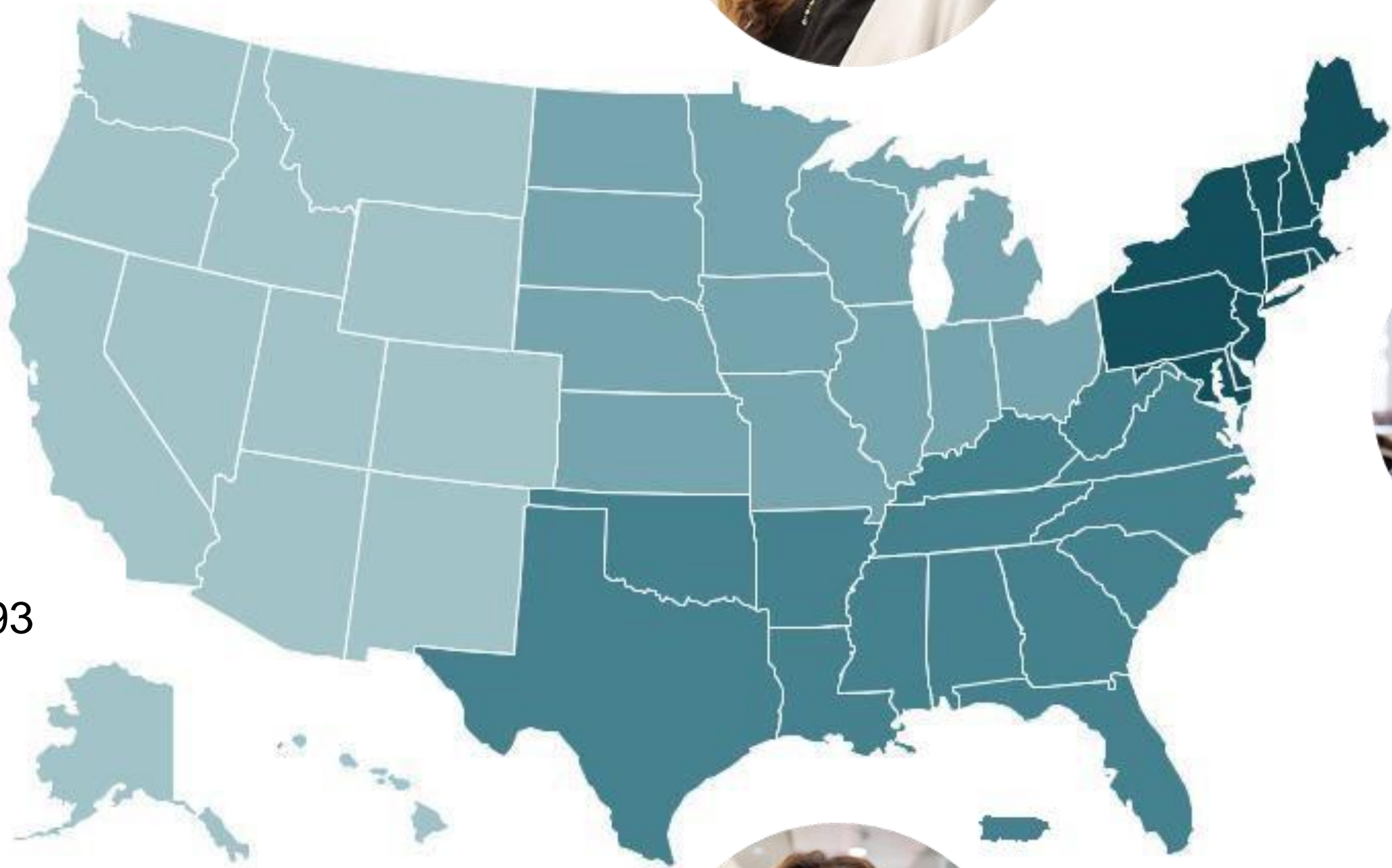
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