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## ARPA and SLFRF FACT SHEET

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*This document is intended to be used as a guide for agency personnel as you begin collecting data relative to each project, recipient, and subrecipient. While the US Treasury can change program requirements and reporting guidance at any given time, our office is here to keep you informed and to assist each agency in compiling the necessary data as needed. Please refer to the [Governor's Budget Office ARPA website](#) where you can find answers to frequently asked questions, view project templates, access requirement data and view a copy of the SLFRF Compliance and Reporting Guidelines<sup>1</sup>.*

### What is ARPA?:

- Signed into law on March 11, 2021, the American Rescue Plan Act of 2021 (ARPA) provided state, local and tribal governments \$350 billion in additional funding via the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program. This program is intended to support governments in responding to the economic and public health impacts of COVID-19 throughout communities.
- Of the \$350 billion, Pennsylvania received \$7.291 billion for counties, cities, boroughs, and townships to meet pandemic response needs.
- All funds must be obligated by December 31, 2024, and must be expended by December 31, 2026.

### Key Principles:

- Recipients and subrecipients are responsible for ensuring the SLFRF funds are not used for ineligible purposes, that there is no fraud, waste, or abuse associated with the SLFRF award and that all projects respond to the COVID-19 public health emergency to address urgent community needs.
- Swift and effective implementation is vital and agencies must maintain robust documentation and compliance.

### Eligible Uses:

- Revenue replacement due to the reduction in revenue as a result of COVID-19<sup>2,3</sup>;
- COVID-19 expenditures including assistance to small businesses, households, hard-hit industries, and economic recovery efforts;
- Premium pay for essential workers; and
- Investments in water, sewer, and broadband infrastructure.

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<sup>1</sup> Current SLFRF Compliance and Reporting Guidelines as well as other resources are available at - <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>

<sup>2</sup> While revenue replacement is an acceptable use in certain cases, all projects that could potentially claim revenue replacement must be discussed with the Governor's Budget Office in advance.

<sup>3</sup> The commonwealth already has an overarching Revenue Replacement project which was developed based on the federal requirements for calculating revenue loss during calendar year 2020. This project encompasses \$4.6 billion (of the \$7.291 billion allocated to Pennsylvania). Programs associated with this project are developed at the direction of the General Assembly. In accordance with federal law, reporting requirements for programs under this specific project only are different (in that less details are required to be reported). Currently, programs under this project are established in the following agencies only – Executive Offices, SSHE, PHFA, DCED, PHEAA, PDE, DHS, L&I, DOH and PennDOT.

**Restrictions:**

- Funds cannot be used directly or indirectly to offset tax reductions or delay a tax or tax increase; and
- Funds cannot be deposited into any pension fund.

**State reporting requirements to the federal government:** *\*Subject to change*

- All commonwealth agency recipients of federal funds must complete financial, performance and compliance reporting.
- Subrecipients must be managed and monitored by commonwealth agency recipients to ensure compliance with reporting requirements.
- All subrecipients must have an active SAM.gov registration and provide commonwealth agency project managers a UEI number, which will be reported along with other transaction data noted on page 4 of this document. *(As of April 2022, US Treasury is only accepting UEI numbers, instead of the previously required DUNS number.)*

**Required Information:**

- Agencies must maintain records and financial documents for five years after all funds have been expended or returned to Treasury.
- Recipients and subrecipients that expend more than \$750,000 in Federal awards during a fiscal year will be subject to an audit. Maintaining accurate records is of the utmost importance.

**Types of Reporting Requirements:**

- Interim Report – an initial overview of status and uses of funding. This is a one-time report.
- Project and Expenditure Report – a report on projects funded, expenditures, and contracts and subawards equal to or greater than \$50,000.
- Recovery Plan Performance Report – a report detailing projects that large recipients are undertaking with the funding.

**Reporting Requirements for States**

Entities Covered	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 or 60 days after receiving funding if funding was received by October 15, with expenditures by category.  Completed by GBO on August 31, 2021.	By January 31, 2022, and then the last day of the month after the end of each quarter thereafter.  Quarterly reports have been submitted by GBO as of: January 31, 2022, April 30, 2022 and July 31, 2022.	By August 31, 2021 or 60 days after receiving funding, and annually thereafter by July 31.  Recovery Plan Performance Reports have been submitted by GBO as of: July 31, 2021 and July 31, 2022.

**Agency, Project, and Appropriated Dollar Totals:**

- Of the \$350 billion, Pennsylvania received \$7.291 billion for counties, cities, boroughs, and townships to meet pandemic response needs. A breakdown by agency is as follows<sup>4</sup>:

<b>Agency</b>	<b>Funding Description / Appropriation</b>	<b>Total Budgeted</b>
Executive Offices	<u>Transfer to General Fund; Transfer to the EMS Operating Fund; Pandemic Response</u> ; Local Law Enforcement Support; Gun Violence Investigation and Prosecution; Violence Intervention and Prevention; Transfer to the Unemployment Compensation Trust Fund	\$4,338,991,374
PASSHE	State System of Higher Education ( <u>\$50 million is dedicated to the commonwealth's Revenue Replacement project</u> )	\$175,000,000
PHFA	<u>Construction Cost Relief</u> ; Development Cost Relief; Affordable Housing Construction	\$300,000,000
DCED	<u>Pandemic Response</u> ; Transfer to CFA / Water & Sewer Projects; Whole Home Repairs Program; Historically Disadvantaged Business Assistance; Transfer to CFA / Cultural & Museum Preservation Grants	\$615,277,724
PDE	<u>Pandemic Response</u>	\$26,651,000
DHS	Long-Term Living Programs; <u>Pandemic Response</u> ; Hospital Workforce Assistance; Healthcare Workforce Assistance; Child Care Stabilization; Mental Health; Low-Income Energy Assistance Program	\$997,058,000
L&I	<u>Pandemic Response</u>	\$1,500,000
DOH	<u>Pandemic Response; Biotechnology Research</u>	\$17,850,000
PennDOT	<u>Highway and Safety Capital Projects</u>	\$279,000,000
DCNR	State Parks and Outdoor Recreation Program; Keystone Tree Account	\$108,800,000
PHEAA	Student Loan Relief for Nurses & Pandemic Response	\$55,000,000
PEMA	Emergency Medical Services Recovery	\$25,000,000
DEP	Acid Mine Drainage Abatement & Treatment; NM Education, Research & Technical Assistance; Storm Water Management Grants	\$14,700,000
Revenue	Property Tax Relief	\$140,000,000
Pennvest	Clean Water Procurement Program	\$22,000,000
Agriculture	NM Planning, Grants & Technical Assistance; SCC Agriculture Conservation Assistance Program	\$174,500,000

<sup>4</sup> Underlined projects are currently included in the commonwealth's overarching Revenue Replacement project.

### Important things to know about what agencies will be expected to report:

*\*Agencies should attempt to collect each piece of information. Some templates require more reporting than others, but if collected up front, GBO will be able to avoid unforeseen issues when submitting to US Treasury.*

- SAM.gov registration
- Recipient Project ID / Subaward ID Number
- Recipient UEI
- Recipient TIN
- Recipient EIN
- Award Number
- Award Type
- Award Amount
- Subaward Type
- Total Period Obligation Amount (Aggregates)
- Total Period Expenditure Amount (Aggregates)
- Total amount obligated by recipient to a subrecipient
- Date recipient obligated funds to a subrecipient
- Primary Sector Classification
- Subaward project address
- Subrecipient Name
- Subrecipient Email Address
- Subrecipient Address
- Top 5 Executive names and compensation of subrecipients
- Did the recipient receive 80% or more of its annual gross revenue from federal funds in the previous year
- Did the recipient receive \$25M or more of its annual gross revenue from federal funds in the previous year
- Written Justification/description of funds/grants
- Written purpose and expected outputs of the funded subaward
- Expenditure Start Date
- Expenditure End Date
- Expenditure Amount
- Capital Expenditure
- Total Cost of Capital Expenditure
- Capital Expenditure Type
- Capital Expenditure Explanation
- Capital Expenditure Justification

### Performance Metrics:

- Agencies are expected to provide any performance metrics or evidence-based interventions collected by agencies on the SLFRF spend.<sup>5</sup>
  - [Evidence-based](#) refers to interventions with strong or moderate evidence such as anything that can specifically or reasonably support conclusions.
- Agencies should also provide any anecdotes or summaries about how the funds are being used to improve resources at the community or state level.

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<sup>5</sup> This requirement varies depending on the expenditure category each project falls under. The Governor's Budget Office is best able to determine expenditure category assignments and necessary metrics and interventions by reviewing a project description provided by the commonwealth agency recipient.

**Questions:**

PA SLFRF Resource Account

Governor's Budget Office

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