



ARP- State and Local Fiscal Recovery Fund Policies and Procedures

2022

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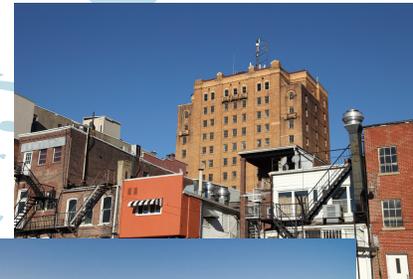
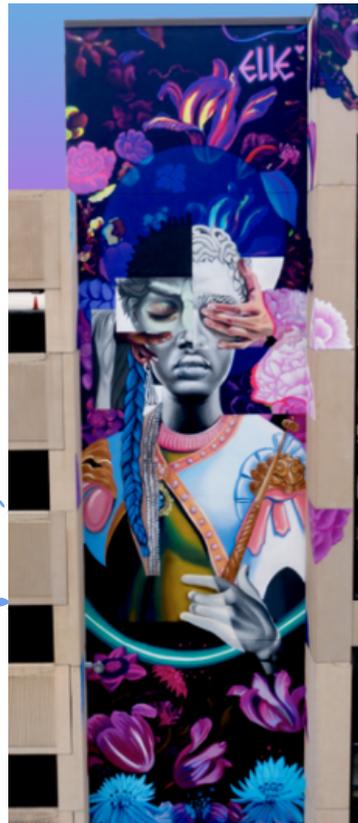
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Allentown
All Inspiring

Introduction:

The Coronavirus state and local fiscal recovery funds (SLFRF) is a part of the American Rescue Plan, these funds delivered up to \$350 billion dollars to state, local and tribal governments across the country. These funds were specifically disbursed in response to and recovery from the COVID-19 public health emergency. The program ensures that local governments have the resources needed to:

- Fight the pandemic and support families and small businesses struggling with its public health and economic impacts.
- Maintain vital public services, even amid decline in revenue and
- Build a strong resilient, and equitable recovery by making investments that support long-term growth and opportunity.

The City of Allentown received 57 million dollars in (SLFRF) funds to be used for immediate pandemic response needs and begin building a strong and equitable recovery. – (**Attachment F- Proposed City Budget with Eligible Activity Categories.**)

Overview of the Program:

The Coronavirus state and local fiscal recovery funds (SLFRF) program provides substantial flexibility for each jurisdiction to meet local needs within the four separate eligible use categories.

1. **Replacing Lot Public Sector Revenue**
2. **Public Health and Economic Impacts**
3. **Premium Pay**
4. **Water, Sewer and Broadband Infrastructure**

Important Definitions

“**Impacted**” entities are those impacted by the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency. For example, an individual who lost their job or a small business that saw lower revenue during a period of closure would both have experienced impacts of the pandemic.

“**Disproportionately impacted**” entities are those that experienced disproportionate public health or economic outcomes from the pandemic; Treasury recognizes that preexisting disparities, in many cases, amplified the impacts of the pandemic, causing more severe impacts in underserved communities. For example, a household living in a neighborhood with limited access to medical care and healthy foods may have faced health disparities before the pandemic, like a higher rate of chronic health conditions, that contributed to more severe health outcomes during the COVID-19 pandemic. The recipient may choose to identify these impacts at either the individual level or at a class level. If the recipient is identifying impacts at the individual level, they should retain documentation supporting the impact the individual experienced (e.g., documentation of lost revenues from a small business). Such documentation can be streamlined in many cases (e.g., self-attestation that a household requires food assistance).

“**Living Wage**” is referring to the hourly rate that an individual in a household must earn to support themselves and their family. The assumption is the sole provider is working full-time (2080 hours per year).

Recipient – is referring to the City of Allentown



Beneficiaries – any organization, nonprofit, business etc. providing services on behalf of the city

Procurement Guidelines

*Note the City must follow the same policies and procedures it uses for procurements from its non-Federal funds. **Attachment E -Purchasing Memo**

State will comply with 200.321, 200.322 and 200.323 and ensure that every PO or other contract includes any clauses required by 200.327

§ 200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

(a) The Non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

- (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
- (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources.
- (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.
- (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises.
- (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (b)(1) through (5) of this section.

§ 200.322 Domestic preferences for procurements.

(a) As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

(b) For purposes of this section:

- (1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- (2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

§ 200.323 Procurement of recovered materials.

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

§ 200.327 Contract provisions.

Eligible Programs

1. Replace lost public sector revenue - using this funding to provide government services up to the amount of revenue loss due to the pandemic.

Government services generally include any service traditionally provided by a government, including construction of roads and other infrastructure, provision of public safety and other services, and health and educational services. Funds spent under government services are subject to streamlined reporting and compliance requirements.

In order to use funds under government services, recipients should **first determine revenue loss**. They may, then, spend up to that amount on general government services.

- A standard allowance of up to **\$10 million in aggregate**, not to exceed their award amount, during the program.
- Calculating their jurisdiction's specific revenue loss each year using Treasury's formula, which compares actual revenue to a counterfactual trend.
- Recipients may determine their revenue loss by choosing between two options:



Determining revenue loss

- **Recipients may elect a “standard allowance” of \$10 million to spend on government services through the period of performance.**

Under this option, which is newly offered in the final rule Treasury presumes that up to \$10 million in revenue has been lost due to the public health emergency and recipients are permitted to use that amount (not to exceed the award amount) to fund “government services.” The standard allowance provides an estimate of revenue loss that is based on an extensive analysis of average revenue loss across states and localities, and offers a simple, convenient way to determine revenue loss, particularly for SLFRF’s smallest recipients.

All recipients may elect to use this standard allowance instead of calculating lost revenue using the formula below, including those with total allocations of \$10 million or less. Electing the standard allowance does not increase or decrease a recipient’s total allocation.

- **Recipients may calculate their actual revenue loss according to the formula articulated in the final rule.**

Under this option, recipients calculate revenue loss at four distinct points in time, either at the end of each calendar year (e.g., December 31 for years 2020, 2021, 2022, and 2023) or the end of each fiscal year of the recipient. Under the flexibility provided in the final rule, recipients can choose whether to use calendar or fiscal year dates but must be consistent throughout the period of performance. Treasury has also provided several adjustments to the definition of general revenue in the final rule.

To calculate revenue loss at each of these dates, recipients must follow a four-step process:

- a. Calculate revenues collected in the most recent full fiscal year prior to the public health emergency (i.e., last full fiscal year before January 27, 2020), called the *base year revenue*.
- b. Estimate *counterfactual revenue*, which is equal to the following formula, where n is the number of months elapsed since the end of the base year to the calculation date:

$$\text{base year revenue} \times (1 + \text{growth adjustment})^{12}$$

The *growth adjustment* is the greater of either a standard growth rate—5.2 percent—or the recipient’s average annual revenue growth in the last full three fiscal years prior to the COVID-19 public health emergency.

- c. Identify *actual revenue*, which equals revenues collected over the twelve months immediately preceding the calculation date.
Under the final rule, recipients must adjust actual revenue totals for the effect of tax cuts and tax increases that are adopted after the date of adoption of the final rule (January 6, 2022). Specifically, the estimated fiscal impact of tax cuts and tax increases adopted after January 6, 2022, must be added or subtracted to the calculation of actual revenue for purposes of calculation dates that occur on or after April 1, 2022.
Recipients may subtract from their calculation of actual revenue the effect of tax increases enacted prior to the adoption of the final rule. Note that recipients that elect to remove the effect of tax increases enacted before the adoption of the final rule must also remove the effect of tax decreases enacted before the adoption of the final rule, such that they are accurately removing the effect of tax policy changes on revenue.
- d. Revenue loss for the calculation date is equal to *counterfactual revenue* minus *actual revenue* (adjusted for tax changes) for the twelve-month period. If actual revenue exceeds counterfactual revenue, the loss is set to zero for that twelve-month period. Revenue loss for the period of performance is the sum of the revenue loss on for each calculation date.

The supplementary information in the final rule provides an example of this calculation, which recipients may find helpful, in the Revenue Loss section.

- Recipients may use funds up to the amount of revenue loss for government services; generally, services traditionally provided by recipient governments are government services, unless Treasury has stated otherwise.

Spending on government services

Recipients can use SLFRF funds on government services up to the revenue loss amount, whether that be the standard allowance amount, or the amount calculated using the above approach. Government services generally include any service traditionally provided by a government unless Treasury has stated otherwise. Here are some common examples, although this list is not exhaustive:

- Construction of schools and hospitals
- Road building and maintenance, and other infrastructure
- Health services
- General government administration, staff, and administrative facilities

Step	1. Identify COVID-19 public health or economic impact	2. Design a response that addresses or responds to the impact
Analysis	<ul style="list-style-type: none"> • Can identify impact to a specific household, business or nonprofit or to a class of households, businesses, or nonprofits (i.e., group) • Can also identify disproportionate impacts, or more severe impacts, to a specific beneficiary or to a class 	<ul style="list-style-type: none"> • Types of responses can include a program, service, or capital expenditure • Response should be related and reasonably proportional to the harm Response should also be reasonably designed to benefit impacted individual or class
Simplifying Presumptions	<ul style="list-style-type: none"> • Final Rule presumes certain populations and classes are impacted and disproportionately impacted 	<ul style="list-style-type: none"> • Final Rule provides non-exhaustive list of enumerated eligible uses that respond to pandemic impacts and disproportionate impacts

- Recipients can use funds for programs, services, or capital expenditures that respond to the public health and negative economic impacts of the pandemic.
- To provide simple and clear eligible uses of funds, Treasury provides a list of enumerated uses that recipient can provide to households, populations, or classes (i.e., groups) that experienced pandemic impacts.
- Public health eligible uses include COVID-19 mitigation and prevention, medical expenses, behavioral healthcare, and preventing and responding to violence.
- Eligible uses to respond to negative economic impacts are organized by the type of beneficiary: assistance to households, small businesses, and nonprofits.
- Each category includes assistance for “impacted” and “disproportionately impacted” classes: impacted classes experienced the general, broad-based impacts of the pandemic, while disproportionately impacted classes faced meaningfully more severe impacts, often due to preexisting disparities.
- To simplify administration, the final rule presumes that some populations and groups were impacted or disproportionately impacted and are eligible for responsive services.
 - Eligible uses for assistance to impacted households include aid for reemployment, job training, food, rent, mortgages, utilities, affordable housing development, childcare, early education, addressing learning loss, and many more uses.
 - Eligible uses for assistance to impacted small businesses or nonprofits include loans or grants to mitigate financial hardship, technical assistance for small businesses, and many more uses.
- Recipients can also aid impacted industries like travel, tourism, and hospitality that faced substantial pandemic impacts, or address impacts to the public sector, for example by re-hiring public sector workers cut during the crisis.
- Recipients providing funds for enumerated uses to populations and groups that Treasury has presumed eligible are clearly operating consistently with the final rule. Recipients can also identify (1) other populations or groups, beyond those presumed eligible, that experienced pandemic impacts or disproportionate impacts and (2) other programs, services, or capital expenditures, beyond those enumerated, to respond to those impacts.
- Provide premium pay for eligible workers performing essential work, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors.
- Recipients may provide premium pay to eligible workers – generally those working in-person in key economic sectors – who are below a wage threshold or non-exempt from the Fair Labor

Standards Act overtime provisions, or if the recipient submits justification that the premium pay is responsive to workers performing essential work.

- Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, to support vital wastewater and stormwater infrastructure, and to expand affordable access to broadband internet.
- Recipients may fund a broad range of water and sewer projects, including those eligible under the EPA's Clean Water State Revolving Fund, EPA's Drinking Water State Revolving Fund, and certain additional projects, including a wide set of lead remediation, stormwater infrastructure, and aid for private wells and septic units.
- Recipients may fund high-speed broadband infrastructure in areas of need that the recipient identifies, such as areas without access to adequate speeds, affordable options, or where connections are inconsistent or unreliable; completed projects must participate in a low-income subsidy program.

Public health emergency

COVID-19 mitigation and prevention. The pandemic has broadly impacted Americans and recipients can provide services to prevent and mitigate COVID-19 to the public or to small businesses, nonprofits, and impacted industries in general. Enumerated eligible uses include:

- Vaccination programs, including vaccine incentives and vaccine sites
- Support for prevention, mitigation, or other services in congregate living
- Testing programs, equipment and sites facilities, public facilities, and schools
- Monitoring, contact tracing & public health surveillance (e.g., monitoring for variants)
- Support for prevention and mitigation strategies in small businesses, nonprofits, and impacted industries
- Public communication efforts
- Medical facilities generally dedicated to COVID-19 treatment and mitigation (e.g., ICUs, emergency rooms)
- COVID-19 prevention and treatment equipment, such as ventilators and ambulances
- Public health data systems (Temporary medical facilities and other
- Medical and PPE/protective supplies measures to increase COVID-19 treatment capacity
- Support for isolation or quarantine
- Ventilation system installation and improvement
- Technical assistance on mitigation of COVID-19 threats to public health and safety
- Emergency operations centers & emergency response equipment (e.g., emergency response radio systems)
- Public telemedicine capabilities for COVID-19 related treatment
- Transportation to reach vaccination or testing sites, or other prevention and mitigation services for vulnerable populations

Medical expenses. Funds may be used for expenses to households, medical providers, or others that incurred medical costs due to the pandemic, including:

- Unreimbursed expenses for medical care for COVID-19 testing or treatment, such as uncompensated care costs for medical providers or out-of-pocket costs for individuals
- Paid family and medical leave for public employees to enable compliance with COVID-19 public health precautions
- Emergency medical response expenses
- Treatment of long-term symptoms or effects of COVID-19

Behavioral health care, such as mental health treatment, substance use treatment, and other behavioral health services. the pandemic has broadly impacted Americans' behavioral health and recipients can provide these services to the public to respond.

- Prevention, outpatient treatment, inpatient treatment, crisis care, diversion programs, outreach to individuals not yet engaged in treatment, harm reduction & long-term recovery support
- Enhanced behavioral health services in schools
- Services for pregnant women or infants born with neonatal abstinence syndrome
- Support for equitable access to reduce disparities in access to high-quality treatment
- Peer support groups, costs for residence in supportive housing or recovery housing, and the 988 National Suicide Prevention Lifeline or other hotline services
- Expansion of access to evidence-based services for opioid use disorder prevention, treatment, harm reduction, and recovery
- Behavioral health facilities & equipment

Preventing and responding to violence. Recognizing that violence – and especially gun violence – has increased in some communities due to the pandemic, recipients may use funds to respond in these communities through:

- Referrals to trauma recovery services for victims of crime
- Community violence intervention programs, including:
 - Evidence-based practices like focused deterrence, with wraparound services such as behavioral therapy, trauma recovery, job training, education, housing and relocation services, and financial assistance
- In communities experiencing increased gun violence due to the pandemic:
 - Law enforcement officers focused on advancing community policing
 - Enforcement efforts to reduce gun violence, including prosecution
 - Technology & equipment to support law enforcement response

Assistance to Households

Impacted Households and Communities

The below are presumed households and communities that are **impacted** by the pandemic:

- Low- or-moderate income households or communities
- Households that experienced unemployment
- Households that experienced increased food or housing insecurity
- Households that qualify for the Children's Health Insurance Program, Childcare Subsidies through the Child Care Development Fund (CCDF) Program, or Medicaid
- When providing services to address lost instructional time in K-12 schools: any student that lost access to in-person instruction for a significant period
- When providing services to address lost instructional time in K-12 schools: any student that lost access to in-person instruction for a significant period

Low- or moderate-income households and communities are those with (i) income at or below 300 percent of the Federal Poverty Guidelines for the size of the household based on the most recently published poverty guidelines or (ii) income at or below 65 percent of the area median income for the county and size of household based on the most recently published data. For the vast majority of communities, the Federal Poverty Guidelines are higher than the area's median income and using the Federal Poverty Guidelines would result in more households and communities being presumed eligible.

HOUSEHOLD AND INCOME VERIFICATION FOR ALLENTOWN- BETHLEHEM – EASTON

<u>Household Size</u>	<u>0-30% AMI</u>	<u>31-50% AMI</u>	<u>51-60% AMI</u>	<u>61-80% AMI</u>
1 person	\$0 – \$17,200	\$17,201 – \$28,700	\$28,701 – \$34,440	\$34,441 – \$45,850
2 people	\$0 – \$19,650	\$19,651 – \$32,800	\$32,801 – \$39,360	\$39,361 – \$52,400
3 people	\$0 – \$22,100	\$22,101 – \$36,900	\$36,901 – \$44,280	\$44,281 – \$58,950
4 people	\$0 – \$24,550	\$24,551 – \$40,950	\$40,951 – \$49,140	\$49,141 – \$65,500
5 people	\$0 – \$26,550	\$26,551 – \$44,250	\$44,251 – \$53,100	\$53,101 – \$70,750
6 people	\$0 – \$28,500	\$28,501 – \$47,550	\$47,551 – \$57,060	\$57,061 – \$76,000
7 people	\$0 – \$30,450	\$30,451 – \$50,800	\$50,801 – \$60,960	\$60,961 – \$81,250
8 people	\$0 – \$32,450	\$32,451 – \$54,100	\$54,101 – \$64,920	\$64,921 – \$86,500

Eligible projects to respond to impacts of the pandemic on households and communities

- Food assistance & food banks
- Emergency housing assistance: rental assistance, mortgage assistance, utility assistance, assistance paying delinquent property taxes, counseling, and legal aid to prevent eviction and homelessness & emergency programs or services for homeless individuals, including temporary residences for people experiencing homelessness
- Health insurance coverage expansion
- Benefits for surviving family members of individuals who have died from COVID-19
- Assistance to individuals who want and are available for work, including job training, public jobs programs and fairs, support for childcare and transportation to and from a jobsite or interview, incentives for newly employed workers, subsidized employment, grants to hire underserved workers, assistance to unemployed individuals to start small businesses & development of job and workforce training centers
- Financial services for the unbanked and underbanked
- Burials, home repair & home weatherization
- Programs, devices & equipment for internet access and digital literacy, including subsidies for costs of access
- Cash assistance
- Paid sick, medical, and family leave programs
- Assistance in accessing and applying for public benefits or services
- Childcare and early learning services, home visiting programs, services for child welfare-involved families and foster youth & childcare facilities
- Assistance to address the impact of learning loss for K-12 students (e.g., high-quality tutoring, differentiated instruction)
- Programs or services to support long-term housing security: including development of affordable housing and permanent supportive housing
- Certain contributions to an Unemployment Insurance Trust Fund

Disproportionately Impacted Households and Communities

The below are presumed households and communities are disproportionately impacted by the pandemic:

- Low -income households and communities
- Households residing in Qualified Census Tracts
- Households that qualify for certain federal benefits.
- Households receiving services provided by Tribal governments
- Households residing in the U.S. territories or receiving services from these governments

Eligible projects response to disproportionate impacts of the pandemic on households and communities:

- Improvements to vacant and abandoned properties, including rehabilitation or maintenance, renovation, removal and remediation of environmental contaminants, demolition or deconstruction, greening/vacant lot cleanup & conversion to affordable housing.
- Services to address educational disparities, including assistance to high-poverty school districts & educational and evidence-based services to address student academic, social, emotional, and mental health needs
- Schools and other educational equipment & facilities
- Pay for community health workers to help households access health & social services
- Remediation of lead paint or other lead hazards
- Primary care clinics, hospitals, integration of health services into other settings, and other investments in medical equipment & facilities designed to address health disparities
- Housing vouchers & assistance relocating to neighborhoods with higher economic opportunity
- Investments in neighborhoods to promote improved health outcomes

Beneficiaries

Assistance to Small Businesses

Small businesses have faced widespread challenges due to the pandemic, including periods of shutdown, declines in revenue, or increased costs. The final rule provides many tools for recipients to respond to the impacts of the pandemic on small businesses, or disproportionate impacts on businesses where pre-existing disparities like lack of access to capital compounded the pandemic's effects.

Small businesses eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of "small business," specifically:

1. Have no more than 500 employees, or if applicable, the size standard in number of employees established by the Administrator of the Small Business Administration for the industry in which the business concern or organization operates, and
2. Are a small business concern as defined in section 3 of the Small Business Act⁸ (which includes, among other requirements, that the business is independently owned and operated and is not dominant in its field of operation).

Impacted Small Businesses

Recipients can identify small businesses impacted by the pandemic, and measures to respond, in many ways; for example, recipients could consider:

- Decreased revenue or gross receipts
- Capacity to weather financial hardship
- Financial insecurity
- Challenges covering payroll, rent or
- Increased costs
- mortgage, and other operating costs

Assistance to small businesses that experienced negative economic impacts includes the following enumerated uses:

Loans or grants to mitigate financial hardship, such as by supporting payroll and benefits, costs to retain



employees, and mortgage, rent, utility, and other operating costs, technical assistance, counseling, or other services to support business planning.

Disproportionately Impacted Small Businesses

The below are presumed small businesses that are disproportionately impacted by the pandemic:

- Small businesses operating in Qualified Census Tracts
- Small businesses operated by Tribal governments or on Tribal lands
- Small businesses operating in the U.S. territories

Assistance to disproportionately impacted small businesses includes the following:

- Rehabilitation of commercial properties, storefront improvements & façade improvements
- Technical assistance, business incubators & grants for start-up or expansion costs for small businesses
- Support for microbusinesses, including financial, childcare, and transportation costs

Assistance to Nonprofits

Nonprofits have faced significant challenges due to the pandemic's increased demand for services and changing operational needs, as well as declines in revenue sources such as donations and fees. Nonprofits eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of “**nonprofit**”—**specifically those that are 501(c)(3) or 501(c)(19) tax-exempt organizations.**

Impacted Nonprofits

Recipients can identify nonprofits impacted by the pandemic, and measures to respond, in many ways; for example, recipients could consider:

- Decreased revenue (e.g., from donations and fees)
- Financial insecurity
- Increased costs (e.g., uncompensated increases in service need)
- Capacity to weather financial hardship
- Challenges covering payroll, rent or mortgage, and other operating costs

Assistance to nonprofits that experienced negative economic impacts includes the following:

- Loans or grants to mitigate financial hardship
- Technical or in-kind assistance or other services that mitigate negative economic impacts of the pandemic

Disproportionately Impacted Nonprofits

Treasury presumes that the following nonprofits are disproportionately impacted by the pandemic:

- Nonprofits operating in Qualified Census Tracts
- Nonprofits operated by Tribal governments or on Tribal lands
- Nonprofits operating in the U.S. territories

Recipients may identify appropriate responses that are related and reasonably proportional to addressing these disproportionate impacts.

Aid to Impacted Industries

Recipients may use SLFRF funding to provide aid to industries impacted by the COVID-19 pandemic. Recipients should first designate an impacted industry and then provide aid to address the impacted industry's negative economic impact.

This sub-category of eligible uses does not separately identify disproportionate impacts and corresponding responsive services.

1. Designating an impacted industry. There are two main ways an industry can be designated as “impacted.”

- A. If the industry is in the travel, tourism, or hospitality sectors (including Tribal development districts), the industry is impacted.
- B. If the industry is outside the travel, tourism, or hospitality sectors, the industry is impacted if:
 - a. The industry experienced at least 8 percent employment loss from pre-pandemic levels, or
 - b. The industry is experiencing comparable or worse economic impacts as the national tourism, travel, and hospitality industries as of the date of the final rule, based on the totality of economic indicators or qualitative data (if quantitative data is unavailable), and if the impacts were generally due to the COVID-19 public health emergency.

Recipients have flexibility to define industries broadly or narrowly, but it is encouraged that recipients define **narrow and discrete industries eligible for aid**. State and territory recipients also have flexibility to define the industries with greater geographic precision; for example, a state may identify a particular industry in a certain region of a state as impacted.

2. Providing eligible aid to the impacted industry. Aid may only be provided to support businesses, attractions, and Tribal development districts operating prior to the pandemic and affected by required closures and other efforts to contain the pandemic. Further, aid should be generally broadly available to all businesses within the impacted industry to avoid potential conflicts of interest, and Treasury encourages aid to be first used for operational expenses, such as payroll, before being used on other types of costs.

Recognized projects as eligible responses to impacted industries.

- Aid to mitigate financial hardship, such as supporting payroll costs, lost pay and benefits for returning employees, support of operations and maintenance of existing equipment and facilities
- Technical assistance, counseling, or other services to support business planning
- COVID-19 mitigation and infection prevention measures (see section Public Health)

Public sector capacity

Recipients may use SLFRF funding to restore and bolster public sector capacity, which supports government’s ability to deliver critical COVID-19 services. There are three main categories of eligible uses to bolster public sector capacity and workforce: **Public Safety, Public Health, and Human Services Staff; Government Employment and Rehiring Public Sector Staff; and Effective Service Delivery.**

Public Safety, Public Health, and Human Services Staff

SLFRF funding may be used for payroll and covered benefits for public safety, public health, health care, human services and similar employees of a recipient government, for the portion of the employee’s time spent responding to COVID-19. Recipients should follow the steps below.

1. Identify eligible public safety, public health, and human services staff. Public safety staff include:
 - Police officers (including state police officers)
 - Sheriffs and deputy sheriffs
 - Firefighters
 - Emergency medical responders
 - Correctional and detention officers
 - Dispatchers and supervisor personnel
 - that directly support public safety staff

Public health staff include:

- Employees involved in providing medical and other physical or mental health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions
- Laboratory technicians, medical examiners, morgue staff, and other support services essential for patient care
- Employees of public health departments directly engaged in public health matters and related supervisory personnel.

Human services staff include:

- Employees providing or administering social services and public benefits
- Child welfare services employees
- Child, elder, or family care employees

2. Assess portion of time spent on COVID-19 response for eligible staff.

Recipients can use a variety of methods to assess the share of an employees' time spent responding to COVID-19, including using reasonable estimates—such as estimating the share of time based on discussions with staff and applying that share to all employees in that position.

For administrative convenience, recipients can consider public health and safety employees entirely devoted to responding to COVID-19 (and their payroll and benefits fully covered by SLFRF) if the employee, or his or her operating unit or division, is “primarily dedicated” to responding to COVID-19. Primarily dedicated means that more than half of the employee, unit, or division’s time is dedicated to responding to COVID-19.

Recipients must periodically reassess their determination and maintain records to support their assessment, although recipients do not need to track staff hours.

Use SLFRF funding for payroll and covered benefits for the portion of eligible staff time spent on COVID-19 response. SLFRF funding may be used for payroll and covered benefits for the portion of the employees’ time spent on COVID-19 response, as calculated above, through the period of performance.

Government Employment and Rehiring Public Sector Staff

Under the increased flexibility of the final rule, SLFRF funding may be used to support a broader set of uses to restore and support public sector employment. Eligible uses include hiring up to a pre-pandemic baseline that is adjusted for historic underinvestment in the public sector, providing additional funds for employees who experienced pay cuts or were furloughed, avoiding layoffs, providing worker retention incentives, and paying for ancillary administrative costs related to hiring, support, and retention.

Restoring pre-pandemic employment. Recipients have two options to restore pre-pandemic employment, depending on the recipient’s needs.

- If the recipient simply wants to hire back employees for pre-pandemic positions: Recipients may use SLFRF funds to hire employees for the same positions that existed on January 27, 2020, but that were unfilled or eliminated as of March 3, 2021. Recipients may use SLFRF funds to cover payroll and covered benefits for such positions through the period of performance.
- If the recipient wants to hire above the pre-pandemic baseline and/or would like to have flexibility in positions: Recipients may use SLFRF funds to pay for payroll and covered benefits associated with the recipient increasing its number of budgeted FTEs up to 7.5 percent above its pre-pandemic baseline. Specifically, recipients should undergo the following steps:

- a. Identify the recipient's budgeted FTE level on January 27, 2020. This includes all budgeted positions, filled and unfilled. This is called the pre-pandemic baseline.
- b. Multiply the pre-pandemic baseline by 1.075. This is called the adjusted pre-pandemic baseline.
- c. Identify the recipient's budgeted FTE level on March 3, 2021, which is the beginning of the period of performance for SLFRF funds. Recipients may, but are not required to, exclude the number of FTEs dedicated to responding to the COVID-19 public health emergency. This is called the actual number of FTEs.
- d. Subtract the actual number of FTEs from the adjusted pre-pandemic baseline to calculate the number of FTEs that can be covered by SLFRF funds. Recipients do not have to hire for the same roles that existed pre-pandemic.

Recipients may use SLFRF funds to cover payroll and covered benefits through the period of performance; these employees must have begun their employment on or after March 3, 2021. Recipients may only use SLFRF funds for additional FTEs hired over the March 3, 2021, level (i.e., the actual number of FTEs).

Supporting and retaining public sector workers. Recipients can also use funds in other ways that support the public sector workforce. These include:

- o Providing additional funding for employees who experienced pay reductions or were furloughed since the onset of the pandemic, up to the difference in the employee's pay, considering unemployment benefits received
- o Maintaining current compensation levels to prevent layoffs. SLFRF funds may be used to maintain current compensation levels, with adjustments for inflation, in order to prevent layoffs that would otherwise be necessary.
- o Providing worker retention incentives, including reasonable increases in compensation to persuade employees to remain with the employer as compared to other employment options. Retention incentives must be entirely additive to an employee's regular compensation, narrowly tailored to need, and should not exceed incentives traditionally offered by the recipient or compensation that alternative employers may offer to compete for the employees. Treasury presumes that retention incentives that are less than 25 percent of the rate of base pay for an individual employee or 10 percent for a group or category of employees are reasonably proportional to the need to retain employees, if other requirements are met.

Effective Service Delivery

SLFRF funding may be used to improve the efficacy of public health and economic programs through tools like program evaluation, data, and outreach, as well as to address administrative needs caused or exacerbated by the pandemic. Eligible uses include:

- Supporting program evaluation, data, and outreach through:
 - o Program evaluation and evidence resources
 - o Data analysis resources to gather, assess, share, and use data
 - o Technology infrastructure to improve access to and the user experience of government IT systems, as well as technology improvements to increase public access and delivery of government programs and services
 - o Community outreach and engagement activities
 - o Capacity building resources to support using data and evidence, including hiring staff, consultants, or technical assistance support

Addressing administrative needs, including:

- Address administrative needs caused or exacerbated by the pandemic, including addressing backlogs caused by shutdowns, increased repair or maintenance needs, and technology infrastructure.
- Administrative costs for programs responding to the public health emergency and its economic impacts, including non-SLFRF and non-federally funded programs.

Capital expenditures

Capital expenditures are subject to the same eligibility standard as other eligible uses to respond to the pandemic’s public health and economic impacts; specifically, they must be related and reasonably proportional to the pandemic impact identified and reasonably designed to benefit the impacted population or class.

To guide recipients’ analysis of whether a capital expenditure meets the eligibility standard, recipients (except for Tribal governments) must complete and meet the requirements of a written justification for capital expenditures equal to or greater than \$1 million. For large-scale capital expenditures, which have high costs and may require an extended length of time to complete, as well as most capital expenditures for non-enumerated uses of funds, Treasury requires recipients to submit their written justification as part of regular reporting. Specifically:

If a project has total capital expenditures of	and the use is enumerated by Treasury as eligible, then	and the use is beyond those enumerated by Treasury as eligible, then
Less than \$1 million	No Written Justification required	No Written Justification required
Greater than or equal to \$1 million, but less than \$10 million	Written Justification required but recipients are not required to submit as part of regular reporting to Treasury	Written Justification required and recipients must submit as part of regular reporting to Treasury
\$10 million or more	Written Justification required and recipients must submit as part of regular reporting to Treasury	

A Written Justification includes:

- Description of the harm or need to be addressed. Recipients should provide a description of the specific harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency. Recipients may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.
- Explanation of why a capital expenditure is appropriate. For example, recipients should include an explanation of why existing equipment and facilities, or policy changes or additional funding to pertinent programs or services, would be inadequate.
- Comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior. Recipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the expected total cost (including pre-development costs) against at least two alternative capital expenditures.

Where relevant, recipients should consider the alternatives of improving existing capital assets already owned or leasing other capital assets.

The following capital projects are generally ineligible:

- Construction of new correctional facilities as a response to an increase in rate of crime
- Construction of new congregate facilities to decrease spread of COVID-19 in the facility
- Construction of convention centers, stadiums, or other large capital projects intended for general economic development or to aid impacted industries

In undertaking capital expenditures, recipients shall adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurement’s employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.

Framework for Eligible uses Beyond those Provided by Treasury

Recipients have broad flexibility to identify and respond to other pandemic impacts and serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients should undergo the following steps to decide whether their project is eligible:

Step	1. Identify COVID-19 public health or economic impact	2. Design a response that addresses or responds to the impact
Analysis	<ul style="list-style-type: none"> • Can identify impact to a specific household, business or nonprofit or to a class of households, businesses or nonprofits (i.e., group) • Can also identify disproportionate impacts, or more severe impacts, to a specific beneficiary or to a class 	<ul style="list-style-type: none"> • Types of responses can include a program, service, or capital expenditure • Response should be related and reasonably proportional to the harm Response should also be reasonably designed to benefit impacted individual or class

1. Identify a COVID-19 public health or negative economic impact on an individual or a class. Recipients should identify an individual or class that is “impacted” or “disproportionately impacted” by the COVID-19 public health emergency or its negative economic impacts as well as the specific impact itself.

- “Impacted” entities are those impacted by the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergencies. For example, an individual who lost their job or a small business that saw lower revenue during a period of closure would both have experienced impacts of the pandemic.
- “Disproportionately impacted” entities are those that experienced disproportionate public health or economic outcomes from the pandemic; Treasury recognizes that preexisting disparities, in many cases, amplified the impacts of the pandemic, causing more severe impacts in underserved communities. For example, a household living in a neighborhood with limited access to medical care and healthy foods may have faced health disparities before the pandemic, like a higher rate of chronic health conditions, that contributed to more severe health outcomes during the COVID-19 pandemic.

The recipient may choose to identify these impacts at either the individual level or at a class level. If the recipient is identifying impacts at the individual level, they should retain documentation supporting the

impact the individual experienced (e.g., documentation of lost revenues from a small business). Such documentation can be streamlined in many cases (e.g., self-attestation that a household requires food assistance).

Recipients also have broad flexibility to identify a “class” – or a group of households, small businesses, or nonprofits – that experienced an impact. In these cases, the recipients should first identify the class and the impact that it faced.

Then, recipients only need to document that the individuals served fall within that class; recipients do not need to document a specific impact to everyone served.

For example, a recipient could identify that restaurant in the downtown area faced substantial declines in revenue due to decreased foot traffic from workers; the recipient could develop a program to respond to the impact on that class and only needs to document that the businesses being served are restaurants in the downtown area.

Recipients should keep the following considerations in mind when designating a class:

- There should be a relationship between the definition of the class and the proposed response. Larger and less-specific classes are less likely to have experienced similar harms, which may make it more difficult to design a response that appropriately responds to those harms.
 - Classes may be determined on a population basis or on a geographic basis, and the response should be appropriately matched. For example, a response might be designed to provide childcare to single parents, regardless of which neighborhood they live in, or a response might provide a park to improve the health of a disproportionately impacted neighborhood.
 - Recipients may designate classes that experienced disproportionate impact, by assessing the impacts of the pandemic and finding that some populations experienced meaningfully more severe impacts than the public. To determine these disproportionate impacts, recipients:
 - May designate classes based on academic research or government research publications (such as the citations provided in the supplementary information in the final rule), through analysis of their own data, or through analysis of other existing data sources.
 - May also consider qualitative research and sources to augment their analysis, or when quantitative data is not readily available. Such sources might include resident interviews or feedback from relevant state and local agencies, such as public health departments or social services departments.
 - Should consider the quality of the research, data, and applicability of analysis to their determination in all cases.
 - Some of the enumerated uses may also be appropriate responses to the impacts experienced by other classes of beneficiaries. It is permissible for recipients to provide these services to other classes, so long as the recipient determines that the response is also appropriate for those groups.
 - Recipients may designate a class based on income level, including at levels higher than the final rule definition of “low- and moderate-income.” For example, a recipient may identify that households in their community with incomes above the final rule threshold for low-income nevertheless experienced disproportionate impacts from the pandemic and provide responsive services.
2. Design a response that addresses or responds to the impact. Programs, services, and other interventions must be reasonably designed to benefit the individual or class that experienced the impact. They must also be related and reasonably proportional to the extent and type of impact experienced. For example, uses that bear no relation or are grossly disproportionate to the type or extent of the impact would not be eligible.
- “Reasonably proportional” refers to the scale of the response compared to the scale of the harm, as well as the targeting of the response to beneficiaries compared to the amount of harm they experienced; for example, it may not be reasonably proportional for a cash assistance program to

provide a very small amount of aid to a group that experienced severe harm and a much larger amount to a group that experienced relatively little harm. Recipients should consider relevant factors about the harm identified and the response to evaluate whether the response is reasonably proportional. For example, recipients may consider the size of the population impacted and the severity, type, and duration of the impact. Recipients may also consider the efficacy, cost, cost-effectiveness, and time to delivery of the response.

For disproportionately impacted communities, recipients may design interventions that address broader pre-existing disparities that contributed to more severe health and economic outcomes during the pandemic, such as disproportionate gaps in access to health care or pre-existing disparities in educational outcomes that have been exacerbated by the pandemic.

3. Premium Pay

Provide premium pay for eligible workers

performing essential work, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors.

***Most eligible projects and programs under this section will go through a standard application process for transparency purposes, the application can be found as Attachment B to this document, all eligible beneficiaries are to adhere to all federal, state, and local regulations.**



Beneficiaries that apply for premium pay must keep in mind that the city may ask for:

Timesheets

Payroll Distribution Summary

Current salary of employee and name

Beneficiaries may add up to \$13.00 per hour of premium per employee- must be reflected in the budget

Regulations cap premium pay at \$25,000.00 per person- must be reflected in the budget

Summary

Recipients may provide premium pay to eligible workers – generally those working in-person in key economic sectors – who are below a wage threshold or non-exempt from the Fair Labor Standards Act overtime provisions, or if the recipient submits justification that the premium pay is responsive to workers performing essential work. Employers should make every effort to pay a living wage.

Recipients should undergo the following steps to provide premium pay to eligible workers.

- 1. Identify an “eligible” worker.** Eligible workers include workers “needed to maintain continuity of operations of essential critical infrastructure sectors.” These sectors and occupations are eligible:
 - ✓ Health care
 - ✓ Emergency response Critical clinical research, development, and testing necessary for COVID-19 response
 - ✓ State, local, or Tribal government workforce
 - ✓ Workers providing vital services to Tribes

- ✓ Educational, school nutrition, and other work required to operate a school facility
- ✓ Laundry
- ✓ Elections
- ✓ Solid waste or hazardous materials management, response, and cleanup
- ✓ Work requiring physical interaction with patients
- ✓ Dental care
- ✓ Transportation and warehousing
- ✓ Hotel and commercial lodging facilities that are used for COVID-19 mitigation and containment
- ✓ Sanitation, disinfection & cleaning
- ✓ Maintenance
- ✓ Grocery stores, restaurants, food production, and food delivery
- ✓ Pharmacy
- ✓ Biomedical research
- ✓ Behavioral health
- ✓ Medical testing and diagnostics
- ✓ Home and community-based health care or assistance with activities of daily living
- ✓ Family or childcare
- ✓ Social services
- ✓ Public health
- ✓ Mortuary

Beyond this list, the mayor may designate additional non-public sectors as critical so long as doing so is necessary to protecting the health and wellbeing of the residents of such jurisdictions.

2. **Verify that the eligible worker performs “essential work,” meaning work that:**

Is not performed while teleworking from a residence; and

Involves either:

- a. regular, in-person interactions with patients, the public, or coworkers of the individual that is performing the work; or
- b. regular physical handling of items that were handled by, or are to be handled by, patients, the public, or coworkers of the individual that is performing the work.

3. **Confirm that the premium pay “responds to” workers performing essential work during the COVID-19 public health emergency.** Under the final rule, which broadened the share of eligible workers who can receive premium pay without a written justification, recipients may meet this requirement in one of three ways:

- Eligible worker receiving premium pay is earning (with the premium included) at or below 150 percent of their residing state or county’s average annual wage for all occupations, as defined by the Bureau of Labor Statistics’ Occupational Employment and Wage Statistics, whichever is higher, on an annual basis; or
- Eligible worker receiving premium pay is not exempt from the Fair Labor Standards Act overtime provisions; or
- If a worker does not meet either of the above requirements, the recipient must submit written justification to Treasury detailing how the premium pay is otherwise responsive to workers performing essential work during the public health emergency. This may include a description of the essential worker’s duties, health, or financial risks faced due

to COVID-19, and why the recipient determined that the premium pay was responsive. Treasury anticipates that recipients will easily be able to satisfy the justification requirement for front-line workers, like nurses and hospital staff.

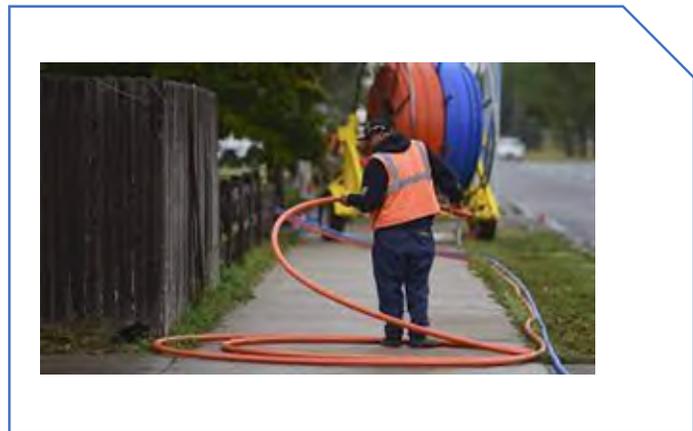
Premium pay may **be awarded in installments or lump sums (e.g., monthly, quarterly, etc.) and may be awarded to hourly, part-time, or salaried or non-hourly workers. Premium pay must be paid in addition to wages already received and may be paid retrospectively. A recipient may not use SLFRF to merely reimburse itself for premium pay or hazard pay already received by the worker, and premium pay may not be paid to volunteers.**

4. Water, Sewer and Broadband Infrastructure

Summary-water & sewer

Invest in water, sewer_making necessary investments to improve access to clean drinking water, to support vital wastewater and stormwater infrastructure.

Recipients may fund a broad range of water and sewer projects, including those eligible under the EPA’s Clean Water State Revolving Fund, EPA’s Drinking Water State Revolving Fund, and certain additional projects, including a wide set of lead remediation, stormwater infrastructure, and aid for private wells and septic units.



Funds may be used to make necessary investments in water and sewer infrastructure. State, local, and Tribal governments have a tremendous need to address the consequences of deferred maintenance in drinking water systems and removal, management, and treatment of sewage and stormwater, along with additional resiliency measures needed to adapt to climate change.

Recipients may undertake the eligible projects below:

Projects eligible under EPA’S Clean Water State Revolving Fund (CWSRF)

Eligible projects under the CWSRF, and the final rule, include:

- Construction of publicly owned treatment works
- Projects pursuant to implementation of a nonpoint source pollution management program established under the Clean Water Act (CWA)
- Decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage
- Management and treatment of stormwater or subsurface drainage water
- Water conservation, efficiency, or reuse measures
- Development and implementation of a conservation and management plan under the CWA
- Watershed projects meeting the criteria set forth in the CWA
- Energy consumption reduction for publicly owned treatment works
- Reuse or recycling of wastewater, stormwater, or subsurface drainage water
- Security of publicly owned treatment works

Treasury encourages recipients to review the EPA handbook for the CWSRF for a full list of eligibilities.

Projects eligible under EPA'S Drinking Water State Revolving Fund (DWSRF)

Eligible drinking water projects under the DWSRF, and the final rule, include:

- Facilities to improve drinking water quality
- Transmission and distribution, including improvements of water pressure or prevention of contamination in infrastructure and lead service line replacements
- New sources to replace contaminated drinking water or increase drought resilience, including aquifer storage and recovery system for water storage
- Green infrastructure, including green roofs, rainwater harvesting collection, permeable pavement
- Storage of drinking water, such as to prevent contaminants or equalize water demands
- Purchase of water systems and interconnection of systems
- New community water systems

Treasury encourages recipients to review the EPA handbook for the DWSRF for a full list of eligibilities

Additional eligible projects

With broadened eligibility under the final rule, SLFRF funds may be used to fund additional types of projects— such as additional stormwater infrastructure, residential wells, lead remediation, and certain rehabilitations of dams and reservoirs — beyond the CWSRF and DWSRF, if they are found to be “necessary” according to the definition provided in the final rule and outlined below.

- Culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure
- Infrastructure to improve access to safe drinking water for individual served by residential wells, including testing initiatives, and treatment/remediation strategies that address contamination
- Dam and reservoir rehabilitation if primary purpose of dam or reservoir is for drinking water supply and project is necessary for provision of drinking water
- Broad set of lead remediation projects eligible under EPA grant programs authorized by the Water Infrastructure Improvements for the Nation (WIIN) Act, such as lead testing, installation of corrosion control treatment, lead service line replacement, as well as water quality testing, compliance monitoring, and remediation activities, including replacement of internal plumbing and faucets and fixtures in schools and childcare facilities

A “necessary” investment in infrastructure must be:

- (1) responsive to an identified need to achieve or maintain an adequate minimum level of service, which may include a reasonable projection of increased need, whether due to population growth or otherwise,
- (2) a cost-effective means for meeting that need, considering available alternatives,
and
- (3) for investments in infrastructure that supply drinking water in order to meet projected population growth, projected to be sustainable over its estimated useful life.

*Please note that DWSRF and CWSRF-eligible projects are generally presumed to be necessary investments. Additional eligible projects generally must be responsive to an identified need to achieve or maintain an adequate minimum level of service. Recipients are only required to assess cost-effectiveness of projects for the creation of new drinking water systems, dam and reservoir rehabilitation projects, or projects for the extension of drinking water service to meet population growth needs. Recipients should review the

supplementary information to the final rule for more details on requirements applicable to each type of investment.

Restrictions

While recipients have considerable flexibility to use funds to address the diverse needs of their communities, some restrictions on use apply across all eligible use categories. These include:

- For states and territories: No offsets of a reduction in net tax revenue resulting from a change in state or territory law.
- **For all recipients except for Tribal governments:** No extraordinary contributions to a pension fund for the purpose of reducing an accrued, unfunded liability.
- **For all recipients:** No payments for debt service and replenishments of rainy-day funds; no satisfaction of settlements and judgments; no uses that contravene or violate the American Rescue Plan Act, Uniform Guidance conflicts of interest requirements, and other federal, state, and local laws and regulations

Applicable standards & requirements

Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurement’s employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.

Summary-Broadband Infrastructure

Broadband Infrastructure

Recipients may fund high-speed broadband infrastructure in areas of need that the recipient identifies, such as areas without access to adequate speeds, affordable options, or where connections are inconsistent or unreliable; completed projects must participate in a low-income subsidy program.

The Coronavirus State and Local Fiscal Recovery Funds may be used to make necessary investments in broadband infrastructure, which has been shown to be critical for work, education, healthcare, and civic participation during the public health emergency. The final rule broadens the set of eligible broadband infrastructure investments that recipients may undertake.

Recipients may pursue investments in broadband infrastructure meeting technical standards detailed below, as well as an expanded set of cybersecurity investments.

Broadband infrastructure investments

Recipients should adhere to the following requirements when designing a broadband infrastructure project:

1. Identify an eligible area for investment. Recipients are encouraged to prioritize projects that are designed to serve locations without access to reliable wireline 100/20 Mbps broadband service (meaning service that reliably provides 100 Mbps download speed and 20 Mbps upload speed through a wireline connection) but are broadly able to invest in projects designed to provide service to locations with an identified need for additional broadband investment. Recipients have broad flexibility to define need in their community. Examples of need could include:

Lack of access to a reliable high-speed
Broadband connection

Lack of affordable broadband
Lack of reliable service

If recipients are considering deploying broadband to locations where there are existing and enforceable federal or state funding commitments for reliable service of at least 100/20 Mbps, recipients must ensure that SLFRF funds are designed to address an identified need for additional broadband investment that is not met by existing federal or state funding commitments. Recipients must also ensure that SLFRF funds will not be used for costs that will be reimbursed by the other federal or state funding streams.

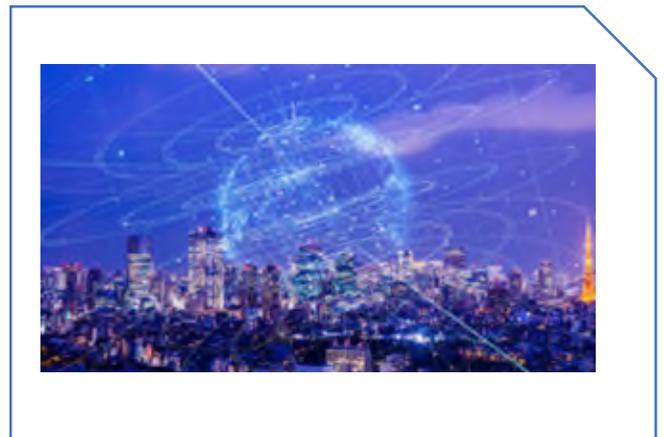
2. Design project to meet high-speed technical standards. Recipients are required to design projects to, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds. In cases where it is not practicable, because of the excessive cost of the project or geography or topography of the area to be served by the project, eligible projects may be designed to reliably meet or exceed 100/20 Mbps and be scalable to a minimum of symmetrical 100 Mbps download and upload speeds.

Treasury encourages recipients to prioritize investments in **fiber-optic infrastructure** wherever feasible and to focus on projects that will achieve last-mile connections. Further, Treasury encourages recipients to prioritize support for broadband networks owned, operated by, or affiliated with local governments, nonprofits, and co-operatives.

3. Require enrollment in a low-income subsidy program. Recipients must require the service provider for a broadband project that provides service to households to either:

- Participate in the FCC's Affordable Connectivity Program (ACP)
- Provide access to a broad-based affordability program to low-income consumers that provides benefits commensurate to ACP

Treasury encourages broadband services to also include at least one low-cost option offered without data usage caps at speeds sufficient for a household with multiple users to simultaneously telework and engage in remote learning. Recipients are also encouraged to consult with the community on affordability needs.



Cybersecurity investments

SLFRF may be used for modernization of cybersecurity for existing and new broadband infrastructure, regardless of their speed delivery standards. This includes modernization of hardware and software.

Applicable standards & requirements

Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurement's employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.

Restrictions on Use

While recipients have considerable flexibility to use Coronavirus State and Local Fiscal Recovery Funds to address the diverse needs of their communities, some restrictions on use of funds apply.

Offset a reduction in net tax revenue

- States and territories may not use this funding to offset a reduction directly or indirectly in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the fiscal year in which the funds provided have been spent. If a state or territory cuts taxes during this period, it must demonstrate how it paid for the tax cuts from sources other than SLFRF, such as by enacting policies to raise other sources of revenue, by cutting spending, or through higher revenue due to economic growth. If the funds provided have been used to offset tax cuts, the amount used for this purpose must be repaid to the Treasury.

Deposits into pension funds

- No recipients except Tribal governments may use this funding to make a deposit to a pension fund. Treasury defines a “deposit” as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions connected to an eligible use of funds (e.g., for public health and safety staff). Examples of extraordinary payments include ones that:
 - Reduce a liability incurred prior to the start of the COVID-19 public health emergency and occur outside the recipient's regular timing for making the payment.
 - Occur at the regular time for pension contributions but is larger than a regular payment would have been

Additional restrictions and requirements

Additional restrictions and requirements that apply across all eligible use categories include:

- No debt service or replenishing financial reserves. Since SLFRF funds are intended to be used prospectively, recipients may not use SLFRF funds for debt service or replenishing financial reserves (e.g., rainy day funds).
- No satisfaction of settlements and judgments. Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring in a judicial, administrative, or regulatory proceeding is itself not an eligible use. However, if a settlement requires the recipient to provide services or incur other costs that are an eligible use of SLFRF funds, SLFRF may be used for those costs.
- Additional general restrictions. SLFRF funds may not be used for a project that conflicts with or contravenes the purpose of the American Rescue Plan Act statute (e.g., uses of funds undermine COVID-19 mitigation practices in line with CDC guidance and recommendations) and may not be used in violation of the Award Terms and Conditions or conflict of interest requirements under the Uniform Guidance. Other applicable laws and regulations, outside of SLFRF program requirements, may also apply (e.g., laws around procurement, contracting, conflicts-of-interest, environmental standards, or civil rights).

Timeline for use of funds

Under the SLFRF, funds must be used for costs incurred on or after March 3, 2021. Further, costs must be obligated by December 31, 2024, and expended by December 31, 2026.

Transfers

Recipients may undertake projects on their own or through subrecipients, which carry out eligible uses on behalf of a recipient, including pooling funds with other recipients or blending and braiding SLFRF funds

with other sources of funds. Localities may also transfer their funds to the state through section 603(c)(4), which will decrease the locality's award and increase the state award amounts.

Loans

Recipients may generally use SLFRF funds to provide loans for uses that are otherwise eligible, although there are special rules about how recipients should track program income depending on the length of the loan. Recipients should consult the final rule if they seek to utilize these provisions.

Non-federal match or cost-share requirements

Funds available under the "revenue loss" eligible use category (sections 602(c)(1)(C) and 603(c)(1)(C) of the Social Security Act) generally may be used to meet the non-federal cost-share or matching requirements of other federal programs. However, note that SLFRF funds may not be used as the non-federal share for purposes of a state's Medicaid and CHIP programs because the Office of Management and Budget has approved a waiver as requested by the Centers for Medicare & Medicaid Services pursuant to 2 CFR 200.102 of the Uniform Guidance and related regulations.

SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. As an example, the Infrastructure Investment and Jobs Act provides that SLFRF funds may be used to meet the non-federal match requirements of authorized Bureau of Reclamation projects and certain broadband deployment projects. Recipients should consult the final rule for further details if they seek to utilize SLFRF funds as a match for these projects.

Administrative expenses

SLFRF funds may be used for direct and indirect administrative expenses involved in administering the program. For details on permissible direct and indirect administrative costs, recipients should refer to Treasury's [Compliance and Reporting Guidance](#) (Attachment A). Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs.

Reporting, compliance & recoupment

Recipients are required to comply with Treasury's [Compliance and Reporting Guidance, \(Attachment A\)](#), which includes submitting mandatory periodic reports to Treasury.

Funds used in violation of the final rule are subject to remediation and recoupment. As outlined in the final rule, Treasury may identify funds used in violation through reporting or other sources. Recipients will be provided with an initial written notice of recoupment with an opportunity to submit a request for reconsideration before Treasury provides a final notice of recoupment. If the recipient receives an initial notice of recoupment and does not submit a request for reconsideration, the initial notice will be deemed the final notice. Treasury may pursue other forms of remediation and monitoring in conjunction with, or as an alternative to, recoupment.

Attachment A - Compliance and Reporting Guidance

Compliance and Reporting Guidance

State and Local Fiscal Recovery Funds



February 28, 2022

Version: 3.0



Coronavirus State and Local Fiscal Recovery Funds Guidance on Recipient Compliance and Reporting Responsibilities

On March 11, 2021, the American Rescue Plan Act was signed into law, and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund, which together make up the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) program. This program is intended to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses.

In May 2021, Treasury published the interim final rule (“IFR”) describing eligible and ineligible uses of SLFRF, as well as other program requirements. The initial versions of this Compliance and Reporting guidance reflected the IFR and its eligible use categories. On January 6, 2022, the U.S. Department of the Treasury (“Treasury”) adopted the final rule implementing the SLFRF program. The final rule will be effective on April 1, 2022. Until that time, the IFR remains in effect; funds used consistently with the IFR while it is in effect are in compliance with the SLFRF program. However, recipients can choose to take advantage of the final rule’s flexibilities and simplifications now, even ahead of the effective date. Recipients may consult the [Statement Regarding Compliance with the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule and Final Rule](#) for more information on compliance with the IFR and the final rule.

To support recipients in complying with the final rule, this reporting guidance reflects the final rule and provides additional detail and clarification for each recipient’s compliance and reporting responsibilities under the SLFRF program, and should be read in concert with the Award Terms and Conditions, the authorizing statute, the [final rule](#), and other regulatory and statutory requirements, including regulatory requirements under the [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(“Uniform Guidance” or 2 CFR Part 200\)](#), and the [Compliance Supplement](#). Please see the [Assistance Listing](#) in SAM.gov under assistance listing number (formerly known as CFDA number), 21.027 for more information.

Please Note: This guidance document applies to the SLFRF program only and does not change nor impact reporting and compliance requirements for the Coronavirus Relief Fund (“CRF”) established by the CARES Act.

This guidance includes two parts:

Part 1: General Guidance

This section provides an orientation to recipients’ compliance responsibilities and Treasury’s expectations and recommends best practices where appropriate under the SLFRF program.

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Part 2: Reporting Requirements

This section provides information on the reporting requirements for the SLFRF program.

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- B. Project and Expenditure Report..... P. 17
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PAPERWORK REDUCTION ACT NOTICE

The information collected will be used for the U.S. Government to process requests for support. The estimated burden for the collections of information included in this guidance is as follows: 30 minutes for Title VI Assurances, 2 hours per response for the Interim Report, 6 hours per response for the Project and Expenditure Report and 100 hours per response for the Recovery Plan Performance Report (if applicable). Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Office of Privacy, Transparency and Records, Department of the Treasury, 1500 Pennsylvania Ave., N.W., Washington, D.C. 20220. DO NOT send the form to this address. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

¹ Under OMB review to extend the expiration date



Part 1: General Guidance

This section provides an orientation on recipients' compliance responsibilities and Treasury's expectations and recommended best practices where appropriate under the SLFRF program.

Recipients under the SLFRF program are the eligible entities identified in sections 602 and 603 of the Social Security Act as added by section 9901 of the American Rescue Plan Act of 2021 (the "SLFRF statute") that receive a SLFRF award. Subrecipients under the SLFRF program are entities that receive a subaward from a recipient to carry out the purposes (program or project) of the SLFRF award on behalf of the recipient.

Recipients are accountable to Treasury for oversight of their subrecipients in accordance with 2 CFR 200.332, including ensuring their subrecipients comply with the SLFRF statute, SLFRF Award Terms and Conditions, Treasury's interim final rule and final rule, applicable federal statutes, regulations, and reporting requirements.

A. Key Principles

There are several guiding principles for developing your own effective compliance regimes:

- Recipients and subrecipients are the first line of defense and responsible for ensuring the SLFRF award funds are not used for ineligible purposes, and there is no fraud, waste, or abuse associated with their SLFRF award;
- Many SLFRF-funded projects respond to the COVID-19 public health emergency and meet urgent community needs. Swift and effective implementation is vital, and recipients must balance facilitating simple and rapid program access widely across the community and maintaining a robust documentation and compliance regime;
- Treasury encourages recipients to use SLFRF-funded projects to advance shared interests and promote equitable delivery of government benefits and opportunities to underserved communities, as outlined in [Executive Order 13985, On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government](#); and
- Transparency and public accountability for SLFRF award funds and use of such funds are critical to upholding program integrity and trust in all levels of government, and SLFRF award funds should be managed consistent with Administration guidance per [Memorandum M-21-20](#) and [Memorandum M-20-21](#).

B. Statutory Eligible Uses

As a recipient of an SLFRF award, your organization has substantial discretion to use the award funds in the ways that best suit the needs of your constituents – as long as such use fits into one of the following four statutory categories:

1. To respond to the COVID-19 public health emergency or its negative economic impacts;
2. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the recipient that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
3. For the provision of government services, to the extent of the reduction in revenue of such recipient due to the COVID–19 public health emergency, relative to revenues collected in the most recent full fiscal year of the recipient prior to the emergency; or
4. To make necessary investments in water, sewer, or broadband infrastructure.

Treasury adopted an interim final rule in May 2021 and the [final rule](#) on January 6, 2022, to implement these eligible use categories and other restrictions on the use of funds under the SLFRF



program. The final rule takes effect on April 1, 2022, and the interim final rule remains in effect until that time, although recipients can choose to take advantage of the final rule's flexibilities and simplifications prior to April 1, 2022. Recipients may consult the [Statement Regarding Compliance with the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule and Final Rule](#) for more information on compliance with the interim final rule and the final rule.

It is the recipient's responsibility to ensure all SLFRF award funds are used in compliance with these requirements. In addition, recipients should be mindful of any additional compliance obligations that may apply – for example, additional restrictions imposed upon other sources of funds used in conjunction with SLFRF award funds, or statutes and regulations that may independently apply to water, broadband, and sewer infrastructure projects. Recipients should ensure they maintain proper documentation supporting determinations of costs and applicable compliance requirements, and how they have been satisfied as part of their award management, internal controls, and subrecipient oversight and management.

C. Treasury's Final Rule

Treasury's [final rule](#) details recipients' compliance responsibilities and provides additional information on eligible and restricted uses of SLFRF award funds and reporting requirements. Your organization should review and comply with the information contained in Treasury's [final rule](#) when building appropriate controls for SLFRF award funds.

1. Eligible and Restricted Uses of SLFRF Funds. As described in the SLFRF statute and summarized above, there are four enumerated eligible uses of SLFRF award funds. As a recipient of an award under the SLFRF program, your organization is responsible for complying with requirements for the use of funds. In addition to determining a given project's eligibility, recipients are also responsible for determining subrecipient's or beneficiaries' eligibility, and must monitor subrecipients' use of SLFRF award funds.

To help recipients build a greater understanding of eligible uses, Treasury's [final rule](#) establishes a framework for determining whether a specific project would be eligible under the SLFRF program, including some helpful definitions. For example, Treasury's [final rule](#) establishes:

- A framework for determining whether a project responds to the COVID-19 public health emergency or its negative economic impacts;
- Definitions of "eligible employers," "essential work," "eligible workers," and "premium pay" for cases where premium pay is an eligible use;
- The option to select between a standard amount of revenue loss or complete a full revenue loss calculation of revenue lost due to the COVID-19 public health emergency;
- A framework for necessary water and sewer infrastructure projects that aligns eligible uses with projects that are eligible under the Environmental Protection Agency's Drinking Water and Clean Water State Revolving Funds along with certain additional projects, including a wider set of lead remediation and stormwater infrastructure projects and aid for residential wells; and
- A framework for necessary broadband projects that allows for projects that are designed to provide service of sufficient speeds to eligible areas, as well as an affordability requirement for providers that provide service to households.

Treasury's [final rule](#) also provides more information on important restrictions on use of SLFRF award funds, including that recipients other than Tribal governments may not deposit SLFRF funds into a pension fund; and recipients that are States or territories may not use SLFRF funds to offset a reduction in net tax revenue resulting from the recipient's change in law, regulation, or administrative interpretation. In addition, recipients may not use SLFRF funds directly to service debt, satisfy a judgment or settlement, or contribute to a "rainy day" fund. Recipients should refer to Treasury's final rule for more information on these restrictions.



Treasury's final rule outlines that funds available under the "revenue loss" eligible use category (sections 602(c)(1)(C) and 603(c)(1)(C) of the Social Security Act) generally may be used to meet the non-federal cost-share or matching requirements of other federal programs. However, the final rule notes that SLFRF funds may not be used as the non-federal share for purposes of a state's Medicaid and CHIP programs because the Office of Management and Budget ("OMB") has approved a waiver as requested by the Centers for Medicare & Medicaid Services pursuant to 2 CFR 200.102 of the Uniform Guidance and related regulations. If a recipient seeks to use SLFRF funds to satisfy match or cost-share requirements for a federal grant program, it should first confirm with the relevant awarding agency that no waiver has been granted for that program, that no other circumstances enumerated under 2 CFR 200.306(b) would limit the use of SLFRF funds to meet the match or cost-share requirement, and that there is no other statutory or regulatory impediment to using the SLFRF funds for the match or cost-share requirement. SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. For example, the Infrastructure Investment and Jobs Act provides that SLFRF funds may be used to meet the non-federal match requirements of authorized Bureau of Reclamation projects and certain broadband deployment projects.

- 2. Eligible Costs Timeframe.** Your organization, as a recipient of an SLFRF award, may use SLFRF funds to cover eligible costs that your organization incurred during the period that begins on March 3, 2021 and ends on December 31, 2024, as long as the award funds for the obligations incurred by December 31, 2024 are expended by December 31, 2026. Costs for projects incurred by the recipient State, territorial, local, or Tribal government prior to March 3, 2021 are not eligible, as provided for in Treasury's final rule.

Recipients may, in certain circumstances, use SLFRF award funds for the eligible use categories described in Treasury's final rule for costs incurred prior to March 3, 2021. Specifically,

- a. **Public Health/Negative Economic Impacts:** Recipients may use SLFRF award funds to provide assistance to households, small businesses, and nonprofits to respond to the public health emergency or negative economic impacts of the pandemic – such as rent, mortgage, or utility assistance – for costs incurred by the beneficiary (e.g., a household) prior to March 3, 2021, provided that the recipient State, territorial, local or Tribal government did not incur the cost of providing such assistance prior to March 3, 2021.
- b. **Premium Pay:** Recipients may provide premium pay retrospectively for work performed at any time since the start of the COVID-19 public health emergency. Such premium pay must be "in addition to" wages and remuneration already received and the obligation to provide such premium pay must not have been incurred by the recipient prior to March 3, 2021.
- c. **Revenue Loss:** Recipients have broad discretion to use funds for the provision of government services to the extent of reduction in revenue. While calculation of lost revenue is based on the recipient's revenue in the last full fiscal year prior to the COVID-19 public health emergency, use of funds for government services must be forward looking for costs incurred by the recipient after March 3, 2021.
- d. **Investments in Water, Sewer, and Broadband:** Recipients may use SLFRF award funds to make necessary investments in water, sewer, and broadband infrastructure. Recipients may use SLFRF award funds to cover costs incurred for eligible projects planned or started prior to March 3, 2021, provided that the project costs covered by the SLFRF award funds were incurred by the recipient after March 3, 2021.

Any funds not obligated or expended for eligible uses by the timelines above must be returned to Treasury, including any unobligated or unexpended funds that have been provided to subrecipients and contractors as part of the award closeout process pursuant to 2 C.F.R. 200.344(d). For the purposes of determining expenditure eligibility, Treasury's final rule provides



that “incurred” means the recipient has incurred an obligation, which has the same meaning given to “financial obligation” in 2 CFR 200.1.

- 3. Reporting.** Generally, recipients must submit one initial Interim Report, quarterly or annual Project and Expenditure reports which include subaward reporting, and in some cases annual Recovery Plan reports. Treasury’s final rule and Part 2 of this guidance provide more detail around SLFRF reporting requirements.
- 4. Expenditure Categories.** Treasury’s final rule provides greater flexibility and simplicity for recipients to fight the pandemic and support families and businesses struggling with its impacts, maintain vital services amid revenue shortfalls, and build a strong, resilient, and equitable recovery. As such, recipients will report on a broader set of eligible uses and associated Expenditure Categories (“EC”), starting with the April 2022 Project and Expenditure Report. Appendix 1 includes the new ECs, as well as a reference to previous ECs used for reporting under the interim final rule.

Assistance Listing

The [Assistance Listing](#) for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) was published May 28, 2021 on SAM.gov under Assistance Listing Number (“ALN”), formerly known as CFDA Number, **21.027**.

The assistance listing includes helpful information including program purpose, statutory authority, eligibility requirements, and compliance requirements for recipients. The ALN is the unique 5-digit number assigned to identify a federal assistance listing, and can be used to search for federal assistance program information, including funding opportunities, spending on USASpending.gov, or audit results through the Federal Audit Clearinghouse.

To expedite payments and meet statutory timelines Treasury issued initial payments under an existing ALN, 21.019, assigned to the CRF. If you have already received funds or captured the initial number in your records, please update your systems and reporting to reflect the new ALN 21.027 for the SLFRF program. **Recipients must use ALN 21.027 for all financial accounting, subawards, and associated program reporting requirements for the SLFRF awards.**

D. Uniform Administrative Requirements

The SLFRF awards are generally subject to the requirements set forth in the Uniform Guidance. In all instances, your organization should review the Uniform Guidance requirements applicable to your organization’s use of SLFRF funds, and SLFRF-funded projects. Recipients should consider how and whether certain aspects of the Uniform Guidance apply.

The following sections provide a general summary of your organization’s compliance responsibilities under applicable statutes and regulations, including the Uniform Guidance, as described in the most recent compliance supplement issued by OMB. Note that the descriptions below are only general summaries and all recipients and subrecipients are advised to carefully review the Uniform Guidance requirements and any additional regulatory and statutory requirements applicable to the program.

- 1. Allowable Activities.** Each recipient should review program requirements, including Treasury’s final rule and the recipient’s Award Terms and Conditions, to determine and record eligible uses of SLFRF funds. Per 2 CFR Part 200.303, your organization must develop and implement effective internal controls to ensure that funding decisions under the SLFRF award constitute eligible uses of funds, and document determinations.



- 2. Allowable Costs/Cost Principles.** As outlined in the Uniform Guidance at 2 CFR Part 200, Subpart E regarding Cost Principles, allowable costs are based on the premise that a recipient is responsible for the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with the program objectives and terms and conditions of the award. Recipients must implement robust internal controls and effective monitoring to ensure compliance with the Cost Principles, which are important for building trust and accountability.

SLFRF funds may be, but are not required to be, used along with other funding sources for a given project. Recipients should note that SLFRF funds available under the “revenue loss” eligible use category generally may be used to meet the non-federal cost-share or matching requirements of other federal programs. If a recipient seeks to use SLFRF funds to satisfy match or cost-share requirements for a federal grant program, the recipient should first confirm with the relevant awarding agency that no waiver has been granted for that program, that no other circumstances enumerated under 2 CFR 200.306(b) would limit the use of SLFRF funds to meet the match or cost-share requirement, and that there is no other statutory or regulatory impediment to using the SLFRF funds for the match or cost-share requirement. For instance, recipients should note that SLFRF funds may not be used as the non-federal share for purposes of a state’s Medicaid and CHIP programs because the OMB has approved a waiver from this provision as requested by the Centers for Medicare & Medicaid Services pursuant to 2 CFR 200.102 of the Uniform Guidance and related regulations.

SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. As an example, the Infrastructure Investment and Jobs Act provides that SLFRF funds may be used to meet the non-federal match requirements of authorized Bureau of Reclamation projects and certain broadband deployment projects. Recipients should consult the final rule for further details if they seek to utilize SLFRF funds as a match for these projects.

Treasury’s final rule, program guidance, and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR 200.425, a reasonable proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996 are allowable; however, costs for audits that were not performed in accordance with 2 CFR Part 200, Subpart F and the Compliance Supplement are not allowable. Please see 2 CFR Part 200, Subpart E regarding the Cost Principles for more information.

- a. Administrative costs:** Recipients may use funds for administering the SLFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements.² Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. Pursuant to the SLFRF Award Terms and Conditions, recipients are permitted to charge both direct and indirect costs to their SLFRF award as administrative costs as long as they are accorded consistent treatment per 2 CFR 200.403. Direct costs are those that are identified specifically as costs of implementing the SLFRF program objectives, such as contract support, materials, and supplies for a project. Indirect costs are general overhead costs of an organization where a portion of such costs are allocable to the SLFRF award such as the cost of facilities or administrative functions like a director’s office.³⁴ Each category of cost should be treated consistently in like circumstances as direct or indirect, and

² Recipients also may use SLFRF funds directly for administrative costs to improve the design and execution of programs responding to the COVID-19 pandemic and to administer or improve the efficacy of programs addressing the public health emergency or its negative economic impacts. 31 CFR 35.6(b)(3)(ii)(E)(3).

³ 2 CFR 200.413 Direct Costs.

⁴ 2 CFR 200.414 Indirect Costs.



recipients may not charge the same administrative costs to both direct and indirect cost categories, or to other programs. If a recipient has a current Negotiated Indirect Costs Rate Agreement (“NICRA”) established with a Federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10 percent of the modified total direct costs pursuant to 2 CFR 200.414(f).

b. Salaries and Expenses: In general, certain employees’ wages, salaries, and covered benefits are an eligible use of SLFRF award funds. Please see Treasury’s final rule for details.

3. **Cash Management.** SLFRF payments made to recipients are not subject to the requirements of the Cash Management Improvement Act and Treasury’s implementing regulations at 31 CFR Part 205 or 2 CFR 200.305(b)(8)-(9).

As such, recipients can place funds in interest-bearing accounts, do not need to remit interest to Treasury, and are not limited to using that interest for eligible uses under the SLFRF award.

4. **Eligibility.** Under this program, recipients are responsible for ensuring funds are used for eligible purposes. Generally, recipients must develop and implement policies and procedures, and retain records, to determine and monitor implementation of criteria for determining the eligibility of beneficiaries and/or subrecipients. Your organization, and if applicable, the subrecipient(s) administering a program on behalf of your organization, will need to maintain procedures for obtaining information evidencing a given beneficiary, subrecipient, or contractor’s eligibility, including a valid SAM.gov registration (except with respect to individuals or households for which a SAM.gov registration is not required). Implementing risk-based due diligence for eligibility determinations is a best practice to augment your organization’s existing controls.

5. **Equipment and Real Property Management.** Any purchase of equipment or real property with SLFRF funds must be consistent with the Uniform Guidance at 2 CFR Part 200, Subpart D. Equipment and real property acquired under this program must be used for the originally authorized purpose, unless stated otherwise by Treasury. Consistent with 2 CFR 200.311 and 2 CFR 200.313, any equipment or real property acquired using SLFRF funds shall vest in the non-Federal entity, consistent with any guidance that Treasury may issue. Any acquisition and maintenance of equipment or real property must also be in compliance with relevant laws and regulations.

6. **Matching, Level of Effort, Earmarking.** There are no matching, level of effort, or earmarking compliance responsibilities associated with the SLFRF award. See Section C.1 (Eligible and Restricted Uses of SLFRF Funds) for a discussion of restrictions on use of SLFRF funds. Please see 2. Allowable Costs/Cost Principles above for information on the use of SLFRF funds for non-Federal match or cost-sharing requirements in other Federal programs.

7. **Period of Performance.** Your organization should also develop and implement internal controls related to activities occurring outside the period of performance. For example, each recipient should articulate each project’s policy on allowability of costs incurred prior to award or start of the period of performance. All funds remain subject to statutory requirements that they must be used for costs incurred by the recipient during the period that begins on March 3, 2021, and ends on December 31, 2024, and that award funds for the financial obligations incurred by December 31, 2024 must be expended by December 31, 2026. Any funds not used must be returned to Treasury as part of the award closeout process pursuant to 2 C.F.R. 200.344(d).

8. **Procurement, Suspension & Debarment.** Recipients are responsible for ensuring that any procurement using SLFRF funds, or payments under procurement contracts using such funds,



are consistent with the procurement standards set forth in the Uniform Guidance at 2 CFR 200.317 through 2 CFR 200.327, as applicable. The Uniform Guidance establishes in 2 CFR 200.319 that all procurement transactions for property or services must be conducted in a manner providing full and open competition, consistent with standards outlined in 2 CFR 200.320, which allows for non-competitive procurements only in circumstances where at least one of the conditions below is true: the item is below the micro-purchase threshold; the item is only available from a single source; the public exigency or emergency will not permit a delay from publicizing a competitive solicitation; or after solicitation of a number of sources, competition is determined inadequate.⁵ Recipients must have and use documented procurement procedures that are consistent with the standards outlined in 2 CFR 200.317 through 2 CFR 200.320. The Uniform Guidance requires an infrastructure for competitive bidding and contractor oversight, including maintaining written standards of conduct and prohibitions on dealing with suspended or debarred parties. Your organization must ensure adherence to all applicable local, State, and federal procurement laws and regulations.

- 9. Program Income.** Generally, program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, and principal and interest on loans made with Federal award funds. Program income does not include interest earned on advances of Federal funds, rebates, credits, discounts, or interest on rebates, credits, or discounts. Recipients of SLFRF funds should calculate, document, and record the organization’s program income. Additional controls that your organization should implement include written policies that explicitly identify appropriate allocation methods, accounting standards and principles, compliance monitoring checks for program income calculations, and records.

The Uniform Guidance outlines the requirements that pertain to program income at 2 CFR 200.307. Treasury intends to provide additional guidance regarding program income and the application of 2 CFR 200.307(e)(1).

- 10. Reporting.** All recipients of federal funds must complete financial, performance, and compliance reporting as required and outlined in Part 2 of this guidance. Expenditures may be reported on a cash or accrual basis, as long as the methodology is disclosed and consistently applied. Reporting must be consistent with the definition of expenditures pursuant to 2 CFR 200.1. Your organization should appropriately maintain accounting records for compiling and reporting accurate, compliant financial data, in accordance with appropriate accounting standards and principles.

In addition, where appropriate, your organization needs to establish controls to ensure completion and timely submission of all mandatory performance and/or compliance reporting. See Part 2 of this guidance for a full overview of recipient reporting responsibilities.

Consolidated jurisdictions or other types of jurisdictions that received multiple SLFRF allocations (e.g., a county and city with a consolidated government), are only required to file once per reporting period, and such reports will cover the total SLFRF allocations received by the jurisdiction. This includes Non-entitlement units of local government (“NEUs”) and/or Units of general local government within counties that are not units of general local government (“Non-UGLGs”). In addition, the total SLFRF allocations across all sources for a given jurisdiction will be used to identify that jurisdiction’s Reporting Tier.

- 11. Subrecipient Monitoring.** SLFRF recipients that are pass-through entities as described under 2 CFR 200.1 are required to manage and monitor their subrecipients to ensure compliance with requirements of the SLFRF award pursuant to 2 CFR 200.332 regarding requirements for pass-through entities.

⁵ 2 CFR 200.320(c)(1)-(3) and (5). 2 CFR 200.320(c)(4) is excluded from application to the SLFRF program as outlined in the ALN.



First, your organization must clearly identify to the subrecipient: (1) that the award is a subaward of SLFRF funds; (2) any and all compliance requirements for use of SLFRF funds; and (3) any and all reporting requirements for expenditures of SLFRF funds.

Next, your organization will need to evaluate each subrecipient’s risk of noncompliance based on a set of common factors. These risk assessments may include factors such as prior experience in managing Federal funds, previous audits, personnel, and policies or procedures for award execution and oversight. Ongoing monitoring of any given subrecipient should reflect its assessed risk and include monitoring, identification of deficiencies, and follow-up to ensure appropriate remediation.

Accordingly, your organization should develop written policies and procedures for subrecipient monitoring and risk assessment and maintain records of all award agreements identifying or otherwise documenting subrecipients’ compliance obligations.

Recipients should note that NEUs and Non-UGLGs are not subrecipients under the SLFRF program. They are SLFRF recipients that will report directly to Treasury.

Recipients should also note that subrecipients do not include individuals and organizations that received SLFRF funds as end users. Such individuals and organizations are beneficiaries and not subject to audit pursuant to the Single Audit Act and 2 C.F.R. Part 200, Subpart F.

Many recipients may choose to provide a subaward or contract to other entities to provide services to other end users. For example, a recipient may provide a subaward to a nonprofit to provide homeless services to individuals experiencing homelessness. In this case, the subaward to a nonprofit is based on the services that the recipient intends to provide (assistance to households experiencing homelessness), and the nonprofit is serving as the subrecipient, providing services on behalf of the recipient. Subrecipients are subject to an audit pursuant to the Single Audit Act and 2 CFR part 200, subpart F regarding audit requirements, whereas contractors are not subject to an audit pursuant to the Single Audit Act and 2 CFR part 200, subpart F regarding audit requirements.

12. Special Tests and Provisions. Treasury may issue subregulatory guidance as well as frequently asked questions.

Across each of the compliance requirements above, Treasury has described some best practices for development of internal controls in **Table 1** below, with an example of each best practice.

Table 1: Internal controls best practices

Best Practice	Description	Example
Written policies and procedures	Formal documentation of recipient policies and procedures	Documented procedure for determining worker eligibility for premium pay
Written standards of conduct	Formal statement of mission, values, principles, and professional standards	Documented code of conduct / ethics for subcontractors
Risk-based due diligence	Pre-payment validations conducted according to an assessed level of risk	Enhanced eligibility review of subrecipient with imperfect performance history
Risk-based compliance monitoring	Ongoing validations conducted according to an assessed level of risk	Higher degree of monitoring for projects that have a higher risk of fraud, given program characteristics



Best Practice	Description	Example
Record maintenance and retention	Creation and storage of financial and non-financial records.	Storage of all subrecipient payment information.

E. Award Terms and Conditions

The Award Terms and Conditions of the SLFRF financial assistance agreement sets forth the compliance obligations for recipients pursuant to the SLFRF statute, the Uniform Guidance, Treasury’s final rule, and applicable federal laws and regulations. Recipients should ensure they remain in compliance with all Award Terms and Conditions. These obligations include the following items in addition to those described above:

- 1. SAM.gov Requirements.** All eligible recipients are also required to have an active registration with the System for Award Management (“SAM”) (<https://www.sam.gov>) pursuant to 2 CFR Part 25. To ensure timely receipt of funding, Treasury has stated that NEUs who have not previously registered with SAM.gov may do so after receipt of the award, but before the submission of mandatory reporting.⁶
- 2. Recordkeeping Requirements.** Generally, your organization must maintain records and financial documents for five years after all funds have been expended or returned to Treasury, as outlined in paragraph 4.c. of the Award Terms and Conditions. Treasury may request transfer of records of long-term value at the end of such period. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

Your organization must agree to provide or make available such records to Treasury upon request, and to the Government Accountability Office (“GAO”), Treasury’s Office of Inspector General (“OIG”), and their authorized representative in order to conduct audits or other investigations.

- 3. Single Audit Requirements.** Recipients and subrecipients that expend more than \$750,000 in Federal awards during their fiscal year will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements.⁷ Note that the Compliance Supplement provides information on the existing, important compliance requirements that the federal government expects to be considered as a part of such audit. The Compliance Supplement is routinely updated, and is made available in the Federal Register and on OMB’s website: <https://www.whitehouse.gov/omb/office-federal-financial-management/>. Recipients and subrecipients should consult the [Federal Audit Clearinghouse](#) to see examples of Single Audit submissions.
- 4. Civil Rights Compliance.** Recipients of Federal financial assistance from the Treasury are required to meet legal requirements relating to nondiscrimination and nondiscriminatory use of Federal funds. Those requirements include ensuring that entities receiving Federal financial assistance from the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department’s implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department’s implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public

⁶ See flexibility provided in https://www.whitehouse.gov/wp-content/uploads/2021/03/M_21_20.pdf.

⁷ For-profit entities that receive SLFRF subawards are not subject to Single Audit requirements. However, they are subject to other audits as deemed necessary by authorized governmental entities, including Treasury and Treasury’s OIG.



Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23.

In order to carry out its enforcement responsibilities under Title VI of the Civil Rights Act, Treasury will collect and review information from non-Tribal recipients to ascertain their compliance with the applicable requirements before and after providing financial assistance. Treasury's implementing regulations, 31 CFR part 22, and the Department of Justice (DOJ) regulations, [Coordination of Non-discrimination in Federally Assisted Programs, 28 CFR part 42](#), provide for the collection of data and information from recipients (see 28 CFR 42.406). Treasury may request that recipients submit data for post-award compliance reviews, including information such as a narrative describing their Title VI compliance status. This collection does not apply to Tribal governments⁸.

⁸ Please note, as explained in Treasury [FAQ 12.1](#), that the award terms and conditions for Treasury's pandemic recovery programs, including the SLFRF, do not impose antidiscrimination requirements on Tribal governments beyond what would otherwise apply under federal law.



Part 2: Reporting Guidance

There are three types of reporting requirements for the SLFRF program. The report requirements are approved and documented under OMB PRA number - OMB # 1505-0271.

- **Interim Report:** Provide initial overview of status and uses of funding. This is a one-time report. **See Section A, page 16.**
- **Project and Expenditure Report:** Report on projects funded, expenditures, and contracts and subawards over \$50,000, and other information. **See Section B, page 17.**
- **Recovery Plan Performance Report:** The Recovery Plan Performance Report (the “Recovery Plan”) will provide information on the projects that large recipients are undertaking with program funding and how they plan to ensure program outcomes are achieved in an effective, efficient, and equitable manner. It will include key performance indicators identified by the recipient and some mandatory indicators identified by Treasury. The Recovery Plan will be posted on the website of the recipient as well as provided to Treasury. **See Section C, page 28.**

The reporting threshold is based on the total award amount allocated by Treasury under the SLFRF program, not the funds received by the recipient as of the time of reporting.

States and territories are also required to submit information on their distributions to NEUs. Please refer to Section D for additional details.



Table 2: Reporting requirements by recipient type

Tier	Recipient	Interim Report	Project and Expenditure Report	Recovery Plan Performance Report
1	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.	By January 31, 2022, and then 30 days after the end of each quarter thereafter	By August 31, 2021 or 60 days after receiving funding, and annually thereafter by July 31
2	Metropolitan cities and counties with a population below 250,000 residents that are allocated more than \$10 million in SLFRF funding, and NEUs that are allocated more than \$10 million in SLFRF funding.	<i>Note: NEUs were not required to submit an Interim Report</i>	<i>Note: NEUs were not required to submit a Project and Expenditure Report on January 31, 2022. The first reporting date for NEUs will be April 30, 2022.</i>	
3	Tribal Governments that are allocated more than \$30 million in SLFRF funding			
4	Tribal Governments that are allocated less than \$30 million in SLFRF funding		By April 30, 2022, and then annually thereafter	
5	Metropolitan cities and counties with a population below 250,000 residents that are allocated less than \$10 million in SLFRF funding, and NEUs that are allocated less than \$10 million in SLFRF funding.			

Note: Based on the period of performance, reports will be collected through April 30, 2027. See the specific due dates listed in Sections B and C.

As mentioned above, the total SLFRF allocations across all sources for a given jurisdiction will be used to identify that jurisdiction’s Reporting Tier, beginning in April of 2022. Treasury may reach out to jurisdictions to update Reporting Tiers.

The remainder of this document describes these reporting requirements. User guides describing how and where to submit required reports are posted at www.treasury.gov/SLFRPReporting and updated on a regular basis.



Comparison to reporting for the CRF

This guidance does not change the reporting or compliance requirements pertaining to the CRF. Reporting and compliance requirements for the SLFRF are separate from CRF reporting requirements. Differences between CRF and SLFRF include:

- **Project, Expenditure, and Subaward Reporting:** The SLFRF reporting requirements leverage the existing reporting regime used for CRF to foster continuity and provide many recipients with a familiar reporting mechanism. The data elements for the Project and Expenditure Report will largely mirror those used for CRF, with some minor exceptions noted in this guidance. The users' guide will describe how reporting for CRF funds will relate to reporting for the SLFRF.
- **Timing of Reports:** CRF reports were due within 10 days of each calendar quarter end. For quarterly reporters, SLFRF reporting will be due the last day of the month following the end of the period covered. For annual reporters, SLFRF reporting will be due on an annual schedule (see table in Section B below).
- **Program and Performance Reporting:** The CRF reporting did not include any program or performance reporting. To build public awareness and accountability and allow Treasury to monitor compliance with eligible uses, some program and performance reporting is required for SLFRF.

A. Interim Report

Note: The Interim Reports were submitted under the interim final rule.

States, U.S. territories, metropolitan cities, counties, and Tribal governments were required to submit a one-time interim report with expenditures⁹ by Expenditure Category covering the period from March 3rd to July 31, 2021, by August 31, 2021 or sixty (60) days after first receiving funding if the recipient's date of award was between July 15, 2021 and October 15, 2021. The recipient was required to enter obligations¹⁰ and expenditures and, for each, select the specific expenditure category from the available options. See Appendix 3 for Expenditure Categories applicable for the Interim Report.

1. Required Programmatic Data

Recipients were also required to provide the following information if they had or planned to have expenditures in the following Expenditure Categories.

- a. **Revenue replacement (EC 6.1¹¹):** Key inputs into the revenue replacement formula in the Interim Final Rule and estimated revenue loss due to the Covid-19 public health emergency calculated using the formula in the Interim Final Rule as of December 31, 2020.
 - Base year general revenue (e.g., revenue in the last full fiscal year prior to the public health emergency)
 - Fiscal year end date
 - Growth adjustment used (either 4.1 percent or average annual general revenue growth over 3 years prior to pandemic)
 - Actual general revenue as of the twelve months ended December 31, 2020

⁹ For purposes of reporting in the SLFRF portal, an expenditure is the amount that has been incurred as a liability of the entity (the service has been rendered or the good has been delivered to the entity).

¹⁰ For purposes of reporting in the SLFRF portal, an obligation is an order placed for property and services, contracts and subawards made, and similar transactions that require payment.

¹¹ See Appendix 3 for the full Expenditure Category (EC) list. Please note that Appendix 3 includes the expenditure categories under the interim final rule, applicable to the Interim Report.



- Estimated revenue loss due to the Covid-19 public health emergency as of December 31, 2020
- An explanation of how revenue replacement funds were allocated to government services (Note: additional instructions was provided in the user guide)

In calculating general revenue and the other items discussed above, recipients should have used audited data if it was available. When audited data was not available, recipients were not required to obtain audited data if substantially accurate figures could be produced on an unaudited basis. Recipients should have used their own data sources to calculate general revenue and did not need to rely on revenue data published by the Census Bureau. Treasury acknowledges that due to differences in timing, data sources, and definitions, recipients' self-reported general revenue figures may differ from those published by the Census Bureau. Recipients were permitted to provide data on a cash, accrual, or modified accrual basis, provided that recipients are consistent in their choice of methodology throughout the covered period and until reporting is no longer required. Recipients' reporting should align with their own financial reporting.

In calculating general revenue, recipients should have excluded all intergovernmental transfers from the federal government. This includes, but is not limited to, federal transfers made via a State to a locality pursuant to the CRF or SLFRF. To the extent federal funds are passed through States or other entities or intermingled with other funds, recipients should have attempted to identify and exclude the federal portion of those funds from the calculation of general revenue on a best-efforts basis.

Consistent with the broad latitude provided to recipients to use funds for government services to the extent of reduction in revenue, recipients were required to submit a description of services provided. This description may be in narrative or in another form, and recipients were encouraged to report based on their existing budget processes and to minimize administrative burden. For example, a recipient with \$100 in revenue replacement funds available could indicate that \$50 were used for law enforcement operating expenses and \$50 were used for pay-go building of sidewalk infrastructure. As discussed in the interim final rule, these services can include a broad range of services but may not be used directly for pension deposits or debt service.

Reporting requirements did not require tracking the indirect effects of Fiscal Recovery Funds, apart from the restrictions on use of Fiscal Recovery Funds to offset a reduction in net tax revenue. In addition, recipients were required to indicate that Fiscal Recovery Funds were not used to make a deposit in a pension fund.

B. Project and Expenditure Report

All recipients are required to submit Project and Expenditure Reports.

Note on NEUs: To facilitate reporting, each NEU will need a NEU Recipient Number. This is a unique identification code for each NEU assigned by the State or territory to the NEU as part of its request for funding.

1. Quarterly Reporting

The following recipients are required to submit quarterly Project and Expenditure Reports:

- States and U.S. territories
- Tribal governments that are allocated more than \$30 million in SLFRF funding
- Metropolitan cities and counties with a population that exceeds 250,000 residents



- Metropolitan cities and counties with a population below 250,000 residents that are allocated more than \$10 million in SLFRF funding and NEUs that are allocated more than \$10 million in SLFRF funding.

For these recipients, the initial quarterly Project and Expenditure Report covers three calendar quarters from March 3, 2021 to December 31, 2021 and was required to be submitted to Treasury by January 31, 2022. The subsequent quarterly reports will cover one calendar quarter and must be submitted to Treasury by the last day of the month following the end of the period covered. Quarterly reports are not due concurrently with applicable annual reports. **Table 3** summarizes the quarterly report timelines:

Table 3: Quarterly Project and Expenditure Report Timeline

Report	Year	Quarter	Period Covered	Due Date
1	2021	2 – 4	March 3 – December 31	January 31, 2022
2	2022	1	January 1 – March 31	April 30, 2022
3	2022	2	April 1 – June 30	July 31, 2022
4	2022	3	July 1 – September 30	October 31, 2022
5	2022	4	October 1 – December 31	January 31, 2023
6	2023	1	January 1 – March 31	April 30, 2023
7	2023	2	April 1 – June 30	July 31, 2023
8	2023	3	July 1 – September 30	October 31, 2023
9	2023	4	October 1 – December 31	January 31, 2024
10	2024	1	January 1 – March 31	April 30, 2024
11	2024	2	April 1 – June 30	July 31, 2024
12	2024	3	July 1 – September 30	October 31, 2024
13	2024	4	October 1 – December 31	January 31, 2025
14	2025	1	January 1 – March 31	April 30, 2025
15	2025	2	April 1 – June 30	July 31, 2025
16	2025	3	July 1 – September 30	October 31, 2025
17	2025	4	October 1 – December 31	January 31, 2026
18	2026	1	January 1 – March 31	April 30, 2026
19	2026	2	April 1 – June 30	July 31, 2026
20	2026	3	July 1 – September 30	October 31, 2026
21	2026	4	October 1 – December 31	March 31, 2027

2. Annual Reporting

The following recipients are required to submit annual Project and Expenditure Reports:

- Tribal governments that are allocated less than \$30 million in SLFRF funding
- Metropolitan cities and counties with a population below 250,000 residents that are allocated less than \$10 million in SLFRF funding and NEUs that are allocated less than \$10 million in SLFRF funding.

For these recipients, the initial Project and Expenditure Report will cover from March 3, 2021 to March 31, 2022 and must be submitted to Treasury by April 30, 2022. The subsequent annual reports will cover one calendar year and must be submitted to Treasury by April 30. **Table 4** summarizes the annual report timelines:

**Table 4: Annual Project and Expenditure Report timeline**

Report	Period Covered	Due Date
1	March 3, 2021 – 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

3. Required Information

The following information will be required in Project and Expenditure Reports for both quarterly and annual reporting:

- a. **Projects:** Provide information on all SLFRF funded projects. Projects are new or existing eligible government services or investments funded in whole or in part by SLFRF funding. For each project, the recipient will be required to enter the project name, identification number (created by the recipient), project expenditure category (see Appendix 1), description, and status of completion. Project descriptions must describe the project in sufficient detail to provide understanding of the major activities that will occur, and will be required to be between 50 and 250 words. Projects should be defined to include only closely related activities directed toward a common purpose. Recipients should review the Required Programmatic Data described in 3.g. below and define their projects at a sufficient level of granularity.

Note: For each project, the recipient will be asked to select the appropriate Expenditure Category based on the scope of the project (see Appendix 1). Projects should be scoped to align to a single Expenditure Category. For select Expenditure Categories, the recipient will also be asked to provide additional programmatic data (described further below).

- b. **Obligations and Expenditures:** Once a project is entered the recipient will be able to report on the project's obligations and expenditures. Recipients will be asked to report:
- Current period obligation
 - Cumulative obligation
 - Current period expenditure
 - Cumulative expenditure
- c. **Project Status:** Once a project is entered the recipient will be asked to report on project status each reporting period, in four categories:
- Not Started
 - Completed less than 50 percent
 - Completed 50 percent or more
 - Completed
- d. **Program Income:** Recipients should report the program income earned and expended to cover eligible project costs, if applicable.
- e. **Adopted Budget (*States, U.S. territories, metropolitan cities and counties with a population that exceeds 250,000 residents only*):** Each state, territory and metropolitan city and county with a population that exceeds 250,000 residents will provide the budget adopted for each project by its jurisdiction associated with SLFRF funds. Treasury will use this information to better understand the intended impact, identify opportunities for outreach, and understand the recipient's progress in program implementation. Treasury is not approving or pre-approving projects or budgets.
- Recipients will enter the Adopted Budget based on information that exists currently in the recipient's financial systems and the recipient's established budget process. Treasury



understands that recipients may use different budget processes. For example, a recipient may consider a project budgeted once a legislature has appropriated funds; whereas another recipient may consider a project budgeted at the moment when the funds have been obligated.

- Additional information is provided on the differences between Adopted Budget, Obligations, and Expenditures as part of the user guide posted at www.treasury.gov/SLFRPReporting.

f. Project Demographic Distribution (applicable to Public Health and Negative Economic Impact ECs: EC 1.1-2.37)– Collection to begin April 2022

Recognizing the disproportionate public health and negative economic impacts of the pandemic on many households, communities, and other entities, recipients must report whether certain types of projects are targeted to impacted and disproportionately impacted communities. Recipients will be asked to respond to the following:

- What Impacted and/or Disproportionately Impacted population does this project primarily serve? Please select the population primarily served.
- If this project primarily serves more than one Impacted and/or Disproportionately Impacted population, please select up to two additional populations served.

Recipients will select from the following options:

	Impacted	Disproportionately Impacted
Public Health	<ul style="list-style-type: none"> • General Public 	
Assistance to Households	<ul style="list-style-type: none"> • Low- or-moderate income households or populations¹² • Households that experienced unemployment • Households that experienced increased food or housing insecurity • Households that qualify for certain federal programs¹³ • For services to address lost instructional time in K-12 schools: any students that lost access to in-person instruction for a significant period of time • Other households or populations that experienced a negative 	<ul style="list-style-type: none"> • Low-income households and populations¹⁴ • Households and populations residing in Qualified Census Tracts • Households that qualify for certain federal programs¹⁵ • Households receiving services provided by Tribal governments • Households residing in the U.S. territories or receiving services from these governments

¹² Low or moderate-income households and communities are those with (i) income at or below 300 percent of the Federal Poverty Guidelines for the size of the household based on the most recently published poverty guidelines by the Department of Health and Human Services (HHS) or (ii) income at or below 65 percent of the Area Median Income for the county and size of household based on the most recently published data by the Department of Housing and Urban Development (HUD).

¹³ For Impacted households, these programs are Children’s Health Insurance Program (“CHIP”); Childcare Subsidies through the Child Care and Development Fund (“CCDF”) Program; Medicaid; National Housing Trust Fund (“HTF”), for affordable housing programs only; Home Investment Partnerships Program (“HOME”), for affordable housing programs only.

¹⁴ Low-income households and communities are those with (i) income at or below 185 percent of the Federal Poverty Guidelines for the size of the household based on the most recently published poverty guidelines by HHS or (ii) income at or below 40 percent of Area Median Income for its county and size of household based on the most recently published data by HUD.

¹⁵ For Disproportionately Impacted households, these programs are Temporary Assistance for Needy Families (“TANF”), Supplemental Nutrition Assistance Program (“SNAP”), Free- and Reduced-Price Lunch (“NSLP”) and/or School Breakfast (“SBP”) programs, Medicare Part D Low-Income Subsidies, Supplemental Security Income (“SSI”), Head Start, Special Supplemental Nutrition Program for Women, Infants, and Children (“WIC”), Section 8 Vouchers, Low-Income Home Energy Assistance Program (“LIHEAP”), and Pell Grants.



	Impacted	Disproportionately Impacted
	economic impact of the pandemic other than those listed above (please specify)	<ul style="list-style-type: none"> For services to address educational disparities, Title I eligible schools¹⁶ Other households or populations that experienced a disproportionate negative economic impact of the pandemic other than those listed above (please specify)
Assistance to Small Businesses	<ul style="list-style-type: none"> Small businesses that experienced a negative economic impact of the pandemic Classes of small businesses designated as negatively economically impacted by the pandemic (please specify) 	<ul style="list-style-type: none"> Small businesses operating in Qualified Census Tracts Small businesses operated by Tribal governments or on Tribal lands Small businesses operating in the U.S. territories Other small businesses disproportionately impacted by the pandemic (please specify)
Assistance to Non-Profits	<ul style="list-style-type: none"> Non-Profits that experienced a negative economic impact of the pandemic (please specify) Classes of non-profits designated as negatively economically impacted by the pandemic (please specify) 	<ul style="list-style-type: none"> Non-profits operating in Qualified Census Tracts Non-profits operated by Tribal governments or on Tribal lands Non-profits operating in the U.S. territories Other non-profits disproportionately impacted by the pandemic (please specify)
Aid to Impacted Industries	<ul style="list-style-type: none"> Travel, tourism, or hospitality sectors (including Tribal development districts) Industry outside the travel, tourism, or hospitality sectors that experienced a negative economic impact of the pandemic (please specify) 	N/A

g. Subawards, Contracts, Grants, Loans, Transfers, and Direct Payments: Each recipient shall also provide detailed obligation and expenditure information for any contracts and grants awarded, loans issued, transfers made to other government entities, and direct payments made by the recipient that are greater than \$50,000.

Recipients do not need to submit separate monthly subaward reports to FSRS.gov as required pursuant to the 2 CFR Part 170, Appendix A award term regarding reporting subaward and executive compensation, which is included in the SLFRF Award Terms and Conditions. Treasury will submit this reporting on behalf of recipients using the \$50,000 reporting threshold, timing, and data elements discussed in this guidance. If recipients choose to continue reporting to FSRS.gov in addition to reporting directly to Treasury on these funds, they may do so and will be asked to notify Treasury as part of their quarterly submission.

¹⁶ For educational services and other efforts to address educational disparities, Treasury will recognize Title I eligible schools as disproportionately impacted and responsive services that support the school generally or support the whole school service as eligible. "Title I eligible schools" means schools eligible to receive services under section 1113 of Title I, Part A of the Elementary and Secondary Education Act of 1965, as amended (20 U.S.C. 6313), including schools served under section 1113(b)(1)(C) of that Act.



In general, recipients will be asked to provide the following information for each Contract, Grant, Loan, Transfer, or Direct Payment greater than \$50,000:

- Subrecipient identifying and demographic information (e.g., DUNS/UEI/TIN number and location)
- Award number (e.g., Award number, Contract number, Loan number)
- Award date, type, amount, and description
- Award payment method (reimbursable or lump sum payment(s))
- For loans, expiration date (date when loan expected to be paid in full)
- Primary place of performance
- Related project name(s)
- Related project identification number(s) (created by the recipient)
- Period of performance start date
- Period of performance end date
- Quarterly obligation amount
- Quarterly expenditure amount
- Project(s)
- Additional programmatic performance indicators for select Expenditure Categories (see below)

Aggregate reporting is required for contracts, grants, transfers made to other government entities, loans, direct payments that are below \$50,000. This information will be accounted for by Expenditure Category at the project level. Note that all obligations and expenditures made directly to individuals, regardless of dollar amount, should be included in aggregate reporting.

As required by the 2 CFR Part 170, Appendix A award term regarding reporting subaward and executive compensation, recipients must also report the names and total compensation of their five most highly compensated executives and their subrecipients' executives for the preceding completed fiscal year if (1) the recipient received 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as provided by 2 CFR 170.320 (and subawards), and received \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act (and subawards), and (2) if the information is not otherwise public. In general, most SLFRF recipients are governmental entities with executive salaries that are already disclosed, so no additional information would be required to be reported. The recipient is responsible for the subrecipients' compliance with registering and maintaining an updated profile on SAM.gov.

- h. Civil Rights Compliance: Treasury will request information on recipients' compliance with Title VI of the Civil Rights Act of 1964, as applicable, on an annual basis. This information may include a narrative describing the recipient's compliance with Title VI, along with other questions and assurances. This collection does not apply to Tribal governments¹⁷
- i. Ineligible Activities: Tax Offset Provision (States and territories only): Treasury may collect additional information related to the Tax Offset Provision as described in section 602(c)(2) of the Social Security Act and implemented under 31 CFR 35.8 as part of the Project and Expenditure Report, such as but not limited to revenue reducing covered changes. Please see Section C.11 (Recovery Plan, Ineligible Activities: Tax Offset Provision) for more information.

¹⁷ Please note, as explained in Treasury [FAQ 12.1](#), that the award terms and conditions for Treasury's pandemic recovery programs, including the SLFRF, do not impose antidiscrimination requirements on Tribal governments beyond what would otherwise apply under federal law.



j. Required Programmatic Data (other than infrastructure projects): For all projects listed under the following Expenditure Categories (see Appendix 1), the information listed must be provided in each report.

1. Public Health and Negative Economic Impact (EC 1.1-3.5) - *Collection to begin in April 2022*

- Brief description of structure and objectives of assistance program(s), including public health or negative economic impact experienced
- Brief description of how a recipient's response is related and reasonably and proportional to a public health or negative economic impact of COVID-19.¹⁸

Note: The final rule presumes that all enumerated eligible uses for programs and services, including COVID-19 mitigation and prevention programs and services, are reasonably proportional responses to the harm identified unless a response is grossly disproportionate to the type or extent of harm experienced. Many of the Eligibility Categories encompass multiple specific enumerated eligible uses and may be provided to a variety of populations. For example, EC 2.13 *Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* includes a wide array of financial, educational, child development, or health supports, or other supports necessary, including supports for kinship care and may be provided to foster youth and/or families involved in the child welfare system. Between these two fields above, recipients should provide enough information to identify the type of enumerated eligible use being provided within the EC (e.g., kinship care support services), the public health or economic impact experienced, who the program and/or service is being provided to, and what services are being provided (e.g., respite resources). For enumerated eligible uses, recipients are not required to provide substantive documentation that the response is related and reasonably proportional in the Project and Expenditure Report.

2. Capital Expenditures (EC 1.1-3.5) - *Collection began in January 2022, with additional optional fields to begin in April 2022; optional fields will become required in July 2022*

- Does this project include a capital expenditure? (*Collection began in January 2022*)
- Total expected capital expenditure, including pre-development costs, if applicable (*Collection began in January 2022*)
- Type of capital expenditure, based on the following enumerated uses (This field is *optional in April 2022; required in July 2022*):
 - COVID-19 testing sites and laboratories, and acquisition of related equipment
 - COVID-19 vaccination sites
 - Medical facilities generally dedicated to COVID-19 treatment and mitigation (e.g., emergency rooms, intensive care units, telemedicine capabilities for COVID-19 related treatment)
 - Temporary medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs
 - Acquisition of equipment for COVID-19 prevention and treatment, including ventilators, ambulances, and other medical or emergency services equipment
 - Emergency operations centers and acquisition of emergency response equipment (e.g., emergency response radio systems)
 - Installation and improvement of ventilation systems in congregate settings, health facilities, or other public facilities
 - Public health data systems, including technology infrastructure
 - Adaptations to congregate living facilities, including skilled nursing facilities, other long-term care facilities, incarceration settings, homeless shelters, residential foster

¹⁸ Please note that capital expenditures are not considered "programs and services" and are not presumed to be reasonably proportional responses to an identified harm except as provided in the final rule.



- care facilities, residential behavioral health treatment, and other group living facilities, as well as public facilities and schools (excluding construction of new facilities for the purpose of mitigating spread of COVID-19 in the facility)
 - Mitigation measures in small businesses, nonprofits, and impacted industries (e.g., developing outdoor spaces)
 - Behavioral health facilities and equipment (e.g., inpatient or outpatient mental health or substance use treatment facilities, crisis centers, diversion centers)
 - Technology and equipment to allow law enforcement to efficiently and effectively respond to the rise in gun violence resulting from the pandemic
 - Affordable housing, supportive housing, or recovery housing development
 - Food banks and other facilities primarily dedicated to addressing food insecurity
 - Transitional shelters (e.g., temporary residences for people experiencing homelessness)
 - Devices and equipment that assist households in accessing the internet (e.g., tablets, computers, or routers)
 - Childcare, daycare, and early learning facilities
 - Job and workforce training centers
 - Improvements to existing facilities to remediate lead contaminants (e.g., removal of lead paint)
 - Medical equipment and facilities designed to address disparities in public health outcomes (includes primary care clinics, hospitals, or integrations of health services into other settings)
 - Parks, green spaces, recreational facilities, sidewalks, pedestrian safety features like crosswalks, streetlights, neighborhood cleanup, and other projects to revitalize public spaces
 - Rehabilitations, renovation, remediation, cleanup, or conversions of vacant or abandoned properties
 - Schools and other educational facilities or equipment to address educational disparities
 - Technology and tools to effectively develop, execute, and evaluate government programs
 - Technology infrastructure to adapt government operations to the pandemic (e.g., video-conferencing software, improvements to case management systems or data sharing resources), reduce government backlogs, or meet increased maintenance needs
 - Other (please specify)
 - For recipients (other than Tribal governments) investing in projects with total expected capital expenditures for an enumerated eligible use of \$10 million or more, as well as projects with total expected capital expenditures for an “other” use of \$1 million or more, please provide a written justification (This field is *optional in April 2022; required in July 2022*)
 - For projects with total expected capital expenditures of over \$10 million, provide labor reporting as outlined for infrastructure projects on pages 26 and 27 (This field is *optional in April 2022; required in July 2022*)
3. Use of Evidence (for relevant ECs noted in Appendix 1)—*Collection to begin April 2022*
- The dollar amount of the total project spending that is allocated towards evidence-based interventions
 - Indicate if a program evaluation of the project is being conducted



4. Household Assistance (EC 2.1-2.8) – *Collection began January 2022:*
 - Number of households served (by program if recipient establishes multiple separate household assistance programs)
5. Small Business Economic Assistance (EC 1.8, 2.29-2.33) – *Collection to begin April 2022*
 - Number of small businesses served (by program if recipient establishes multiple separate small businesses assistance programs)
6. Assistance to Non-Profits (EC 1.9, 2.34)- *Collection to begin April 2022*
 - Number of Non-Profits served (by program if recipient establishes multiple separate non-profit assistance programs)
7. Aid to Travel, Tourism, and Hospitality or Other Impacted Industries (EC 1.10, 2.35-2.36) – *Collection to begin April 2022:*
 - If aid is provided to industries other than travel, tourism, and hospitality (EC 2.36), describe if the industry experienced at least 8 percent employment loss from pre-pandemic levels, or the industry is experiencing comparable or worse economic impacts as the national tourism, travel, and hospitality industries as of the date of the final rule, and rationale for providing aide to the industry
 - For each subaward:
 - Sector of employer (Note: additional detail, including list of sectors, to be provided in the user guide posted to www.treasury.gov/SLFRP)
 - Purpose of funds (e.g., payroll support, safety measure implementation)
8. Education Assistance (EC 2.14, 2.24-.2.27) – *Collection began in January 2022:*
 - The National Center for Education Statistics (“NCES”) School ID or NCES District ID. List the School District if all schools within the school district received some funds. If not all schools within the school district received funds, list the School ID of the schools that received funds. These can allow evaluators to link data from the NCES to look at school-level demographics and, eventually, student performance.¹⁹
9. Payroll for Public Health and Safety Employees (EC 3.1) – *Collection began in January 2022:*
 - Number of government FTEs responding to COVID-19 supported under this authority
10. Rehiring Public Sector Staff (EC 3.2) – *Collection began in January 2022:*
 - Number of FTEs rehired by governments under this authority
11. Premium Pay (both Public Sector EC 4.1 and Private Sector EC 4.2) – *Collection began in January 2022; with additional optional field to begin April 2022*
 - List of sectors designated as critical to protecting the health and well-being of residents by the chief executive of the jurisdiction, if beyond those included in the final rule (*Collection began January 2022*)
 - Number of workers to be served (*Collection began January 2022*)
 - Employer sector for all subawards to third-party employers (i.e., employers other than the State, local, or Tribal government) (*Collection began January 2022*)
 - For groups of workers (e.g., an operating unit, a classification of worker, etc.) or, to the extent applicable, individual workers, other than those where the eligible worker receiving premium pay is earning (with the premium pay included) below 150 percent of their residing state or county’s average annual wage for all occupations, as defined by the Bureau of Labor Statistics Occupational Employment and Wage Statistics, whichever is

¹⁹ For more information on NCES identification numbers see <https://nces.ed.gov/ccd/districtsearch/> (districts) and <https://nces.ed.gov/ccd/schoolsearch/> (schools).



higher, on an annual basis; OR the eligible worker receiving premium pay is not exempt from the Fair Labor Standards Act overtime provisions:

- A brief written narrative justification of how the premium pay or grant is responsive to workers performing essential work during the public health emergency. This could include a description of the essential workers' duties, health or financial risks faced due to COVID-19, and why the recipient government determined that the premium pay was responsive to workers performing essential work during the pandemic. This description should not include personally identifiable information; when addressing individual workers, recipients should be careful not to include this information. Recipients may consider describing the workers' occupations and duties in a general manner as necessary to protect privacy (*Collection began January 2022*)
- Number of workers to be served with premium pay in K-12 schools (*Collection will begin April 2022*)

12. Revenue replacement (EC 6.1) – *Collection began in August 2021:*

As outlined in the final rule, recipients have the option to make a one-time decision to calculate revenue loss according to the formula outlined in the final rule or elect a "Standard Allowance" of up to \$10 million, not to exceed the award allocation, to spend on government services throughout the period of performance. The option to make this one-time decision will be provided during the April 30, 2022 reporting deadline.

For recipients electing the "Standard Allowance," Treasury will presume that up to \$10 million, not to exceed the award allocation, in revenue has been lost due to the public health emergency and recipients are permitted to use that amount to fund "government services." Please note that electing the standard allowance does not change a recipient's total allocation. Recipients must elect to use this standard allowance instead of calculating lost revenue using the formula.

For recipients calculating revenue loss according to the formula, the final rule permits recipients to choose whether to use calendar or fiscal year calculation dates. Recipients must use the same calculation time frame (calendar or fiscal year) throughout the award period.

Recipients calculating lost revenue using the formula should report the following:

- Choice of fiscal or calendar year revenue loss (choice must remain consistent throughout award period)
- General revenue collected over the past 12 months as of the most recent calculation date, as outlined in the final rule.
- Calculated revenue loss due to the Covid-19 public health emergency; and
- An explanation of how the revenue replacement funds were allocated to government services (note: additional instructions and/or template to be provided in user guide).

For information on treatment of future tax changes, please see the [Statement Regarding Compliance with the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule and Final Rule](#).

- k. Required Programmatic Data for Infrastructure Projects (EC 5): For all projects listed under the Water, Sewer, and Broadband Expenditure Categories (see Appendix 1), more detailed project-level information is required. Each project will be required to report expenditure data as described above, but will also report the following information:

1. All infrastructure projects (EC 5) – *Collection began in January 2022:*
 - Projected/actual construction start date (month/year)



- Projected/actual initiation of operations date (month/year)
- Location (for broadband, geospatial data of locations to be served)
- For projects over \$10 million (based on expected total cost):
 - a. A recipient may provide a certification that, for the relevant project, all laborers and mechanics employed by contractors and subcontractors in the performance of such project are paid wages at rates not less than those prevailing, as determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the “Davis-Bacon Act”), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed, or by the appropriate State entity pursuant to a corollary State prevailing-wage-in-construction law (commonly known as “baby Davis-Bacon Acts”). If such certification is not provided, a recipient must provide a project employment and local impact report detailing:
 - The number of employees of contractors and sub-contractors working on the project;
 - The number of employees on the project hired directly and hired through a third party;
 - The wages and benefits of workers on the project by classification; and
 - Whether those wages are at rates less than those prevailing.²⁰Recipients must maintain sufficient records to substantiate this information upon request.
 - b. A recipient may provide a certification that a project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)). If the recipient does not provide such certification, the recipient must provide a project workforce continuity plan, detailing:
 - How the recipient will ensure the project has ready access to a sufficient supply of appropriately skilled and unskilled labor to ensure high-quality construction throughout the life of the project, including a description of any required professional certifications and/or in-house training;
 - How the recipient will minimize risks of labor disputes and disruptions that would jeopardize timeliness and cost-effectiveness of the project;
 - How the recipient will provide a safe and healthy workplace that avoids delays and costs associated with workplace illnesses, injuries, and fatalities, including descriptions of safety training, certification, and/or licensure requirements for all relevant workers (e.g., OSHA 10, OSHA 30);
 - Whether workers on the project will receive wages and benefits that will secure an appropriately skilled workforce in the context of the local or regional labor market; and
 - Whether the project has completed a project labor agreement.
 - c. Whether the project prioritizes local hires.
 - d. Whether the project has a Community Benefit Agreement, with a description of any such agreement.

2. Water and sewer projects (EC 5.1-5.18) *Required once the project starts:*

- National Pollutant Discharge Elimination System (NPDES) Permit Number (if applicable; for projects aligned with the Clean Water State Revolving Fund) (*Collection began in January 2022*)
- Public Water System (PWS) ID number (if applicable; for projects aligned with the Drinking Water State Revolving Fund) (*Collection began January 2022*)

²⁰ As determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the “Davis-Bacon Act”), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed.



- Median Household Income of service area (*Collection to begin in April 2022*)
- Lowest Quintile Income of the service area (*Collection to begin in April 2022*)

3. Broadband projects (EC 5.19-5.21) *Collection began in January 2022:*

- Confirm that the project is designed to, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds.
 - If the project is not designed to reliably meet or exceed symmetrical 100 Mbps download and upload speeds, explain why not, and
 - Confirm that the project is designed to, upon completion, meet or exceed 100 Mbps download speed and between at least 20 Mbps and 100 Mbps upload speed, and be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed.
- Please note: additional programmatic data will be required for broadband projects beginning in July 2022 and will be defined in a subsequent version of the Reporting Guidance.

I. NEU Documentation (NEUs only): Each NEU will also be asked to provide the following information once their accounts are established in Treasury's Reporting Portal and prior to the due date for their first Project and Expenditure Report (due April 30, 2022):

- Copy of the signed award terms and conditions agreement (which was signed and submitted to the State as part of the request for funding)
- Copy of the signed assurances of compliance with Title VI of the Civil Rights Act of 1964 (which was signed and submitted to the State as part of the request for funding)
- Copy of actual budget documents validating the top-line budget total provided to the State as part of the request for funding

NEU accounts will be established in Treasury's Portal based on information provided by the States or territories, as further described in Section Part 2 D below.

C. Recovery Plan Performance Report

Note: The guidance included in this section will be updated prior to July 31, 2022 to align with the final rule. The guidance below, including the Expenditure Categories, reflects the interim final rule.

States, territories, metropolitan cities, and counties with a population that exceeds 250,000 residents will also be required to publish and submit to Treasury a Recovery Plan performance report ("Recovery Plan"). Each Recovery Plan must be posted on the public-facing website of the recipient by the same date the recipient submits the report to Treasury. This reporting requirement includes uploading a link to the publicly available document report along with providing data in the Treasury reporting portal.

The Recovery Plan will provide the public and Treasury information on the projects recipients are undertaking with program funding and how they are planning to ensure program outcomes are achieved in an effective, efficient, and equitable manner. While this guidance outlines some minimum requirements for the Recovery Plan, each recipient is encouraged to add information to the plan they feel is appropriate to provide information to their constituents on efforts they are taking to respond to the pandemic and promote economic recovery. Each jurisdiction may determine the general form and content of the Recovery Plan, as long as it includes the minimum information determined by Treasury. Treasury provided a template (located at www.treasury.gov/SLFRP) but recipients may modify this template as appropriate for their jurisdiction. The Recovery Plan will include key performance indicators identified by the recipient and some mandatory indicators identified by Treasury.

The initial Recovery Plan will cover the period from the date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021, or 60 days after receiving funding. Thereafter, the



Recovery Plan will cover a 12-month period and recipients will be required to submit the report to Treasury within 30 days after the end of the 12-month period (by July 31). **Table 5** summarizes the report timelines:

Table 5 Recovery Plan Timeline

Annual Report	Period Covered	Due Date
1	Award Date – July 31, 2021	August 31, 2021
2	July 1, 2021 – June 30, 2022	July 31, 2022
3	July 1, 2022 – June 30, 2023	July 31, 2023
4	July 1, 2023 – June 30, 2024	July 31, 2024
5	July 1, 2024 – June 30, 2025	July 31, 2025
6	July 1, 2025 – June 30, 2026	July 31, 2026
7	July 1, 2026 – December 31, 2026	March 31, 2027

The Recovery Plan will include, at a minimum, the following information:

1. Executive Summary

Provide a high-level overview of the jurisdiction's intended and actual uses of funding including, but not limited to: the jurisdiction's plan for use of funds to promote a response to the pandemic and economic recovery, key outcome goals, progress to date on those outcomes, and any noteworthy challenges or opportunities identified during the reporting period.

2. Uses of Funds

Describe in further detail your jurisdiction's intended and actual uses of the funds, such as how your jurisdiction's approach would help support a strong and equitable recovery from the COVID-19 pandemic and economic downturn. Describe any strategies employed to maximize programmatic impact and effective, efficient, and equitable outcomes. Given the broad eligible uses of funds and the specific needs of the jurisdiction, please also explain how the funds would support the communities, populations, or individuals in your jurisdiction. Your description should address how you are promoting each of the following, to the extent they apply. Note that these expenditure categories reflect the interim final rule and will be updated prior to July 31, 2022 to align with the final rule.

- Public Health (EC 1): As relevant, describe how funds are being used to respond to COVID-19 and the broader health impacts of COVID-19 and the COVID-19 public health emergency.
- Negative Economic Impacts (EC 2): As relevant, describe how funds are being used to respond to negative economic impacts of the COVID-19 public health emergency, including to households and small businesses.
- Services to Disproportionately Impacted Communities (EC 3): As relevant, describe how funds are being used to provide services to communities disproportionately impacted by the COVID-19 public health emergency.
- Premium Pay (EC 4): As relevant, describe the approach, goals, and sectors or occupations served in any premium pay program. Describe how your approach prioritizes low-income workers.
- Water, sewer, and broadband infrastructure (EC 5): Describe the approach, goals, and types of projects being pursued, if pursuing.
- Revenue Replacement (EC 6): Describe the loss in revenue due to the COVID-19 public health emergency and how funds have been used to provide government services.

Where appropriate, recipients should also include information on your jurisdiction's use (or planned use) of other federal recovery funds including other programs under the American Rescue Plan such as Emergency Rental Assistance, Housing Assistance, and so forth, to provide broader context on the overall approach for pandemic recovery.



3. Promoting equitable outcomes

Describe efforts to promote equitable outcomes, including how programs were designed with equity in mind. Please include in your description how your jurisdiction will consider and measure equity at the various stages of the program, including:

- a. **Goals:** Are there particular historically underserved, marginalized, or adversely affected groups that you intend to serve within your jurisdiction?
- b. **Awareness:** How equal and practical is the ability for residents or businesses to become aware of the services funded by the SLFRF?
- c. **Access and Distribution:** Are there differences in levels of access to benefits and services across groups? Are there administrative requirements that result in disparities in ability to complete applications or meet eligibility criteria?
- d. **Outcomes:** Are intended outcomes focused on closing gaps, reaching universal levels of service, or disaggregating progress by race, ethnicity, and other equity dimensions where relevant for the policy objective?

Treasury encourages uses of funds that promote strong, equitable growth, including racial equity. Please describe how your jurisdiction's planned or current use of funds prioritizes economic and racial equity as a goal, names specific targets intended to produce meaningful equity results at scale, and articulates the strategies to achieve those targets. In addition, please explain how your jurisdiction's overall equity strategy translates into the specific services or programs offered by your jurisdiction in the following Expenditure Categories, as indicated in the interim final rule. Note these expenditure categories will be updated prior to July 31, 2022 to align with the final rule:

- a. **Negative Economic Impacts (EC 2):** assistance to households, small businesses, and non-profits to address impacts of the pandemic, which have been most severe among low-income populations. This includes assistance with food, housing, and other needs; employment programs for people with barriers to employment who faced negative economic impacts from the pandemic (such as residents of low-income neighborhoods, minorities, disconnected youth, the unemployed, formerly incarcerated people, veterans, and people with disabilities); and other strategies that provide disadvantaged groups with access to education, jobs, and opportunity.
- b. **Services to Disproportionately Impacted Communities (EC 3):** services to address health disparities and the social determinants of health, build stronger neighborhoods and communities (e.g., affordable housing), address educational disparities (e.g., evidence-based tutoring, community schools, and academic, social-emotional, and mental health supports for high poverty schools), and promote healthy childhood environments (e.g., home visiting, child care).

The initial report must describe efforts to date and intended outcomes to promote equity. Each annual report thereafter must provide an update, using qualitative and quantitative data, on how the recipients' approach achieved or promoted equitable outcomes or progressed against equity goals during the performance period. Please also describe any constraints or challenges that impacted project success in terms of increasing equity. In particular, this section must describe the geographic and demographic distribution of funding, including whether it is targeted toward traditionally marginalized communities.

For the purposes of the SLFRF, equity is described in the [Executive Order 13985 On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government](#), as issued on January 20, 2021.

4. Community Engagement

Please describe how your jurisdiction's planned or current use of funds incorporates written, oral, and other forms of input that capture diverse feedback from constituents, community-based organizations, and the communities themselves. Where relevant, this description must include how funds will build the capacity of community organizations to serve people with significant barriers to services, including



people of color, people with low incomes, limited English proficient populations, and other traditionally underserved groups.

5. Labor Practices

Describe workforce practices on any infrastructure projects being pursued (EC 5). How are projects using strong labor standards to promote effective and efficient delivery of high-quality infrastructure projects while also supporting the economic recovery through strong employment opportunities for workers? For example, report whether any of the following practices are being utilized: project labor agreements, community benefits agreements, prevailing wage requirements, and local hiring.

6. Use of Evidence

The Recovery Plan should identify whether SLFRF funds are being used for evidence-based interventions²¹ and/or if projects are being evaluated through rigorous program evaluations that are designed to build evidence. Recipients must briefly describe the goals of the project, and the evidence base for the interventions funded by the project. Recipients must specifically identify the dollar amount of the total project spending that is allocated towards evidence-based interventions for each project in the Public Health (EC 1), Negative Economic Impacts (EC 2), and Services to Disproportionately Impacted Communities (EC 3) Expenditure Categories, as identified in the interim final rule and noted in Appendix 3.²² Please note that these expenditure categories reflect the interim final rule and will be updated prior to July 31, 2022 to align with the final rule.

Recipients are exempt from reporting on evidence-based interventions in cases where a program evaluation is being conducted. Recipients are encouraged to use relevant evidence Clearinghouses, among other sources, to assess the level of evidence for their interventions and identify evidence-based models that could be applied in their jurisdiction; such evidence clearinghouses include the U.S. Department of Education's [What Works Clearinghouse](#), the U.S. Department of Labor's [CLEAR](#), and the [Childcare & Early Education Research Connections and the Home Visiting Evidence of Effectiveness](#) clearinghouses from Administration for Children and Families, as well as other clearinghouses relevant to particular projects conducted by the recipient. In such cases where a recipient is conducting a program evaluation in lieu of reporting the amount of spending on evidence-based interventions, they must describe the evaluation design including whether it is a randomized or quasi-experimental design; the key research questions being evaluated; whether the study has sufficient statistical power to disaggregate outcomes by demographics; and the timeframe for the completion of the evaluation (including a link to completed evaluation if relevant).²³ Once the evaluation has been completed, recipients must post the evaluation publicly and link to the completed evaluation in the Recovery Plan. Once an evaluation has been completed (or has sufficient interim findings to determine the efficacy of the intervention), recipients should determine whether the spending for the evaluated interventions should be counted towards the dollar amount categorized as evidence-based for the relevant project.

For all projects, recipients may be selected to participate in a national evaluation, which would study their project along with similar projects in other jurisdictions that are focused on the same set of outcomes. In such cases, recipients may be asked to share information and data that is needed for the national evaluation.

²¹As noted in Appendix 2, evidence-based refers to interventions with strong or moderate levels of evidence.

²²Of note, recipients are only required to report the amount of the total funds that are allocated to evidence-based interventions in the areas of Public Health, Negative Economic Impacts, and Services to Disproportionately Impacted Communities that are marked by an asterisk in Appendix 3: Expenditure Categories. Please note the expenditure categories in Appendix 3 reflect the interim final rule. This Recovery Plan guidance references the expenditure categories aligned with the interim final rule. This guidance will be updated prior to the July 2022 reporting period to reflect the final rule.

²³For more information on the required standards for program evaluation, see [OMB M-20-12](#).



Recipients are encouraged to consider how a Learning Agenda, either narrowly focused on SLFRF or broadly focused on the recipient's broader policy agenda, could support their overarching evaluation efforts in order to create an evidence-building strategy for their jurisdiction.²⁴

Appendix 2 contains additional information on evidence-based interventions for the purposes of the Recovery Plan.

7. Table of Expenses by Expenditure Category

Please include a table listing the amount of funds used in each Expenditure Category (See Appendix 3). The table should include cumulative expenses to date within each category, and the additional amount spent within each category since the last annual Recovery Plan.

8. Project Inventory

List the name and provide a brief description of all SLFRF funded projects. Projects are new or existing eligible government services or investments funded in whole or in part by SLFRF funding. For each project, include the project name, funding amount, identification number (created by the recipient and used thereafter in the quarterly Program and Expenditure Report), project Expenditure Category (see Appendix 3), and a description of the project which includes an overview of the main activities of the project, the approximate timeline, primary delivery mechanisms and partners, if applicable, and intended outcomes. Include a link to the website of the project if available. This information will provide context and additional detail for the information reported quarterly in the Project and Expenditure Report.

For infrastructure investment projects (EC 5), project-level reporting will be more detailed, as described for the Project and Expenditure Report above. Projects in this area may be grouped by Expenditure Category if needed, with further detail (such as the specific project name and identification number) provided in the Project and Expenditure Report. For infrastructure projects, descriptions should note how the project contributes to addressing climate change.

9. Performance Report

The Recovery Plan must include key performance indicators for the major SLFRF funded projects undertaken by the recipient. The recipient has flexibility in terms of how this information is presented in the Recovery Plan, and may report key performance indicators for each project, or may group projects with substantially similar goals and the same outcome measures. In some cases, the recipient may choose to include some indicators for each individual project as well as crosscutting indicators.

Performance indicators should include both output and outcome measures. Output measures, such as number of students enrolled in an early learning program, provide valuable information about the early implementation stages of a project. Outcome measures, such as the percent of students reading on grade level, provide information about whether a project is achieving its overall goals. Recipients are encouraged to use logic models²⁵ to identify their output and outcome measures. While the initial report will focus heavily on early output goals, recipients must include the related outcome goal for each project and provide updated information on achieving these outcome goals in annual reports. In cases where recipients are conducting a program evaluation for a project (as described above), the outcome measures in the performance report should be aligned with those being evaluated in the program. To support their performance measurement and program improvement efforts, recipients are permitted to use funds to make improvements to data or technology infrastructure and data analytics, as well as program evaluations.

²⁴ For more information on learning agendas, please see [OMB M-19-23](#)

²⁵ A logic model is a tool that depicts the intended links between program investments and outcomes, specifically the relationships among the resources, activities, outputs, outcomes, and impact of a program.



10. Required Performance Indicators and Programmatic Data

While recipients have discretion on the full suite of performance indicators to include, a number of mandatory performance indicators and programmatic data must be included. These are necessary to allow Treasury to conduct oversight as well as understand and aggregate program outcomes across recipients. This section provides an overview of the mandatory performance indicators and programmatic data. This information may be included in each recipient's Recovery Plan as they determine most appropriate, including combining with the section above, but this data will also need to be entered directly into the Treasury reporting portal. Below is a list of required data for each Expenditure Category. Note these expenditure categories reflect the interim final rule and will be updated prior to July 31, 2022 to align with the final rule.

- a. Household Assistance (EC 2.2 & 2.5) and Housing Support (EC 3.10-3.12):
 - Number of people or households receiving eviction prevention services (including legal representation)
 - Number of affordable housing units preserved or developed
- b. Negative Economic Impacts (EC 2):
 - Number of workers enrolled in sectoral job training programs
 - Number of workers completing sectoral job training programs
 - Number of people participating in summer youth employment programs
- c. Education Assistance (EC 3.1-3.5):
 - Number of students participating in evidence-based tutoring programs²⁶
- d. Healthy Childhood Environments (EC 3.6-3.9):
 - Number of children served by childcare and early learning (pre-school/pre-K/ages 3-5)
 - Number of families served by home visiting

The initial report should include the key indicators above. Each annual report thereafter should include updated data for the performance period as well as prior period data, and a brief narrative adding any additional context to help the reader interpret the results and understand the any changes in performance indicators over time. To the extent possible, Treasury also encourages recipients to provide data disaggregated by race, ethnicity, gender, income, and other relevant factors.

11. Ineligible Activities: Tax Offset Provision (States and territories only)

The following information is required for Treasury to ensure SLFRF funding is not used for ineligible activities.

In each reporting year, States and territories will report certain items related to the Tax Offset Provision as described in section 602(c)(2) of the Social Security Act and implemented by 31 CFR 35.8. Additional guidance will be forthcoming for reporting requirements regarding the tax offset provision and additional information that Recipients will report once the final rule goes into effect.

- a. Revenue-reducing Covered Changes: Collection began August 2021:

For each reporting year, a recipient must report the value of covered changes that the recipient predicts will have the effect of reducing tax revenue in a given reporting year (revenue-reducing covered changes), similar to the way it would in the ordinary course of its budgeting process. The value of these covered changes may be reported based on estimated values produced by a budget model, incorporating reasonable assumptions, that aligns with the recipient government's

²⁶ For more information on evidence-based tutoring programs, refer to the U.S. Department of Education's [2021 ED COVID-19 Handbook \(Volume 2\)](#), which summarizes research on evidence-based tutoring programs (see the bottom of page 20).



existing approach for measuring the effects of fiscal policies, and that measures relative to a current law baseline. The covered changes may also be reported based on actual values using a statistical methodology to isolate the change in year-over-year revenue attributable to the covered change(s), relative to the current law baseline prior to the change(s). Estimation approaches should not use dynamic methodologies that incorporate the projected effects of the policies on macroeconomic growth. In general, and where possible, reported values should be produced by the agency of the recipient government responsible for estimating the costs and effects of fiscal policy changes. Recipients must maintain records regarding the identification and predicted effects of revenue-reducing covered changes. The term “covered change,” and “tax revenue” are described in the interim final rule, 31 CFR 35.3. For additional information, see 602(c)(2) of the Social Security Act, the interim final rule, and 31 CFR 35.8.

D. Distributions to NEUs

Each state and territory is asked to provide regular updates on their NEU distribution as well as their distributions to units of general local government within counties that are not units of general local government (Non-UGLG). The distribution template generally requests information on whether the local government has (1) received funding; (2) declined funding and requested a transfer to the state under Section 603(c)(4) of the Act; or (3) not taken action on its funding or declined funding.

For NEUs, states and territories should be prepared to report on their information, including the following:

- NEU name
- NEU DUNS or UEI number
- NEU Taxpayer Identification Number (TIN)
- NEU Recipient Number (a unique identification code for each NEU assigned by the State or territory to the NEU as part of the request for funding)
- NEU contact information (e.g., address, point of contact name, point of contact email address, and point of contact phone number)
- NEU authorized representative name and email address
- Initial allocation and, if applicable, subsequent allocation to the NEU (before application of the 75 percent cap)
- Total NEU reference budget (as submitted by the NEU to the State or territory as part of the request for funding)
- Amount of the initial and, if applicable, subsequent allocation above 75 percent of the NEU’s reference budget which will be returned to Treasury
- Payment amount(s)
- Payment date(s)

States with “weak” minor civil divisions (i.e., Illinois, Indiana, Kansas, Missouri, Nebraska, North Dakota, Ohio, and South Dakota) should also list any minor civil divisions that the state deemed ineligible.

For each eligible NEU that declined funding and requested a transfer to the state under Section 603(c)(4), the state or territory must also attach a form signed by the NEU, as detailed in the [Guidance on Distributions of Funds to Non-Entitlement Units of Local Government](#).



Appendix 1: Expenditure Categories

Treasury’s final rule provides greater flexibility and simplicity for recipients to fight the pandemic and support families and businesses struggling with its impacts, maintain vital services amid revenue shortfalls, and build a strong, resilient, and equitable recovery. As such, recipients will report on a broader set of eligible uses and associated Expenditure Categories (“EC”), starting with the April 2022 Project and Expenditure Report. The table below includes the new Expenditure Categories, as well as a reference to previous Expenditure Categories used for reporting under the interim final rule.

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term “Expenditure Category” refers to the detailed level (e.g., 1.1 COVID-19 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions (see Use of Evidence section above for details)

^Denotes areas where recipients must report on whether projects are primarily serving disproportionately impacted communities (see Project Demographic Distribution section above for details)

Expenditure Category	EC ²⁷	Previous EC ²⁸
1: Public Health		
COVID-19 Mitigation & Prevention		
COVID-19 Vaccination [^]	1.1	1.1
COVID-19 Testing [^]	1.2	1.2
COVID-19 Contact Tracing [^]	1.3	1.3
Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, Child care facilities, etc.) ^{*^}	1.4	1.4
Personal Protective Equipment [^]	1.5	1.5
Medical Expenses (including Alternative Care Facilities) [^]	1.6	1.6
Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine) [^]	1.7	1.8
COVID-19 Assistance to Small Businesses [^]	1.8	-
COVID 19 Assistance to Non-Profits [^]	1.9	-
COVID-19 Aid to Impacted Industries [^]	1.10	-
Community Violence Interventions		
Community Violence Interventions ^{*^}	1.11	3.16
Behavioral Health		
Mental Health Services ^{*^}	1.12	1.10
Substance Use Services ^{*^}	1.13	1.11
Other		
Other Public Health Services [^]	1.14	1.12
Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	-	1.7
2: Negative Economic Impacts		
Assistance to Households		
Household Assistance: Food Programs ^{*^}	2.1	2.1
Household Assistance: Rent, Mortgage, and Utility Aid ^{*^}	2.2	2.2
Household Assistance: Cash Transfers ^{*^}	2.3	2.3

²⁷ Under the final rule to be used starting with April 2022 reports

²⁸ Under the interim final rule to be used in Interim Report and January 2022 Project and Expenditure Report



Expenditure Category	EC ²⁷	Previous EC ²⁸
Household Assistance: Internet Access Programs*^	2.4	2.4
Household Assistance: Paid Sick and Medical Leave^	2.5	-
Household Assistance: Health Insurance*^	2.6	-
Household Assistance: Services for Un/Unbanked*^	2.7	-
Household Assistance: Survivor's Benefits^	2.8	-
Unemployment Benefits or Cash Assistance to Unemployed Workers*^	2.9	2.6
Assistance to Unemployed or Underemployed Workers (e.g. job training, subsidized employment, employment supports or incentives)*^	2.10	2.7
Healthy Childhood Environments: Child Care*^	2.11	3.6
Healthy Childhood Environments: Home Visiting*^	2.12	3.7
Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System*^	2.13	3.8
Healthy Childhood Environments: Early Learning*^	2.14	3.1
Long-term Housing Security: Affordable Housing*^	2.15	3.10
Long-term Housing Security: Services for Unhoused Persons*^	2.16	3.11
Housing Support: Housing Vouchers and Relocation Assistance for Disproportionately Impacted Communities*^	2.17	-
Housing Support: Other Housing Assistance*^	2.18	3.12
Social Determinants of Health: Community Health Workers or Benefits Navigators*^	2.19	3.14
Social Determinants of Health: Lead Remediation*^	2.20	3.15
Medical Facilities for Disproportionately Impacted Communities^	2.21	-
Strong Healthy Communities: Neighborhood Features that Promote Health and Safety^	2.22	-
Strong Healthy Communities: Demolition and Rehabilitation of Properties^	2.23	-
Addressing Educational Disparities: Aid to High-Poverty Districts^	2.24	3.2
Addressing Educational Disparities: Academic, Social, and Emotional Services*^	2.25	3.3
Addressing Educational Disparities: Mental Health Services*^	2.26	3.4
Addressing Impacts of Lost Instructional Time^	2.27	-
Contributions to UI Trust Funds^	2.28	2.8
Assistance to Small Businesses		
Loans or Grants to Mitigate Financial Hardship^	2.29	2.9
Technical Assistance, Counseling, or Business Planning*^	2.30	
Rehabilitation of Commercial Properties or Other Improvements^	2.31	-
Business Incubators and Start-Up or Expansion Assistance*^	2.32	
Enhanced Support to Microbusinesses*^	2.33	
Assistance to Non-Profits		
Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted)^	2.34	2.10
Aid to Impacted Industries		
Aid to Tourism, Travel, or Hospitality^	2.35	2.11
Aid to Other Impacted Industries^	2.36	2.12
Other		
Economic Impact Assistance: Other*^	2.37	2.13
Household Assistance: Eviction Prevention*^	-	2.5
Education Assistance: Other*^	-	3.5
Healthy Childhood Environments: Other*^	-	3.9
Social Determinants of Health: Other*^	-	3.13



Expenditure Category	EC ²⁷	Previous EC ²⁸
3: Public Health-Negative Economic Impact: Public Sector Capacity		
General Provisions		
Public Sector Workforce: Payroll and Benefits for Public Health, Public Safety, or Human Services Workers	3.1	1.9
Public Sector Workforce: Rehiring Public Sector Staff	3.2	2.14
Public Sector Workforce: Other	3.3	-
Public Sector Capacity: Effective Service Delivery	3.4	7.2
Public Sector Capacity: Administrative Needs	3.5	-
4: Premium Pay		
Public Sector Employees	4.1	4.1
Private Sector: Grants to Other Employers	4.2	4.2
5: Infrastructure		
Water and Sewer		
Clean Water: Centralized Wastewater Treatment	5.1	5.1
Clean Water: Centralized Wastewater Collection and Conveyance	5.2	5.2
Clean Water: Decentralized Wastewater	5.3	5.3
Clean Water: Combined Sewer Overflows	5.4	5.4
Clean Water: Other Sewer Infrastructure	5.5	5.5
Clean Water: Stormwater	5.6	5.6
Clean Water: Energy Conservation	5.7	5.7
Clean Water: Water Conservation	5.8	5.8
Clean Water: Nonpoint Source	5.9	5.9
Drinking water: Treatment	5.10	5.10
Drinking water: Transmission & Distribution	5.11	5.11
Drinking water: Lead Remediation, including in Schools and Daycares	5.12	5.12
Drinking water: Source	5.13	5.13
Drinking water: Storage	5.14	5.14
Drinking water: Other water infrastructure	5.15	5.15
Water and Sewer: Private Wells	5.16	-
Water and Sewer: IIJA Bureau of Reclamation Match	5.17	-
Water and Sewer: Other	5.18	-
Broadband		
Broadband: "Last Mile" projects	5.19	5.16
Broadband: IIJA Match	5.20	-
Broadband: Other projects	5.21	5.17
6: Revenue Replacement		
Provision of Government Services	6.1	6.1
Non-federal Match for Other Federal Programs	6.2	-
7: Administrative		
Administrative Expenses	7.1	7.1
Transfers to Other Units of Government	7.2	7.3
Transfers to Non-entitlement Units (States and territories only)	-	7.4



Treasury has prepared the additional guidance below to support recipients in implementing the new expenditure categories. This table includes only those previous expenditure categories that are changing under the new structure, aligned with the final rule.

January 2022 Expenditure Categories		April 2022 Guidance
1: Public Health		
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	EC removed, capital expenditures can be designated in any relevant PH-NEI EC (e.g., new hospital wing would be tracked under EC 1.4)
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)	EC is 1.7
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	EC is 3.1
1.10	Mental Health Services*	EC is 1.12
1.11	Substance Use Services*	EC is 1.13
1.12	Other Public Health Services	EC is 1.14
2: Negative Economic Impacts		
2.5	Household Assistance: Eviction Prevention	EC is now included as part of 2.2
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*	EC is 2.9
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)*^	EC is 2.10
2.8	Contributions to UI Trust Funds	EC is 2.28
2.9	Small Business Economic Assistance (General)*^	If public-health related (e.g., providing rapid tests for small businesses), EC is 1.8; if related to negative economic impact eligible use (e.g., grants, technical assistance, rehabilitation, incubators, or microbusinesses), EC is 2.29-2.33
2.10	Aid to Nonprofit Organizations*	If public-health related (e.g., providing rapid tests for non-profits), EC is 1.9; if related to negative economic impact (e.g., grants to stabilize non-profit budget), EC is 2.34
2.11	Aid to Tourism, Travel, or Hospitality	EC is 2.35
2.12	Aid to Other Impacted Industries	EC is 2.36
2.13	Other Economic Support*^	EC is 2.37, re-named Other Economic Impact
2.14	Rehiring Public Sector Staff	EC is 3.2
3: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning*^	EC is 2.14
3.2	Education Assistance: Aid to High-Poverty Districts ^	EC is 2.24
3.3	Education Assistance: Academic Services*^	EC is 2.25, social and emotional services will now be tracked under this EC
3.4	Education Assistance: Social, Emotional, and Mental Health Services*^	EC is 2.26, if social and emotional services, EC is 2.25;
3.5	Education Assistance: Other*^	EC is 2.37, collected under Other Economic Impact



January 2022 Expenditure Categories		April 2022 Guidance
3.6	Healthy Childhood Environments: Child Care*^	EC is 2.11
3.7	Healthy Childhood Environments: Home Visiting*^	EC is 2.12
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System*^	EC is 2.13
3.9	Healthy Childhood Environments: Other*^	EC is 2.37, collected under Other Economic Impact
3.10	Housing Support: Affordable Housing*^	EC is 2.15
3.11	Housing Support: Services for Unhoused Persons*^	EC is 2.16
3.12	Housing Support: Other Housing Assistance*^	EC is 2.18
3.13	Social Determinants of Health: Other*^	EC is 2.37, collected under Other Economic Impact
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators*^	EC is 2.19
3.15	Social Determinants of Health: Lead Remediation^	EC is 2.20
3.16	Social Determinants of Health: Community Violence Interventions*^	EC is 1.11
5: Infrastructure		
5.16	Broadband: “Last Mile” projects	EC is 5.19
5.17	Broadband: Other projects	EC is 5.20
7: Administrative		
7.2	Evaluation and Data Analysis	EC is 3.4 and has been renamed Effective Service Delivery
7.3	Transfers to Other Units of Government	EC is 7.2
7.4	Transfers to Non-entitlement Units (States and territories only)	To be separately reported as part of NEU/Non-UGLG module. Refer to Part 2 Section D.



Appendix 2: Evidenced-Based Intervention Additional Information

What is evidence-based?

For the purposes of the SLFRF, with the exception of investments in educational services (see additional information below), evidence-based refers to interventions with strong or moderate evidence as defined below:

Strong evidence means that the evidence base can support causal conclusions for the specific program proposed by the applicant with the highest level of confidence. This consists of one or more well-designed and well-implemented experimental studies conducted on the proposed program with positive findings on one or more intended outcomes.

Moderate evidence means that there is a reasonably developed evidence base that can support causal conclusions. The evidence base consists of one or more quasi-experimental studies with positive findings on one or more intended outcomes OR two or more non-experimental studies with positive findings on one or more intended outcomes. Examples of research that meet the standards include: well-designed and well-implemented quasi-experimental studies that compare outcomes between the group receiving the intervention and a matched comparison group (i.e., a similar population that does not receive the intervention).

Preliminary evidence means that the evidence base can support conclusions about the program's contribution to observed outcomes. The evidence base consists of at least one non-experimental study. A study that demonstrates improvement in program beneficiaries over time on one or more intended outcomes OR an implementation (process evaluation) study used to learn and improve program operations would constitute preliminary evidence. Examples of research that meet the standards include: (1) outcome studies that track program beneficiaries through a service pipeline and measure beneficiaries' responses at the end of the program; and (2) pre- and post-test research that determines whether beneficiaries have improved on an intended outcome.

For investments in educational services, "evidence-based", consistent with the American Rescue Plan Act, has the meaning in section 8101(21) of the Elementary and Secondary Education Act of 1965, as amended (20 U.S.C. 6301 *et seq.*). Please see page 16 of this [Frequently Asked Questions resource](#) on the Department of Education's Elementary and Secondary School Emergency Relief Programs and Governor's Emergency Education Relief Programs for more information.



Appendix 3: Expenditure Categories under the Interim Final Rule

1: Public Health	
1.1	COVID-19 Vaccination ^
1.2	COVID-19 Testing ^
1.3	COVID-19 Contact Tracing
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
1.5	Personal Protective Equipment
1.6	Medical Expenses (including Alternative Care Facilities)
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
1.10	Mental Health Services*
1.11	Substance Use Services*
1.12	Other Public Health Services
2: Negative Economic Impacts	
2.1	Household Assistance: Food Programs* ^
2.2	Household Assistance: Rent, Mortgage, and Utility Aid* ^
2.3	Household Assistance: Cash Transfers* ^
2.4	Household Assistance: Internet Access Programs* ^
2.5	Household Assistance: Eviction Prevention* ^
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)* ^
2.8	Contributions to UI Trust Funds
2.9	Small Business Economic Assistance (General)* ^
2.10	Aid to Nonprofit Organizations*
2.11	Aid to Tourism, Travel, or Hospitality
2.12	Aid to Other Impacted Industries
2.13	Other Economic Support* ^
2.14	Rehiring Public Sector Staff
3: Services to Disproportionately Impacted Communities	
3.1	Education Assistance: Early Learning* ^
3.2	Education Assistance: Aid to High-Poverty Districts ^
3.3	Education Assistance: Academic Services* ^
3.4	Education Assistance: Social, Emotional, and Mental Health Services* ^
3.5	Education Assistance: Other* ^
3.6	Healthy Childhood Environments: Child Care* ^
3.7	Healthy Childhood Environments: Home Visiting* ^
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* ^
3.9	Healthy Childhood Environments: Other* ^
3.10	Housing Support: Affordable Housing* ^
3.11	Housing Support: Services for Unhoused Persons* ^



3.12	Housing Support: Other Housing Assistance* ^
3.13	Social Determinants of Health: Other* ^
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators* ^
3.15	Social Determinants of Health: Lead Remediation ^
3.16	Social Determinants of Health: Community Violence Interventions* ^
4: Premium Pay	
4.1	Public Sector Employees
4.2	Private Sector: Grants to Other Employers
5: Infrastructure	
5.1	Clean Water: Centralized Wastewater Treatment
5.2	Clean Water: Centralized Wastewater Collection and Conveyance
5.3	Clean Water: Decentralized Wastewater
5.4	Clean Water: Combined Sewer Overflows
5.5	Clean Water: Other Sewer Infrastructure
5.6	Clean Water: Stormwater
5.7	Clean Water: Energy Conservation
5.8	Clean Water: Water Conservation
5.9	Clean Water: Nonpoint Source
5.10	Drinking water: Treatment
5.11	Drinking water: Transmission & Distribution
5.12	Drinking water: Transmission & Distribution: Lead Remediation
5.13	Drinking water: Source
5.14	Drinking water: Storage
5.15	Drinking water: Other water infrastructure
5.16	Broadband: "Last Mile" projects
5.17	Broadband: Other projects
6: Revenue Replacement	
6.1	Provision of Government Services
7: Administrative	
7.1	Administrative Expenses
7.2	Evaluation and Data Analysis
7.3	Transfers to Other Units of Government
7.4	Transfers to Non-entitlement Units (States and territories only)

**Revision Log**

Version	Date Published	Summary of changes
1.0	June 17, 2021	Initial publication
1.1	June 24, 2021	<ul style="list-style-type: none"> • Pg. 12, removed references to “summary” level with respect to reporting by Expenditure Categories in the Interim Report to avoid confusion. • Pg. 13, revised the coverage period end date for the Interim Report from June 30, 2021 to July 31, 2021 to align with the IFR. • Pg. 13, removed references to “summary” level with respect to reporting by Expenditure Categories in the Interim Report to avoid confusion. • Pg. 31, removed references to “summary level” with respect to Expenditure Categories in Appendix 1 to avoid confusion.
1.1	September 30, 2021	<ul style="list-style-type: none"> • Announced the extension in the Project and Expenditure Report submission date, originally due on October 31, 2021.
2.0	November 5, 2021	<ul style="list-style-type: none"> • Updated Subrecipient Monitoring section to clarify beneficiaries and recipients. • Updated references to Interim Final Rule comment period as comment period is closed. • Updated reporting tiers, thresholds and timelines in Part 2 Table 2, Reporting Requirements by recipient type, as well as Part 2 A and Part 2 B. • Updated reporting periods for Interim Report and Project and Expenditure reports. • Added concept of Adopted Budget to Project and Expenditure Report data fields. • Noted phase in of Required Programmatic Data in the Project and Expenditure Report. • Removed certain data fields from the Ineligible Activities: Tax Offset Provision under the Recovery Plan. • Separated reporting of NEU Distributions (for States and territories) from the Interim Report and Project and Expenditure Reports as information will be provided on an ongoing basis.
2.1	November 15, 2021	<ul style="list-style-type: none"> • Updated pages 9 and 11 to note that civil rights certification is not applicable to Tribal Governments.
3.0	February 28, 2022	<ul style="list-style-type: none"> • Updated to incorporate reporting updates under the final rule

Attachment B -ARP Application



City of Allentown
State and Local Fiscal Recovery Funds Application

Please submit a digital copy of your application
Check below that your application is complete.

- Section I. Basic Information Form and Proposal Summary
- Section II. Project Narrative
- Section III. Agency Information
- Section IV. Plan for Monitoring and Recordkeeping
- Section V. Budget Request Forms
 - A. Program Budget
 - B. Budget Narrative
 - C. Listing of Other Resources
 - D. Organization Budget Summary
 - E. Organization Budget and Sources of Revenue
- Section VI. Standard Required Documents
 - A. *IRS 501 (c) Determination Letter- If applicable*
 - B. Single Audit
 - C. **List of Board Members- If applicable**
 - D. Most recent IRS 990 report- *if applicable*
 - E. **Diversity, Equity & Inclusion Statement**

PLEASE DOUBLE CHECK YOUR SUBMISSION TO ENSURE IT IS COMPLETE.

Introduction:

The Coronavirus state and local fiscal recovery funds (SLFRF) is a part of the American Rescue Plan, these funds delivered up to \$350 billion dollars to state, local and tribal governments across the country. These funds were specifically disbursed in response to and recovery from the COVID-19 public health emergency. The program ensures that local governments have the resources needed to:

- fight the pandemic and support families and small businesses struggling with its public health and economic impacts.
- Maintain vital public services, even amid decline in revenue and
- Build a strong resilient, and equitable recovery by making investments that support long-term growth and opportunity.

The City of Allentown received 56 million dollars in (SLFRF) funds to be used for immediate pandemic response needs and begin building a strong and equitable recovery.

The Coronavirus state and local fiscal recovery funds (SLFRF) program provides substantial; flexibility for each jurisdiction to meet local needs within the four separate eligible use categories.

Timeline for use of funds

Under the SLFRF, funds must be used for costs incurred on or after March 3, 2021. Further, costs must be obligated by **December 31, 2024, and expended by December 31, 2026.**

All applications, regardless of funding source, must meet the following criteria:

1. The proposed activities must be carried out in a cost-effective manner.
2. The proposed activities must include in a significant flow of funds from other public or private sources.
3. The sponsoring organization must have the experience and expertise to meet the proposed objectives in the defined time.
4. The sponsoring organization must have the fiscal accountability and the commitment of other resources necessary to accomplish the proposed objectives.

Eligibility Criteria:

RESPONDING TO THE PUBLIC HEALTH EMERGENCY

COVID-19 mitigation and prevention. The pandemic has broadly impacted Americans and recipients can provide services to prevent and mitigate COVID-19 to the public or to small businesses, nonprofits, and impacted industries in general. Enumerated eligible uses include:

- Vaccination programs, including vaccine incentives and vaccine sites
- Support for prevention, mitigation, or other services in congregate living
- Testing programs, equipment and sites facilities, public facilities, and schools

- Monitoring, contact tracing & public health surveillance (e.g., monitoring for variants)
- Support for prevention and mitigation strategies in small businesses, nonprofits, and impacted industries
- Public communication efforts
- Medical facilities generally dedicated to COVID-19 treatment and mitigation (e.g., ICUs, emergency rooms)
- COVID-19 prevention and treatment equipment, such as ventilators and ambulances
- Public health data systems (Temporary medical facilities and other
- Medical and PPE/protective supplies measures to increase COVID-19 treatment capacity
- Support for isolation or quarantine
- Ventilation system installation and improvement
- Technical assistance on mitigation of COVID-19 threats to public health and safety
- Emergency operations centers & emergency response equipment (e.g., emergency response radio systems)
- Public telemedicine capabilities for COVID-19 related treatment
- Transportation to reach vaccination or testing sites, or other prevention and mitigation services for vulnerable populations

Medical expenses.

Funds may be used for expenses to households, medical providers, or others that incurred medical costs due to the pandemic, including:

- Unreimbursed expenses for medical care for COVID-19 testing or treatment, such as uncompensated care costs for medical providers or out-of-pocket costs for individuals
- Paid family and medical leave for public employees to enable compliance with COVID-19 public health precautions
- Emergency medical response expenses
- Treatment of long-term symptoms or effects of COVID-19

Behavioral health care, such as mental health treatment, substance use treatment, and other behavioral health services.

Treasury recognizes that the pandemic has broadly impacted Americans' behavioral health and recipients can provide these services to the public to respond. Enumerated eligible uses include:

- Prevention, outpatient treatment, inpatient treatment, crisis care, diversion programs, outreach to individuals not yet engaged in treatment, harm reduction & long-term recovery support
- Enhanced behavioral health services in schools
- Services for pregnant women or infants born with neonatal abstinence syndrome
- Support for equitable access to reduce disparities in access to high-quality treatment
- Peer support groups, costs for residence in supportive housing or recovery housing, and the 988 National Suicide Prevention Lifeline or other hotline services
- Expansion of access to evidence-based services for opioid use disorder prevention, treatment, harm reduction, and recovery

- Behavioral health facilities & equipment

Preventing and responding to violence.

Recognizing that violence – and especially gun violence – has increased in some communities due to the pandemic, recipients may use funds to respond in these communities through:

- Referrals to trauma recovery services for victims of crime
- Community violence intervention programs, including:
 - Evidence-based practices like focused deterrence, with wraparound services such as behavioral therapy, trauma recovery, job training, education, housing and relocation services, and financial assistance
- In communities experiencing increased gun violence due to the pandemic:
 - Law enforcement officers focused on advancing community policing
 - Enforcement efforts to reduce gun violence, including prosecution
 - Technology & equipment to support law enforcement response

Assistance to Households

Impacted Households and Communities

The below are presumed households and communities that are **impacted** by the pandemic:

- Low- or-moderate income households or communities
- Households that experienced unemployment
- Households that experienced increased food or housing insecurity
- Households that qualify for the Children’s Health Insurance Program, Childcare Subsidies through the Child Care Development Fund (CCDF) Program, or Medicaid
- When providing services to address lost instructional time in K-12 schools: any student that lost access to in-person instruction for a significant period
- When providing services to address lost instructional time in K-12 schools: any student that lost access to in-person instruction for a significant period

Eligible projects to respond to impacts of the pandemic on households and communities

- Food assistance & food banks
- Emergency housing assistance: rental assistance, mortgage assistance, utility assistance, assistance paying delinquent property taxes, counseling, and legal aid to prevent eviction and homelessness & emergency programs or services for homeless individuals, including temporary residences for people experiencing homelessness
- Health insurance coverage expansion
- Benefits for surviving family members of individuals who have died from COVID-19
- Assistance to individuals who want and are available for work, including job training, public jobs programs and fairs, support for childcare and transportation to and from a jobsite or interview, incentives for newly employed workers, subsidized employment, grants to hire underserved workers, assistance to unemployed individuals to start small businesses & development of job and workforce training centers
- Financial services for the unbanked and underbanked

- Burials, home repair & home weatherization
- Programs, devices & equipment for internet access and digital literacy, including subsidies for costs of access
- Cash assistance
- Paid sick, medical, and family leave programs
- Assistance in accessing and applying for public benefits or services
- Childcare and early learning services, home visiting programs, services for child welfare-involved families and foster youth & childcare facilities
- Assistance to address the impact of learning loss for K-12 students (e.g., high-quality tutoring, differentiated instruction)
- Programs or services to support long-term housing security: including development of affordable housing and permanent supportive housing
- Certain contributions to an Unemployment Insurance Trust Fund

Disproportionately Impacted Households and Communities

The below are presumed households and communities are disproportionately impacted by the pandemic:

- Low -income households and communities
- Households residing in Qualified Census Tracts
- Households that qualify for certain federal benefits.
- Households receiving services provided by Tribal governments
- Households residing in the U.S. territories or receiving services from these governments

Eligible projects response to disproportionate impacts of the pandemic on households and communities:

- Improvements to vacant and abandoned properties, including rehabilitation or maintenance, renovation, removal and remediation of environmental contaminants, demolition or deconstruction, greening/vacant lot cleanup & conversion to affordable housing
- Services to address educational disparities, including assistance to high-poverty school districts & educational and evidence-based services to address student academic, social, emotional, and mental health needs
- Schools and other educational equipment & facilities
- Pay for community health workers to help households access health & social services
- Remediation of lead paint or other lead hazards
- Primary care clinics, hospitals, integration of health services into other settings, and other investments in medical equipment & facilities designed to address health disparities
- Housing vouchers & assistance relocating to neighborhoods with higher economic opportunity
- Investments in neighborhoods to promote improved health outcomes

Assistance to Small Businesses

Small businesses have faced widespread challenges due to the pandemic, including periods of shutdown, declines in revenue, or increased costs. The final rule provides many tools for recipients to respond to the impacts of the pandemic on small businesses, or disproportionate impacts on businesses where pre-existing disparities like lack of access to capital compounded the pandemic's effects.

Small businesses eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of "small business," specifically:

1. Have no more than 500 employees, or if applicable, the size standard in number of employees established by the Administrator of the Small Business Administration for the industry in which the business concern or organization operates, and
2. Are a small business concern as defined in section 3 of the Small Business Act⁸ (which includes, among other requirements, that the business is independently owned and operated and is not dominant in its field of operation).

Impacted Small Businesses

Recipients can identify small businesses impacted by the pandemic, and measures to respond, in many ways; for example, recipients could consider:

- Decreased revenue or gross receipts
- Capacity to weather financial hardship
- Financial insecurity
- Challenges covering payroll, rent or
- Increased costs
- mortgage, and other operating costs

Assistance to small businesses that experienced negative economic impacts includes the following enumerated uses:

Loans or grants to mitigate financial hardship, such as by supporting payroll and benefits, costs to retain employees, and mortgage, rent, utility, and other operating costs.

Technical assistance, counseling, or other services to support business planning.

Disproportionately Impacted Small Businesses

The below are presumed small businesses that are disproportionately impacted by the pandemic:

- Small businesses operating in Qualified Census Tracts
- Small businesses operated by Tribal governments or on Tribal lands
- Small businesses operating in the U.S. territories

Assistance to disproportionately impacted small businesses includes the following:

- Rehabilitation of commercial properties, storefront improvements & façade improvements
- Technical assistance, business incubators & grants for start-up or expansion costs for small businesses

- Support for microbusinesses, including financial, childcare, and transportation costs

Assistance to Nonprofits

Nonprofits have faced significant challenges due to the pandemic's increased demand for services and changing operational needs, as well as declines in revenue sources such as donations and fees. Nonprofits eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of **“nonprofit”—specifically those that are 501(c)(3) or 501(c)(19) tax-exempt organizations.**

Impacted Nonprofits

Recipients can identify nonprofits impacted by the pandemic, and measures to respond, in many ways; for example, recipients could consider:

- Decreased revenue (e.g., from donations and fees)
- Financial insecurity
- Increased costs (e.g., uncompensated increases in service need)
- Capacity to weather financial hardship
- Challenges covering payroll, rent or mortgage, and other operating costs

Assistance to nonprofits that experienced negative economic impacts includes the following:

- Loans or grants to mitigate financial hardship
- Technical or in-kind assistance or other services that mitigate negative economic impacts of the pandemic

Disproportionately Impacted Nonprofits

Treasury presumes that the following nonprofits are disproportionately impacted by the pandemic:

- Nonprofits operating in Qualified Census Tracts
- Nonprofits operated by Tribal governments or on Tribal lands
- Nonprofits operating in the U.S. territories

Recipients may identify appropriate responses that are related and reasonably proportional to addressing these disproportionate impacts.

Aid to Impacted Industries

Recipients may use SLFRF funding to provide aid to industries impacted by the COVID-19 pandemic. Recipients should first designate an impacted industry and then provide aid to address the impacted industry's negative economic impact.

This sub-category of eligible uses does not separately identify disproportionate impacts and corresponding responsive services.

1. Designating an impacted industry. There are two main ways an industry can be designated as “impacted.”

1. If the industry is in the travel, tourism, or hospitality sectors (including Tribal development districts), the industry is impacted.
2. If the industry is outside the travel, tourism, or hospitality sectors, the industry is impacted if:
 - a. The industry experienced at least 8 percent employment loss from pre-pandemic levels, or
 - b. The industry is experiencing comparable or worse economic impacts as the national tourism, travel, and hospitality industries as of the date of the final rule, based on the totality of economic indicators or qualitative data (if quantitative data is unavailable), and if the impacts were generally due to the COVID-19 public health emergency.

Recipients have flexibility to define industries broadly or narrowly, but it is encouraged that recipients define narrow and discrete industries eligible for aid. State and territory recipients also have flexibility to define the industries with greater geographic precision; for example, a state may identify a particular industry in a certain region of a state as impacted.

2. Providing eligible aid to the impacted industry.

Aid may only be provided to support businesses, attractions, and Tribal development districts operating prior to the pandemic and affected by required closures and other efforts to contain the pandemic. Further, aid should be generally broadly available to all businesses within the impacted industry to avoid potential conflicts of interest, and Treasury encourages aid to be first used for operational expenses, such as payroll, before being used on other types of costs.

Recognized projects as eligible responses to impacted industries.

- Aid to mitigate financial hardship, such as supporting payroll costs, lost pay and benefits for returning employees, support of operations and maintenance of existing equipment and facilities
- Technical assistance, counseling, or other services to support business planning
- COVID-19 mitigation and infection prevention measures

Provide premium pay for eligible workers performing essential work,

*Eligible workers are not to apply individually, an organization, business or nonprofit should apply on behalf of workers.

Premium pay is defined as offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors.

Recipients may provide premium pay to eligible workers – generally those working in-person in key economic sectors – who are below a wage threshold or non-exempt from the Fair Labor Standards Act overtime provisions, or if the recipient submits justification that the premium pay is responsive to workers performing essential work. Recipients should undergo the following steps to provide premium pay to eligible workers.

1. **Identify an “eligible” worker.** Eligible workers include workers “needed to maintain continuity of operations of essential critical infrastructure sectors.” This includes:

- Health care
- Emergency response research development, and testing necessary for COVID-19
- State, local, or Tribal government workforce
- Workers providing services to Tribes
- Educational, school nutrition, and other work required to operate a school facility
- Laundry
- Elections
- Solid waste or hazardous materials management, response, and cleanup
- Work requiring physical interaction with patients
- Dental care
- Transportation and warehousing
- Hotel and commercial lodging facilities that are used for COVID-19 mitigation and containment
- Sanitation, disinfection & cleaning
- Maintenance
- Grocery stores, restaurants, food production, and food delivery
- Pharmacy
- Behavioral health
- Medical testing and diagnostics
- Home and community-based health care or assistance with activities of daily living
- Family or childcare
- Social services
- Public health
- Mortuary

Beyond this list, the Mayor may designate additional non-public sectors as critical so long as doing so is necessary to protecting the health and wellbeing of the residents of such jurisdictions.

2. Verify that the eligible worker performs “essential work,” meaning work that:
Is not performed while teleworking from a residence; and involves either:
 - a. regular, in-person interactions with patients, the public, or coworkers of the individual that is performing the work; or
 - b. regular physical handling of items that were handled by, or are to be handled by, patients, the public, or coworkers of the individual that is performing the work.

3. Confirm that the premium pay “responds to” workers performing essential work during the COVID-19 public health emergency. Under the final rule, which broadened the share of eligible workers who can receive premium pay without a written justification, recipients may meet this requirement in one of three ways:
 - Eligible worker receiving premium pay is earning (with the premium included) at or below 150 percent of their residing state or county’s average annual wage for all occupations, as defined by the Bureau of Labor Statistics’ Occupational Employment and Wage Statistics, whichever is higher, on an annual basis; or
 - Eligible worker receiving premium pay is not exempt from the Fair Labor Standards Act overtime provisions; or
 - If a worker does not meet either of the above requirements, the recipient must submit written justification to Treasury detailing how the premium pay is otherwise responsive to workers performing essential work during the public health emergency. This may include a description of the essential worker’s duties, health, or financial risks faced due to COVID-19, and why the recipient determined that the premium pay was responsive. Treasury anticipates that recipients will easily be able to satisfy the justification requirement for front-line workers, like nurses and hospital staff.

Premium pay may be awarded in installments or lump sums (e.g., monthly, quarterly, etc.) and may be awarded to hourly, part-time, or salaried or non-hourly workers. Premium pay must be paid in addition to wages already received and may be paid retrospectively. A recipient may not use SLFRF to merely reimburse itself for premium pay or hazard pay already received by the worker, and premium pay may not be paid to volunteers.

Restrictions on Use

Offset a reduction in net tax revenue

States and territories may not use this funding to offset a reduction directly or indirectly in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the fiscal year in which the funds provided have been spent. If a state or territory cuts taxes during this period, it must demonstrate how it paid for the tax cuts from sources other than SLFRF, such as by enacting policies to raise other sources of revenue, by cutting spending, or through higher revenue due to economic growth. If the funds

provided have been used to offset tax cuts, the amount used for this purpose must be repaid to the Treasury.

Deposits into pension funds

No recipients except Tribal governments may use this funding to make a deposit to a pension fund. Treasury defines a “deposit” as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions connected to an eligible use of funds (e.g., for public health and safety staff). Examples of extraordinary payments include ones that:

- Reduce a liability incurred prior to the start of the COVID-19 public health emergency and occur outside the recipient's regular timing for making the payment.
- Occur at the regular time for pension contributions but is larger than a regular payment would have been

Additional restrictions and requirements

No debt service or replenishing financial reserves. Since SLFRF funds are intended to be used prospectively, recipients may not use SLFRF funds for debt service or replenishing financial reserves (e.g., rainy day funds).

No satisfaction of settlements and judgments. Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring in a judicial, administrative, or regulatory proceeding is itself not an eligible use. However, if a settlement requires the recipient to provide services or incur other costs that are an eligible use of SLFRF funds, SLFRF may be used for those costs.

Additional general restrictions. SLFRF funds may not be used for a project that conflicts with or contravenes the purpose of the American Rescue Plan Act statute (e.g., uses of funds undermine COVID-19 mitigation practices in line with CDC guidance and recommendations) and may not be used in violation of the Award Terms and Conditions or conflict of interest requirements under the Uniform Guidance. Other applicable laws and regulations, outside of SLFRF program requirements, may also apply (e.g., laws around procurement, contracting, conflicts-of-interest, environmental standards, or civil rights).

PROPOSAL FORMAT

Organizations requesting funds under the State and Local Fiscal Recovery Funds must address the below items. Please be brief and concise. Format must follow this guideline.

- I. **Basic Information Form and Proposal Summary** (one page each) – Please complete the attached forms. Keep in mind that complete applications are reviewed by the city staff most involved in the application process. The city recommend you summarize your

proposal in the most complete and succinct manner possible. City staff will not edit the Proposal Summary.

II. **Project Narrative (two page maximum)**

- A. **Need/Problem to be addressed** – Demonstrate the need for the program. Support this description with facts and statistics, indicating their sources. Identify the problems the program or business (NOT YOUR AGENCY) will address – note specifically how this is consistent with the state and local fiscal recovery funds eligibility criteria's. You must specifically document which program you will address and give a detailed description explaining how the Priority will be addressed and the outcome to be documented/achieved.
- B. **Population/Area Served – discuss the population and the area to be served.**
- C. **Statement of Outcome Based Objectives** – Briefly state the purpose of the program. Outline the specific outcome-based objectives that you hope to accomplish during the grant year. These objectives must be quantifiable whenever possible. These objectives form the basis of your contract and performance will be measured against these objectives. Describe how your outcomes will specifically address the state and local fiscal recovery funds eligibility criteria's.

III. **Agency Information (one page maximum)**

- A. **Background** – Include the length of time the agency has been in operation, the date of incorporation, the purpose of the agency and the type of corporation. Describe the type of services provided, the agency's capabilities, the number and characteristics of clients served and license to operate (if appropriate).
- B. **Key Personnel** – Briefly describe the agency's existing staff positions and qualifications, and state whether the agency has a personnel policy manual with an affirmative action plan and grievance procedure.
- C. Any additional information.

- IV. **Plan for Monitoring or Recordkeeping**– Briefly state what steps will be taken to monitor and evaluate the objectives noted in Section IIC. **In particular, the city is interested in the long-term impact of the program and how the sponsoring organization will measure the impact.** In addition, the city is required to monitor and evaluate a beneficiary's performance. Monitoring is up the city's discretion. The city's requirements for recordkeeping by a beneficiary vary with each program due to the diverse nature of the activities. Please discuss how your agency will monitor and keep records for the particular program for which you seek funding.

V. **Budget Request Forms**

- A. Complete the Attached Program Budget Form. For each line item, round to the nearest whole dollar.
- B. Include a Budget Narrative that specifically explains each line item.
- C. Include a listing of other resources for the program, by source and amount. Please indicate whether each funding source is committed or pending. Include letters of commitment for funding sources which are committed.
- D. Funding Commitment Letters – optional
- E. Complete the attached Organizational Budget Summary.
- F. Include a copy of the organization’s budget and sources of revenue for the fiscal year 2021.

***Please note: There will be a cap as to how much each beneficiary can apply for, the maximum amount each beneficiary receives is based off the scored application. * For example, if an agency applies for \$100,000 and their scored application totals 84/100, the applicant will receive 80% of their requested amount.**

VI. Other Required Documents and Forms

- A. Copy of the most recent audit along with the management letter (one copy)
- B. List of Board members
- C. Copy of most recent IRS 990 report. - nonprofits
- D. Diversity, Equity & Inclusion Statement

Beneficiaries that apply for premium pay must provide:

- Timesheets
- Payroll Distribution Summary
- Current salary of employee and name.
- Beneficiaries may add up to \$13.00 per hour of premium per employee- must be reflected in the budget.
- Regulations cap premium pay at \$25,000.00 per person- must be reflected in the budget and timesheets must be provided as back up documentation.

APPLICANT NAME:

ADDRESS: _____

TELEPHONE: _____

CITY: _____ STATE: _____

ZIP CODE: _____

ORGANIZATION DUNS NUMBER:

EXECUTIVE DIRECTOR:

ORGANIZATION BOARD PRESIDENT:

WHO WILL BE THE PERSON RESPONSIBLE FOR THE OVERALL OVERSIGHT OF THE PROPOSED PROJECT?

NAME: _____ TITLE: _____

TELEPHONE _____ EMAIL: _____

WHO WILL BE THE ALTERNATIVE PERSON RESPONSIBLE FOR THE OVERALL OVERSIGHT OF THE PROPOSED PROJECT?

NAME: _____ TITLE: _____

TELEPHONE
NUMBER _____ EMAIL: _____

WHO WILL BE THE PERSON RESPONSIBLE FOR THE FINANCIAL OVERSIGHT OF THE EXPENDITURES AND FISCAL COMPLIANCE?

NAME: _____ TITLE: _____

TELEPHONE
NUMBER _____ EMAIL: _____

PROGRAM/PROJECT _____

PRIMARY PROGRAM/ PROJECT LOCATION

AMOUNT OF FUNDS REQUESTED: \$ _____

AMOUNT OF OTHER FUNDS NEEDED/AVAILABLE: \$ _____

TOTAL PROGRAM/PROJECT BUDGET: \$ _____

AUTHORIZED SIGNATURE:

NAME AND TITLE:

DATE: _____

MINIMUM STANDARDS FOR MONITORING AND RECORDKEEPING

Beneficiaries are required to comply with all federal, state, and local laws, ordinances, rules and regulations. This includes submitting mandatory periodic reports to the city to ensure program compliance, and progression. Funds used in violation of the final rule are subject to remediation and recoupment. As outlined in the final rule, Treasury may identify funds used in violation through reporting or other sources. Beneficiaries will be provided with an initial written notice of recoupment with an opportunity to submit a request for reconsideration before Treasury provides a final notice of recoupment. If the recipient receives an initial notice of recoupment and does not submit a request for reconsideration, the initial notice will be deemed the final notice. Treasury may pursue other forms of remediation and monitoring in conjunction with, or as an alternative to, recoupment.

- I. The beneficiary is required to allow periodic site visits by City staff to review project progress, effectiveness, and contract compliance.
- II. The beneficiary agrees to comply with Title VI of the Civil Rights Act of 1964, as amended; Title VIII of the Civil Rights Act of 1968, as amended; Section 109 of Title I of the Housing and Community Development Act of 1974, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Americans with Disabilities Act of 1990, as amended; the Age Discrimination Act of 1975, as amended; Executive Order 11063; and Executive Order 11246 as amended by Executive Orders 11375 and 12086.
- III. The beneficiary agrees to comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 706), which prohibits discrimination against the handicapped in any federally assisted program.

Board Members

A Board member is an elected participant on the board of directors of a corporation or the supervisory committee of an organization. The board of directors of a company is defined as the governing body that is tasked with decisions pertaining to the company's heading. The key decisions for the business body as a whole come from the consensus of the Board.

Each applicant is required to submit a list of board members and must include their full name, title, and city and state of which they reside.

Diversity, Equity & Inclusion

The city is requiring all organizations to submit a Diversity, Equity, and Inclusion statement along with list of all program employees, with demographic data included (race, disability, pay, township/City of residence).

This policy should be a guiding principle used to set direction regarding cultural equity. Cultural equity embodies the value, policies, and practices that ensure that all people, including but not

limited to those who have been historically underrepresented based on race or ethnicity, age, disability, sexual orientation, gender, gender identity, socioeconomic status, geography, citizenship status, or religion – are represented in the development of the support of staff and population served. This policy should include how an organization ensures individuals being served receive the most culturally responsive resources and services they need.

Diversity

The concept of diversity encompasses acceptance and respect. It means understanding that each individual is unique and recognizing our individual differences. These can be along the dimensions of race, ethnicity, gender, sexual orientation, socio-economic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies. It is about understanding each other and moving beyond simple tolerance to embracing and celebrating the rich dimensions of diversity contained within each individual.

Equity

Equity, in its simplest terms as it relates to racial and social justice, means meeting communities where they are and allocating resources and opportunities as needed to create equal outcomes for all community members.

Inclusion

Inclusion is a state of being valued, respected, and supported. It's about focusing on the needs of every individual and ensuring the right conditions are in place for each person to achieve his or her full potential. Inclusion should be reflected in an organization's culture, practices and relationships that are in place to support a diverse workforce. Inclusion is the process of creating a working culture and environment that recognizes, appreciates, and effectively utilizes the talents, skills, and perspectives of every employee; uses employee skills to achieve the agency's objectives and mission; connects each employee to the organization; and encourages collaboration, flexibility, and fairness.

Misuse of Funds

If the Beneficiary fails to fulfill in timely and proper manner its obligations within its application , or if the beneficiary violates any of the conditions within the application, the City has the right to terminate the executed contract by giving written notice to the Beneficiary of the termination, at least 5 days before the effective date of the termination. However, before a termination is declared, the city will give notice, in writing, to the Beneficiary of the violation, and the Beneficiary will have a reasonable length of time to correct the violation before a termination is declared. In such event, the Beneficiary will be required to repay all spent funds to the City of Allentown.

Attachment C- ARP Application Rubric

CITY OF ALLENTOWN

State and Local Fiscal Recovery Funds- (SLFRF)

Rating Criteria and Explanations

SLFRF Scoring Committee

Applicant Risk Factor Assessment – Standard Rating Criteria

The SLFRF scoring committee and City Council personnel will have two weeks to review and score all applications. Rubrics will be provided to all scoring members.

- a. No more than 2 applications per organizations will be approved.
- b. If an organization scores under 70 (total) the organization will not receive funding unless special circumstances occur (up to the discretion of the City)
- c. The City will not accept late applications unless special circumstances occur (up to the discretion of the City)

SLFRF Allocation Percentages Applicants who receive a 70% or above will receive 100% of the requested amount of funding, unless the city has overwhelming number of applicants. If the city receives multiple applications, the percentage method will be used:

90- 100: Applicant will receive 100% of requested amount

80-89- Applicant will receive 80% of requested amount

70-79- Applicant will receive 50% of requested amount

70 & below- Applicant will not be funded

The City reserves the right to decline to accept any applications.

Key Elements to Remember while scoring

- Applicants should be in no way related to any city staff.
- Applicants shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, sexual orientation, national origin, sex, disability, or other handicap, age, or marital status. The Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.
- Applicants must comply with Title VI of the Civil Rights Act of 1964, as amended; Title VIII of the Civil Rights Act of 1968, as amended; Section 109 of Title I of the Housing and Community Development Act of 1974, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Americans with Disabilities Act of 1990, as

amended; the Age Discrimination Act of 1975, as amended; Executive Order 11063; and Executive Order 11246 as amended by Executive Orders 11375 and 12086.

- Applicant must agree to carry out, pursuant to the City's specifications, an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11248 of September 24, 1965. The Subrecipient agrees this plan shall be readily available for inspection by the City upon the City's request.
- Applicant will use best efforts to pay a living wage
- Applicant will use its best efforts to afford minority and women-owned business enterprises.

1. Need/Extent of the Problem (20 points)

- a. The extent of the need for SLFRF funds. Has the applicant demonstrated the need in a satisfactory manner? (10 points maximum)
 - i. 10 points – Response is complete – applicant has used current statistics and cited their source. The need is demonstrated for the beneficiary. Applicant's perception of demonstration of need is plausible and reviewer are not surprised or conflicted with proposal.
 - ii. 7 points – Incomplete response. Statistics are outdated and/or unrelated to Allentown.
 - iii. 4 points – Response does not use statistics or citations and evidence is ambivalent to question.
 - iv. 0 points – Response does not answer question and/or no response.

_____ Points

- b. The applicant has documented consistency with the SLFRF eligible activities (5 points)
 - i. 5 points – Response has cited strategy and means of satisfying needs of SLFRF funding requirements.
 - ii. 3 points – Response does cite strategy but does not correlate with SLFRF funding requirements.
 - iii. 0 points – Response does not answer question and/or no response.

_____ Points

- c. The applicant describes the activity in a satisfactory manner (5 points)
 - i. 5 points – Response clearly defines the population/beneficiaries served
 - ii. 3 points – Response defines the population/beneficiaries served
 - iii. 0 points – Response does not answer question and/or no response.

_____ Points

Total Points for Section 1 _____

2. Soundness of Approach/Outcomes (20 points)

- a. The applicant has submitted clearly defined outcome-based objectives (10 points)
 - i. 10 points – Response clearly defines outcome-based objectives, as they demonstrate a result. (Example – test scores)
 - ii. 7 points – Response has outcome-based objectives, but they do not support need of program.
 - iii. 4 points – Response has processed based objectives but can be modified to create outcomes.
 - iv. 0 points – Response does not provide objectives to be measured.

_____Points

- b. The outcomes are quantifiable (6 points)
 - i. 6 points – Response defines specific number of SLFRF eligible participants/beneficiaries to be served by funds.
 - ii. 3 points – Response defines number of participants and beneficiaries served but does not state if they are SLFRF eligible.
 - iii. 0 points – Response does not provide participants and beneficiaries served.

_____Points

- c. The outcomes are measurable (4 points)
 - i. 4 points – Response demonstrates that outcomes are measurable, and the agency has ability to fulfill outcomes.
 - ii. 2 points – Response demonstrates there are outcomes but no ability to fulfill or outcomes are not measurable.
 - iii. 0 points – Response does not provide outcomes.

_____Points

Total Points for Section 2 _____

3. Capacity of the applicant and qualified organizational staff (20 points)

- a. The scope, extent, and quality of the applicant's experience in providing the services of the proposed activity (8 points)
 - i. 8 points – Response provides evidence that staff have more than nine years of experience (combined).
 - ii. 4 points – Response provides evidence that staff have more than five years of experience, but less than ten years (combined).
 - iii. 0 points – Response provides evidence that staff have less than five years of experience (combined).

_____Points

- b. The extent to which the applicant's staff are qualified to provide the services provided (5 points)

- i. 5 points – Response shows staff are trained to provide services for activity and will continue education to further methods/techniques used.
- ii. 3 points – Response shows staff/volunteers are trained to provide services for activity, but there is no evidence of continuing education.
- iii. 0 points – Response provides no evidence of education or experience with staff/volunteers.

_____Points

- c. The applicant provides evidence of a personnel manual that includes an affirmative action plan, equal employment opportunity statement, drug-free workplace statement, and a grievance procedure (2 points)
 - i. 2 points – Yes, there is a response for each.
 - ii. 1 point – There is evidence for at least one, but not all.
 - iii. 0 points – Response provides no evidence of personnel manual that includes an affirmative action plan, equal employment opportunity statement, drug-free workplace statement, and a grievance procedure.

_____Points

- d. The applicant’s audit clearly demonstrates the applicant’s fiscal capability (5 points)
 - i. 5 points – Response provides a clear audit and has a sound fiscal policy. There were no findings within the audit report.
 - ii. 3 points – Response provides an audit with minor management issues and concerns/weaknesses to be addressed.
 - iii. 0 points – Response provides an audit with significant management issues and at least one finding to be addressed.

_____Points

- e. 5 Applicant serves Allentown residents including BIPOC persons and other historically marginalized groups.
 - i. 3 Application provides a clear description of the population being served, including historically marginalized groups.
 - ii. 1 Applicant serves Allentown residents but does not include historically marginalized groups.
 - iii. 0 The applicant does not provide a description of the population being served.

Total Points for Section 3 _____

- 4. Monitoring and Recordkeeping (10 points)
 - a. The applicant has a clearly defined plan for monitoring and recordkeeping (5 points)
 - i. 5 points – Yes
 - ii. 0 points – No

_____Points

- b. The applicant has demonstrated adequate capacity for necessary recordkeeping including documented measurable outcomes (5 points)
 - i. 5 points – Response provides evidence the staff/volunteers have skill set to accurately record and keep appropriate records.
 - ii. 0 points – Response does not provide evidence of how staff/volunteers will accurately record and keep appropriate records.

_____Points

Total Points for Section 4 _____

5. Leveraging Resources (20 points)

- c. The extent of the applicant’s activities in the community, including previous experience in serving the area where the activity is located. (10 points)
 - i. 10 points – Response provides a history of working with community where activity is proposed.
 - ii. 5 points – Response provides a history of working with community where activity is proposed. Response provides evidence of ability to enlist volunteers. Response does not provide any evidence of support from community.
 - iii. 0 points – Response provides no history of working with community where activity is proposed. There is no evidence of working in a similar community.

_____Points

- d. The extent of the applicant’s ability to raise additional funds for the activity (10 points)
 - i. 10 points – Response has documented that SLFRF funds will provide less than 25 percent of activity costs. Response also provides documentation of other resources committed to the activity.
 - ii. 5 points – Response has documented that SLFRF funds will provide more than 25 percent, but less than 50 percent of activity costs. Response also provides documentation of other resources committed to the activity.
 - iii. 0 points – Response has documented that SLFRF funds will solely contribute to activity cost.

_____Points

Total Points for Section 5 _____

6. Diversity, Equity & Inclusion (10)

- a. The applicant has provided a diversity, equity, and inclusion statement (5 points)

5 points- i. the applicant is committed to being culturally responsive and has submitted a clearly written and defined DEI statement.

3 points- ii. the applicant has submitted a draft or incomplete DEI statement.

0 points- the applicant has not submitted a DEI statement.

b. The applicant's board is diverse, including BIPOC persons and has a resident of the city serving as a board member.

5 points- the applicant has more than 1 Allentown resident serving on their board

3 points- the application has 1 Allentown resident on their board

0 points- the application has 0 Allentown residents on their board

Total Points for Section 6_____

Application Points Total_____

Attachment D- PowerPoint Presentation

ARP- State and Local Fiscal Recovery Fund Policies and Procedures

Allentown
All Inspiring



INTRODUCTION

The Coronavirus state and local fiscal recovery funds (SLFRF) is a part of the American Rescue Plan, these funds delivered up to \$350 billion to state, local and tribal governments across the country. These funds were specifically disbursed in response to and recovery from the COVID-19 public health emergency. This ensures that local governments have the resources needed to:

- fight the pandemic and support families and small businesses struggling with its public health and economic impacts.
- Maintain vital public services, even amid decline in revenue and
- Build a strong resilient, and equitable recovery by making investments that support long-term growth and opportunity.

The City of Allentown received 57 million in SLFRF funds to be used for immediate pandemic response needs and begin building a strong and equitable recovery.

IDENTIFY A COVID-19 PUBLIC HEALTH OR NEGATIVE ECONOMIC IMPACT ON AN INDIVIDUAL OR A CLASS

- “COVID-19 Public Health” Public health is the science of protecting and improving the health of people and their communities. This work is achieved by promoting healthy lifestyles, researching disease and injury prevention, and detecting, preventing and responding to infectious diseases.
- “Impacted” entities are those impacted by the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency. For example, an individual who lost their job or a small business that saw lower revenue during a period of closure would both have experienced impacts of the pandemic.
- “Disproportionately impacted” entities are those that experienced disproportionate public health or economic outcomes from the pandemic; Treasury recognizes that preexisting disparities, in many cases, amplified the impacts of the pandemic, causing more severe impacts in underserved communities. For example, a household living in a neighborhood with limited access to medical care and healthy foods may have faced health disparities before the pandemic, like a higher rate of chronic health conditions, that contributed to more severe health outcomes during the COVID-19 pandemic.

ELIGIBLE CATEGORIES

- Replace Public Sector Revenue Loss- Internal Process
- Public Health & Economic Response- Public
- Premium Pay for Essential Workers- Public
- Water, Sewer & Broadband Infrastructure- Internal Process

REPLACING PUBLIC SECTOR REVENUE LOSS

- Determine revenue loss, using one of two available options:
 1. Elect “standard allowance” of up to \$10 million to spend on government services through the life of the program, which greatly simplifies the program for small localities
 2. Calculate actual revenue loss according to the Treasury formula:
 - Calculate revenue loss either on a calendar or fiscal year basis. Must adjust actual revenue totals for the effected year and tax cuts and tax increases that are adopted after January 6, 2022, to more accurately reflect revenue loss due to the pandemic.
- Spend on government services up to the revenue loss amount- government services generally include any service traditionally provided by a government unless Treasury has stated otherwise, such as:
 - Construction of schools and hospitals
 - Road building and maintenance, and other infrastructure
 - Health and other services
 - Environmental Remediation
 - Provisions of police, fire and other public safety services (including the purchase of fire trucks, and police vehicles)

RESPONDING TO PUBLIC HEALTH AND ECONOMIC IMPACTS

- Recipients may use these funds to respond to a broad range of public health and economic impacts of the pandemic for households, communities, businesses, and the public sector.
- Negative economic impacts, including assistance to:
 - Households
 - Small Businesses
 - Non-Profits
 - Impacted Industries
 - Public sector capacity and workforce
- **To determine eligible use of funds, beneficiaries should:**
 - Identify a public health or economic impact to an individual or a class
 - Design a related or reasonably proportional response (program, service or capital expenditure)

SUPPORTING THE PUBLIC HEALTH RESPONSE

- **Covid-19 Mitigation & Containment:** This is a very broad range of services and programming that are needed to contain COVID-19, including vaccination and testing programs and other COVID mitigation tactics. This may include certain capital expenditures, such as medical facilities dedicated to COVID-19 treatment and mitigation.
- **Medical Expenses:** These expenses are attached to households, medical providers, or others that have incurred medical costs due to the pandemic.
- **Behavioral Healthcare:** This includes a broad range of prevention, treatment, harm reduction, and recovery services that may be needed to meet mental health, substance abuse and behavioral health needs. This includes capital expenditures for behavioral health facilities and equipment.
- **Preventing & Responding to Violence:** This is a response for communities that experienced an increase in violence, particularly gun violence. This includes community violence intervention programs and enforcement efforts to reduce gun violence.

PROVIDING ASSISTANCE TO HOUSEHOLDS

RECIPIENTS MAY USE THESE FUNDS TO RESPOND TO THE NEGATIVE ECONOMIC IMPACTS OF THE COVID-19 PUBLIC HEALTH EMERGENCY ON HOUSEHOLDS AND COMMUNITIES

■ Impacted Households

Impacted households are those that have experienced an impact from the COVID-19 pandemic:

- ✓ Low- and- moderate income (LMI) households, defined as those at or below 300% of Federal Poverty Guidelines or 65% of Area Median Income
- ✓ Households experiencing unemployment or food or housing insecurity
- ✓ Households that qualify for certain federal programs

■ Disproportionately Impacted Households

Disproportionately impacted households are those that have experienced a disproportionate impact from the COVID-19 pandemic.

Treasury presumes that the following households are disproportionately impacted:

- ✓ Low income (LI) households, defined as those at or below 185% of Federal Poverty Guideline or 40% of Area Median Income
- ✓ Households located in Qualified Census Tracts
- ✓ Households receiving services from Tribal governments
- ✓ Households residing in the U.S. territories or receiving services from territorial governments
- ✓ Households that qualify for certain federal programs

PROVIDING ASSISTANCE TO HOUSEHOLDS

RECIPIENTS MAY USE THESE FUNDS TO RESPOND TO THE NEGATIVE ECONOMIC IMPACTS OF THE COVID-19 PUBLIC HEALTH EMERGENCY ON HOUSEHOLDS AND COMMUNITIES.

■ Eligible Uses for Impacted Households

- ✓ Food assistance
- ✓ Re-employment and job training
- ✓ Rent, mortgage, or utility assistance & Internet subsidies
- ✓ Cash assistance
- ✓ Health insurance coverage expansion and paid sick & family leave
- ✓ Financial services for unbanked and underbanked
- ✓ Affordable housing development and permanent supportive housing
- ✓ Childcare, early learning, and addressing learning loss for K-12 students

■ Eligible Uses for Disproportionately Impacted Households

- ✓ Addressing health disparities: e.g., community health workers, lead remediation, health facilities
- ✓ Investments in neighborhoods to promote healthy outcomes
- ✓ Addressing educational disparities: e.g., enhanced funding to high-poverty schools & educational facilities
- ✓ Improvements to vacant and abandoned property

PROVIDING ASSISTANCE TO SMALL BUSINESSES

RECIPIENTS MAY USE THESE FUNDS TO RESPOND TO THE NEGATIVE ECONOMIC IMPACTS OF THE COVID-19 PUBLIC HEALTH EMERGENCY ON SMALL BUSINESSES

■ Impacted Small Businesses

To assess which small businesses were impacted, recipients should consider:

- ✓ Decreased revenue or gross receipts
- ✓ Financial insecurity
- ✓ Increased costs
- ✓ Capacity to weather financial hardship
- ✓ Challenges covering payroll, rent or mortgage and other operating costs

■ Disproportionately Impacted Small Businesses

To assess which disproportionately small businesses were impacted, recipients should consider:

- ✓ Rehabilitation of commercial properties, storefront improvements & façade improvements
- ✓ Technical assistance, business incubators & grants for start-up or expansion costs for small businesses
- ✓ Support for microbusinesses, including financial, childcare, and transportation costs

PROVIDE ASSISTANCE TO NON-PROFITS

RECIPIENTS CAN IDENTIFY NONPROFITS IMPACTED BY THE PANDEMIC, AND MEASURES TO RESPOND, IN MANY WAYS; FOR EXAMPLE, RECIPIENTS COULD CONSIDER:

■ Impacted Non-Profits

To assess which nonprofits were impacted, recipients may consider:

- ✓ Decreased revenue (e.g., from donations and fees)
- ✓ Financial insecurity
- ✓ Increased costs (e.g., uncompensated increases in service need)
- ✓ Capacity to weather financial hardship
- ✓ Challenges covering payroll, rent or mortgage, and other operating costs

■ Disproportionally Impacted Non-Profits

To assess which nonprofits were impacted, recipients may consider

- ✓ Nonprofits operating in Qualified Census Tracts
- ✓ Nonprofits operated by Tribal governments or on Tribal lands
- ✓ Nonprofits operating in the U.S. territories

PROVIDING AID TO IMPACTED INDUSTRIES

- Designating an impacted industry

If the industry is in the travel, tourism, or hospitality sectors (including Tribal development districts), the industry is impacted.

– If industry is outside the sectors above, the industry is impacted if it either:

- Experienced at least 8 percent employment loss from pre-pandemic levels, or
- Is experiencing comparable or worse economic impacts as the national travel, tourism, and hospitality sectors as of the date of the Final Rule and the impacts resulted from the COVID-19 public health emergency

Eligible aid to the impacted industry includes:

- ✓ Aid to mitigate financial hardship, such as supporting payroll costs, lost pay and benefits for returning employees, support of operations and maintenance of existing equipment and facilities
- ✓ Technical assistance, counseling, or other services to support business planning
- ✓ COVID-19 mitigation and infection prevention measures (see section Public Health)

Please note aid is limited to entities operating prior to the pandemic and affected by required closures and other efforts to contain the pandemic

RESTORING PUBLIC SECTOR CAPACITY

RECIPIENTS MAY USE THESE FUNDS TO RESTORE AND BOLSTER PUBLIC SECTOR CAPACITY, WHICH SUPPORTS GOVERNMENTS' ABILITY TO DELIVER CRITICAL COVID-19 SERVICES.

- Public Safety, public health and human services staff includes:
 - ✓ Police officers (including state police officers)
 - ✓ Sheriffs and deputy sheriffs
 - ✓ Firefighters
 - ✓ Emergency medical responders
 - ✓ Correctional and detention officers
 - ✓ Dispatchers and supervisor personnel that directly support public safety staff
 - ✓ Employees involved in providing medical and other physical or mental health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions
 - ✓ Laboratory technicians, medical examiners, morgue staff, and other support services essential for patient care
 - ✓ Employees of public health departments directly engaged in public health matters and related supervisory personnel
 - ✓ Employees providing or administering social services and public benefits
 - ✓ Child welfare services employees
 - ✓ Child, elder, or family care employees

RESTORING PUBLIC SECTOR CAPACITY ELIGIBLE ACTIVITIES

Payroll and covered benefits for public safety, public health, health care, human services and similar employees of a recipient government through the period of performance. Limited to the portion of the employee's time spent responding to COVID-19, though public health and safety staff primarily dedicated to COVID-19 response may be fully covered; recipients can use reasonable estimates to determine share of employee time.

- **Government employment & rehiring public sector staff**
 - ✓ Restoring employment by hiring up to 7.5% above pre-pandemic baseline
 - ✓ Funding for employees who experienced pay reductions or were furloughed
 - ✓ Maintaining current compensation levels to prevent layoffs
 - ✓ Worker retention incentives, including reasonable increases in compensation

- **Effective Service Delivery**
 - ✓ Supporting use of evidence, program evaluation, data, and outreach
 - ✓ Providing administrative expenses for administration of programs that respond to COVID-19
 - ✓ Address administrative needs caused or exacerbated by the pandemic (e.g., backlogs from pandemic shutdowns, adapting government operations to the pandemic)

INVESTING IN CAPITAL EXPENDITURES

THE FINAL RULE PROVIDES CLARITY FOR RECIPIENTS TO USE SLFRF FUNDS TO INVEST IN CAPITAL EXPENDITURES AS PART OF THEIR PUBLIC HEALTH OR ECONOMIC RESPONSE.

■ Capital Expenditures Eligibility

Capital expenditures subject to same “related and reasonably proportional” standard as other uses

Recipients other than Tribal governments must complete Written Justification for capital expenditures at or over \$1 million

Written Justification requires recipients to explain why a capital expenditure is appropriate and why the proposed capital expenditure is superior to alternatives. Depending on project size, recipients may be required to submit written justification with reporting.

■ Eligible Activities

- ✓ Testing labs and equipment
- ✓ Emergency operations center & equipment
- ✓ Affordable housing
- ✓ Childcare facilities
- ✓ Schools (for Disproportionately Impacted communities)
- ✓ Primary care health clinics and hospitals (for Disproportionately Impacted communities)

Projects generally presumed to be ineligible:

- Construction of new correctional facilities as a response to an increase in rate of crime
- Construction of new congregate facilities to decrease spread of COVID-19 in facility
- Construction of convention centers, stadiums or other large capital projects for general economic development or aid to impacted industries

PROVIDING PREMIUM PAY FOR ESSENTIAL EMPLOYEES

RECIPIENTS MAY USE THIS FUNDING TO PROVIDE PREMIUM PAY TO ELIGIBLE WORKERS PERFORMING ESSENTIAL WORK, EITHER IN PUBLIC SECTOR ROLES OR THROUGH GRANTS TO THIRD-PARTY EMPLOYERS.

■ **Eligibility Requirements**

Eligible workers are those in critical infrastructure sectors. This includes:

- Staff at nursing homes, hospitals, and home-care facilities
- Public health, safety and emergency response
- State, local workforce
- Workers at food production facilities, grocery stores, restaurants, and food delivery services
- Janitors and Sanitation workers
- Truck drivers, transit staff, and warehouse workers
- Public health and safety staff
- Childcare workers, educators and school staff
- Social service and human services staff

Essential work involves regular in-person interactions or physical handling of items handled by others

■ **Pay must respond to workers needs, it should serve workers who:**

- Earn at or below 150 percent of their state or county's average annual wage
- Are not exempt from Fair Labor Standards Act overtime rules
- Or recipient provides written justification of how it meets needs

FRAMEWORK FOR ELIGIBLE USES BEYOND THOSE ENUMERATED

- Recipients have broad flexibility to identify and respond to other pandemic impacts and serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients should undergo the following steps to decide whether their project is eligible:

Step	1. Identify COVID-19 public health or economic impact	2. Design a response that addresses or responds to the impact
Analysis	<ul style="list-style-type: none">Can identify impact to a specific household, business or nonprofit or to a class of households, businesses or nonprofits (i.e., group)Can also identify disproportionate impacts, or more severe impacts, to a specific beneficiary or to a class	<ul style="list-style-type: none">Types of responses can include a program, service, or capital expenditureResponse should be related and reasonably proportional to the harmResponse should also be reasonably designed to benefit impacted individual or class

WATER & SEWER INFRASTRUCTURE

RECIPIENTS MAY USE THESE FUNDS TO MAKE A BROAD RANGE OF NECESSARY INVESTMENTS IN WATER AND SEWER INFRASTRUCTURE.

- **Projects eligible under the EPA's State Revolving Funds, including:**

- ✓ Construction of publicly owned treatment works
- ✓ Decentralized wastewater treatment systems construction, upgrades & repair
- ✓ Management & treatment of stormwater or subsurface drainage water
- ✓ Water conservation, efficiency, or reuse measures
- ✓ Reuse or recycling of wastewater, stormwater, or subsurface drainage water
- ✓ New facilities to improve drinking water quality
- ✓ New sources to replace contaminated drinking water or increase drought resilience
- ✓ Green infrastructure
- ✓ Storage of drinking water
- ✓ New community water systems
- ✓ Lead service line replacement

- **Additional projects include:**

- ✓ Broad suite of additional lead remediation activities, including lead testing and lead service line replacement (including replacement of faucets, fixtures, and internal plumbing in schools and childcare facilities)
- ✓ Additional stormwater infrastructure, including culvert repair, resizing and removal, and replacement of storm sewers
- ✓ Residential wells
- ✓ Certain dam and reservoir rehabilitation

BUILDING BROADBAND INFRASTRUCTURE

RECIPIENTS MAY USE THESE FUNDS TO MAKE A BROAD RANGE OF NECESSARY INVESTMENTS IN BROADBAND INFRASTRUCTURE, IN ORDER TO MEET ACCESS, AFFORDABILITY, AND OTHER CHALLENGES.

■ Identifying an eligible area

Recipients are encouraged to invest in locations without reliable wireline service of at least 100/20 Mbps speed but are broadly able to invest in locations where recipient has identified need for additional investment. This includes lack of access to high speed, affordable & reliable internet service.

■ Requiring enrollment in a low-income subsidy program

Recipients must require service providers for a broadband project that provides service to households to either:

- ✓ Participate in the Federal Communications Commission's Affordable Connectivity Program
- ✓ Provide access to a broad-based, low-income affordability program commensurate to the Affordable Connectivity Program

If recipients are considering deploying broadband to locations where there are existing and enforceable federal or state funding commitments for reliable service of at least 100/20 Mbps, recipients must ensure that SLFRF funds are designed to address an identified need for additional broadband investment that is not met by existing federal or state funding commitments. Recipients must also ensure that SLFRF funds will not be used for costs that will be reimbursed by the other federal or state funding streams

RESTRICTIONS ON USE

WHILE RECIPIENTS HAVE FLEXIBILITY TO USE CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS TO ADDRESS THE DIVERSE NEEDS OF THEIR COMMUNITIES, SOME RESTRICTIONS APPLY ON THE USE OF FUNDS.

- **Offset a reduction in net tax revenue**

States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the fiscal year in which the funds provided have been spent

- **Deposits into pension funds**

No recipients except Tribal governments may use this funding to make a deposit to a pension fund. Treasury defines a “deposit” as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. Recipients may use funds for routine payroll contributions to pensions of employees whose wages and salaries are an eligible use.

- **Additional restrictions**

- Funds may not be used for debt service, replenishing rainy day funds/financial reserves, or satisfaction of a settlement or judgment
- Uses of funds may not undermine COVID-19 mitigation practices in line with CDC guidance and recommendations
- Uses of funds may not violate Uniform Guidance conflict-of-interest requirements or other applicable laws.

MATCH & COST-SHARING REQUIREMENTS

- Funds available under the “revenue loss” eligible use category generally may be used to meet the non-federal cost-share or matching requirements of other federal programs. (SLFRF funds may not be used as the non-federal share for purposes of a state’s Medicaid and CHIP programs, even under the “revenue loss” category).
- SLFRF funds beyond those that are available under the “revenue loss” eligible use category above may not be used to meet the non-federal match or cost-share requirements of other federal programs other than as specifically provided for by statute

REPORTING, COMPLIANCE & RECOUPMENT

- Recipients are required to comply with Treasury's [Compliance and Reporting Guidance](#), which includes submitting mandatory periodic reports to Treasury.
- Funds used in violation of the final rule are subject to **remediation and recoupment**. As outlined in the final rule, Treasury may identify funds used in violation through reporting or other sources. Recipients will be provided with an initial written notice of recoupment with an opportunity to submit a request for reconsideration before Treasury provides a final notice of recoupment. If the recipient receives an initial notice of recoupment and does not submit a request for reconsideration, the initial notice will be deemed the final notice. Treasury may pursue other forms of remediation and monitoring in conjunction with, or as an alternative to, recoupment.

Attachment E- Purchasing Memo



City of Allentown Memorandum

TO: All Department Heads; All Bureau Managers; All Office Managers

FROM: Sarrah McNeil, Purchasing Agent

SUBJECT: ARPA Spending Procedure

DATE: February 14, 2022

The purpose of this memorandum is to highlight the procedure for purchases using ARPA funds.

The Purchasing Office will follow the same regulations found in the Purchasing Policy. Purchasing needs to be notified in the prep stages of any project/purchase that will be utilizing APRA funds. It will need to be noted in all Reqs and in PIFs for Bids/RFPs. While dealing with ARPA funding, we need to ensure we are doing our due diligence to remain compliant. All cooperative contracts that we choose to use need to be competitively bid and include solicitation language that is required by 2CFR200. If the contract does not include 2CFR200 language we can request an amendment if the vendor is willing to sign it.

When using a cooperative contract, we must ensure they solicited competition, if the contract was awarded based off one response it is noncompetitive, therefore noncompliant. Cooperative contracts will need to be vetted and we may need to reach out to the cooperatives to ensure we have the documentation required to ensure compliance. When planning construction work this needs to go out for solicitation. When facilitating bids/rfps that is using federal dollars we are unable to award a contract if there is a sole bidder.

When utilizing ARPA funds that are categorized under the loss of revenue provision it will then be unattached to the Federal requirements/restrictions and only the City's purchasing procedures need to be adhered to. If you are unsure if your project falls under this definition, please reach out to the Finance Department for clarification. Vehicles are allowed to be purchased using Co-Stars contracts.

If we obtain further information regarding the spending of ARPA funds this memorandum will be updated.

Should you have any questions or concerns regarding this process, please feel free to contact me.

Thank you for your cooperation.

**Attachment F- Proposed City Budget with Eligible
Activity Categories**

SLFRF Admin Proposed Budget as of 09/14/2021						
Eligible Use	\$ 57,463,577	Elig. Reason	Cite Section	Risk of Recoupment	First Tranche	Second Tranche
Govt. Services/Reduc. Of Revenue:	\$ 10,000,000					
Replace lost Public Sector Revenues	Fund Contractual Wage Increases 2022-2024 \$ (4,350,000)	Fund Govt. Svc.	35.6(d)	Low	\$ (1,450,000)	\$ (2,900,000)
Water, Sewer and Broadband Infrastructure	Backup Data Center \$ (1,500,000)	Cybersecurity	35.6(d)	Low	\$ (1,500,000)	\$ -
Replace lost Public Sector Revenues - Gov Services	Jordan Pool \$ (1,000,000)	Pay-Go Building	35.6(d)	Low	\$ -	\$ (1,000,000)
Replace lost Public Sector Revenues - Gov Services	Irving Spray Park \$ (400,000)	Pay-Go Building	35.6(d)	Low	\$ (400,000)	\$ -
Replace lost Public Sector Revenues - Gov Services	Fire Academy \$ (1,800,000)	Pay-Go Building	35.6(d)	Low	\$ (1,800,000)	\$ -
Replace lost Public Sector Revenues - Gov Services	Roof Replacements \$ (800,000)	Maintenance	35.6(d)	Low	\$ (800,000)	\$ -
Replace lost Public Sector Revenues - Gov Services	2024 Operating Costs for Jordan Pool/Irving Spray Park \$ (150,000)	Fund Govt. Svc.	35.6(d)	Low	\$ -	\$ (150,000)
					\$ (5,950,000)	\$ (4,050,000)
Housing Assistance:						
Public Health & Economic Impacts - Non Profits	Development, Homelessness, Rehabilitation: \$ (2,000,000)	Svc. To addr. Homelessness	35.6(b)(12)(ii)(A)	Low	\$ (1,000,000)	\$ (1,000,000)
Public Health & Economic Impacts - Non Profits	Housing Auth.: Demo, Construction of Govt. Housing \$ (2,700,000)	Affordable Hous. Devel.	35.6(b)(12)(ii)(B)	Low	\$ (1,500,000)	\$ (1,200,000)
	\$ (4,700,000)				\$ (2,500,000)	\$ (2,200,000)
COVID-19 Response and Prevention:						
Public Health & Economic Impacts - Public health emergency	Ambulances \$ (400,000)	Emergency Med. Trans.	35.6(b)(1)(vii)	Somewhat Low	\$ (400,000)	\$ -
Public Health & Economic Impacts - Public health emergency	Health Mobile Clinic \$ (300,000)	Costs Related to Clinics	35.6(b)(1)(ii)	Low	\$ (175,000)	\$ (125,000)
	\$ (700,000)				\$ (575,000)	\$ (125,000)
Public Health & Economic Impacts - Ass. To small business	Economic Assistance For Small Business \$ (3,000,000)	Assistance to Small Business	35.6(b)(6)	Grant/Loan	\$ (2,000,000)	\$ (1,000,000)
InfraStructure						
Water, Sewer and Broadband Infrastructure	Storm Sewer Improvements \$ (5,000,000)	Eligible Capital Project	35.6(e)	Low	\$ (2,000,000)	\$ (3,000,000)
Water, Sewer and Broadband Infrastructure	Manufacture AEDC \$ (3,000,000)	Proposed Water/Sewer Hook-Up	35.6(e)	Medium Low	\$ (3,000,000)	\$ -
Replace lost public sector revenue - Gov Services	Public Safety \$ (868,500)	Eligible Capital Project	35.6(e)	Low	\$ (299,240)	\$ (569,260)
Water, Sewer and Broadband Infrastructure	Broadband \$ (8,195,057)	Eligible Capital Project	35.6(e)	Low	\$ -	\$ (8,195,057)
Water, Sewer and Broadband Infrastructure	Sewer Lining (Proposed AO Cost Relief) \$ (2,000,000)	Eligible Capital Project	35.6(e)	Low	\$ (2,000,000)	\$ -
Water, Sewer and Broadband Infrastructure	3 Miles Water Main Replacement \$ (6,300,000)	Eligible Capital Project	35.6(e)	Low	\$ (4,200,000)	\$ (2,100,000)
Water, Sewer and Broadband Infrastructure	Water Filters @ Distribution Plant \$ (7,200,000)	Eligible Capital Project	35.6(e)	Low	\$ (2,550,000)	\$ (4,650,000)
	\$ (32,563,557)				\$ (14,049,240)	\$ (18,514,317)
Tourism/Non Profit Assistance						
Public Health & Economic Impacts - Impacted industries	DaVinci \$ (2,000,000)	Impacted Industries	Possibly 35.6(b)(9)	Grant/Loan	\$ (2,000,000)	\$ -
Public Health & Economic Impacts - Impacted industries	Tourism Organization \$ (1,000,000)	Non-Profit Assistance	Possibly 35.6(b)(7)	Grant/Loan	\$ (500,000)	\$ (500,000)
Public Health & Economic Impacts - Impacted industries	Iron Pigs \$ (1,000,000)	Impacted Industries	Possibly 35.6(b)(9)	Grant/Loan	\$ -	\$ (1,000,000)
Public Health & Economic Impacts - Non Profits	Local Non-Profits \$ (2,500,000)	Impacted Industries	Possibly 35.6(b)(9)	Grant/Loan	\$ (1,000,000)	\$ (1,500,000)
	\$ (6,500,000)				\$ (3,500,000)	\$ (3,000,000)
Subtotal	\$ (57,463,557)				\$ (28,574,240)	\$ (28,889,317)
Cash Received					\$ 28,574,240	\$ 28,889,317.00
Interest	Through July 2021				\$ 3,800.00	

