



**NCPCRO**

**NC Pandemic Recovery Office**

# ARPA State Fiscal Recovery Funds

*Non-State Entities*

June 1, 2022

# Agenda

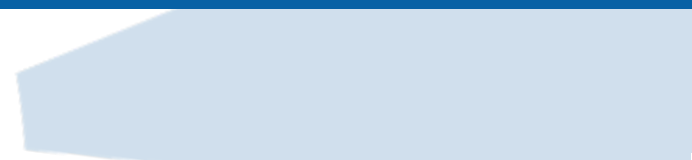
1. Role of NCPRO
2. US Treasury Guidance
  1. Final Rule
  2. FAQs
3. Steps in SFRF Process
  - Plan Templates
  - MOUs
  - PANGRAM & Financial processes
4. Subrecipients, Contractors, Beneficiaries
5. Reporting

# Role of NCPRO

- NCPRO was created in 2020 to provide **oversight, coordination and technical assistance**, and to ensure proper **reporting and accounting** for all funds under COVID Recovery Legislation.
- NCPRO is the **prime recipient** of these funds with full responsibility for managing the funds as required by:
  - **ARPA/SFRF program requirements**
  - **Federal uniform guidance** for grant administration, procurement and cost principles
  - **The NCAC for subgrants to non-state entities**



# US TREASURY GUIDANCE



# US Treasury Guidance

## ■ Final Rule

- Your entity is receiving a portion of the State of North Carolina's State Fiscal Recovery Funds, which are federal funds that Congress provided to the states under the American Rescue Plan Act. These funds may be called ARPA SFRF.
- These federal funds are governed by federal uniform administrative requirements, which are defined in Section 2 CFR Part 200. These requirements include rules for grants administration, procurement, cost principles, and audits.
- The United States Treasury is the federal agency responsible for disbursing the funds and ensuring compliance with eligible uses and all federal requirements.

<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

## ■ Frequently Asked Questions (FAQs)

- US Treasury will publish answers to FAQs on their website throughout the course of the State Fiscal Recovery Funds' period of performance. The FAQs may change requirements for the use and administration of funds.
- NCPRO monitors the FAQs and communicates with US Treasury on a regular basis

**Please contact NCPRO if you have questions. We are here to help!**



# ARPA Eligible Uses of Funds

## Eligible Uses for Local Fiscal Recovery Funds



### COVID Response & Adaptation

*"To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality"*

Allowable uses under this category include: public health measures; direct economic assistance to small businesses, households, and nonprofits; behavioral health; and supporting disproportionately impacted populations.

### Premium Pay

*"To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers"*

Allowable uses under this category include premium pay for workers categorized as essential who are performing in-person work and/or work that is directly mitigating the impact of the coronavirus pandemic.

### Revenue Loss

*"For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent fiscal year prior to the emergency"*

Allowable use under this category requires using a specific formula, set by the U.S. Treasury, for calculating revenue loss. Such revenue replacement must be used to provide and support "core government services," including modernization of cybersecurity systems.

### Infrastructure Investments

*"To make necessary investments in water, sewer, or broadband infrastructure"*

Allowable uses under this category include: improving drinking water infrastructure, including the replacement of lead service lines; improving wastewater infrastructure; addressing cybersecurity needs to protect water or sewer infrastructure; and expanding broadband internet access to unserved or underserved households and businesses.

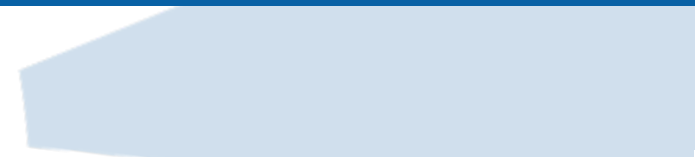
Quotes are from the Interim Final Rule: <https://www.govinfo.gov/content/pkg/FR-2021-05-17/pdf/2021-10283.pdf>.  
See pages 56-61 for more about revenue loss calculations. Page 75 contains guidance about upload speeds required in broadband projects.

Find more info and future PROtips at <https://www.nc.gov/agencies/ncpro>

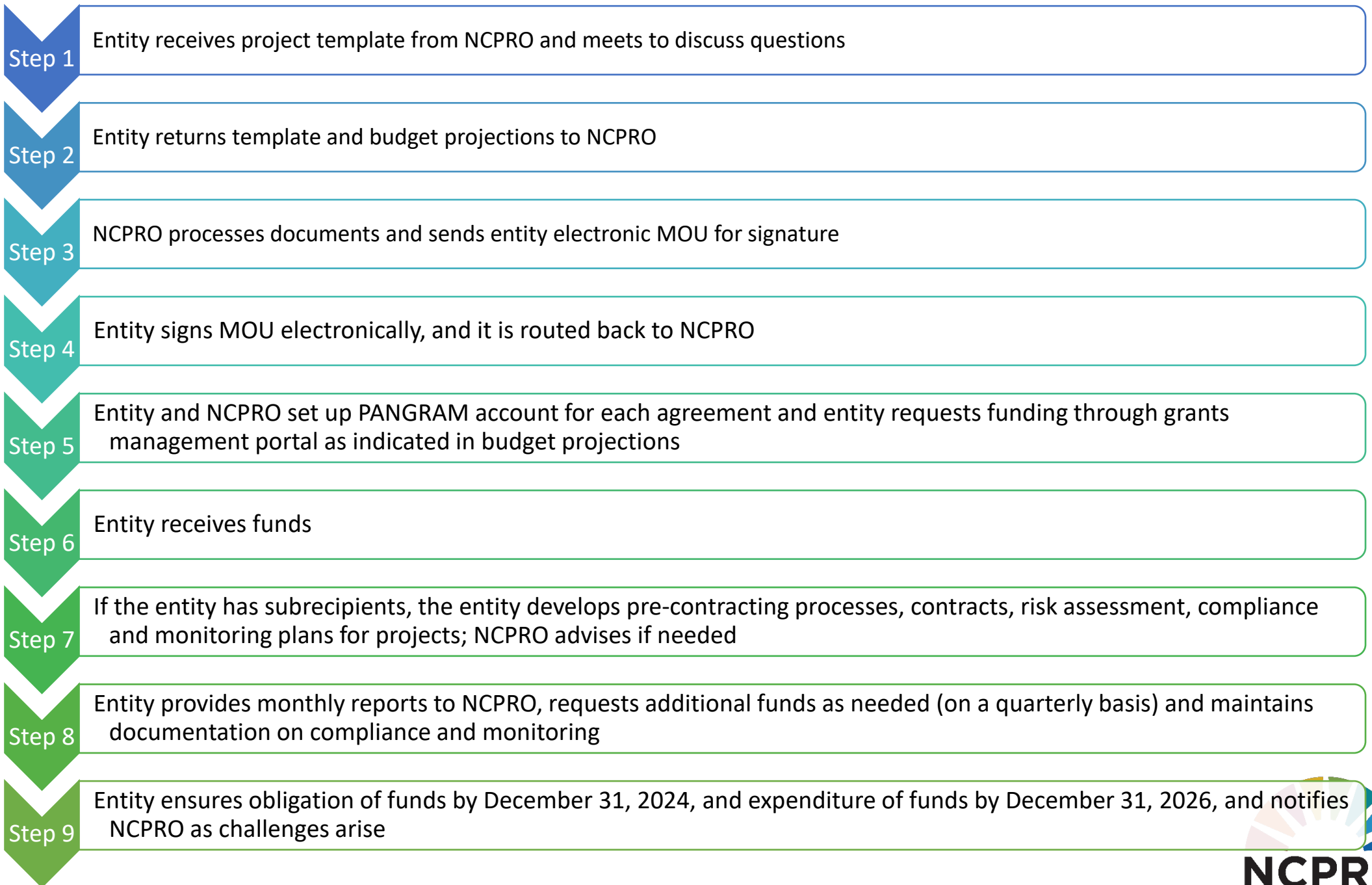




# STEPS IN SFRF PROCESS



# Overview of SFRF Process



Please note that budget certification must be complete before step 6 commences



# Project Templates

- NCPRO shared project templates with each entity to help them define their programs and provide needed information to NCPRO
- Information from the project templates are used throughout the process



## Part 1: Program Overview

(if question is not applicable, please indicate, rather than leaving blank)

Program name	
Department/Division/Organization	
Session Law and Section number <i>(ex. S.L. 2020-4 section 3.3 (1)a)</i>	
Session law or Budget text <i>Enter the text from the Session Law and section listed above that provide funding for this program</i>	
SFRF Funding Amount appropriated <i>Enter funding appropriated through the Session Law and section or Budget Bill listed above</i>	
NCPRO Contract Number	



# MOU Process

- ARPA SFRF funds are provided to the State of North Carolina by Congress and appropriated by the NC General Assembly
- NCPRO was created for monitoring, oversight, reporting and accounting, disbursement of funds (by OSBM) "upon justification"
- MOUs outline compliance expectations for
  - *Managing cash flow needs/forecasting*
  - *Financial and reporting elements and formats (including UST and NCGA)*
  - *Federal grant administration under 2 CFR 200*
  - *State grant administration to certain subrecipients under 09 NCAC 3M*

# What do entities need to do?

- Return your project template to NCPRO
- Respond quickly to requests from NCPRO for information as needed (e.g. signatories, financial information, etc.)
- Review, sign and respond to MOU in DocuSign
- Take time to attend PANGRAM account meeting set-up
- Return Attachments A (project detail) and B (budget detail)
  - For entities identified as sub-recipients

# What do entities need to do?

- For entities identified as beneficiaries, provide a written certification that:
  - it has experienced a negative public health impact or negative economic impact of the pandemic.
  - prior federal or state financial assistance does not duplicate the benefits of this award.

# PANGRAM Home Page & User Guide

Home - [SAP] - Google Chrome  
pcr.ebs.nc.gov/grants(bD1lbiZjPTYwMCZkPW1pbg=)/default.htm

Welcome [redacted]

Home

Workflow Tasks

Recent Items

- NCPRO Agreemen...
- 2000059216 Premi...
- 2000052948 Local ...
- 2000059212 Lead ...
- 2000059211 Brynn ...
- 2000059210 Incide...
- 2000059178 Tempo...
- 2000059179 Forsyt...
- 2000059215 Hospic...
- 2000059214 Nutriti...

Search

- Programs
- Agreements
- Expense Reports
- Disbursements/Reimbursements
- Workflow Search

Workflow Tasks

No result found

Create

Web Links

- NCPRO PANGRAM Website/FAQ
- NCPRO PANGRAM Training Library

Today's Tasks

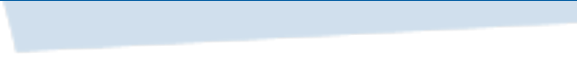
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## PANGRAM User Guide

<https://ncpro.nc.gov/media/217/download?attachment>



# DEFINITIONS & REQUIREMENTS



# Definitions and Requirements

## **Federal and state administrative codes define key terms:**

- Subrecipient – entity that receives financial assistance to carry out a project
- Beneficiary – individual or entity receiving funds for the purpose of directly benefitting the individual or entity as a result of experiencing a public health impact or negative economic impact of the pandemic
- Contractor – entity that is under contract to provide a service for a recipient or subrecipient

## **Why do these distinctions matter?**

- Subrecipients are subject to subrecipient monitoring and reporting requirements
- Beneficiaries are not subject to subrecipient monitoring and reporting requirements.
- Contractors hired by recipients and subrecipients are subject to federal and state procurement rules



# REPORTING OVERVIEW

*Andy MacCracken, NCPRO*





# NC's Reporting Obligations

**As the coordinating agency, NCPRO is responsible for submitting the following regular reports on behalf of all entities receiving SFRF**

## US Treasury

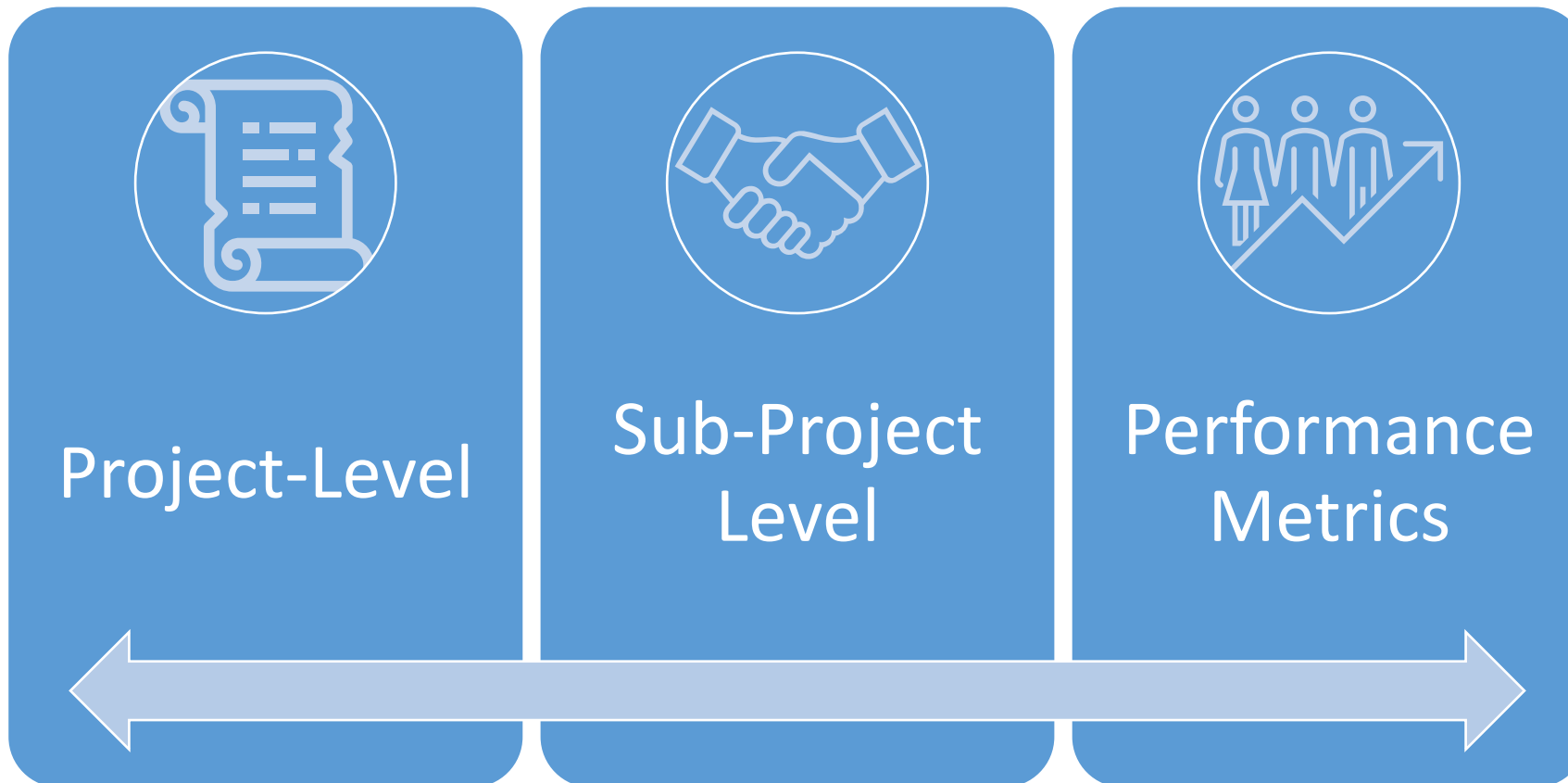
- Quarterly Project & Expenditure Reports
- Annual Performance Report

## Legislative Report

- Quarterly report to NCGA

# Reporting Elements

Main Buckets of Required Information:



# Project Level Reporting

## BASICS

- UST requires unique financial and program reporting for each SFRF project.
- Project is any SFRF appropriation for which NCPRO has established a unique Agreement Number

## WHAT TO REPORT

- Standard set of questions with some additional programmatic data that varies by UST Expenditure Category

## HOW TO REPORT

- Direct input in PANGRAM for core questions
- Attachment upload for unusual circumstances (i.e. program income, capital expenditures)

# Project Level Reporting

## CORE DATA ELEMENTS

- The following data will be required of all projects.

Item No.	Information	Reporting Interval
1*	Completion Status	Monthly
2*	Total Cumulative Obligations	Monthly
3*	Total Cumulative Expenditures	Monthly
4*	Current Period Obligations	Monthly
5*	Current Period Expenditures	Monthly
6*^	Does project include a capital expenditure?	Monthly
7*^	Did project earn and/or spend program income?	Monthly
8*^	Did project make any new subawards, subaward expenditures, or amend existing subaward?	Monthly

\* Required item

^ If yes, additional reporting required

Item No.	Information	Reporting Interval
9a*	Project Demographic Distribution - Primarily Populations Served	Annual
9b*	Primary Project Demographic Explanation	Annual
9c	<i>Project Demographic Distribution - Additional Populations Served</i>	<i>Annual</i>
9d	<i>Secondary Project Demographic Explanation</i>	<i>Annual</i>
9e	<i>Project Demographic Distribution - Additional Populations Served</i>	<i>Annual</i>
9f	<i>Secondary Project Demographic Explanation</i>	<i>Annual</i>
9g	<i>Project Demographic Distribution - Additional Populations Served</i>	<i>Annual</i>
9h	<i>Tertiary Project Demographic Explanation</i>	<i>Annual</i>
10*	Structure and objectives of assistance program	Annual
11*	Recipients approach	Annual

# Sub-Project Level Reporting

## BASICS

- UST requires reporting for sub-project level information to satisfy FFATA requirements
- If any SFRF recipient further directs funds to other entities as a:
  - Contractor
  - Subgrantee
  - Beneficiary
- Then, the following sub-project information is required:
  - Subrecipients receiving SFRF funds
  - Subawards directed to Subrecipients receiving SFRF funds
  - Expenditures on Subawards

# Sub-Project Level Reporting

## WHAT TO REPORT

- Subrecipient information (only for \$50K+)
  - Contact & identifying info
  - Subaward information
  - Location of work
  - Period of performance
  - SAM.gov registration
- Financial information (All)
  - Obligated amount
  - Expended amount

Reported Information	Subawards \$50K+	Subawards under \$50k	Payments to Individuals
Subrecipient	Detailed	None	None
Funds Obligated	Detailed	Aggregate	Aggregate
Funds Expended	Detailed	Aggregate	Aggregate

# Sub-Project Level Reporting

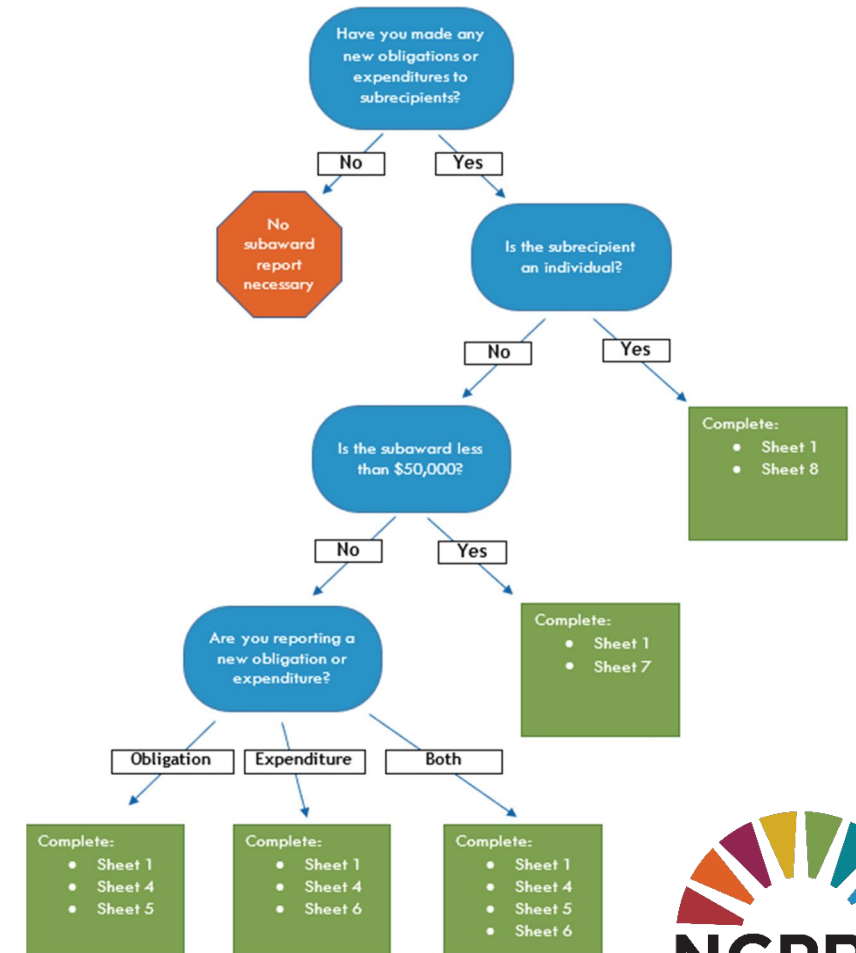
## HOW TO REPORT

- Consolidated Sub-Project Reporting attachment, upload in PANGRAM
- Sheet Tracks:
  - Subrecipients (\$50K+)
  - Subawards (\$50K+)
  - Expenditures (\$50K+)
  - Aggregate obligations & expenditures (under \$50K and individuals)



### SFRF SUBAWARD REPORTING GUIDE

What do I have to report and where to I report it?



# Beneficiaries

## IMPORTANT NOTES

- NCPRO reporting requirements apply
- Tax ID Numbers are allowable for now
- Performance reporting will include a general description of how your entity uses SFRF funds and ask for any measurable impact you can quantify.



# Reporting Schedule

## REPORTS DUE IN PANGRAM BY 15<sup>TH</sup> DAY OF THE MONTH FOLLOWING REPORTING PERIOD

**Monthly reports example: Report 8/1-8/31 data by 9/15**

**Quarterly reports example: Report 7/1-9/30 data by 10/15**

**Annual reports (7/1-6/30) due July 15<sup>th</sup>**



# WRAP UP & DISCUSSION

