



NCPRO

NC Pandemic Recovery Office

ARPA State Fiscal Recovery Funds

State Agency Working Group

December 16, 2021

Subrecipients Receiving Multiple Funds

Local governments and other subrecipients may be confused by grant-making rules for each of the state and federal grants they are receiving. Thus, we are encouraging them to answer the following:

1. Who is the granting entity (state agency)?
2. Are these state or federal funds?
3. What is the funding source (e.g. ARPA State Fiscal Recovery Funds, ARPA Local Fiscal Recovery Funds, CARES Coronavirus Relief Funds, General Funds, State Capital and Infrastructure Funds)?

NCPRO Management of Funds

Funds	Federal Agency	Amount	Direct Recipients	Expenditure Date	Final Reporting Date (frequency of reports)
Coronavirus Relief Funds	US Treasury	\$3.6 billion	<ol style="list-style-type: none"> Hospitals Non-profits Local governments State agencies 	December 31, 2021	March 31, 2022 (quarterly)
Emergency Rental Assistance (Parts 1 and 2)	US Treasury	\$1.1 billion	<ol style="list-style-type: none"> State agency Counties (12) 	September 30, 2022 (ERA 1) September 30, 2025 (ERA 2)	December 31, 2022 (ERA 1; monthly and quarterly) December 31, 2025 (ERA 2; monthly and quarterly)
Homeowners Assistance Funds	US Treasury	\$273.3 million	State agency	September 30, 2026	TBD (quarterly and annual reports required)
Governor's Emergency Education Relief Funds (parts 1 and 2)	US Department of Education	\$138.6 million (plus unused EANS)	<ol style="list-style-type: none"> State educational entities Non-profit 	September 30, 2022 (part 1) September 30, 2023 (part 2)	February 1, 2024 (annual reports due each February 1)
Economic Development Administration (Tourism and Strategy)	US Department of Commerce	\$6.4 million (tourism) \$1 million (strategy)	<ol style="list-style-type: none"> State agencies Non-profit 	May 31, 2027 (tourism) May 1, 2024 (strategy)	September 30, 2027 (tourism) August 29, 2024 (strategy - semiannual reports due April 30 and Oct 31)
American Rescue Plan Act - State Fiscal Recovery Funds	US Treasury	\$5.4 billion	<ol style="list-style-type: none"> State agencies Non-profits 	December 31, 2026	June 30, 2027 (quarterly expenditure; annual plan)
American Rescue Plan Act - Capital Project Fund	US Treasury	\$273.6 million	State agency	December 31, 2026	TBD

NCPRO Contacts by Agency and Fund

Agency	Funding Sources	NCPRO Contact	Email	Phone
AOC, DPS, NCGA, DOI, DOT	SFRF	Heather Laffler	Heather.laffler@osbm.nc.gov	
External entities	CRF, SFRF	Laura Jimenez	Laura.jimenez@osbm.nc.gov	
DHHS, NCHFA, NCORR (ERA only)	SFRF, ERA, HAF	Tara Fikes	Tara.fikes@osbm.nc.gov	
DOR, DOA, DNCR, DACS	SFRF, LFRF	Nate Halubka	Nate.Halubka@osbm.nc.gov	
UNC, NCCCS, DPI	SFRF, GEER	Adam Shull	Adam.shull@osbm.nc.gov	
Commerce, DIT, DEQ	SFRF, CPF, EDAT	Marquis Crews	Marquis.crews@osbm.nc.gov	

SFRF – State Fiscal Recovery Funds (ARPA)

LFRF – Local Fiscal Recovery Funds (ARPA)

CRF – Coronavirus Relief Funds (CARES)

ERA – Emergency Rental Assistance (CRRSA and ARPA)

HAF – Homeowners’ Assistance Funds (ARPA)

GEER – Governor’s Emergency Education Relief (CARES and CRRSA)

EDAT – Economic Development Administration Tourism (ARPA)

CPF – Capital Projects Fund (ARPA)



MOU Process

- Expect to see MOUs in early January between agencies and NCPRO
- ARPA/SFRF funds are to the State of NC, as appropriated in budget to agencies—so all are "prime recipients"
- NCPRO was created for monitoring, oversight, reporting and accounting, disbursement of funds (by OSBM) "upon justification"
- So, MOU will 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*

Cash Flow Planning

- 1. Good Stewardship*
- 2. Availability of Funds*
- 3. Prioritization of Spending*

Cash Flow Planning

*Good Stewardship
(Investment Income)*

Cash Flow Planning

Availability of Funds (Two Tranches)

Cash Flow Planning

State Fiscal Recovery Fund Conference Agreement

(Dollars in Billions)

Total SFRF FY 2021-22 *\$5.4*

First Tranche *\$2.7*

Cash Flow Planning

(Dollars in Millions)

Total Available	\$2,678
Salaries – Premium Pay	678
External Entities	382
Grant Programs:	
Small Business PRGP	500
Swine & Dairy Assistance	30
Meat & Seafood	17
Drinking Water/Wastewater Reserve	1,050

Cash Flow Planning

Prioritization of Spending

Performance Measures

Plans / Justification

Timing

Cash Flow Planning

Forecasted Cash Needs

	Total Budget	3Q22	4Q22	1Q23	2Q23
Salaries	XXX	XXX	XXX	XXX	XXX
Services	XXX	XXX	XXX	XXX	XXX
Supplies	XXX	XXX	XXX	XXX	XXX
PPE	XXX	XXX	XXX	XXX	XXX
Public Assistance	XXX	XXX	XXX	XXX	XXX
Total	XXX	XXX	XXX	XXX	XXX

NCPRO Processes

- NCPRO oversees and monitors federal pandemic funds in the following ways:
 - Provides technical guidance and assesses eligibility of funds
 - Risk assessments
 - Develops MOUs and/or contracts to outline requirements with state agencies and direct recipients
 - Work with recipients to develop goals, objectives and performance measures
 - Using SAP grants management system to more effectively track monitoring efforts and reporting
 - Conducts internal audits
 - Works with other oversight agencies - SAO, OIG, NCGA - to make sure that funds are monitored appropriately
 - Reports quarterly

What pre-award and monitoring steps are required of state agencies?

1. Pre-award requirements

- Agreements or contracts with sub-recipients
- Check suspension and debarment list
- Identify compliance issues and assess risk
- Other contract provisions (federal and state requirements)

2. Monitoring

- Reporting requirements (performance and financial management)
- Control guidelines
- Documentation
- Specific written procedures

Pre-award requirements include

Agreements or contracts with sub-recipients

Check suspension and debarment list

Identify compliance issues and assess risk

Other contract provisions (federal and state requirements)

Monitoring steps include

1. Monitoring

- Reporting requirements (performance and financial management)
- Control guidelines
- Documentation
- Specific written procedures

NCPRO Lessons Learned from CRF

- Document monitoring efforts
- Risk assessments
- Problems with reporting templates and
- Clear instructions on relationships between recipients and subrecipients