

# OHIO AUDITOR OF STATE KEITH FABER



## To All Local Government, Public Offices, and IPAS: **American Rescue Plan (ARP) Act** Frequently Asked Questions<sup>1</sup>

**Note:** For FAQs related to the CARES Act (including the Coronavirus Relief Fund) and other non-ARP questions, refer to the [FAQs here](#).

New or updated entries will be noted by the date in parentheses,  
for example: *(updated July 12, 2021)*

This FAQ document is intended to help local governmental entities with important local-level decisions they may encounter during the implementation of the American Rescue Plan. The Auditor of State's office (AOS) is continuing to view various forums such as those posted by the Ohio Association of School Business Officials (OASBO), Ohio Township Association (OTA), Ohio Attorney General's Office (OAG), etc. as well as keeping communication lines open in the AOS office to help provide guidance on the ARP Act and its related programs. **The FAQ will be updated regularly throughout the period covered by the Act.**

### QUESTION TOPICS:

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## Coronavirus State and Local Fiscal Recovery Funds

### Allocations & Financial Reporting Considerations

#### 1. **Which Ohio Governments are eligible to receive Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)? (July 12, 2021)**

Eligible recipients who received money directly from the U.S. Department of Treasury include the State of Ohio, all 88 counties, and metropolitan cities with a population that exceeds 50,000. Currently, direct allocations also include 3 townships in southwest Ohio meeting the population requirement. Allocations for direct recipients can

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<sup>1</sup> Updated August 16, 2021

be found on Treasury's CSLFRF website at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds> .

Smaller local governments, referred to as "Non-Entitlement Units" or NEUs, are also eligible to receive CSLFRF funds which will be passed through the State of Ohio. Information available from the U.S. Department of Treasury related to the NEUs is currently limited but additional allocation and guidance information is anticipated soon and can be found at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund/non-entitlement-units> .

## 2. How do I apply for CSLFRF monies? (July 12, 2021)

Governments receiving funding directly from Treasury (counties and metropolitan cities with populations greater than 50,000) can request funds via the CSLFRF Treasury Submission Portal at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund/request-funding> with the following submission requirements:

1. Jurisdiction name, taxpayer ID number, DUNS Number, and address
2. Authorized representative name, title, and email
3. Contact person name, title, phone, and email
4. Funds transfer information, including recipient's financial institution, address, phone, and routing number and account number
5. Completed certification document (to be signed by the authorized representative)

Jurisdictions must submit a request to receive funding even if they have previously applied for other programs through the Treasury Submission Portal. Eligible jurisdictions will receive further communications regarding the status of their submission via the email address provided in the Treasury Submission Portal.

Recipients should be aware that Treasury has partnered with ID.me, which "provides secure identity proofing, authentication, and group affiliation verification for government and businesses across sectors," per the ID.me [website](#). As part of the submission, an authorized representative will need to create an ID.me account and provide personal identifying information. A smart phone with camera is needed to complete the setup of the account. Below is a list of the verifications and examples of required documentation.

*Items you will need for ID.me account establishment:*

- Smart Phone with Camera
- Laptop or Computer (optional)
- Email Address
- Social Security Number
- Photo ID (Driver's License, Passport, Passport Card or State ID)
- Secondary Identification Documents – 2 needed (Utility Bill, W2 form, Birth Certificate)

NEU's will receive funding through the State of Ohio Office of Budget and Management (OBM), which has already requested funds on behalf of NEUs as part of the State's request process. **NEUs DO NOT need to apply directly with Treasury** as noted above for direct recipients. OBM will determine the request process for Ohio NEUs and communicate the process once available.

**3. Funding for NEUs is limited to 75 percent of the NEU's most recent annual total operating budget, including its general fund and other funds, as of January 27, 2020. What if my approved budget as of that date was only a temporary budget? (July 12, 2021)**

The Ohio Office of Budget and Management (OBM) is the oversight agency for distribution of CSLFRF amounts to NEUs and will be monitoring the 75% cap on funds. While more specific guidance regarding this requirement may be forthcoming from OBM, the U.S. Department of Treasury's [Interim Final Rule](#) for CSLFRF notes that, "States and territories must permit NEUs without formal budgets as of January 27, 2020 to self-certify their most recent annual expenditures as of January 27, 2020 for the purpose of calculating the cap."

**4. As a direct recipient, in order to apply for CSLFRF, can I designate more than one person to access the Treasury Submission portal? Who should that/those person(s) be? (July 12, 2021)**

Only one person needs to apply in the Treasury portal and go through the ID.me process (see below). The Ohio Office of Budget and Management (OBM) recommends the person that will be doing the reporting for the funds be the one that gains access to apply. Two different contacts are needed for the grant, 1) the Authorized Representative that can commit the entity to the funds and 2) the Contact who will be assisting with reporting and managing the funds (who will apply for them as noted above). The Authorized Representative can "docusign" the CSLFRF agreement without having to have access to the portal.

**5. Is an ID.me account required for my entity to obtain CSLFRF funding? What can I do if I am uncomfortable providing the significant amounts of personal information required? (July 12, 2021)**

To the best of our knowledge, ALL DIRECT recipients (counties, metropolitan cities, and 3 townships) are required to have an authorized representative complete the ID.me process to receive funds under this program. While the ID.me program is intended to keep information completely secure, local officials have understandably expressed concerns over having to submit significant personal identifying information to apply for public grant funds. Therefore, the Auditor of State will not take exception to entities who purchase fraud protection for the length of the program for individuals submitting their personal information for application of these funds, assuming the level of coverage is reasonable. At this time, we believe the payment for this coverage must be paid for using local unrestricted funds but we are currently discussing with federal counterparts if this expenditure meets the criteria for an allowable cost under the American Rescue Program Funds. Further information will be forthcoming as a resolution to this issue is determined. Additional information is available via the AOS Advisory Memo [American Rescue Plan Coronavirus State and Local Fiscal Recovery Fund ID.me Submission Requirements and Fraud Protection Insurance](#).

**6. The AOS has noted it will not take exception to entities who purchase fraud protection for the length of the program for individuals submitting their personal information for application of the CSLFRF funds assuming the level of coverage is reasonable. What is considered "reasonable" for these purposes? (July 12, 2021)**

Reasonable is not defined in the Advisory because it can vary by entity, but the amount of funding would not be a determining factor. Since the risk to the person submitting their information to the U.S. Treasury drives the allowance for the policy, what is reasonable would be decided by management and those charged with governance. While purchasing coverage at exorbitant amounts is a concern, one possible way to gauge what is reasonable is to consider what a private individual would purchase for themselves, if required to obtain their own policy, then consider if it needs adjusted for specific factors for that individual. The County should perform an analysis and maintain documentation of why they obtained the dollar amount coverage they purchased and how they determined the amount was reasonable.

**7. What legislation is required to be passed by jurisdictions to receive CSLFRF monies? (July 12, 2021)**

Unlike Coronavirus Relief Funds (CRF), the General Assembly has not passed legislation requiring specific resolutions or ordinances at the local level in order to receive CSLFRF amounts. However, accounting for the monies requires separate accountability and a special revenue fund for CSLFRF (see #9 below and [Bulletin 2021-004](#) for additional information on accounting requirements). Ohio Rev. Code § 5705.09 requires subdivisions to establish separate funds for each class of revenue derived from a source other than the general property tax, which the law (i.e., terms and conditions of a federal program) requires to be used for a particular purpose. While Local governments do not need to seek AOS approval for establishing new funds for COVID-19 federal programs, legislation to create the fund should be approved by the entity's governing board. Additionally, the governing board of direct recipients and NEU's should pass a resolution to apply for and accept ARP funds.

NEUs will also need to follow the requirements and guidance from the State on how to request funding through the program. As noted above, OBM will determine the request process for Ohio NEUs and communicate the process once available.

**8. Are Townships in the State of Ohio eligible for CSLFRF awards? (July 12, 2021, Updated August 16, 2021)**

States are responsible for identifying eligible NEUs under the Treasury's [Guidance on Distribution of Funds to Non-Entitlement Units of Local Government](#). Treasury has identified most of Ohio's Townships as "minor civil divisions" (MCDs). Ohio townships provide a variety of essential governmental services to the millions of Ohioans that live within their boundaries. Ohio Townships have a Fiscal Officer and governing body of trustees, and in some cases a Township Administrator to help plan, coordinate, and implement township goals, all of which illustrates their organizational capacity to accept and manage federal funds. They have effectively spent federal aid provided to them from the state's Coronavirus Relief Funds (CRF) on a broad range of eligible needs and projects that have helped them further support their community. Although Townships in Ohio vary in size and composition, they commonly provide residents with services such as road maintenance, cemetery management, police and fire protection, emergency medical services, solid waste disposal, parks and recreation, and zoning. Despite their variances in budget and size, each Township in Ohio still shares the need to provide COVID-19 mitigation efforts in public owned facilities, support public health and safety, continue vital general government services that risk being cut from losses in public sector revenue, and address negative economic impacts to those small businesses and households within their jurisdiction.

The Ohio General Assembly included townships in the appropriation for NEUs in Section 220.11 of Amended Substitute House Bill 168 of the 134th General Assembly, enacted on June 29, 2021. Due to these facts and circumstances, The State of Ohio has determined that Ohio townships are eligible for nonentitlement unit distributions under ARPA.

For more information, see U.S. Treasury's NEU website for additional information at: [Coronavirus State and Local Fiscal Recovery Funds for Non-entitlement Units of Local Government | U.S. Department of the Treasury](#).

In addition, ARP requires states to make certain information available to NEUs. See OBM's NEU website at: <https://grants.ohio.gov/FundingOpportunityDetails.aspx?detailId=22>

**9. Is a separate fund required for CSLFRF monies received? Can I use my previously established CRF fund? (July 12, 2021)**

Yes, Ohio Rev. Code § 5705.09 requires subdivisions to establish separate funds for each class of revenue derived from a source other than the general property tax, which the law (i.e., terms and conditions of a federal program) requires to be used for a particular purpose. You should not use the existing Coronavirus Relief Fund (CRF) to account for the new American Rescue Plan (ARP) federal programs since they have very different compliance requirements, etc. Even if your CRF money has already been spent and the fund has no balance, the CRF program itself is still active through December 31, 2021 and will be subject to audit and potential oversight even after that date, therefore the CRF fund should not be used to account for any ARP activity. See [Bulletin 2021-004](#) for additional information on accounting requirements.

The Auditor of State will soon be announcing fund numbers to be utilized by local governments on the Uniform Accounting Network (UAN) for CSLFRF awards. UAN users should refer to the Auditor of State's COVID-19 Resources page for this guidance, as it becomes available. The Auditor of State will also notify UAN users of the fund numbers via email.

**10. How should governments account for transactions charged to the new CSLFRF fund? (July 12, 2021)**

The AOS issued [Bulletin 2021-004](#) with information on accounting requirements related to the funding received under ARP. Due to the increasing complexities of accounting for the COVID-19 funding, including reimbursement accounting, the Bulletin discusses, in detail, the following guidelines for accounting for the broad activities of the CSLFRF monies:

- a. Place the Local Fiscal Recovery Fund award (i.e., receipts) into a special revenue fund called the "Local Fiscal Recovery Fund."
- b. Pay costs directly from the special Local Fiscal Recovery Fund as often as practicable. In addition, expenditures related to the replacement of lost revenue can also be recorded as direct charges to the special Local Fiscal Recovery Fund.
- c. Proprietary fund accounting highlights the extent to which charges for services cover the cost of providing goods and services; therefore, all costs should be reflected within the respective proprietary funds. Option b above does not align with the focus of proprietary accounting, meaning recording proprietary fund expenditures in the Local Fiscal Recovery Fund is not practicable. In keeping with proprietary fund accounting, local governments should continue to charge those costs to the appropriate proprietary funds. The local government can use a billing/revenue reallocation process to redistribute the Local Fiscal Recovery revenue. This reallocation process is further explained in [Bulletin 2021-004](#).
- d. An appropriation for the newly created special Local Fiscal Recovery Fund is effectively created by operation of Ohio Rev. Code §5705.42 as Federal and State grants or loans are "deemed appropriated" for such purpose by the taxing authority as provided by law under this section. In addition, those moneys are also treated as if they are in the process of collection by the fiscal officer of the subdivision. This means that under Ohio Rev. Code §5705.42, the moneys are treated by the fiscal officer as if they have been appropriated for a specific purpose, without requiring the taxing authority to adopt an amended appropriation measure. However, other budgetary considerations require additional filings with the County Auditor/Fiscal Officer. Please refer to [Bulletin 2021-004](#).



**Do projects or expenditures require prior approval by Treasury? (July 12, 2021)**

No. The U.S. Department of Treasury clarified in [FAQ #4.5](#) that recipients are not required to submit planned expenditures for prior approval by Treasury. Recipients are subject to the requirements and guidelines for eligible uses contained in the Interim Final Rule. AOS is encouraging recipients to carefully read and consider the Treasury Guidance available at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds> prior to making expenditures. Additionally, the AOS recommends that each government entity accepting ARP funds clearly document their rationale for each expenditure of ARP funds, ideally through legislation passed by the entity's legislative body explaining how the expenditure meets the legal requirements of ARP. To aid in our future audit work, we also ask that each expenditure be carefully tracked and documented.

**What is the reduction in revenue calculation? (July 12, 2021)**

The Interim Final Rule describes the calculation process as a four-step process:

- Step 1: Identify 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.
- Step 2: Estimate counterfactual revenue, which is equal to base year revenue  $\times [(1 + \text{growth adjustment})^{(n/12)}]$ , where n is the number of months elapsed since the end of the base year to the calculation date, and growth adjustment is the greater of 4.1 percent and the recipient's average annual revenue growth in the three full fiscal years prior to the COVID-19 public health emergency.
- Step 3: Identify actual revenue, which equals revenues collected over the past twelve months as of the calculation date.
- Step 4: The extent of the reduction in revenue is equal to counterfactual revenue less actual revenue. If actual revenue exceeds counterfactual revenue, the extent of the reduction in revenue is set to zero for that calculation date.

AOS has put together a Revenue Loss worksheet to assist in the calculation of revenue reduction based on the above process which is available [here](#).

**For the purposes of calculating revenue loss, should a temporary sales tax in place during the base year but subsequently phased out be considered a part of sales tax revenue? (August 16, 2021)**

Yes. The Appendix to Treasury's [FAQs](#) includes taxes under "Tax Revenue." Further, the [Interim Final Rule](#) states, "Although revenue may decline for reasons unrelated to the COVID-19 public health emergency, to minimize the administrative burden on recipients and taking into consideration the devastating effects of the COVID-19 public health emergency, any diminution in actual revenues relative to the counterfactual pre-pandemic trend would be presumed to have been due to the COVID-19 public health emergency." Regardless of the short-term status, this revenue source would be included in the revenue loss calculation.

**For the purposes of calculating revenue loss, should refunds from the Bureau of Workers' Compensation be included as revenue? (August 16, 2021)**

No. Treasury FAQ 3.1 and the Appendix to Treasury's [FAQs](#) specify that revenue is *net of refunds*.

6. **The Interim Final Rule generally aligns eligible uses of the Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance through the Environmental Protection Agency's Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF). What are some eligible projects and where can I find additional information on these programs? (July 12, 2021)**

Under the DWSRF, categories of eligible projects include: treatment, transmission and distribution (including lead service line replacement), source rehabilitation and decontamination, storage, consolidation, and new systems development. Information regarding the DWSRF program is available at <https://www.epa.gov/dwsrf/drinking-water-state-revolving-fund-eligibility-handbook>.

Under the CWSRF, categories of eligible projects include: construction of publicly-owned treatment works, nonpoint source pollution management, national estuary program projects, decentralized wastewater treatment systems, stormwater systems, water conservation, efficiency, and reuse measures, watershed pilot projects, energy efficiency measures for publicly-owned treatment works, water reuse projects, security measures at publicly-owned treatment works, and technical assistance to ensure compliance with the Clean Water Act. Additional information regarding CWSRF projects is available at <https://www.epa.gov/cwsrf/learn-about-clean-water-state-revolving-fund-cwsrf#eligibilities>.

7. **Can CSLFRF funds be used to fund infrastructure projects other than water, sewer, or broadband such as road improvements? (July 12, 2021, updated August 16, 2021)**

While the ARP specifically allows water, sewer, and broadband projects as part of the CSLFRF program, it also allows recipients to use payments from the CSLFRF for the provision of government services to the extent of the reduction in revenue experienced due to the COVID-19 public health emergency (see #3 above for additional information on that calculation). Road maintenance and improvements would be considered a government service and is likely an allowable expense under the Revenue Loss allowable use section. See Treasury FAQ #3.8, as well as Treasury's [Interim Final Rule](#), [Frequently Asked Questions \(FAQs\)](#), [Fact Sheet](#), and a [Quick Reference Guide](#).

Additionally, Treasury FAQ #6.15 clarifies that recipients may use CSLFRF for road repairs and upgrades directly related to an eligible water or sewer project. For example, CSLFRF may be used to repair or re-pave a road following eligible sewer repair work beneath it. If an eligible water and sewer infrastructure project is a single component of a broader infrastructure project, only the components of the project that interact directly with the eligible water and sewer infrastructure project may be funded with CSLFRF.

8. **Can CSLFRF funds be used to fund water, sewer, or broadband infrastructure projects that had been initiated prior to March 3, 2021? (July 12, 2021)**

Treasury guidance indicates CSLFRF awards are forward looking for costs from March 3, 2021, with a specific exception for retro premium pay, which is allowable for the pandemic period. 31 CFR Part 35 (codified Interim Final Rule) 2021-10283.pdf (govinfo.gov) includes some clarification:

*§ 35.5 Use of funds*

- (a) In General. A recipient may only use funds to cover costs incurred during the period beginning March 3, 2021, and ending December 31, 2024, for one or more of the purposes enumerated in sections 602(c)(1) and 603(c)(1) of the Social Security Act, as applicable, including those enumerated in section § 35.6 of this subpart, subject to the restrictions set forth in sections 602(c)(2) and 603(c)(2) of the Social Security Act, as applicable.



- (b) Costs incurred. A cost shall be considered to have been incurred for purposes of paragraph (a) of this section if the recipient has incurred an obligation with respect to such cost by December 31, 2024.

*Section III. D. Timeline for Use of Fiscal Recovery Funds, footnote 173 states:*

- a. Given the nature of this program, recipients will not be permitted to use funds to cover pre-award costs, i.e., those incurred prior to March 3, 2021.

If the obligations for the costs or portions of the costs of the project(s) were incurred prior to March 3, 2021, those obligated costs would be considered incurred and are not within the covered period. On the other hand, if the entity did not incur obligations for the costs or portions of the costs of the project(s) prior to March 3, 2021, those costs may still be incurred during the covered period. Recipients may use Coronavirus State and Local Fiscal Recovery Funds to cover costs incurred for eligible projects planned or started prior to March 3, 2021, provided that the project costs covered by the Coronavirus State and Local Fiscal Recovery Funds were incurred after March 3, 2021. We recommend you work with your legal counsel to evaluate the specifics of the project, awards and guidelines.

The U.S. Department of Treasury has issued several documents to assist jurisdictions in administering CSLFRF awards, including the [Interim Final Rule](#), [Frequently Asked Questions \(FAQs\)](#), [Fact Sheet](#), and a [Quick Reference Guide](#).

**9. May Coronavirus State and Local Fiscal Recovery Funds be used to make loans or other extensions of credit (“loans”), including loans to small businesses and loans to finance necessary investments in water, sewer, and broadband infrastructure? (August 16, 2021)**

Yes. Treasury has clarified in [FAQ #4.11](#) that CSLFRF awards may be used to make loans, provided the loan is an eligible use and the cost of the loan is tracked and reported, as detailed below. Consistent with all CSLFRF activity, funds must be used to cover costs incurred by the recipient between March 3, 2021 and December 31, 2024 and must be expended by December 31, 2026.

- For loans that mature or are forgiven on or before December 31, 2026:
  - Recipient must account for the use of funds on a cash flow basis.
    - Recipients may use CSLFRF to fund the principal of the loan and in that case must track repayment of principal and interest.
    - When the loan is made, recipients must report the principal of the loan as an expense.
    - Repayment of principal may be re-used only for eligible uses, and is subject to restrictions on timing of use of funds. Interest payments received prior to the end of the period of performance will be considered an addition to the total award and may be used for any purpose that is an eligible use of funds under the statute and Interim Final Rule.
- For loans that mature after December 31, 2026:
  - The recipient may use CSLFRF for only the projected cost of the loan. Recipients may estimate the subsidy cost of the loan, which equals the expected cash flows associated with the loan discounted at the recipient’s cost of funding. Treasury FAQ #4.11 details the methods by which a recipient may determine the subsidy cost of the loan.
  - Recipients are not subject to program income restrictions (2 CFR 200.307(e)(1)) and need not separately track repayment of principal or interest.
  - Any contribution of CSLFRF to a revolving loan fund must follow the approach described above for loans with maturities longer than December 31, 2026. A recipient could contribute SLFRF to a revolving loan fund, provided that the revolving loan fund makes loans that are eligible uses and

the CSLFRF contributed represent the projected cost of loans made over the life of the revolving loan fund.

## Reporting

### 1. What reports will be required for direct recipients and when will they be due? (*July 12, 2021, updated August 16, 2021*)

Treasury has noted in [FAQ #9.2](#) that recipients will be required to submit an interim report, quarterly project and expenditure reports, and annual recovery plan performance reports as specified below, regarding their utilization of Coronavirus State and Local Fiscal Recovery Funds.

- *Interim reports:* The interim report will include a recipient's expenditures by category at the summary level and for states, information related to distributions to NEUs must also be included in the interim report. The interim report will cover activity from the date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021.
- *Quarterly Project and Expenditure reports:* This report will include financial data, information on contracts and subawards over \$50,000, types of projects funded, and other information regarding a recipient's utilization of award funds. Reports will be required quarterly with the exception of NEUs, which will report annually. An interim report is due on August 31, 2021. The reports will include the same general data as those submitted by recipients of the Coronavirus Relief Fund, with some modifications to expenditure categories and the addition of data elements related to specific eligible uses. The initial quarterly Project and Expenditure report will cover two calendar quarters from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent quarterly reports will cover one calendar quarter and must be submitted to Treasury within 30 days after the end of each calendar quarter.
- *Recovery Plan Performance reports:* Direct recipients with a population that exceeds 250,000 residents will also be required to submit an annual recovery plan performance report to Treasury. This report will include descriptions of the projects funded and information on the performance indicators and objectives of each award, helping local residents understand how their governments are using the substantial resources provided by CSLFRF program. The initial recovery plan performance report will cover activity from date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021. Thereafter, the recovery plan performance reports 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. The second Recovery Plan Performance report will cover the period from July 1, 2021 to June 30, 2022 and must be submitted to Treasury by July 31, 2022. Each annual recovery plan performance report must be posted on the public-facing website of the recipient. Local governments with fewer than 250,000 residents, Tribal governments, and NEUs are not required to develop a Recovery Plan Performance report. To ease the burden of creating the Recovery Plan Performance report, Treasury released a shell which may, but is not required to, be used as a starting point. The shell can be found here: [Recipient Compliance and Reporting Responsibilities](#). However, each jurisdiction may determine the general form and content of the Recovery Plan Performance Report as long as it meets the minimum requirements noted in the [SLFRF Compliance and Reporting Guide](#).

Treasury provided the following table in the [SLFRF Compliance and Reporting Guide](#) which illustrates reporting requirements by recipient type:

**Table 2: Reporting requirements by recipient type**

Recipient	Interim Report	Project and Expenditure Report	Recovery Plan Performance Report
States, U.S. territories, metropolitan cities and counties with a population that exceeds 250,000 residents	By August 31, 2021, with expenditures by category	By October 31, 2021, and then 30 days after the end of each quarter thereafter <sup>9</sup>	By August 31, 2021, and annually thereafter by July 31 <sup>10</sup>
Metropolitan cities and counties with a population below 250,000 residents which received more than \$5 million in SLFRF funding			Not required
Tribal Governments		By October 31, 2021, and then annually thereafter <sup>11</sup>	
Metropolitan cities and counties with a population below 250,000 residents which received less than \$5 million in SLFRF funding			
NEUs	Not required		

**2. What reports will be required for NEUs and when will they be due? (July 12, 2021)**

[Treasury FAQ](#) #9.2 says NEUs will be required to submit the project and expenditure report annually (see #1 above). The initial annual Project and Expenditure report for NEUs will cover activity from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent annual reports must be submitted to Treasury by October 31 each year.

**3. If a recipient has received funding as of July 31, 2021 but has not incurred obligations or expenditures as of the end of the reporting period, what are the reporting requirements? (August 16, 2021)**

According to [Treasury's Portal for Recipient Reporting SLFRF](#):

Interim Report: Recipients should submit a report showing no (\$0) obligations or expenditures have yet been incurred. If no projects have been established as of the end of the reporting period, no project level reporting is required in the Interim report.

Recovery Plan: Recipients should submit a Recovery Plan describing the planned approach to the use of funds and planned projects.

There is no requirement for the Recovery Plan to be approved by the governing board. Further, the Recovery Plan will be updated on an annual basis and is anticipated to be fluid throughout the period of performance of the grant based on actual outcomes, changing needs, and the trajectory of the pandemic.

**4. If a recipient has not received funding as of July 15, 2021, what are the reporting requirements? (August 16, 2021)**

According to [Treasury's Portal for Recipient Reporting SLFRF](#), recipients that have not received funding as of July 15, 2021 must submit an Interim Report and Recovery Plan (if applicable) within 60 days of receiving funding.

## Single Audit Requirements

### 1. What is the Assistance Listing number for the CSLFRF program? (July 12, 2021)

The Assistance Listing number (formerly CFDA number) assigned to the program is 21.027, according to [Treasury FAQ #9.5](#). Further, the FAQ notes “The assistance listing includes helpful information including program purpose, statutory authority, eligibility requirements, and compliance requirements for recipients. The CFDA number is the unique 5-digit code for each type of federal assistance, and can be used to search for program information, including funding opportunities, spending on [usaspending.gov](#), or audit results through the Federal Audit Clearinghouse.”

Treasury also indicates in FAQ #9.5 that “to expedite payments and meet statutory timelines, Treasury issued initial payments under an existing CFDA number. If you have already received funds or captured the initial CFDA number in your records, please update your systems and reporting to reflect the final CFDA number 21.027. Recipients must use the final CFDA number for all financial accounting, audits, subawards, and associated program reporting requirements.” This change applies ONLY to funds received under the CSLFRF program.

Despite perceived similarities between the CRF and CSLFRF the allowable uses ARE NOT THE SAME. As always, be sure to review your grant documents for the proper assistance listing number as well as any terms and conditions of the grant.

### 2. Is the CSLFRF program subject to Single Audit and Uniform Guidance (UG) requirements? (July 12, 2021)

Treasury guidance thus far only indicates that “most” of the provisions of the Uniform Guidance (2 CFR Part 200) will apply to this program including the Cost Principles and Single Audit Act requirements. While this guidance is clearly not specific, Treasury has advised in [FAQ #9.3](#) “recipients should refer to the Assistance Listing for detail on the specific provisions of the Uniform Guidance that do not apply to this program.”

Assistance Listings (formerly CFDA) for the program are now available on [SAM.gov](#) and include the following “Compliance Requirements”:

#### *Policy Requirements:*

The following 2CFR policy requirements apply to this assistance listing:

- Subpart B, General provisions
- Subpart C, Pre-Federal Award Requirements and Contents of Federal Awards
- Subpart D, Post Federal; Award Requirements
- Subpart E, Cost Principles
- Subpart F, Audit Requirements

The following 2CFR policy requirements are excluded from coverage under this assistance listing:

- Not Applicable

*Additional Information:* The following 2 CFR Policy requirements also apply to this assistance listing: 2 C.F.R. Part 25, Universal Identifier and System for Award Management; 2 C.F.R. Part 170, Reporting Subaward and Executive Compensation Information; and 2 C.F.R. Part 180, OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement). The following 2 CFR Policy requirements are excluded from coverage under this assistance listing: For 2 CFR Part 200, Subpart C, the following provisions do not apply to the SLFRF program: 2

C.F.R. § 200.204 (Notices of Funding Opportunities); 2 C.F.R. § 200.205 (Federal awarding agency review of merit of proposal); 2 C.F.R. § 200.210 (Pre-award costs); and 2 C.F.R. § 200.213 (Reporting a determination that a non-Federal entity is not qualified for a Federal award). For 2 CFR Part 200, Subpart D, the following provisions do not apply to the SLFRF program: 2 C.F.R. § 200.308 (revision of budget or program plan); 2 C.F.R. § 200.309 (modifications to period of performance); C.F.R. § 200.305 (b)(8) and (9) (Federal Payment)

**3. Does the ARP allow for any Single Audit filing or deadline extensions? (July 12, 2021)**

The ARP does not include any extensions to the single audit deadline but an automatic six-month extension has been granted by the U.S. Office of Management and Budget (OMB) via [Memo M-21-20](#) for local governments with fiscal year ends through July 12, 2021 that had not filed their single audits as of March 19, 2021. Recipients and subrecipients should maintain documentation of the reason for the delayed filing. Details of that extension can be found here - [https://ohioauditor.gov/resources/covid19/Single\\_Audit\\_Extension\\_Dates.pdf](https://ohioauditor.gov/resources/covid19/Single_Audit_Extension_Dates.pdf).

**4. How do assistance listing numbers (ALNs) (formerly CFDA) with alpha codes impact reporting of Department of Education programs on the Schedule of Expenditures of Federal Awards (SEFA) and Data Collection Form (DCF)? (August 16, 2021)**

The Department of Education requires recipients identify on their SEFA and DCF (1) whether the program is novel coronavirus 2019 (COVID-19) relief assistance and (2) the subprogram Assistance Listing Number (ALN) alpha.

For reporting within the SEFA section of the DCF, the following should be included in Column C “Additional Award Identification”:

- For COVID-19 relief assistance programs *without* an ALN alpha:
  - “COVID-19” should be included in Column C
- For COVID-19 relief assistance programs *with* an ALN alpha:
  - “Covid-19, [ALN][Alpha]” should be included in Column C
    - For example, if an entity received ESSER under ALN 84.425D, Column C would show “COVID-19, 84.425D”
- For relief assistance programs *with* an ALN alpha which are *not* COVID-19 relief assistance:
  - “[ALN][Alpha]” should be included in Column C
    - For example if an entity received Title I Grants to Local Educational Agencies under ALN 84.010A, Column C would show “84.010A”

	a	b	c	d
	CFDA #		Additional Award Identification <sup>3</sup>	Federal Program Name
Row Number (auto-generated)	Federal Awarding Agency Prefix	CFDA Three-Digit Extension <sup>2</sup>		

This guidance is applicable for all single audit submissions that include Department of Education programs on or after Monday, August 9, 2021.