



PANDEMIC RECOVERY OFFICE

One Capitol Hill, 4th Floor
Providence, RI 02908-5890

Office: (401) 222-2280

Paul L. Dion, Ph.D.

Director

State Fiscal Recovery Fund - Frequently Asked Questions

Last Revised: June 2022

1. What is the Pandemic Recovery Office (PRO)?

PRO is part of the Department of Administration and serves as the central office for reporting and compliance for the American Rescue Plan Act (ARPA) State Fiscal Recovery Fund (SFRF), Coronavirus Capital Projects Fund (CPF), Emergency Rental Assistance (ERA), Homeowner Assistance Fund (HAF), and the State Small Business Credit Initiative (SSBCI).

PRO is responsible for:

- Ensuring all uses of federal stimulus funds by state government comply with federal requirements
- Collaborating with state agencies to develop performance metrics that align with the legislative intent of the SFRF appropriations
- Providing expenditure information and performance metrics to U.S. Treasury, the Legislature, the public and other stakeholders on SFRF-funded projects
- Informing stakeholders on how funds are used to address the short- and long-term effects of the pandemic
- Providing guidance and support to municipalities on the uses of federal stimulus funds

You can find more information on PRO at pandemicrecovery.ri.gov.

2. What is the SFRF?

ARPA provided Rhode Island with \$1.13 billion through the SFRF to:

- Respond to the COVID-19 public health emergency
- Address the pandemic's negative economic impacts on households, small businesses, impacted industries and nonprofits
- Support services to disproportionately impacted communities
- Provide premium pay for eligible workers performing essential work
- Invest in water, sewer and broadband infrastructure
- Replace lost public sector revenue

3. How much of the \$1.13 billion has been appropriated?

The General Assembly has approved two tranches of SFRF funds: \$119 million through the [RI Rebounds legislation](#) in January 2022 and \$545 million through [Article 1, Section 16 of the FY 2023 Appropriations Act](#).

4. How do I know if my agency received any SFRF funding?

After the General Assembly passed the RI Rebounds legislation, PRO sent an email to each agency director, chief of staff, and chief financial officer receiving funds that included: the name of each



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funded project, the amount appropriated for each project and next steps. PRO will use the same notification process for projects funded in the FY 2023 budget.

5. Can my agency begin spending SFRF funds or soliciting vendors immediately after the FY 2023 budget is passed?

No, PRO must first approve every project that is to be funded with SFRF. Additionally, agencies cannot begin the procurement process, including RFPs, until an approval notice is issued by the PRO. Once a project receives final approval from PRO, PRO will send a final approval notice for each project to an agency containing the requisite information needed to draw down funds and commence spending on a project.

6. What is the PRO approval process?

The PRO approval process begins with the **Reporting and Compliance Form**. The Reporting and Compliance Form, which will be sent by PRO to agencies, captures all programmatic, budget and performance information required by the U.S. Treasury and in compliance with the State and Local Fiscal Recovery Fund final rule. Agencies must complete a Reporting and Compliance Form for every SFRF-financed project.

Once the agency has completed a draft Reporting and Compliance Form, the agency will contact the relevant PRO project lead (*see list in question 19*) to schedule a review meeting. PRO project leads will review the draft Reporting and Compliance Form and assist agency staff to ensure the form is completed as required.

After the initial review meeting with its PRO project lead, the agency will revise the form as needed and resubmit it to the PRO project lead. Upon receipt of the revised Reporting and Compliance Form, the PRO project lead will schedule an internal review meeting with PRO staff, including the Director of PRO. After the project clears this review, the PRO project lead will schedule a final review meeting when the agency and the PRO project lead will present the project to the PRO group, as well as representatives from the Division of Purchases, the Grants Management Office and the Governor's Office's Policy Team.

In addition to the final Reporting and Compliance Form, agencies are required to submit:

- A signed [Memorandum of Agreement](#) (MOA) with PRO for all SFRF-financed projects

At the end of this process, PRO will send the agency an approval notice.

7. If I need assistance completing my agency's Reporting and Compliance Form what resources are available?

Your PRO project lead (*see list in question 19*) is available to answer your questions. Additionally, PRO made available a [series of videos on how to fill out the form](#).

8. What is included in my agency's approval notice?



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Attached to the approval notice will be:

- Your project's approved Reporting and Compliance Form
- Accounting information (line item sequence, natural account and project code)
- Next steps for implementation into the Grants Management System
- Reminders about the financial and performance reporting requirements (*see question 13*)
- Draft subaward agreement with the SFRF requirements
- A subrecipient v. contractor determination tool

9. Once my agency receives its approval notice, are the SFRF funds made available?

Yes.

10. How does my agency properly account for its SFRF expenditures?

Agency financial staff must use the assigned line item sequence(s), natural account(s) and project code when submitting requisitions, journal entries and purchase orders. The line item sequence(s), natural account(s) and project code are provided in the approval notice and are used to accurately capture the financial information for reporting to U.S. Treasury and other stakeholders.

Requisitions, journal entries and purchase orders not aligned with the approval notice will be rejected.

11. Can my agency use SFRF funds to cover the administrative costs for my project?

State agencies may not charge indirect administrative costs to SFRF awards. Direct administrative expenses are allowable. For more information, please review the Pandemic Recovery Office's [SFRF Administrative Costs policy](#).

12. What are the spending deadlines for my agency's SFRF projects?

U.S. Treasury requires that all funds be obligated by December 31, 2024 (included in the FY 2025 budget) and fully expended by December 31, 2026. Unexpended monies as of January 1, 2027, may be subject to recapture by U.S. Treasury.

In accordance with 2 CFR § 200.71, obligation means "orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period."

13. What are the reporting requirements after my project has been approved?

Key Performance Indicators: Your agency must provide monthly performance measurement reports based on the key performance indicators (KPIs) that are agreed to in the approved Reporting and Compliance Form. A key element of SFRF is the requirement that the use of funds be aligned with performance measurement strategies to demonstrate whether a project achieves its intended outcomes. For more information, please download [PRO's KPI policy](#).



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- i. State agencies: KPIs are provided by the 8th of each month for the prior month's performance.
- ii. Quasi-state agencies: KPIs are provided by the 12th of each month for the prior month's performance.

Financial Information: Entities that are **outside the RIFANS accounting system** must submit a monthly financial report to PRO the 12th of every month for the prior month's expenditures. This cadence enables PRO to meet its requirements for PRO's transparency portal and U.S. Treasury reports. During the approval process, PRO will provide instructions for individual agencies on how best to collect this information.

Additional Data: As described in the final review meeting, additional details may be needed for state or federal compliance requirements. For example, agencies may need to provide a list of recipients by industry, location or other classifications. During the approval process, PRO will provide instructions for individual agencies on how best to collect this information.

U.S. Treasury Quarterly Reports: PRO and the Grants Management Office (GMO) will meet with agencies to review these forms. PRO and GMO have developed a template that will be distributed to agencies each quarter. PRO project leads will fill in the information collected in the Reporting and Compliance Forms. Agencies will be asked to review and verify the performance and financial information each quarter.

14. What are the different types of recipients to whom my agency will provide funding as part of the SFRF project?

There are effectively three types of recipients of SFRF funds:

Beneficiary: An individual or entity that receives funds for the purpose of directly benefitting the individual or entity as a result of experiencing a public health impact or negative economic impact from the COVID-19 pandemic. For SFRF, beneficiaries are individuals, households, small businesses, impacted industries or nonprofits that can receive assistance based on impacts of the pandemic that they experienced. Beneficiaries are determined by the PRO.

Contractor: A contractor is an entity that provides a good or service to a beneficiary on behalf of the State. Contractors are more akin to an "intermediary" than a program administrator. A contractor executes a SFRF project on behalf of the State, with the State determining the details of the project. Compliance with U.S. Treasury SFRF requirements remains the responsibility of the State. An example of a contractor is a fiscal intermediary making payments to individuals as part of a program administered by a state agency.

Subrecipient: A subrecipient is an entity that is responsible for carrying out part of a federal award received by the State. Typically, subrecipients design and implement their own program. Subrecipients require risk assessments, subaward agreements and active subrecipient monitoring. The subaward agreement to a subrecipient passes down the compliance responsibility from the



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State/state agency to that entity. Agencies are responsible for monitoring that entity to ensure the agreements of the subaward agreement are being met.

- i. Subaward: A subaward is an award of SFRF funds by your agency to a subrecipient for that entity to carry out part of your SFRF-financed project.

An example of a subrecipient is the State providing funds for a project to a nonprofit organization for a specific purpose, but the organization is allowed to determine eligibility, timing, etc.

15. Who is responsible for the determination between subrecipients and contractors? How do I determine if the vendor I've selected is a contractor or a subrecipient?

Agencies are responsible for making the determination as to whether a vendor is a subrecipient or a contractor. During the approval process, the PRO will make a determination as to whether the recipient of SFRF funds is a beneficiary or not.

Agencies must use the [Subrecipient v. Contractor Determination Tool](#) on the PRO's website for assistance. A completed Determination Tool must be submitted for every vendor selected.

16. If my project involves a subaward, what additional information is needed?

Agencies should utilize the subaward agreement template provided by the PRO in the approval notice. The template contains the requirements according to SFRF rules and regulations and the U.S. Office of Management and Budget's Uniform Guidance. Additionally, if an agency selects a vendor as a subrecipient, they must complete a [risk assessment](#), as required in 2 CFR 200.

The project framework presented in the Reporting and Compliance Form will determine compliance with SFRF rules and regulations and the Uniform Guidance by the PRO. Agencies must ensure the subaward agreement with subrecipients reflect the project outlined in the Reporting and Compliance Form. Agencies may not change the framework of the project after signing the Reporting and Compliance Form without approval from PRO.

The agency will be responsible for oversight and management of all subrecipients and subcontractors and must enter into formal agreements for any portion of the SFRF funds awarded.

17. What are the KPIs for my project?

KPIs for each project are established as part of the approval process and can be found in the approved Reporting and Compliance Form.

U.S. Treasury has two KPI categories:

- **U.S. Treasury-defined KPIs:** Specific federally required metrics
- **State KPIs:** Required metrics that are determined by your agency in consultation with PRO as part of the project approval process.

For more information, please see [PRO's KPI policy](#).



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18. Where will the KPIs and expenditure information for my projects be displayed?

Both U.S. Treasury-defined KPIs and State KPIs will be reported annually in the U.S. Treasury-required Recovery Plan. U.S. Treasury-defined KPIs (but not State KPIs) will be reported quarterly in the U.S. Treasury-required Project and Expenditure Reports.

Expenditure information will be provided in the reports listed above, as well as the PRO’s SFRF transparency portal that is updated monthly.

19. Who is my point of contact for my agency’s project?

The PRO will send an introductory email to each agency implementing an SFRF-financed project. If you have further questions or are ready for the Reporting and Compliance Form to be reviewed, please contact the corresponding PRO project lead below:

Name	Email	Agencies
Pheamo Witcher	pheamo.r.witcher@doa.ri.gov	Office of Housing and Community Development Rhode Island Housing
Nick Fanuele	nick.fanuele@doa.ri.gov	Executive Office of Health and Human Services Department of Human Services Department of Children, Youth and Families HealthSource Rhode Island Department of Behavioral Healthcare, Developmental Disabilities and Hospitals Department of Public Safety Department of Health Office of the Health Insurance Commissioner
Reily Connaughton	reily.s.connaughton@doa.ri.gov	Executive Office of Commerce Department of Labor and Training Department of Corrections Department of Administration

If you do not see your agency listed above, please contact Reily Connaughton, Chief of Staff at reily.s.connaughton@doa.ri.gov.