



State Fiscal Recovery Fund Project Implementation

Pandemic Recovery Office

June 22, 2022

**RHODE
ISLAND**

Pandemic Recovery Office (PRO) Approval Process

Before an agency begins spending SFRF funds or soliciting vendors for projects, PRO must first approve every project that is to be funded with State Fiscal Recovery Funds (SFRF).

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

- Agencies will receive a Reporting and Compliance Form for each SFRF project from the PRO

Today we will be reviewing the Reporting and Compliance Form.

- First, we will walk through a few terms to ensure agency finance/program leads understand the requirements.

U.S. Treasury Expenditure Categories (EC)

The Reporting and Compliance Form filters the various requirements from U.S. Treasury based on the Expenditure Category that the PRO determines your project falls under.

Public Health

- COVID Testing, contact tracing, behavioral health services, etc.

Negative Economic Impacts

- Household assistance, aid to small businesses and impacted industries, affordable housing, etc.

Public Sector Capacity

Premium Pay

Infrastructure: Water, Sewer, Broadband

Revenue Replacement*

- Every SFRF project must contain the following justification: The impact from the pandemic (demonstrated with data from the relevant time period) and how your related and reasonably proportional intervention addresses it.
- PRO will select the EC for your project.
- Not every project will have the same requirements.

Key Performance Indicators (KPIs)

Unlike for the CARES Act's Coronavirus Relief Fund (CRF), U.S. Treasury requires key performance indicators for all SFRF-financed projects.

U.S. Treasury Specific KPIs

- Based on the chosen Expenditure Category, U.S. Treasury requires certain output KPIs.
- Example: Number of small businesses served, number of affordable housing units created

State Determined KPIs

- U.S. Treasury also requires that states create and report their own KPIs for each project. These must include output and outcome KPIs.
- Example: Number of children enrolled in an early learning program, number of children reading at grade level

Reporting Requirements

- U.S. Treasury requires states to submit quarterly reports on **State determined KPIs** and **U.S. Treasury specific KPIs and outcome measures**
- **KPIs:** Monthly performance measurement reports are required for the KPIs in the approved Reporting and Compliance Form
 - State agencies must submit by the **8th of each month** for the prior month's performance
 - Quasi-state agencies must submit by the **12th of each month** for the prior month's performance
- **Financial Information:** Entities outside RIFANS must submit a monthly financial report to PRO by the **12th of each month** for the prior month's expenditures

Reporting Requirements (cont.)

- **Additional Demographic Data:** Examples may include a list of recipients by industry, location or other classifications
 - During the SFRF approval process, PRO will provide instructions on how best to collect this information
- **U.S. Treasury Quarterly Reports:** PRO and the Grants Management Office have developed a template that will be distributed each quarter
 - PRO project leads will fill in information from the Reporting and Compliance Form
 - Agencies must review and verify the performance and financial information each quarter

Three Types of SFRF Recipients

Beneficiary

A direct benefit as a result of the public health impact or negative economic impact from the pandemic

- ✓ Includes individuals, households, small businesses, impacted industries or nonprofits
- ✓ Beneficiaries are determined by PRO

Contractor

Provides a good or service to a beneficiary

- ✓ More akin to an intermediary than a program administrator
- ✓ Executes a project on behalf of the State, with the State determining project details
- ✓ Ex: A fiscal intermediary making payments to individuals as part of an SFRF project

Subrecipient

Responsible for carrying out part of an SFRF project

- ✓ Design and implement their own program
- ✓ Require risk assessments, subaward agreements and active monitoring
- ✓ Ex: A nonprofit receives SFRF funds for a specific purpose but is allowed to determine eligibility, timing, etc.

Subrecipient v. Contractor Determination

While PRO determines whether a recipient is a beneficiary during the approval process, agencies must determine whether a vendor is a subrecipient or contractor using the determination tool on PRO's website

- PRO will provide agencies a subaward agreement template in the approval notice that contains the requirements according to SFRF rules and regulations and U.S. OMB's Uniform Guidance
- 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.
- If an agency selects a vendor as a subrecipient they must complete a risk assessment
- The agency is responsible for oversight and management of all subrecipients and subcontractors and must enter into formal agreements for any portion of the SFRF funds awarded

PRO Approval Notice

After your Reporting and Compliance Form is complete and Dir. Dion has signed it, PRO will issue an approval notice with the following:

- Final Reporting and Compliance Form
- Accounting information (line item sequence, natural account, project code)
- Subaward agreement template (if necessary)
- Subrecipient v. contractor determination form
- Subrecipient risk assessment tools
- Signed Memorandum of Agreement