




American Rescue Plan
Grant Implementation: Getting
Started

Kansas Office of Recovery

July 14, 2021

Questions Being Answered Today

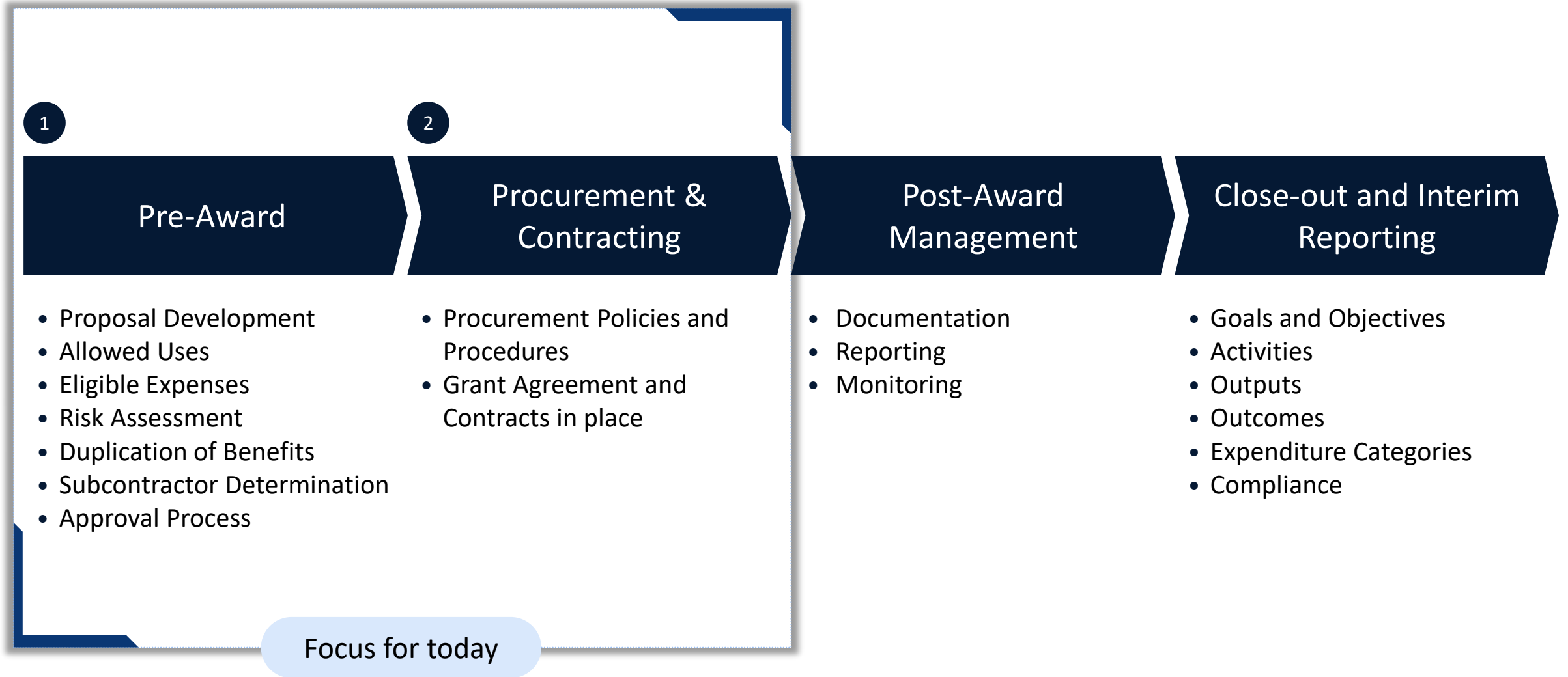


1. What steps should be taken before expending an award?

2. What documentation standards should be considered?

3. What are immediate next steps to consider?

Program Design Flow





Pre-Award Considerations

1

Evaluate allowability of proposed project

2

Establish an approval process and implementation timeline

3

Perform Debarment Inquiry/Check

4

Have and follow written procurement policies/procedures/Internal Controls

5

Perform risk assessment and duplication of benefits analysis

Considerations for Proposal Development



Who, internally, will **administer and oversee use of funds?**
Including determining allowability



How will funds be **administered and monitored?**



What **processes will be used** to communicate, capture data, identify direct and indirect costs, and develop reporting and performance measures, metrics and standards?



What **written policies and procedures** are in place or need to be updated?
E.g., allowability of costs, procurement, conflict of interest, property standards, records retention etc.



Allowability Assessment



- Determine the Exact Proposed Use of the Funds



- Assess Allowability Utilizing resources such as:
 - The Interim Final Rule,
 - Treasury FAQ's,
 - Other available guidance



- Document the assessment and final determination (including those involved)



- Retain documentation of allowability determination

Allowability Assessment Example: Family Cash Assistance Proposal

Example of Documented Allowability Determinations and Considerations

- This program is eligible based on interpretation of the FAQs and the Interim Final Rule (IFR) from the Treasury
- The proposed funding amount (\$1,500) per family is in-line with the IFR definition of reasonable, which is based on the amounts previously provided by the Federal Government in response to the COVID-19 crisis
- Additionally, funds from this program would target those impacted by COVID/ considered low-income

Analysis utilizing the Interim Final Rule and FAQ guidance

2.6. May recipients use funds to respond to the public health emergency and its negative economic impacts by providing direct cash transfers to households?

*Yes, provided the recipient considers whether the household has **experienced a negative economic impact from the pandemic. Additionally, cash transfers must be proportional to the negative economic impact they are intended to address.** When considering appropriate size of permissible cash transfers take guidance from the per person amounts previously provided by the federal government in response to the COVID crisis.*

***Assistance to households or populations facing negative economic impacts due to COVID-19 is also an eligible use.** This includes: food assistance; rent, mortgage, or utility assistance; counseling and legal aid to prevent eviction or homelessness; cash assistance; emergency assistance for burials, home repairs, weatherization, or other needs; internet access or digital literacy assistance; or job training.*

***A recipient must consider whether, and the extent to which, the household has experienced a negative economic impact from the pandemic. For example, a cash transfer program may focus on unemployed workers or low-and moderate-income families, which have faced disproportionate economic harms due to the pandemic.** Cash transfers should consider same guidelines as above. Cash transfers that are grossly in excess of such amounts would be outside the scope of eligible uses and could be subject to recoupment. A recipient could provide survivor's benefits to surviving family members of COVID-19 victims, or cash assistance to widows, widowers, and dependents of eligible COVID-19 victims.*



Suspension and Debarment

Specific Treasury Terms and Conditions 2 CFR 180, 31 CFR 19

- 19.140 How do I know if a person is excluded?
 - Check the Excluded Parties List System (EPLS) to determine whether a person is excluded. The General Services Administration (GSA) maintains the EPLS and makes it available, as detailed in subpart E of this part. When a Federal agency takes an action to exclude a person under the nonprocurement or procurement debarment and suspension system, the agency enters the information about the excluded person into the EPLS
 - ★ SAM.gov The System for Award Management (SAM) is the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS



Risk Assessment

Assessing Risk

- 1 Identify potential risk anticipating any adverse consequences to occur as part of program or project implementation and allocation of funds
- 2 Analyze each identified risk for level of importance and impact on policies and procedures and resources
- 3 Take actions to manage and mitigate risk

Example: A statewide nonprofit has a history of being awarded grant funds without compliance issues. Prior to each new grant award of funds, applicants are checked for risks. A SAM.gov search is completed to confirm no suspension or debarment. Further review is conducted to verify having a procurement policy and procedures. This nonprofit is cleared and not a risk.

Risk Assessment Tool



Risk Assessment Tool					
Grantee Name:					
Grant Program Name:					
Grant #:					
Grant Amount:					
Grant Period:					
Monitor Period:					
Date of Review:					
Date of Last Review:					
#	Question	Points	Assessment	Score	Comments
1	Did the applicant have any audit findings received within the past 5 years? If Yes, How many, and nature of finding(s).	1		0	
2	Has the applicant's management system (technology or other) been changed in the last 12 months?	1		0	
3	Any changes to the key staff instrumental in the funds process or generally?	1		0	
4	Is the applicant debarred, suspended, or show delinquent federal debt in Sam.gov?	1		0	
5	Does the applicant accounting system segregate expenditures by funding source?	1		0	
6	Does the applicant have documented procurement policies in alignment with the procurement regulations of 2 CFR Part 200?	1		0	
7	Does the applicant have the capacity to manage and implement federal regulations including 2 CFR 200 and other specific federal regulations pertaining to items such as (segregation of duties, cash handling, contracting procedures, and personnel and travel policies).	1		0	
8	Does the applicant maintain central file locations for all grants, loans or other types of financial assistance?	1		0	
9	Does the applicant have a Conflict-of-Interest Policy in place and is it documented?	1		0	
10	Does the applicant require, collect and document any expenditure/financial reports from subrecipients, and if so how frequently?	1		0	
11	Has the applicant been consistent/timely with prior program reporting requirements?	1		0	
12	Has the applicant's financial reports for any previous programming been inadequate, inaccurate and/or late?	1		0	
13	Has the applicant been subject to a financial statement audit in the last 24 months. If so were there any findings (if so indicate how many).	1		0	
14	Has the applicant managed federally funded grant programming in the last 24 months?	1		0	
Available Total		14	Total Risk Score	0	
Legend					
		Low Risk	Less than	4	
		Medium Risk	Between	4 - 11	
		High Risk	Greater than	11	



Risk assessment tool will be made available online



Duplication of Benefits

Duplication of Benefits Analysis

- 1 Identify total need prior to assistance (the need of an applicant or a city/county)
- 2 Identify potentially duplicative assistance.
 - Are other agencies or government entities receiving ARPA funds?
 - If so, will funds be used for a different purpose?
- 3 Subtract all assistance found to be duplicative, resulting in the maximum potential award amount, or unmet need

Example: A quasi-governmental agency receives funding from HUD for a homeless sheltering program. The agency is requesting LRFER allocation to be approved for the same program expenses. Analysis performed results in finding of duplication of benefits for denial of funding allocation requested.

Duplication of Benefits Table

Duplication of Benefits Check

Funding Sources	Amount Received	Unmet Need
Insurance proceeds	Minus Amount	
Charitable contributions	Minus Amount	
Non-Profits	Minus Amount	
Other Funding sources (list all)	Minus Amount	
Total Amount received	XXXX	XXXX
Balance		XXXX***

*** If this amount is greater than zero then a duplication of benefits exists



Subcontractor v. Vendor/Contractor Determination

Subrecipient v. Vendor/Contractor Determination: based primarily on the type of work proposed, not solely on the type of entity (*e.g., university, business entity, nonprofit entity, etc.*)

A **Subrecipient** is responsible for programmatic decision-making, uses funding to carry out a program for a public purpose specified in an authorizing statute and exercises considerable discretionary judgment in performing work

A **Vendor/Contractor** provides goods or services for the benefit of a pass-through entity-city, county, town, state

For a Tool/Resource for making this determination see:
[Subrecipient-Procure-cklist-B.pdf](#)

Approval process preparation



- Identify roles and responsibilities—who are the decision makers on approving use of funds and who are responsible for award, issuance, monitoring, and reporting



- Assign responsibility to different staff to segregate duties—for example, person to issue payment is not person approving payment



- Prepare a memo to file documenting the process—even a simple organizational chart showing who does what is a user friendly visual



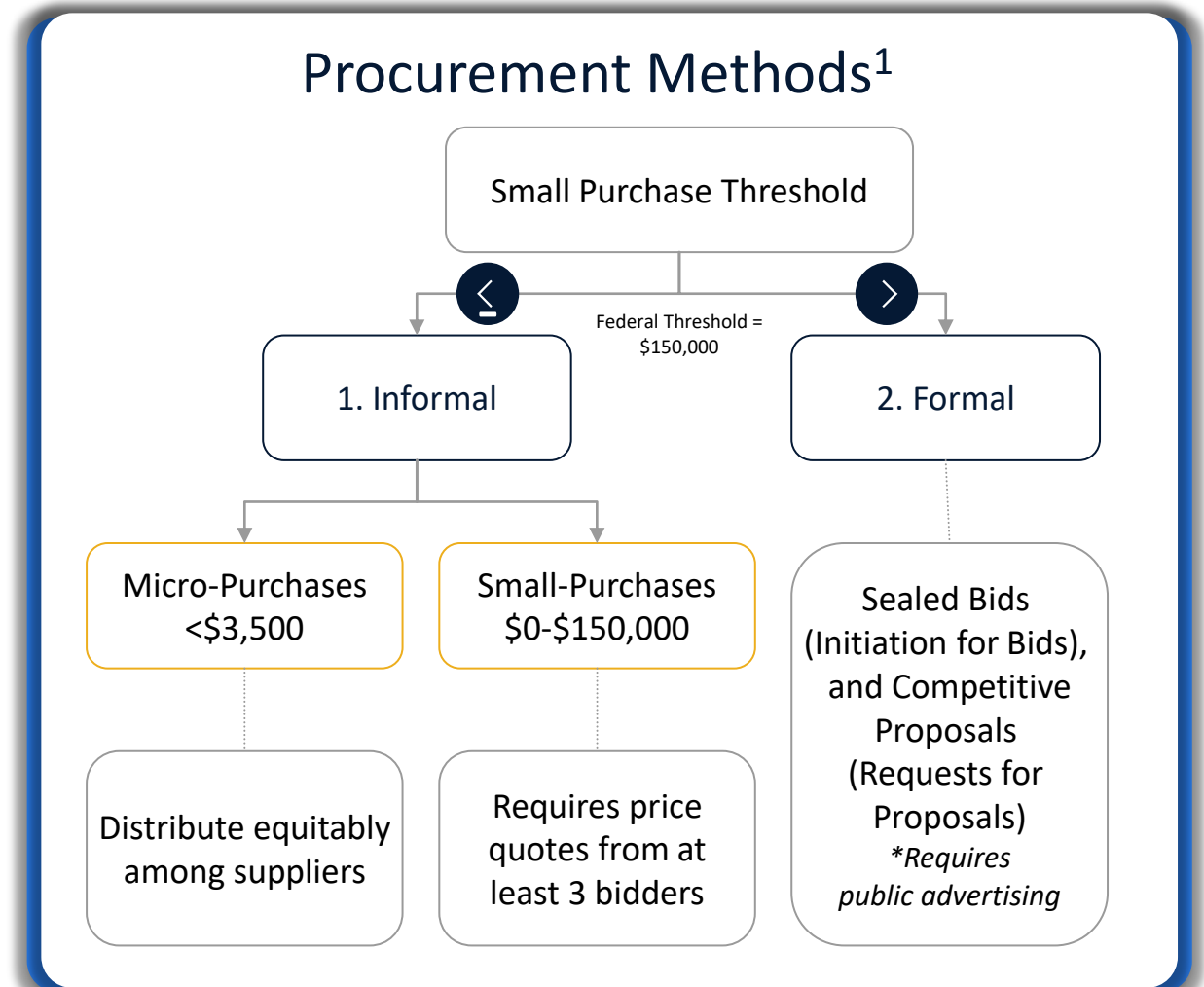
Approval Process

Procurement policy and procedure

Objective of procurement policy and procedure:
Obtain best total value consistent with operational needs, while maintaining fair and open competition

Informal and formal dollar purchase thresholds and methods to use are included in a procurement policy

A simple procurement policy can be a memo to file acknowledging policy followed is state law and used for vendor and supplier purchases



1. Example utilizes the federal threshold



Grant agreements and contracts in place

1

- Has a grant agreement with the grantee/subrecipient been executed, signed, filed?

2

- Be Sure to Follow Treasury and the Federal Uniform guidance for contents of grant agreements for ARPA

3

- Has a contract (as applicable), been executed with the vendor/contractor?

4

- Have all contracts or other applicable legal documents been retained in the files?

Sample Implementation Timeline

July-September

October-December

January-March

April-June

July



Program
Planning and
Design

Advertising
and Application
Process

Funds
Distribution/
Monitoring

Grantee
Monitoring

Closeout All
Funds to be
expended

Summary Considerations

- 1 Establish an approval process to determine use of funds and timeline for implementation
- 2 Determine and Document Allowability of Use of Funds
- 3 Have procurement policies, procedures and internal controls in place to follow
- 4 Perform risk assessment, duplication of benefits analysis, and Debarment Check
- 5 Make an allowability determination
- 6 Determine classification of obligation as subrecipient or vendor/contractor
- 7 Set up data collection and documentation retention process
- 8 Document to have a record of everything that is being done



Summary Considerations



Questions