



# OFFICE OF MANAGEMENT & BUDGET

## PANDEMIC RECOVERY OFFICE

One Capitol Hill  
Providence, RI 02908-5890

Dorothy Z. Pascale, CPA

Office: (401) 574-8430

Fax: (401) 222-6436

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Dear Fiscal Officer:

The State of Rhode Island is pleased to invite your City/Town to request for fiscal relief funds under the American Rescue Plan Act ("ARPA").

Please find enclosed a certificate for the appropriate official to review and sign, along with some other documents. The certificate lists the requirements the City/Town will need to meet in order to qualify for and to receive the funds. Also enclosed is a checklist prepared by the United States Department of Treasury, which will include several of those requirements.

Once you have assembled this information, please **complete and have the Duly Authorized Representative for your City/Town sign the following enclosed forms:**

- Request Form
- Certificate
- Award terms and conditions agreement
- Assurances of compliance with Title VI of the Civil Rights Act of 1964

For all cities and towns (except Providence, Cranston, Warwick, Pawtucket, East Providence, and Woonsocket) please **note that if your annual total operating budget, in effect as of January 27, 2020, has been amended or changed since it was submitted to the Department of Revenue in June, you will need to submit a copy of that amended operating budget. If no changes to the relevant budget have been made, you need not resubmit the budget.**

Please then submit all documents to your assigned Division of Municipal Finance analyst. If you are unsure who your analyst is please refer to the Municipal Assignments map at this link <http://www.municipalfinance.ri.gov/about/>.

**The deadline for our receipt of your completed request is Tuesday, August 24, 2021.** We will work with you to ensure the forms are properly completed. Please contact your assigned Division of Municipal Finance analyst with any questions or concerns about the process. Once your request is verified, you will receive a distribution of the first tranche (50%) of federal funds. If you fail to submit a timely request, there is a risk that the United States Department of Treasury will require the State to return the funds unspent for distribution to other recipients.

The Department of Treasury has informed us that a second tranche of funds under this program (which should be in the same amount) will be distributed no earlier than twelve months later.

Thank you for your assistance.



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### **Definition of Terms**

Duly Authorized Representative – a person who's been given the right to sign documents and make commitments on behalf of the municipality

DUNS Number – a.k.a. Unique Entity Identifier

Nonentitlement Units (NEUs) - local governments typically serving a population under 50,000

Operating Budget - total municipal budget (defined as the annual total operating budget, including general fund and other funds, in effect as of January 27, 2020)

Operating Budget Total - top-line expenditure total, to be certified by an authorized representative

**STATE OF RHODE ISLAND CORONAVIRUS LOCAL FISCAL RECOVERY FUND:  
REQUEST FORM FOR FIRST PAYMENT OF COUNTY-SHARE DISTRIBUTION**

<b>Local Government Name</b>	
<b>Entity's Taxpayer Identification Number</b>	
<b>DUNS Number</b>	
<b>Local Government Address</b>	
<b>Duly Authorized Representative</b>	
Name	
Title	
Phone Number	
Email	
<b>Contact Person</b>	
Name	
Title	
Phone	
Email	
<b>Financial Institution Information</b>	
Institution Name	
Address	
Phone Number	
Routing Number	
Account Number	

By placing my signature, I attest that the information provided on this form is complete and accurate to the best of my knowledge and belief.

\_\_\_\_\_  
Duly Authorized Representative Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

State Use Only:  _____ NEU or Metro #
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## CERTIFICATE

My name is \_\_\_\_\_. I hold the position of \_\_\_\_\_ in the City/Town of \_\_\_\_\_. In that capacity, I certify the following:

1. With my signature below, I have authority to bind the City/Town of \_\_\_\_\_ to comply with the terms and conditions of this Certificate.
2. I have reviewed the document entitled: *CORONAVIRUS LOCAL FISCAL RECOVERY FUND GUIDANCE ON COUNTIES THAT ARE NOT UNITS OF GENERAL GOVERNMENT*, particularly SECTION V, PAGES 5-7 (RECORDKEEPING AND REPORTING FOR STATES AND RECIPIENTS), which is attached and is incorporated herein. I understand the requirements set forth in that Section and certify that the City/Town of \_\_\_\_\_ will comply with its requirements.
3. I also certify that I have reviewed the other requirements set forth in the enclosed Checklist, and that the City/Town of \_\_\_\_\_ is in compliance with all of them.
4. I understand and acknowledge that, under current federal guidance, the City/Town of \_\_\_\_\_ is solely responsible for ensuring that it meets all requirements issued and to be issued by the United States Department of Treasury regarding (1) the expenditure of these funds and (2) the format, content and timing of all reports regarding the use of these funds.
5. The City/Town of \_\_\_\_\_ agrees to retain and maintain copies of all reports submitted to the Department of Treasury under this program, which copies it will provide to the State of Rhode Island for review promptly upon request.
6. I understand and acknowledge that if federal guidance changes to require greater responsibility by the State of Rhode Island for the reporting and/or expenditure of these funds, the City/Town of \_\_\_\_\_ will provide the State with all necessary cooperation and assistance.
7. I understand and acknowledge that the City/Town of \_\_\_\_\_ is expected to receive a second tranche of funding under this program in approximately twelve months, which will be subject to a similar application and certification process.

8. I also understand and acknowledge that the City/Town of \_\_\_\_\_ is expected to be eligible for an additional round of federal funding (also in two tranches) under the American Rescue Plan Act, based on its population share within its county. I further understand and acknowledge that the City/Town of \_\_\_\_\_ will be required to apply separately for these additional funds, and that the City/Town of \_\_\_\_\_ may be required to maintain a separate accounting and reporting system for these additional funds, as determined by forthcoming guidance from the Department of Treasury.

9. I certify that in support of its previous request for disbursement of Coronavirus Local Fiscal Recovery Funds, the City/Town of \_\_\_\_\_

was                      was not

required to provide the Department of Revenue with a copy of the municipal operating budget in effect as of January 27, 2020.

11. If the City/Town of \_\_\_\_\_ has previously submitted a copy of the municipal operating budget in effect as of January 27, 2020, I certify:

The budget previously submitted to the Department of Revenue in support of the City/Town's prior request for disbursement of CORONAVIRUS LOCAL FISCAL RECOVERY FUNDS has not been amended or changed since its submission to the Department of Revenue

or

A copy of the amended budget is attached hereto.

\_\_\_\_\_  
Signature

Print Name:

Date:

Title:

OMB Approved No. 1505-0271  
Expiration Date: November 30, 2021

U.S. DEPARTMENT OF THE TREASURY  
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

Recipient name and address: [Recipient to provide]	DUNS Number: [Recipient to provide] Taxpayer Identification Number: [Recipient to provide] Assistance Listing Number: 21.027
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Sections 602(b) and 603(b) of the Social Security Act (the Act) as added by section 9901 of the American Rescue Plan Act, Pub. L. No. 117-2 (March 11, 2021) authorize the Department of the Treasury (Treasury) to make payments to certain recipients from the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund.

Recipient hereby agrees, as a condition to receiving such payment from Treasury, to the terms attached hereto.

Recipient:

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Authorized Representative:

Title:

Date signed:

U.S. Department of the Treasury:

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Authorized Representative:

Title:

Date:

PAPERWORK REDUCTION ACT NOTICE

The information collected will be used for the U.S. Government to process requests for support. The estimated burden associated with this collection of information is 15 minutes per response. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Office of Privacy, Transparency and Records, Department of the Treasury, 1500 Pennsylvania Ave., N.W., Washington, D.C. 20220. DO NOT send the form to this address. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

U.S. DEPARTMENT OF THE TREASURY  
CORONAVIRUS LOCAL FISCAL RECOVERY FUND  
AWARD TERMS AND CONDITIONS

1. Use of Funds.
  - a. Recipient understands and agrees that the funds disbursed under this award may only be used in compliance with section 603(c) of the Social Security Act (the Act), Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
  - b. Recipient will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such project.
2. Period of Performance. The period of performance for this award begins on the date hereof and ends on December 31, 2026. As set forth in Treasury's implementing regulations, Recipient may use award funds to cover eligible costs incurred during the period that begins on March 3, 2021, and ends on December 31, 2024.
3. Reporting. Recipient agrees to comply with any reporting obligations established by Treasury as they relate to this award.
4. Maintenance of and Access to Records
  - a. Recipient shall maintain records and financial documents sufficient to evidence compliance with section 603(c) of the Act, Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
  - b. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Recipient in order to conduct audits or other investigations.
  - c. Records shall be maintained by Recipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.
5. Pre-award Costs. Pre-award costs, as defined in 2 C.F.R. § 200.458, may not be paid with funding from this award.
6. Administrative Costs. Recipient may use funds provided under this award to cover both direct and indirect costs.
7. Cost Sharing. Cost sharing or matching funds are not required to be provided by Recipient.
8. Conflicts of Interest. Recipient understands and agrees it must maintain a conflict of interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict of interest policy is applicable to each activity funded under this award. Recipient and subrecipients must disclose in writing to Treasury or the pass-through entity, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112.

9. Compliance with Applicable Law and Regulations.

- a. Recipient agrees to comply with the requirements of section 603 of the Act, regulations adopted by Treasury pursuant to section 603(f) of the Act, and guidance issued by Treasury regarding the foregoing. Recipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Recipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award.
- b. Federal regulations applicable to this award include, without limitation, the following:
  - i. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.
  - ii. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.
  - iii. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
  - iv. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury’s implementing regulation at 31 C.F.R. Part 19.
  - v. Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
  - vi. Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
  - vii. New Restrictions on Lobbying, 31 C.F.R. Part 21.
  - viii. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.
  - ix. Generally applicable federal environmental laws and regulations.
- c. Statutes and regulations prohibiting discrimination applicable to this award include, without limitation, the following:
  - i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury’s implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;

- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
  - iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
  - iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
  - v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.
10. Remedial Actions. In the event of Recipient's noncompliance with section 603 of the Act, other applicable laws, Treasury's implementing regulations, guidance, or any reporting or other program requirements, Treasury may impose additional conditions on the receipt of a subsequent tranche of future award funds, if any, or take other available remedies as set forth in 2 C.F.R. § 200.339. In the case of a violation of section 603(c) of the Act regarding the use of funds, previous payments shall be subject to recoupment as provided in section 603(e) of the Act.
11. Hatch Act. Recipient agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.
12. False Statements. Recipient understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available by law.
13. Publications. Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to [name of Recipient] by the U.S. Department of the Treasury."
14. Debts Owed the Federal Government.
- a. Any funds paid to Recipient (1) in excess of the amount to which Recipient is finally determined to be authorized to retain under the terms of this award; (2) that are determined by the Treasury Office of Inspector General to have been misused; or (3) that are determined by Treasury to be subject to a repayment obligation pursuant to section 603(e) of the Act and have not been repaid by Recipient shall constitute a debt to the federal government.
  - b. Any debts determined to be owed the federal government must be paid promptly by

Recipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made or if the Recipient knowingly or improperly retains funds that are a debt as defined in paragraph 14(a). Treasury will take any actions available to it to collect such a debt.

15. Disclaimer.

- a. The United States expressly disclaims any and all responsibility or liability to Recipient or third persons for the actions of Recipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any contract, or subcontract under this award.
- b. The acceptance of this award by Recipient does not in any way establish an agency relationship between the United States and Recipient.

16. Protections for Whistleblowers.

- a. In accordance with 41 U.S.C. § 4712, Recipient may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.
- b. The list of persons and entities referenced in the paragraph above includes the following:
  - i. A member of Congress or a representative of a committee of Congress;
  - ii. An Inspector General;
  - iii. The Government Accountability Office;
  - iv. A Treasury employee responsible for contract or grant oversight or management;
  - v. An authorized official of the Department of Justice or other law enforcement agency;
  - vi. A court or grand jury; or
  - vii. A management official or other employee of Recipient, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.
- c. Recipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

17. Increasing Seat Belt Use in the United States. Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), Recipient should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

18. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), Recipient should encourage its employees, subrecipients, and contractors to adopt and enforce policies that ban text messaging while driving, and Recipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

## **ASSURANCES OF COMPLIANCE WITH CIVIL RIGHTS REQUIREMENTS**

### ASSURANCES OF COMPLIANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

As a condition of receipt of federal financial assistance from the Department of the Treasury, the recipient named below (hereinafter referred to as the “Recipient”) provides the assurances stated herein. The federal financial assistance may include federal grants, loans and contracts to provide assistance to the Recipient’s beneficiaries, the use or rent of Federal land or property at below market value, Federal training, a loan of Federal personnel, subsidies, and other arrangements with the intention of providing assistance. Federal financial assistance does not encompass contracts of guarantee or insurance, regulated programs, licenses, procurement contracts by the Federal government at market value, or programs that provide direct benefits.

The assurances apply to all federal financial assistance from or funds made available through the Department of the Treasury, including any assistance that the Recipient may request in the future.

The Civil Rights Restoration Act of 1987 provides that the provisions of the assurances apply to all of the operations of the Recipient’s program(s) and activity(ies), so long as any portion of the Recipient’s program(s) or activity(ies) is federally assisted in the manner prescribed above.

1. Recipient ensures its current and future compliance with Title VI of the Civil Rights Act of 1964, as amended, which prohibits exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d *et seq.*), as implemented by the Department of the Treasury Title VI regulations at 31 CFR Part 22 and other pertinent executive orders such as Executive Order 13166, directives, circulars, policies, memoranda, and/or guidance documents.
2. Recipient acknowledges that Executive Order 13166, “Improving Access to Services for Persons with Limited English Proficiency,” seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Recipient understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the Treasury’s implementing regulations. Accordingly, Recipient shall initiate reasonable steps, or comply with the Department of the Treasury’s directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Recipient understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Recipient’s programs, services, and activities.
3. Recipient agrees to consider the need for language services for LEP persons when Recipient develops applicable budgets and conducts programs, services, and activities. As a resource, the Department of the Treasury has published its LEP guidance at 70 FR 6067. For more information on taking reasonable steps to provide meaningful access for LEP persons, please visit <http://www.lep.gov>.

4. Recipient acknowledges and agrees that compliance with the assurances constitutes a condition of continued receipt of federal financial assistance and is binding upon Recipient and Recipient's successors, transferees, and assignees for the period in which such assistance is provided.
5. Recipient acknowledges and agrees that it must require any sub-grantees, contractors, subcontractors, successors, transferees, and assignees to comply with assurances 1-4 above, and agrees to incorporate the following language in every contract or agreement subject to Title VI and its regulations between the Recipient and the Recipient's sub-grantees, contractors, subcontractors, successors, transferees, and assignees:

*The sub-grantee, contractor, subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this contract (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement.*

6. Recipient understands and agrees that if any real property or structure is provided or improved with the aid of federal financial assistance by the Department of the Treasury, this assurance obligates the Recipient, or in the case of a subsequent transfer, the transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property.
7. Recipient shall cooperate in any enforcement or compliance review activities by the Department of the Treasury of the aforementioned obligations. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Recipient shall comply with information requests, on-site compliance reviews and reporting requirements.
8. Recipient shall maintain a complaint log and inform the Department of the Treasury of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome. Recipient also must inform the Department of the Treasury if Recipient has received no complaints under Title VI.
9. Recipient must provide documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other

agreements between the Recipient and the administrative agency that made the finding. If the Recipient settles a case or matter alleging such discrimination, the Recipient must provide documentation of the settlement. If Recipient has not been the subject of any court or administrative agency finding of discrimination, please so state.

10. If the Recipient makes sub-awards to other agencies or other entities, the Recipient is responsible for ensuring that sub-recipients also comply with Title VI and other applicable authorities covered in this document. State agencies that make sub-awards must have in place standard grant assurances and review procedures to demonstrate that they are effectively monitoring the civil rights compliance of sub-recipients.

The United States of America has the right to seek judicial enforcement of the terms of this assurances document and nothing in this document alters or limits the federal enforcement measures that the United States may take in order to address violations of this document or applicable federal law.

Under penalty of perjury, the undersigned official(s) certifies that official(s) has read and understood the Recipient's obligations as herein described, that any information submitted in conjunction with this assurances document is accurate and complete, and that the Recipient is in compliance with the aforementioned nondiscrimination requirements.

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Recipient

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Date

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Signature of Authorized Official

PAPERWORK REDUCTION ACT NOTICE

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**CORONAVIRUS LOCAL FISCAL RECOVERY FUND  
GUIDANCE ON COUNTIES THAT ARE NOT UNITS OF GENERAL LOCAL GOVERNMENT**

**U.S. DEPARTMENT OF THE TREASURY**

**JULY 30, 2021**

Section 603 of the Social Security Act (the Act), as added by the American Rescue Plan Act of 2021 (ARPA) established the Coronavirus Local Fiscal Recovery Fund (CLFRF), which allocates \$65.1 billion to counties and county equivalents. In general, these funds are to be paid directly from Treasury to eligible counties. However, the ARPA further states that:

*In the case of an amount to be paid to a county that is not a unit of general local government, the amount shall instead be paid to the State in which such county is located, and such State shall distribute such amount to each unit of general local government within such county in an amount that bears the same proportion to the amount to be paid to such county as the population of such units of general local government bears to the total population of such county.<sup>1</sup>*

On May 10, 2021, Treasury published allocation amounts for payments to county governments.<sup>2</sup> As part of that announcement, Treasury identified an initial list of counties that are not units of general local government (non-UGLG counties). Treasury is issuing the following guidance to provide an updated list of non-UGLG counties and assist States and territories with the distribution of funds to units of general local government that are located within non-UGLG counties.

This guidance is organized into five sections:

- I. Identifying Non-UGLG Counties
- II. Identifying Units of General Local Government Within Non-UGLG Counties
- III. Allocating Funds
- IV. Operations and Restrictions
- V. Recordkeeping and Reporting for States and Recipients

**I. Identifying Non-UGLG Counties**

As noted above, the CLFRF provides that, for each non-UGLG county, Treasury should pay the State in which such non-UGLG county is located for distribution by the State in accordance with the statute. For the purposes of CLFRF, the term “unit of general local government” is defined to have the same meaning as in section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)).

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<sup>1</sup> Section 603(b)(3)(B)(ii) of the Social Security Act, as amended by the ARPA.

<sup>2</sup> [https://home.treasury.gov/system/files/136/fiscalrecoveryfunds\\_countyfunding\\_2021.05.10-1a-508A.pdf](https://home.treasury.gov/system/files/136/fiscalrecoveryfunds_countyfunding_2021.05.10-1a-508A.pdf). For more information on the allocation methodology for counties, see *Coronavirus State and Local Fiscal Recovery Funds: Allocations to Counties*, <https://home.treasury.gov/system/files/136/Allocation-Methodology-for-Counties-508A.pdf>.

Treasury has interpreted this definition, as applied to non-UGLGs, to refer to counties that are not general-purpose political subdivisions of a State.<sup>3</sup>

To determine which counties are not general purpose subdivisions of a State, Treasury analyzed public data for 2019 posted by the U.S. Census Bureau on the functional status of county and county-equivalent governments.<sup>4</sup> Specifically, Treasury determined that a county was a non-UGLG county if it is classified by the U.S. Census Bureau as either:

- A nonfunctioning legal entity; or
- A statistical entity.

Based on this approach, 32 counties can be classified as non-UGLG counties.<sup>5</sup> Treasury has conducted a further review in the case of the specific circumstance in which counties are not classified as either nonfunctioning nor as statistical entities but are described by the Census Bureau's Census of Governments as having "limited" authorities.<sup>6</sup> Based on this review, Treasury identified Vermont's 14 counties as non-UGLG counties based on the very limited extent of their authority under state law. As summarized by the Census of Governments, Vermont's counties "perform very limited functions, which consist chiefly of maintaining the courthouse and county jail."<sup>7</sup> As Treasury understands the term general purpose political subdivision to refer to a political subdivision such as a county that has a broad array of functions, such as providing a broad array of services, it would not be appropriate to classify Vermont's counties as units of general local government given the extent of their functions.

Because U.S. territories are not included in the 2019 Census data referenced above, for U.S. territories, Treasury reviewed a separate Census dataset, the 2020 TIGER/Line Shapefiles data for counties and

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<sup>3</sup> As section 603(b)(3)(B)(ii) of the Act applies in the case of a "county that is not a unit of general local government," read literally, this provision would mean that Treasury may not make a payment to a county that is not a county. Under this reading, every county would satisfy the UGLG definition, and all counties would receive a payment. To avoid a reading that would deprive this clause of meaning, Treasury believes that the clause should be read as intending to apply to any city, county, town, township, parish or village that is a general purpose political subdivision and any other local government that also constitutes a general purpose political subdivision of a State or territory. This reading is supported by the use of the word "other" in the last clause suggesting that the preceding list of governmental organizations must be "general purpose political subdivision[s]." The Act incorporates the term "unit of general local government" from the Housing and Community Development Act of 1974, but the latter does not define "general purpose political subdivision of a state." A plain meaning of "general purpose" is having various purposes rather than a specific purpose. As applied more specifically to ARPA, Treasury understands "general purpose political subdivision" to refer to a political subdivision such as a county that has a broad array of functions, such as providing a broad array of services. This interpretation gives meaning to this provision and is consistent with the intent of Congress to provide payments to counties, as general-purpose political subdivisions, that have the ability to accept and expend funds.

<sup>4</sup> The data Treasury used to identify non-UGLG counties is available at: [https://www2.census.gov/programs-surveys/popest/datasets/2010-2019/cities/totals/sub-est2019\\_all.csv](https://www2.census.gov/programs-surveys/popest/datasets/2010-2019/cities/totals/sub-est2019_all.csv). For more information on the functional status of geographic entities in the Census data, see: <https://www.census.gov/library/reference/code-lists/functional-status-codes.html>.

<sup>5</sup> On May 10, 2021, Treasury published an initial list of non-UGLG counties that designated Kalawao County, Hawaii as a non-UGLG county. Kalawao County is classified by the U.S. Census Bureau as an "active government that is subordinate to another unit of government" (see note 4 for data sources). Under state law, Kalawao County "is constituted a county by itself" and "shall be under the jurisdiction and control of the department of health and be governed by the laws, and rules relating to the department and the care and treatment of persons affected with Hansen's disease, except as otherwise provided by law" (HAW. REV. STAT. § 326-31, available at [https://www.capitol.hawaii.gov/hrscurrent/vol06\\_ch0321-0344/hrs0326/hrs\\_0326-0034.htm](https://www.capitol.hawaii.gov/hrscurrent/vol06_ch0321-0344/hrs0326/hrs_0326-0034.htm)). Because the county is under the jurisdiction of the Hawaii Department of Health, Treasury will coordinate with that Department regarding payment of the county's \$16,704 allocation and monitoring of the use of funds in accordance with CLFRF program rules.

<sup>6</sup> See <https://www.census.gov/content/dam/Census/library/publications/2017/econ/2017isd.pdf>.

<sup>7</sup> Census of Governments at 280.

county equivalents.<sup>8</sup> This dataset includes functional status codes which allow Treasury to identify counties that are nonfunctioning legal entities within U.S. territories. Based on this approach, Treasury is identifying five additional county-equivalents located in U.S. territories as non-UGLG counties.

The updated list of non-UGLG counties identified by Treasury and the allocations to those counties are provided in the Appendix.

## II. Identifying Units of General Local Government Within Non-UGLG Counties

For the purposes of CLFRF, the term “unit of general local government” is defined to have the same meaning as in section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)). Treasury analyzed the CLFRF definitions of “unit of general local government” and “nonentitlement unit of local government,” consistent with the approach discussed in Treasury’s *Nonentitlement Unit of Local Government Definitional and Data Methodology*.<sup>9</sup> Treasury has determined that the units of general local government in non-UGLG counties eligible to receive a distribution by the State are:

- Metropolitan cities that are eligible to receive funds under CLFRF;<sup>10</sup> and
- Non-entitlement units of local government (NEUs) that are eligible to receive funds under CLFRF, in accordance with *the Guidance on Distribution of Funds to Non-Entitlement Units of Local Government*.<sup>11</sup>

States should use the list of eligible metropolitan cities plus their own lists of NEUs receiving funds to develop lists of units of general local government within each non-UGLG county.

U.S. territories should identify NEUs within non-UGLG counties in a manner consistent with the guidance specified in FAQ 7.8 of the *Frequently Asked Questions on Distribution of Funds to Non-entitlement Units of Local Government*.<sup>12</sup>

## III. Allocating Funds

Once a State has developed a list of units of general local government within each non-UGLG county, it should allocate funds to the units of general local government based on their population share of the non-UGLG county’s population. Specifically, under this guidance, a unit of general local government’s total allocation will equal:

$$\frac{\text{Population of the unit of general local government}}{\text{Population of the non-UGLG county}} \times \text{non-UGLG county total allocation}$$

If a unit of general local government spans multiple counties, a State should consider only the portion of the population that falls within the non-UGLG county for the purpose of applying the formula above. In

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<sup>8</sup> For additional information on the dataset, see: <https://www.census.gov/geographies/mapping-files/time-series/geo/tiger-line-file.html>. To access the data set, see: <https://www.census.gov/cgi-bin/geo/shapefiles/index.php> (select ‘Counties (and equivalent)’ from drop-down).

<sup>9</sup> [https://home.treasury.gov/system/files/136/NEU\\_Methodology.pdf](https://home.treasury.gov/system/files/136/NEU_Methodology.pdf)

<sup>10</sup> <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1-508A.pdf>

<sup>11</sup> [https://home.treasury.gov/system/files/136/NEU\\_Guidance.pdf](https://home.treasury.gov/system/files/136/NEU_Guidance.pdf)

<sup>12</sup> <https://home.treasury.gov/system/files/136/NEU-FAQs.pdf>

some States, the boundaries of some units of general local government overlap with or encompass other units of general local government within the State, typically resulting in overlapping populations between the larger “parent” unit and the subsidiary unit. An example is a township that encompasses a city. If a State has overlapping units of general local government within a non-UGLG county, States should determine the population of these units in a manner consistent with the approach described in the *Guidance on Distribution of Funds to Non-Entitlement Units of Local Government*.<sup>13</sup>

A State may adjust allocations within a particular non-UGLG county on a pro rata basis to ensure that all available funds are distributed to units of general local government within a given non-UGLG county.

Consistent with section 603(b)(6) of the Act, for the purpose of determining populations to calculate allocations to units of general local government within non-UGLG counties, States should use “the most recent data [that] are available from the Bureau of the Census or, if not available, from such other data as a State determines appropriate.” For non-UGLGs in States, States receiving funds should use the U.S. Census Bureau’s City and Town Population Subcounty Resident Population Estimates file from the 2019 Vintage.<sup>14</sup> Each territory should use the population data it deems most appropriate, consistent with the guidance specified in FAQ 7.8 of the *Frequently Asked Questions on Distribution of Funds to Non-entitlement Units of Local Government*.<sup>15</sup>

#### **IV. Operations and Restrictions**

A State’s submission of a request for payment from the Coronavirus State Fiscal Recovery Fund (CSFRF) under section 602 of the Act will suffice for Treasury to initiate payment to the State from the CLFRF for distribution to the units of general local government within non-UGLG counties. Payment of this amount will be made to the bank account designated by the State with respect to the CSFRF.

Treasury expects to begin paying the non-UGLG county allocations to States in the days following the publication of this guidance or a State’s submission of a request for payment under section 602, whichever occurs later. Consistent with section 603(b)(7), the payment of these funds to States will occur in two equal tranches, with the second tranche paid no earlier than 12 months after the date on which the first tranche is paid. A State’s distribution of these funds to units of general local government within non-UGLG counties should also occur in two equal tranches.

Once a State receives a payment for distribution to units of general local government within non-UGLG counties, it should calculate the allocations to those units of general local government within 60 days. Once a State has calculated the allocations, payments to units of general local government should proceed as follows:

- For units of general local government that are NEUs under CLFRF: In order to receive funds under section 603(b)(3)(B)(ii) of the Act, an NEU must be eligible to receive funds under section 603(b)(2) of the Act, as implemented by the *Guidance on Distribution of Funds to Non-Entitlement Units of Local Government*.<sup>16</sup> States should begin making the section 603(b)(3)(B)(ii)

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<sup>13</sup> See note 11.

<sup>14</sup> [https://www2.census.gov/programs-surveys/popest/datasets/2010-2019/cities/totals/sub-est2019\\_all.csv](https://www2.census.gov/programs-surveys/popest/datasets/2010-2019/cities/totals/sub-est2019_all.csv)

<sup>15</sup> See note 12.

<sup>16</sup> See note 11.

payments to NEUs as soon as practicable after NEUs have accepted the award terms and conditions described in the *Guidance on Distribution of Funds to Non-Entitlement Units of Local Government*. NEUs receiving funds under section 603(b)(3)(B)(ii) are bound by the same terms and conditions that apply to section 603(b)(2) payments, as described in the *Guidance on Distribution of Funds to Non-Entitlement Units of Local Government*, and States should make payments using the same financial institution information that was collected and verified in the first tranche distribution process described in the *Guidance on Distribution of Funds to Non-Entitlement Units of Local Government*.

- For units of general local government that are metropolitan cities under CLFRF: In order to receive funds under section 603(b)(3)(B)(ii) of the Act, a metropolitan city must have received funds under section 603(b)(1) of the Act. Metropolitan cities receiving funds under section 603(b)(3)(B)(ii) are bound by the same terms and conditions that apply to the section 603(b)(1) payments. Treasury expects to provide notification to States when metropolitan cities in non-UGLG counties have accepted the terms and conditions and received section 603(b)(1) payment. Prior to initiating payment to metropolitan cities under section 603(b)(3)(B)(ii), States should collect and verify the following information:
  - Local government name, Entity’s Taxpayer Identification Number, DUNS number, and address
  - Authorized representative name, title, and email
  - Contact person name, title, phone, and email
  - Financial institution information (e.g., routing and account number, financial institution name and contact information)

For States making payments to units of general local government, Treasury encourages States to implement best practices, and recommends ongoing consultation with relevant state agencies, such as the state auditor’s office, on ways to proactively prevent, detect, and respond to threats to program integrity. State partners should also consult resources available from the federal government.<sup>17</sup> Treasury expects states to fulfill their legal obligation under the statute and Treasury’s implementing regulations and guidance to issue accurate and proper payments to units of general local government.

States may not place additional conditions or requirements on distributions to units of general local government within non-UGLG counties, beyond those required by the Act and Treasury’s implementing regulations and guidance.

## V. Recordkeeping and Reporting for States and Recipients

States should keep records regarding the lists of units of general local government within non-UGLG counties; the allocations to those units of general local government, including the population data used to calculate the allocations; and the payments made to those units of general local government.

As stated above, metropolitan cities and NEUs receiving funds disbursed to units of general local government within non-UGLG counties are subject to all restrictions and compliance and reporting obligations applicable to other prime recipients that receive CLFRF allocations and disbursements,

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<sup>17</sup> Examples of available resources include the United States Chief Financial Officers Council’s [Program Integrity: The Antifraud Playbook](#), which provides an overview of practical and actionable guidance to reduce fraud risk, and the Government Accountability Office’s [Standards for Internal Control in the Federal Government](#) (“Green Book”).

including those described in the award terms,<sup>18</sup> Interim Final Rule<sup>19</sup> and the *Compliance and Reporting Guidance*.<sup>20</sup>

The following subsections describe the reporting obligations for: (A) states acting as pass-through entities for section 603(b)(3)(B)(ii) payments; and (B) the recipients of section 603(b)(3)(B)(ii) payments.

A. State Reporting on section 603(b)(3)(B)(ii) Payments

Relevant States must provide information about all section 603(b)(3)(B)(ii) payments in the quarterly Project and Expenditure Report immediately following such payments. Note that, like the CLFRF payments to counties, the section 603(b)(3)(B)(ii) payments will occur in two tranches such that States must furnish section 603(b)(3)(B)(ii) payments data more than once.

Treasury will provide a template to report information on payments to units of general local government within non-UGLG counties in a forthcoming user guide. This will resemble the process for NEU distributions in the Interim Report as described in Part 2, Section A.1.b. of the *Compliance and Reporting Guidance*.

B. Reporting Obligations for Units of Government Receiving Section 603(b)(3)(B)(ii) Payments

Generally, the reporting obligations for a recipient of a section 603(b)(3)(B)(ii) payment are determined according to the reporting tiers included in Part 2 of the *Compliance and Reporting Guidance*. It is important to note that if a recipient receives both non-UGLG and direct payment of funds, then it must prepare and submit consolidated reports covering combined program funds and data collection.

In addition, a section 603(b)(3)(B)(ii) payment recipient's status as either an NEU or a metropolitan city will ultimately determine its reporting obligations to Treasury as a prime recipient. Metropolitan cities also have varying reporting obligations based on population size and the total amount of CLFRF funding received. The following subsections describe the different reporting requirements for each type of section 603(b)(3)(B)(ii) payment recipient.

i. Non-Entitlement Units of Local Government

Any recipient of a section 603(b)(3)(B)(ii) payment that is an NEU retains the same reporting requirements as other NEUs described in Part 2 of the *Compliance and Reporting Guidance*. Note that each annual Project & Expenditure report must cover the combined funding received under the program including non-UGLG and other payments, as necessary.

For example, if an NEU received an allocation of \$250,000 under the *Guidance on Distribution of Funds to Non-Entitlement Units of Local Government* and a section

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<sup>18</sup> [https://home.treasury.gov/system/files/136/NEU\\_Award\\_Terms\\_and\\_Conditions.pdf](https://home.treasury.gov/system/files/136/NEU_Award_Terms_and_Conditions.pdf)

<sup>19</sup> <https://www.govinfo.gov/content/pkg/FR-2021-05-17/pdf/2021-10283.pdf>

<sup>20</sup> <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>

603(b)(3)(B)(ii) payment of \$120,000, then the NEU will report on \$370,000 of funding in its annual Project and Expenditure report.

ii. Metropolitan Cities

Metropolitan cities must also report on the combined total of all funding received under the program – including both the section 603(b)(3)(B)(ii) and other payments – according to the reporting tiers included in Part 2 of the *Compliance and Reporting Guidance*. For example, if a metropolitan city received \$3 million of program funding and an additional \$1 million as a section 603(b)(3)(B)(ii) payment, then it would provide a combined report covering \$4 million of total program funding.

In addition, any recipient of a section 603(b)(3)(B)(ii) payment that is a metropolitan city with a population greater than 250,000 residents will have the same obligations to provide Interim, Recovery Plan, and Project and Expenditure reports to Treasury as other qualifying cities.

Metropolitan cities with less than 250,000 residents must provide Interim and Project and Expenditure reports, but are not required to provide a Recovery Plan. The frequency of the Project and Expenditure reporting depends on whether the recipient's total CLFRF funding exceeds \$5 million.

Accordingly, when a metropolitan city receives (a) a direct payment from Treasury; and (b) a section 603(b)(3)(B)(ii) payment from the State, the \$5 million threshold will apply to the sum of the two payments. For example, if City B has a population of 220,000 residents and receives a direct \$4 million allocation from Treasury and then subsequently receives a section 603(b)(3)(B)(ii) payment of \$1.5 million, then City B must report on \$5.5 million of program funding as a metropolitan city with less than 250,000 residents and funding exceeding the \$5 million threshold for reporting purposes.

For more information on recipient reporting obligations, please refer to “Table 2: Reporting requirements by recipient type” on page 12 of the *Compliance and Reporting Guidance*.

Appendix: List of Non-UGLG Counties

State	County or county-equivalent	Allocation
<b>Alaska</b>	Aleutians West Census Area	\$1,094,338
<b>Alaska</b>	Bethel Census Area	\$3,571,265
<b>Alaska</b>	Dillingham Census Area	\$954,875
<b>Alaska</b>	Hoonah-Angoon Census Area	\$417,224
<b>Alaska</b>	Kusilvak Census Area	\$1,614,897
<b>Alaska</b>	Nome Census Area	\$1,943,160
<b>Alaska</b>	Prince of Wales-Hyder Census Area	\$1,204,860
<b>Alaska</b>	Southeast Fairbanks Census Area	\$1,338,884
<b>Alaska</b>	Valdez-Cordova Census Area	\$1,787,381
<b>Alaska</b>	Yukon-Koyukuk Census Area	\$1,015,866
<b>Connecticut</b>	Fairfield County	\$183,231,182
<b>Connecticut</b>	Hartford County	\$173,206,156
<b>Connecticut</b>	Litchfield County	\$35,027,571
<b>Connecticut</b>	Middlesex County	\$31,551,289
<b>Connecticut</b>	New Haven County	\$166,026,527
<b>Connecticut</b>	New London County	\$51,513,156
<b>Connecticut</b>	Tolland County	\$29,275,787
<b>Connecticut</b>	Windham County	\$22,683,534
<b>Massachusetts</b>	Berkshire County	\$24,268,907
<b>Massachusetts</b>	Essex County	\$153,260,605
<b>Massachusetts</b>	Franklin County	\$13,631,642
<b>Massachusetts</b>	Hampden County	\$90,587,294
<b>Massachusetts</b>	Hampshire County	\$31,239,342
<b>Massachusetts</b>	Middlesex County	\$313,053,637
<b>Massachusetts</b>	Nantucket County	\$2,214,122
<b>Massachusetts</b>	Suffolk County	\$156,149,511
<b>Massachusetts</b>	Worcester County	\$161,338,586
<b>Rhode Island</b>	Bristol County	\$9,416,477
<b>Rhode Island</b>	Kent County	\$31,911,795
<b>Rhode Island</b>	Newport County	\$15,943,466
<b>Rhode Island</b>	Providence County	\$124,104,857
<b>Rhode Island</b>	Washington County	\$24,391,860
<b>Vermont</b>	Addison County	\$7,143,501
<b>Vermont</b>	Bennington County	\$6,889,632
<b>Vermont</b>	Caledonia County	\$5,825,789
<b>Vermont</b>	Chittenden County	\$31,811,180
<b>Vermont</b>	Essex County	\$1,197,091
<b>Vermont</b>	Franklin County	\$9,595,759
<b>Vermont</b>	Grand Isle County	\$1,405,314

<b>Vermont</b>	Lamoille County	\$4,926,271
<b>Vermont</b>	Orange County	\$5,611,932
<b>Vermont</b>	Orleans County	\$5,251,620
<b>Vermont</b>	Rutland County	\$11,302,920
<b>Vermont</b>	Washington County	\$11,345,264
<b>Vermont</b>	Windham County	\$8,201,129
<b>Vermont</b>	Windsor County	\$10,695,148
<b>Virgin Islands</b>	St. Croix Island	\$9,828,651
<b>Virgin Islands</b>	St. John Island	\$809,974
<b>Virgin Islands</b>	St. Thomas Island	\$10,029,299
<b>American Samoa</b>	Rose Island	\$0
<b>American Samoa</b>	Swains Island	\$3,302