# FINANCIAL PROJECT PLAN

This document is to be completed by the subrecipient. The information should include planned responses for use of ARPA funding to be passed through to eligible independent schools in Mississippi.

|  |  |
| --- | --- |
| **Organization Name** |  |
| **Date** |  |

1. **Financial Summary – Total Funding Expected to be Allocated - $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
2. **Performance:** Organizations shall refer to the Final Rule guidance to ensure that expenditures are for eligible uses. U.S. Treasury Guidance and FAQs for State, Local and Tribal Governments can be found at [SLFRF-Final-Rule-FAQ.pdf (treasury.gov)](https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-FAQ.pdf). Organizations shall detail below how the organization expects to spend the amount of funding allocated for the specific purpose as stated in the grant agreement. Please include an explanation of how each project meets the eligibility criteria based on the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) final rule. The description should include activities and progress against the scope of work and outcomes of that work. Attach additional documents as necessary.

|  |
| --- |
| **Descriptive summary of how the entity was impacted by pandemic and how the funds will be used as a response to the impact, including specific deliverables to be achieved, and progress against objectives and outcomes expected to be achieved. The summary should include project description, type of project, project map, estimate of the population served by the projects, estimated project cost, estimated project schedule and readiness to proceed. Please attach additional pages if needed.**  **IMPACT:**  **RESPONSE:** |

1. **Financial Budget: The budget costs of the project.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Budget category** | **Water** | **Sewer** | **Broadband** | **HVAC** | **Other** |
| Project description |  |  |  |  |  |
| Type of project |  |  |  |  |  |
| Project map |  |  |  |  |  |
| Estimate of the population served by the project |  |  |  |  |  |
| Estimate of project costs |  |  |  |  |  |
| Estimated project schedule |  |  |  |  |  |
| Readiness to proceed |  |  |  |  |  |
| **Total** |  |  |  |  |  |

Note: To build public awareness and accountability and allow Treasury to monitor compliance with eligible uses, some program and performance reporting is required for SLFRF. As a subrecipient of the State of Mississippi ARPA funds, your entity will be required to submit project and expenditure reports to DFA in the portal that are required by Treasury. See compliance and reporting guidance at <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>. The project and use of funds will indicate the project expenditure category as indicated in the Project and Expenditure Report User Guide. See project and expenditure report guide at <https://home.treasury.gov/system/files/136/Jan-2023-PE-Report-User-Guide.pdf>. The expenditure category will then dictate the program data required to be reported.

1. **The project costs above will be funded from the following sources of funds. For example, if the project costs will be funded solely from the Senate Bill 2700 MAICU Grant program then list that as the source and the project costs. If the project will be funded from multiple sources, please list the source of funds and approximately how much of the project costs.**

|  |  |
| --- | --- |
| **Sources of funds** | **Project costs** |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
| **Total Project Costs** |  |

**Please review the following**

**SLFRF guidance critical to project cost requirements**

**SLFRF Overview of Final Rule**

## CAPITAL EXPENDITURES

As described above, the final rule clarifies that recipients may use funds for programs, services, and capital expenditures that respond to the public health and negative economic impacts of the pandemic. Any use of funds in this category for a capital expenditure must comply with the capital expenditure requirements, in addition to other standards for uses of funds.

Capital expenditures are subject to the same eligibility standard as other eligible uses to respond to the pandemic’s public health and economic impacts; specifically, they must be related and reasonably proportional to the pandemic impact identified and reasonably designed to benefit the impacted population or class.

For ease of administration, the final rule identifies enumerated types of capital expenditures that Treasury has identified as responding to the pandemic’s impacts; these are listed in the applicable sub- category of eligible uses (e.g., public health, assistance to households, etc.). Recipients may also identify other responsive capital expenditures. Similar to other eligible uses in the SLFRF program, no pre- approval is required for capital expenditures.

To guide recipients’ analysis of whether a capital expenditure meets the eligibility standard, recipients (with the exception of Tribal governments) must complete and meet the requirements of a written justification for capital expenditures equal to or greater than $1 million. For large-scale capital expenditures, which have high costs and may require an extended length of time to complete, as well as most capital expenditures for non-enumerated uses of funds, Treasury requires recipients to submit their written justification as part of regular reporting. Specifically:

|  |  |  |
| --- | --- | --- |
| **If a project has total capital expenditures**  **of** | **and the use is enumerated by Treasury as eligible, then** | **and the use is beyond those enumerated by Treasury as eligible, then** |
| Less than $1  million | No Written Justification required | No Written Justification required |
| Greater than or equal to $1 million, but less than $10 million | Written Justification required but recipients are not required to submit as part of regular reporting to Treasury | Written Justification required and recipients must submit as part of regular reporting to Treasury |
| $10 million or more | Written Justification required and recipients must submit as part of regular reporting to Treasury |

A Written Justification includes:

* + *Description of the harm or need to be addressed.* Recipients should provide a description of the specific harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency. Recipients may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.
  + *Explanation of why a capital expenditure is appropriate.* For example, recipients should include an explanation of why existing equipment and facilities, or policy changes or additional funding to pertinent programs or services, would be inadequate.
  + *Comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior.* Recipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the expected total cost (including pre-development costs) against at least two alternative capital expenditures.

Where relevant, recipients should consider the alternatives of improving existing capital assets already owned or leasing other capital assets.

Treasury presumes that the following capital projects are generally ineligible:

 Construction of new correctional facilities as a response to an increase in rate of crime

 Construction of new congregate facilities to decrease spread of COVID-19 in the facility

 Construction of convention centers, stadiums, or other large capital projects intended for general economic development or to aid impacted industries

In undertaking capital expenditures, Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurements employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.

**Other Federal Requirements**

PROCUREMENT

Entities must be careful to follow all requirements of 2 CFR 200.317-327. These provisions should be thoroughly reviewed prior to initiating any purchases. The requirements include:

* general procurement standards and the thresholds for competitive bidding,
* various methods of procurement,
* affirmative solicitation of small and minority businesses, women’s business enterprises, and labor surplus area firms,
* domestic preferences,
* procurement of recovered materials,
* establishing contract cost and price,
* bonding requirements, and
* required contract clauses.

The grantee must follow applicable federal AND state law, federal procurement standards specified in regulations governing federal awards to non-federal entities, their established policy, and best practices for procuring goods or services with grant funds. Procurement activities must follow the most restrictive of federal, state and local procurement regulations. Independent Colleges and Universities that operate as private nonprofit entities default to the federal acquisition thresholds. Contracts must be routinely monitored for delivery of services or goods.

Grantees may use award funds to enter into contracts to procure goods and services necessary to implement one or more of the eligible purposes outlined in Treasury’s Final Rule. As such, grantees are expected to have procurement policies and procedures in place that comply with the procurement standards outlined in the Uniform Guidance.

Specifically, a State must follow the same policies and procedures it uses for procurements from its non-Federal funds and comply with 2 CFR §§ 200.321, 200.322, and 200.323. States must also ensure that every contract includes the applicable contract clauses required by 2 CFR § 200.327. All other entities under the program, including subrecipients of a State, must follow the procurement standards in 2 CFR §§ 200.318 through 200.327, including ensuring that the procurement method used for the contracts are appropriate based on the dollar amount and conditions specified in 2 CFR § 200.320.

**SLFRF Final Rule FAQ’s**

**2.19. How can funds be used for “installation and improvement of ventilation systems in congregate settings, health care settings, or other public facilities” like commercial buildings, office buildings, schools, nursing homes, multi-family residential buildings, and restaurants?**

As a general matter, ventilation improvements, including updates to HVAC systems, improved air filtration, and increased outdoor air flow, can help reduce the concentration and risk of exposure to aerosols, and thus infection with COVID-19. The National COVID-19 Preparedness Plan specifies that improving ventilation and air filtration is a key component of keeping schools and businesses safely open. Although improvements to ventilation and air cleaning cannot on their own eliminate the risk of airborne transmission of the SARS-CoV-2 virus, the Environmental Protection Agency (EPA) has recommended taking steps to improve indoor air quality (IAQ ) including optimizing fresh air ventilation, enhancing air filtration and cleaning, and managing the way air flows as components of a larger approach that may include individual actions and layered prevention strategies.

Under the SLFRF program, funds for installation and improvement of ventilation systems can be used for projects that respond to the pandemic’s public health impacts and provide longer-term benefits, including the inspection, testing, commissioning, maintenance, repair, replacement, and upgrading of HVAC systems to improve indoor air quality in facilities. Projects can include assessing current HVAC systems, updating HVAC systems, updating air filters, installing functional windows for improved ventilation, repairing windows and doors, installing in-room air cleaning devices, and other projects for improving indoor air quality. For a more extensive guide of how to effectively use funds for ventilation improvements, Treasury recommends reviewing EPA’s [Clean Air in](https://www.epa.gov/indoor-air-quality-iaq/clean-air-buildings-challenge#%3A%7E%3Atext%3DThe%20%E2%80%9CClean%20Air%20in%20Buildings%20Challenge%E2%80%9D%20is%20a%20call%20to%2Cviruses%20and%20other%20contaminants%20indoors)  [Buildings Challenge](https://www.epa.gov/indoor-air-quality-iaq/clean-air-buildings-challenge#%3A%7E%3Atext%3DThe%20%E2%80%9CClean%20Air%20in%20Buildings%20Challenge%E2%80%9D%20is%20a%20call%20to%2Cviruses%20and%20other%20contaminants%20indoors), a call to action and a set of guiding principles and best practices to assist building owners and operators with improving IAQ in buildings, as well as EPA’s resource page on “[Ventilation and Coronavirus (COVID-19).](https://www.epa.gov/coronavirus/ventilation-and-coronavirus-covid-19)” For a guide on federal programs and resources to support school infrastructure, including ventilation improvements, Treasury recommends consulting the “[White House Toolkit: Federal Resources for Addressing School Infrastructure Needs](https://www.whitehouse.gov/wp-content/uploads/2022/04/White-House-School-Infrastructure-Toolkit-04.04.22.pdf).” Further, Treasury recommends that recipients engage with public health and infection prevention professionals to develop and support an effective COVID-19 mitigation strategy. Finally, Treasury recommends that recipients ensure that the inspection, testing, commissioning, maintenance, repair, replacement, and upgrading of ventilation systems is performed by a skilled, trained, and certified workforce.

Recipients that undertake ventilation system investments under the public health and negative economic impacts eligible use category should review capital expenditure requirements in the final rule and note that capital expenditures must be related and reasonably proportional to the pandemic impact identified.

**SLFRF Final Rule FAQ’s**

**2.20. In what types of buildings can recipients use funds to install and improve of ventilation systems?**

In addition to directly installing and improving ventilation systems in congregate settings, health care settings, or other public facilities, recipients may grant or loan funds to businesses, non-profits, and other entities that may benefit from COVID-19 mitigation measures.

In making these investments, Treasury recommends that recipients consult with public health and infection prevention professionals and that recipients ensure work is performed by a workforce that is skilled, trained, and certified in ventilation systems work. Many buildings would benefit from ventilation improvements, including settings where risk of infection is higher, such as when people are indoors for prolonged periods of time, are in crowded environments, or are performing activities that increase emission of respiratory fluids (such as speaking loudly, singing, or exercising). This includes commercial buildings, office buildings, dense worksites, schools, nursing homes and other long-term care facilities, multi-family residential buildings, restaurants, correctional facilities, transportation hubs, and public transit vehicles, among other locations. Recipients are encouraged to consider congregate settings and other key locations as priorities for installation and improvement of ventilation systems. Please note that use of funds is not limited to government-owned public facilities and funds may be distributed by recipients to private businesses, non-profits, and others for COVID-19 mitigation and prevention, as the final rule clarifies that recipients may identify the general public as the impacted population for COVID-19 prevention and mitigation services. Recipients should review capital expenditure requirements for the public health and negative economic impacts eligible use category in the final rule before undertaking investments in ventilation systems.

For more information on ventilation system upgrades for school settings, Treasury recommends consulting:

* Creating Healthy Indoor Air Quality in Schools: <https://www.epa.gov/iaq-schools>
* Efficient and Healthy Schools campaign: <https://efficienthealthyschools.lbl.gov/>
* Efficient and Healthy Schools website: <https://www.energy.gov/eere/buildings/efficient-and-healthy-schools>

**SLFRF Final Rule FAQ’s**

**2.21. Can SLFRF funds be used to support public school facility improvements, upgrades, and new construction – such as those that make buildings more energy efficient, increase their use of renewable energy, address capacity constraints, and respond to health and safety concerns?**

Yes. There are numerous ways in which SLFRF funds may be used to support public school facility improvements and upgrades.

First, as part of the public health and negative economic impacts (PH-NEI) eligible use category, SLFRF funds may be used address educational disparities in disproportionately impacted communities.**3** which may include funding improvements or new construction of schools and other educational facilities or equipment. Recipients may consider energy efficiency improvements as part of their facility investments, and may also use funds for pre-project development costs, such as assessment of building conditions, energy audits, feasibility studies, HVAC commissioning and testing, and lead testing, that are tied to or reasonably expected to lead to an eligible investment in school facilities to address educational disparities in disproportionately impacted communities. Recipients should review and comply with the requirements applicable to capital expenditures under the public health and negative economic impacts eligible use category as outlined in the final rule.4

Second, as part of the PH-NEI eligible use category, recipients may use funds for adaptations to schools for the purpose of mitigating the spread of COVID-19, including for ventilation improvements. Similar to the above, recipients should ensure compliance with the capital expenditure requirements for the eligible use category.

Third, as part of the water and sewer infrastructure eligible use category, recipients may invest in certain projects to support lead remediation, including replacement of internal plumbing and faucets and fixtures in schools and childcare facilities. Recipients can also invest in certain green water infrastructure projects. Eligible water and sewer projects are generally aligned with those allowable under the EPA’s Drinking Water and Clean Water State Revolving Funds, and Treasury has added additional eligible projects as part of the final rule. Recipients should review and comply with the specific requirements provided for in the water and sewer infrastructure eligible use category as outlined in the final rule.

Fourth, as part of the revenue loss eligible use category, which is the broadest eligible use category that is capped by either the $10 million standard allowance (up to a recipient’s award size) or a recipient’s calculated revenue loss, recipients may use SLFRF funds on government services. These government services include any service traditionally provided by a government unless Treasury has stated otherwise. Eligible government services that may be covered under the revenue loss eligible use category include maintenance, improvement, or new construction of public school facilities, including those that address over-crowding and capacity constraints, support energy efficiency, and respond to health and safety concerns, among other purposes.

3 Please see FAQ 2.9 for more on disproportionately impacted communities, and the Overview of the Final Rule (p.19) for a list of presumed disproportionately impacted communities. For services to address educational disparities, Treasury will recognize Title I eligible schools as disproportionately impacted and responsive services that support the school generally or support the whole school as eligible.

4 Please see the Overview of the Final Rule (p. 30-31) for a summary of capital expenditure requirements for the public health and negative economic impacts eligible use category.

**SLFRF Final Rule FAQ’s**

**13.2. Do federal procurement requirements apply to SLFRF?**

Yes. The procurement standards for federal financial assistance are located in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR 200.317 through 2 CFR 200.327 and apply to procurements using SLFRF funds. Pursuant to 2 CFR 200.317, recipients that are non-state entities, such as, metropolitan cities, counties, non-entitlement units of local government, and Tribes must comply with the procurement standards set forth in 2 CFR 200.318, through 2 CFR 200.327, when using their SLFRF award funds to procure goods and services to carry out the objectives of their SLFRF award. States, the District of Columbia, and U.S. Territories must follow their own procurement policies pursuant to 2 CFR 200.317, as well as comply with the procurement standards set forth at 2 CFR 200.321 through 2 CFR 200.323, and 2 CFR 200.327 when using their SLFRF award funds to procure goods and services to carry out the objectives of their SLFRF award. See also SLFRF Award Terms and Conditions. Recipients are prohibited from using SLFRF funds to enter into subawards and contracts with parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs. See 2 CFR 200.214. Moreover, a contract made under emergency circumstances under the Coronavirus Relief Fund (CRF) cannot automatically be transferred over to SLFRF. These programs are subject to different treatment under the Uniform Guidance. Under the CRF program, recipients are permitted to use their own procurement policies to acquire goods and services to implement the objectives of the CRF award. Under the SLFRF program, recipients are required to follow the procurement standards set out in 2 CFR Part 200 (Uniform Guidance) pursuant to the SLFRF Award Terms and Conditions executed by the recipients in connection with their SLFRF awards.

**SLFRF Final Rule FAQ’s**

**13.3. What is the threshold for competitive bidding for my government?**

As stated above, recipients are required to comply with the procurement standards set forth in 2 CFR 200.317 through 2 CFR 200.327 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Pursuant to 2 CFR 200.317, States, the District of Columbia, and U.S. Territories should refer to the competitive bidding thresholds described in their own procurement policies and procedures. Other non-federal entities, such as metropolitan cities, counties, non-entitlement units of local government, and Tribes must adhere to the competitive bidding thresholds set forth in 2 CFR 200.320 for the relevant procurement methods. 2 CFR 200.320 describes methods of procurement based on two procurement thresholds. There are two thresholds that recipients should keep in mind related to procurement requirements: the Micro purchase threshold (MPT) and the Simplified Acquisition Threshold (SAT).

Micro-purchase threshold (MPT) - 2 CFR 200.320(a)(1): Purchase of supplies and services for a price below the MPT, currently set at $10,000, are not required to be solicited competitively. However, there are circumstances when a recipient may have a MPT that is greater than $10,000. For example, all non-Federal entities may increase their MPT up to 50 $50,000 if they follow the protocols described in 200.320(a)(1)(iv). Additionally, non-federal entities such as metropolitan cities, counties, non-entitlement units of local government, and Tribes may use their own MPT if they follow the protocols described in 200.320(a)(1)(iv).

Simplified Acquisition Threshold (SAT) - 2 CFR 200.320(a)(2): Purchases of property and services at a price above the recipient’s MPT and below the SAT, currently set at $250,000, may be made following the small purchase procedures described in the definition of SAT in 2 CFR 200.1 and 2 CFR 200.320(a)(2). Procurement of property and services at a price above the SAT must follow the formal procurement methods outlined in 2 CFR 200.320(b).

Under the SLFRF program, recipients must obligate all funds by December 31, 2024 and expend funds by December 31, 2026. Recipients may transfer funds to other entities, including local educational agencies, to carry out as a subrecipient an eligible use of funds by the recipient, as long as they comply with program requirements. Recipients should note that the Davis-Bacon Act requirements (prevailing wage rates) do not apply to projects funded solely with award funds from the SLFRF program, except for certain SLFRF-funded construction projects undertaken by the District of Columbia. The National Environmental Policy Act (NEPA) does not apply to Treasury’s administration of the SLFRF program, although projects supported with SLFRF funds may still be subject to NEPA review if they are also funded by other federal financial assistance programs.

By:

Authorized Physical Signature:

Title:

Date: