



Kennebec County MAINE



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American Rescue Plan Funds

Your Organization is a Subrecipient of ARPA Funds – Now What?

WHAT IS A
SUBRECIPIENT?.....1

The American Rescue Plan (ARPA) passed in March 2021 is an historic opportunity for the Citizens of Kennebec County with an over \$14 million infusion of your federal tax dollars back to the County. The key goals of the funding include:

ELIGIBLE USES.....2

Fighting the pandemic, supporting families and businesses struggling with the public health and economic impacts,
Maintaining vital services, even if revenues are declining due to the crisis,
Building a strong, resilient, and fair recovery by making investments that support long-term growth and opportunity for not only our Citizens, but all Americans.

YOUR ROLE AND
RESPONSIBILITY.....3

As ARPA is a federal law, compliance is needed. Funds must be spent following the law. If the funds are not spent properly, the County risks returning funds to the U.S. Treasury and heightened audit procedures for the future, costing us all added tax dollars.

RESOURCES FOR
YOU.....3

This pamphlet is a quick guide to your role and responsibility in receiving federal funds from the County.

WHAT IS A SUBRECIPIENT?

Your organization is a **subrecipient**. That means your organization has received a **subaward from the County to carry out part of a federal program (in this case the Coronavirus State and Local Fiscal Recovery Fund that is part of ARPA)**. If your organization supplies services to individuals from the funds, those individuals are not subrecipients, they are beneficiaries. However, the beneficiaries and the program you provide must be eligible following the law.

ARPA Eligible Uses Can Include Assistance to or for:

- ✓ COVID-19 medical treatment and mitigation
- ✓ A broad range of mental health, substance use and behavioral needs
- ✓ Community violence intervention and enforcement efforts
- ✓ Assistance to households based on federal guidelines
- ✓ Food assistance
- ✓ Reemployment and job training
- ✓ Paid sick and family leave
- ✓ Childcare, early learning
- ✓ Loans, grants, and technical assistance to small businesses
- ✓ *Many other potential uses.*

YOUR ROLE AND RESPONSIBILITY



The contract for the subaward you have signed (or are signing) has responsibilities from your organization. These include:

- ✓ Carrying out the terms and conditions in the subaward, including ensuring costs are allowable
- ✓ **Stewardship of the funds**
- ✓ Maintaining effective internal controls so that you can meet the terms and conditions of the subaward including:
 - Segregation of responsibilities (checks and balances between preparers and approvers of spending)
 - Retaining documentation of all activities relating to the award
 - Reconciliation of funds at each monthly close and prompt resolution of all issues

- ✓ **Timely preparation of reports quarterly to the County required by the subaward**

Your organization *may* be subject to an independent audit if the organization *spends* (rather than receives) **\$750,000 or more** in total federal spending within any year. You then have added responsibilities including:

- ✓ Engaging an independent auditor
- ✓ Supplying the auditor access to your personnel, books, records, and other documentation as needed to perform the audit
- ✓ Preparing financial statements, including a schedule of expenditures of federal awards
- ✓ Report the information to the County as required in the subaward

If the auditor has 'findings,' promptly correct them, including working with the County and its contractor.





Having federal resources available for your organization is not only a significant benefit, but also carries responsibilities. These are some resources for you to help fulfill those roles and responsibilities.

RESOURCES FOR YOU

We are all in this together – don't go it alone!

- ✓ Kennebec County American Rescue Plan Act Grant Application Form - <https://kennebeccounty.org/arpa/>
- ✓ System for Award Management (required for application) - <https://sam.gov>.
- ✓ Free checklist and guide for subrecipients vs. contractors from the Association of Government Accountants (AGA) - <https://www.agacgfm.org/Intergov/More-Tools/Subrecipient-vs-Contractor-Checklist.aspx>
- ✓ US Treasury ARPA website - <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>
- ✓ Maine Society of CPAs - <https://www.mecpa.org/>
- ✓ Maine Center for Economic Policy ARPA Guide for Kennebec County - <https://www.mecep.org/wp-content/uploads/2021/10/Kennebec-County-ARPA-spending-guide.pdf>

IF YOU DON'T UNDERSTAND – JUST ASK. KENNEBEC COUNTY ARPA CONTACTS

Name
EMAIL
Phone Number



Kennebec County

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