

**MTA Live Q&A: What We Know Now About American Rescue Plan Funding
July 15, 2021**

| Question | Answer |
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| How can we view this presentation afterwards? | The presentation and webinar have been posted www.michigantownships.org/covidrelief.asp . |
| Filing For the Funds | |
| Our township receives our state revenue sharing funds by check. Can these funds be sent by check also? | If you receive a paper revenue sharing check, then you have a SIGMA CV number. The CV number is displayed when you file your application online. When you file your application online, this number will be displayed. Make note of the number and then go to sigma and verify that your information is correct, including mailing address. If you wish to receive the funds electronically, your CV number in SIGMA must be tied to a Bank account number. If your township does not have an EFT and currently receives paper checks, the state will send the funds via a paper check. If incur a problem, contact the SIGMA Support Center at SIGMA-Vendor@michigan.gov or call 517-284-0550. |
| The Recipient is the township's name? Then the Supervisor signs both agreements? | The supervisor or manager/superintendent signs. |
| Does the Clerk or the Supervisor typically complete the application process? | That depends on your township. The supervisor and clerk will have the budget info and the supervisor or manager/superintendent is required to sign the Election Form to accept the funds. |
| Can the Clerk sign these or does it have to be the Supervisor? | It has to be the supervisor or manager/superintendent. The clerk or treasurer can apply and report but cannot sign the Election Form (<i>Form 5751</i>). |
| Our Township Supervisor recently resigned. If it was approved for the Clerk to sign in lieu of a supervisor, is that ok?? | If the supervisor position is vacant and the township does not have a manager/superintendent, the Michigan Dept. Of Treasury has advised that the Board must designate/delegate a specific person to complete the forms necessary. However, when the township submits the forms, the board minutes or other documentation that shows said designation/delegation MUST be attached. |
| Can the clerk sign as the chief administrative officer? The board approved a motion to apply for these funds. | No, only the supervisor or township manager/superintendent can sign the Election Form (<i>Form 5751</i>). The clerk can apply and report but not sign off on official documents. |
| Is the Elite Portal system the same as our F65 number? | Yes. The ELITE system is normally where the township's audit and F-65 are filed. |
| Once you request access as new user to ELITE, how long does that take? | All townships use the ELITE system as it is how the township's audit and F-65 are uploaded. If the township's auditor / accountant upload the financial documents, you may need to contact them or you can email Treasury at Tres-ARPA@michigan.gov for a timeline. |
| Elite System: Is it one user per township? Can I just make a new username, or do I have to research if the township already has a user? | Generally, the ELITE system is used for filing the township's audit and F-65, so the auditor or treasurer may have typically done that; check to see who is already registered. You may add additional users. |

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| <p>If the entity administrator for DUNS is not the supervisor, is it required that this person sign all the forms for Elite?</p> | <p>For the DUNS number, it's usually the treasurer who has been involved with the registration—since it involves financial accounts. It does not matter for the ARPA application process who the DUNS administrator is—what matters is that you have one DUNS number for the township (should not be a department of the township, like “hall,” “office” or “fire department”). And the person does not need to be the supervisor. However, only the supervisor or manager/supervisor needs to sign the Election Form (Form 5751).</p> |
| <p>Is ACH number necessary</p> | <p>The ACH number is the bank information associated with the SIGMA CV information. You should verify to ensure it is correct.</p> |
| <p>We are registered with SIGMA. Where do we find the SIGMA code and Address ID?</p> | <p>The SIGMA CV number is displayed when you file the application online. Then go into SIGMA to verify your township's information is correct.</p> |
| <p>My DUNS / SAM account registration was "completed" but they said I did not get my "CAGE" code....do I need this? This seemed to be a federal thing that may not apply to these funds.</p> | <p>The CAGE Code is automatically generated in SAM.gov if the township does not already have one. CAGE number Commercial and Government Entity (CAGE) Procurement Info: https://dodprocurementtoolbox.com/site-pages/ebusiness-cage-code-information</p> |
| <p>Our DUNS number is linked with the address and phone number of the old treasurer who died 20 years ago. Do we need to get that fixed before the 27th?</p> | <p>Yes, you should email Treasury at Tres-ARPA@michigan.gov because you likely won't be able to even get in to change unless you know what they used.</p> |
| <p>Registering in SAM how do I find out what year to use as the Twp Established year</p> | <p>If you do not have the exact date, Michigan Dept. Of Treasury advised that an estimated date is ok as long as you use the same date consistently in the application and in any follow-up reporting.</p> |
| <p>A couple of times it was stated that it was the 2019 Census numbers, I thought in the state webinar they specifically said the 2010 Census was going to be used.</p> | <p>The release of the 2020 federal Census numbers is delayed. According to the allocation listing on the state's website, it is 2019 population. US Treasury has also been asked, and stated, that it will not adjust allocations when the 2020 Census populations are released.</p> |
| <p>Part of a village is in my township. Will the township portion that goes to the village be delivered to the township and then we would send a portion to the village? Does the village do their own application?</p> | <p>A village is required to submit their own application. The funds are different and are applied for and disbursed separately.</p> |
| <p>If we don't choose to apply for the money, what will happen to it?</p> | <p>It depends on how you fill out the Election Form. Option 1 is accepting the funds. Option 2 indicates the township declines the funds and their allocation is transferred to the State. Option 3 indicates the township declines the funds and their allocation is disbursed to other NEUs. No response from the township will be treated as Option 3.</p> |
| <p>Who chooses where the funds go under Option 3</p> | <p>Per US Treasury rule, the state is required to reallocate to other NEUs.</p> |

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| [Regarding the question above, does the state decide what township etc. gets our allocated \$ or can our township designate another township in our county to receive our share of \$. | MI Treasury will allocate NEU funds declined under Option 3 on a per capita basis to other NEUs in the state that selection Option 1. |
| OMB Term and Conditions | |
| Do the Award Terms and Conditions Agreement and Assurances of Compliance with Title VI both need to be board approved - or can they be signed by the chief executive and later condoned by the legislative board? | The board would not vote separately on the Terms and Conditions Agreement—but the board does need to vote on whether to accept your ARPA funds. If a township board votes to accept ARPA funds, the board IS agreeing to the Terms and Conditions. |
| Is there an editable version of the OMB Approved No. 1505-0271? | No. You cannot edit the Terms and Conditions. If you want to accept the funds, the township must accept the Terms and Conditions. Here is an MTA-created version of the OMB Form with live links to all of the statutes and rules you would be accepting so you can see what they are. Note that most of them are federal laws that all townships must comply with anyway—or not violate—in your normal functions/activities, so reviewing them is a good thing to do. But you cannot accept some and not others and be able to receive the ARPA funds. |
| Determining Your Top Line Budget | |
| Can sewer and water enterprise funds be used in total budget calculations. | Yes. |
| Does the top line budget include special funds i.e., road fund received with voted milage? | Yes. |
| Question - covers expenditures as of March 3rd, 2021 - does that mean expenses prior to that? Not going forward? A bit confusing. | Funds can be used for costs incurred from March 3, 2021 through December 31, 2024 (except for premium pay for essential employees, which can be retroactive to January 27, 2020—different from general payroll costs). |

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| <p>What exactly is included in the top line budget? Do Enterprise funds, those that are funded by user fees, like our harbor and sewer, get included? What about transfers from one budget to another? Our harbor fund transfers to the dredging fund.</p> | <p>See the MI Treasury Numbered Letter 2021-5. Enterprise funds are included: The Michigan Department of Treasury, within the framework prescribed by U.S. Treasury, defines top-line budget to include the sum of [either of] the following:</p> <ul style="list-style-type: none"> • All budgeted expenditures (including other financing uses) for the general, special revenue, debt service, capital projects, and permanent funds; including transfers out for enterprise funds. This calculation includes all governmental and enterprise funds but excludes internal service and fiduciary funds. Budgeted expenditures are as of January 27, 2020. • Funds that do not have an adopted budget will use the actual expenditures (including other financing uses for governmental funds) or expenses (including both operating and nonoperating expenses and transfers out for enterprise funds) found in the most recent audited financial statements for the period ending prior to January 27, 2020. |
| <p>Does top line budget include just General Fund?</p> | <p>See above.</p> |
| <p>Is the budget number considering income and expenses or income only?</p> | <p>Expenditures. See above.</p> |
| <p>Do you use revenues or expenditure amounts for your top line budget?</p> | <p>Expenditures. See above.</p> |
| <p>I'm still confused, do I include millage amounts received in my top line budget?</p> | <p>Millage expenditures, not revenues. See above.</p> |
| <p>For the top line budget number, can we use actual results, or do we use the estimated original budget number?</p> | <p>See above.</p> |
| <p>The Numbered Letter states the budget includes transfers to Enterprise Funds, but what about Special Revenue Funds? Are these transfers excluded?</p> | <p>See above. Budgeted expenditures for Special Funds are included. "Transfers out to enterprise funds" means that type of expenditure from the General Fund or Special Funds. But you do not consider expenditures from an enterprise fund.</p> |
| <p>We have two enterprise funds which provide additional funds for the Township - one is Tower (mobile phone tower rental) and Cable - Charter Cable pays quarterly monies for easements and revenue charged by them to resident. Do we need to include those in our general budget?</p> | <p>The top line budget is your expenditures, NOT revenues.</p> |
| <p>If using QuickBooks, what would be the best way to find the top line budget amount?</p> | <p>You can use the budget for 2020-21. You may not have that in QuickBooks. You may create that through Excel or another avenue.</p> |
| <p>We use QuickBooks and have a fiscal year from March 31st to April 1st. Is the Top Line Budget the</p> | <p>Correct.</p> |

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| total revenue for that fiscal year that includes January 27, 2021? | |
| The "top line budget" is confusing. Since our fiscal year is April 1-Mar 31 of each year, am I to understand the budget number is our adopted budget for April 1, 2019 - March 31, 2020, with any amendments as of Jan 27, 2020? | It would be your 2020-21 Budget. |
| Our auditor said to use the 2019-20 budget for the top-line budget. You continue to say 2020-21. Which is correct? | It is the budget was in place for your township on Jan. 27, 2020, which will differ depending on the township's fiscal year. |

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| Again, the Numbered Letter says budgets as of Jan. 27, 2020, so for a township with a June 2020 year-end, it would be the amended 2019-2020 budget at Jan. 27, 2020? | If the township is using the budgeted expenditures, they would be the ones in the township's YTD budgeted expenditures report prepared before Jan. 27, 2020. If the township is using the actual audited expenditures, then use the most recent audit prior to Jan. 27, 2020—which could be the 2019 budget or the 2018 budget depending on whether the township does its audit every other year (and what year that is). |
| A Supervisor told me he read somewhere that Treasury was going to verify the Top Line Budget. I'm assuming the uploading of the budgets is where Treasury will be getting the information for the verification or is it someplace else? | The township will have to provide the documentation used to determine their top line budget in reporting requirements filed (Oct. 31, 2021) with the U.S. Treasury. |
| Using the Funds | |
| Does the money need to be deposited in a non-interest-bearing account? | No. A township may choose to put the funds in an interest-earning account. |
| Are we able to invest the funds? And use the interest for anything? And be able to have the interest earned carry over past the end date? | Yes, although that cannot be the primary (only) use. The township retains any interest earned. Interest earned is not restricted to ARPA uses and may be used for any lawful township purpose. |
| What happens if a township accepts the funds but later decides not to use the money? | We believe the funds will be able to be returned, but final guidance has been provided by the US Treasury. At this time, both US and MI Treasury have indicated that they do not intend to be punitive, and no interest or penalties would likely be applied. |
| Is there a penalty if we do not use the funds & send back unused funds? | See above. |
| Is this any likeliness that these funds will need to be paid back in the future? | Not if the township uses them as allowed under ARPA. |
| Are we supposed to pay these funds back? | Not if the township uses them as allowed under ARPA. |

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| Can the money be used to pay someone to get easements to run the cable across their property? | No. |
| Can these funds be used for 'matching' funds for a State DNR grant for infrastructure? | They cannot be used as matching funds for federal grants (federal funds cannot be used to match federal grants) but we believe they could be used for matching state grants. Check with the state agency for their final answer. |
| Can County Road Commissions request any of these funds? | If you are asking whether the CRC will be receiving ARPA funds directly, counties can, but not commissions through the county. If you are asking whether the CRC can ask the township to use its ARPA funds on county road projects, they can always ask. The only option for road projects to be an allowable use by a township is under Revenue Loss. |
| COVID-19 Eligible Expenditures | |
| We have a very small township hall. The space does not allow for social distancing. Can this money be used to add on to the township hall to make the square footage larger? | Yes, that may be possible under the COVID-19 Eligible Expenditures category if it is to specifically meet the “pandemic operational needs” OR under the Revenue Loss category (for that purpose or simply needing larger hall for governmental purposes). |
| What about a generator for township hall? | It could be possible under the COVID-19 Eligible Expenditures category if it is to specifically meet the “pandemic operational needs” if it is in response to the disease itself (i.e., to provide electricity for storing and administering vaccinations)). It is allowed under the Revenue Loss category for that purpose or simply to have a generator for the hall for general purposes. |
| Negative Economic Impact | |
| Our township is shown on the list as defined by HUD as a qualified census tract. Would we use this option when spending the money? Would not have to use the formula for loss of revenue? | Link to Qualified Census Tract map: https://experience.arcgis.com/experience/57023606d6fd4fa6b09786623b0ee6cb It appears that having one or more QCTs in the township will enable use of funds in the Negative Economic Impact category. While it does not allow the “broad latitude” in funding governmental services that you can have in the Revenue Loss category, having QCTs or disproportionately impacted areas would allow for the specific uses of Rebuilding Public Sector Capacity and for Hardest-Hit Communities. This can be done either instead of looking at Revenue Loss (but do not assume you do not have Revenue Loss) OR in combination . For example, under the Revenue Loss category, a township could use funds for the general provision of police/law enforcement services. If you can show a Negative Economic Impact (and having QCTs gives a presumption of NEI), then you could also use the funds to rehire police/law enforcement staff, and under the “hardest-hit” aspect of NEI, possibly fund new or additional law enforcement initiatives, such as combating increased violent crime in a QCT or disproportionately impacted area of the township. See US Treasury Q&As Question 4.8 for more specifics. |

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| Under the qualified census tract slides, do only the townships listed fall under the Interim Rules? | No. All townships and other ARPA-eligible entities, including those with QCTs, fall under the US Treasury Interim Final Rule. However, under the IFR, there are specific uses that may be made of the ARPA funds for Negative Economic Impacts. See the answer above. |
| Blight including demolition of properties, boarding Etc. | <p>Depending on the township’s circumstances (whether township has blight ordinances or operates housing under the Housing Facilities Act), likely could be used in “hardest hit communities.”</p> <p>Treasury will presume that certain types of services, outlined here, are eligible uses when provided in a Qualified Census Tract or to families and individuals living in QCTs. Recipients may also provide these services to other populations, households, or geographic areas disproportionately impacted by the pandemic. Recipients should be able to support their determination that the pandemic resulted in disproportionate public health or economic outcomes to the specific populations, households, or geographic areas to be served.</p> <p>Link to Qualified Census Tract map: https://experience.arcgis.com/experience/57023606d6fd4fa6b09786623b0ee6cb</p> |
| Last July two of our harbor personnel were quarantined and two others quit. The four guys left did a lot of overtime. Would that overtime expense be considered a negative economic impact? | Under Negative Economic Impact , it is possible that funds could be used for Rebuilding Public Sector Capacity to Pre-Pandemic Levels by rehiring staff. The IFR includes as an eligible use payroll, covered benefits, and other costs associated with rehiring public sector staff, up to the pre-pandemic staffing level of the government. See the Interim Final Rule IFR pg. 26795 and US Treasury Q&As . |
| Premium Payments | |
| What are “essential workers” for the premium payments of ARPA funds? | <p>Workers Performing Essential Work During COVID</p> <p>Townships may provide premium pay retrospectively for work performed at any time since the start of the COVID-19 public health emergency. Such premium pay must be “in addition to” wages and remuneration already received and the obligation to provide such pay must not have been incurred by the recipient prior to March 3, 2021.</p> <p>Eligible workers are those: “...needed to maintain continuity of operations of essential critical infrastructure sectors and additional sectors” that the township board designates as critical to protect the health and well-being of the residents of the township.</p> <p>Examples include:</p> <ul style="list-style-type: none"> • Janitors and sanitation workers • Truck drivers, transit staff and warehouse workers • Public health and safety staff • Social service and human services staff • Other sectors can be added, as long as they are deemed critical to protect the health and well-being of residents |

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| <p>I had heard that election workers qualified for the premium payments.</p> | <p>We have asked this question but do not have clarification at this time. However, they would have to be deemed by the board as performing work “critical to protect the health and well-being of residents.” So even though the work election workers perform is absolutely critical to elections, the issue is whether you can make the argument (in reporting to US Treasury) that their work is critical to protect the health and well-being of residents.</p> |
| <p>We paid our election inspectors a "hazard pay" of \$5 per hour. Is that allowed as a premium payment claim? Or must it be a retroactive payment?</p> | <p>Without making any determination whether election inspectors qualified for premium pay (see above), note that premium pay must be “in addition to” wages and remuneration already received and the obligation to provide such pay must not have been incurred by the recipient prior to March 3, 2021.</p> |
| <p>Can volunteer firemen be considered as Essential Workers?</p> | <p>Yes, as public health and safety staff. The US Treasury Q&As specifically address this. Look at question 2.14 and 2.15. Premium pay must be “in addition to” wages and remuneration already received and the obligation to provide such pay must not have been incurred by the recipient prior to March 3, 2021.</p> |
| <p>Are employees who worked at township office to keep them open during the pandemic considered "Essential"</p> | <p>We have asked this question but do not have clarification at this time. However, they would have to be deemed by the board as performing work “critical to protect the health and well-being of residents.” So even though the office staff may have been essential to keeping the township office open (and potentially “critical infrastructure workers” able to leave home to go to work at the office during the COVID-19 shutdowns), the issue is whether you can make the argument (in reporting to US Treasury) that their work is critical to protect the health and well-being of residents, as opposed to being critical to township general operations.</p> |
| <p>Revenue Loss</p> | |
| <p>Where may we find the revenue loss calculators?</p> | <p>There is one in the US Treasury Q & A, we will be posting one on our website and there is one on the State's website. NATaT Revenue Loss Calculator (download Excel spreadsheet) GFOA Revenue Loss Calculator (download Excel spreadsheet)</p> |

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| <p>Can you use lost rental dollars from your Senior Center?</p> | <p>Yes, if it is the township’s facility and it is being rented by someone else for senior center purposes (but not if it is also the township’s senior center program and it is really an administrative charge back):</p> <p>“Revenue” that you <u>can</u> count toward revenue loss:</p> <ul style="list-style-type: none"> • Taxes, current charges, rentals, miscellaneous revenues • All revenue streams (i.e., entity-wide) • Other government transfers (i.e., revenue sharing) <p>Excludes (you <u>cannot</u> count toward loss):</p> <ul style="list-style-type: none"> • Federal Transfers (including CRF) • Refunds and other correcting transactions • Proceeds issuance of debt • Sale of investments • Revenue generated by utilities (water supply, electric power, gas supply, and public mass transit systems) |
| <p>So, we can spend all the money on these “infrastructure items” if we show enough revenue loss?</p> | <p>Revenue Loss is the most flexible category, and yes, the uses listed under the Sewer/Water/Broadband Infrastructure category could also be done under Revenue Loss, as long as you show you had revenue loss. If not, then do them under Infrastructure.</p> |
| <p>What about a generator for township hall?</p> | <p>It could be possible under the COVID-19 Eligible Expenditures category if it is to specifically meet the “pandemic operational needs” if it is in response to the disease itself (i.e., to provide electricity for storing and administering vaccinations)).</p> <p>It is allowed under the Revenue Loss category for that purpose or simply to have a generator for the hall for general purposes.</p> |
| <p>Can it be used to replace sidewalks?</p> | <p>Yes. Public sidewalks, along a public road in the county road or MDOT/US jurisdiction.</p> |
| <p>Do repairs on Twp. Properties?</p> | <p>Yes, to do repairs to township owned or leased properties used for lawful township purposes (not on private properties simply located in the township)</p> |
| <p>Do aquatic weed control on lakes?</p> <p>[Cost to treat Smallwood Lake for growth on bottomland due to Edenville Breach?]</p> | <p>Yes, if the township is doing it through a special assessment under MCL 41.418, 41.722, or 324.30902.</p> <p>[For more specific information on the statutory authority for a township to assist in remediation of specific dam failures or disasters (without having to go through special assessment process) work with your attorney and state agencies for clarification.</p> |

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| <p>Our Town hall is a National Shelter System (NSS) Shelter. Does this allow us to use funds as a pandemic response put funds to repair the parking lot?</p> | <p>It does not appear that being an NSS shelter changes a township’s ability to use ARPA funds, so the answer would be the same for any township: If the parking lot needs to be repaired to allow it to provide for containing/mitigating COVID-19 (like space for drive-thru testing or vaccination operations), then it could be done under COVID-19 Eligible Expenditures. But if that is not the case, then look at Revenue Loss. If the township can show Revenue Loss, then the parking lot could be repaired for general governmental purposes, without having to show a COVID related need.</p> |
| <p>Investment in Infrastructure (Water/Sewer/Broadband)</p> | |
| <p>We are replacing/repairing sidewalks with engineering to address stormwater problems? Could this fit into category 4?</p> | <p>Yes, See US Treasury Q&As, questions 6.14 and 6.15. Recipients may use State and Local Fiscal Recovery Funds for road repairs and upgrades directly related to an eligible water or sewer project. For example, a recipient could use Funds to repair or re-pave a road following eligible sewer repair work beneath it. However, use of Funds for general infrastructure projects is subject to the limitations described in FAQ 4.2. Water and sewer infrastructure projects are often a single component of a broader transportation infrastructure project, for example, the implementation of stormwater infrastructure to meet Clean Water Act established water quality standards. In this example, the components of the infrastructure project that interact directly with the stormwater infrastructure project may be funded by Fiscal Recovery Funds.</p> |
| <p>Can we use funds on well & septic replacement?</p> | <p>Yes, a well on township property (supplying township facilities), could possibly qualify as water infrastructure. A septic system on township-owned property (supplying township facilities) could possibly qualify as sewer infrastructure.</p> |
| <p>Can the money be used to design an expansion of an existing wastewater plant?</p> | <p>Yes, if you are using the funds under the Revenue Loss category or the Infrastructure Category.</p> |
| <p>Can we use the funds toward a county wide broadband project?</p> | <p>You can collaborate with other local units through interlocal agreements. Whether that could include a “county wide broadband project” will depend on whether the specific project is something the township could do under Michigan law.</p> |
| <p>Do water/sewer/Broadband projects completed with this funding have to comply with Davis Bacon and AIS Compliance?</p> | <p>No requirement for Davis Bacon compliance. See US Treasury Q & A under question 6.17. We do not have info at this time on AIS (American Iron & Steel) Compliance under EPA. However, although the types of projects possible under federal CWSRF and DWSRF programs are allowable uses in the Infrastructure category, note that you cannot use ARPA funds to match federal funds under those programs. So that may limit the involvement of AIS compliance rules.</p> |
| <p>If you are going to expand broadband in your community, which already has a provider, do you have to bid it out?</p> | <p>Under the specific Michigan laws regarding municipal broadband projects, you may be required to do bids to determine whether the township may proceed without private sector involvement. See MTA’s Townships ad Broadband fact sheet.</p> |

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| <p>Our Township would use the money to expand Broadband to our unserved/underserved residents. Are there any programs that MTA could recommend?</p> | <p>See MTA's Townships Broadband fact sheet.</p> |
| <p>Reporting</p> | |
| <p>We should probably stress DOCUMENT, DOCUMENT, DOCUMENT, I understand this will be audited?</p> | <p>Reporting to US Treasury will be required, at least annually (for NEUs—more often for other recipients) through 2026. Note that the use of ARPA funds will also be included in your regular township audit (to MI Treasury), as with the other expenditure of the township.</p> |