



State of Mississippi ARPA/SLFRF Program FAQ'S

The frequently asked questions (FAQs) included herein are intended to be primarily focused specifically on Mississippi processes. For general information related to ARPA/SLFRF Funding requirements at the federal level, please refer to the U.S. Treasury FAQs found at <https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-FAQ.pdf>.

General

1. Who will be receiving these funds? How much money will each entity be receiving?

The State legislature has appropriated funding to specific agencies/branches to carry out programs aligned with the requirements from the U.S. Treasury. A list of those appropriations can be found [here](#). Those entities will establish specific programs and processes for accepting applications, making award determinations, and other requirements associated with implementing the programs.

2. What does an entity need to do to receive its allocated funds?

There are three requirements that must be met before funds are transferred:

- Each entity must submit an initiative overview (I.O.) for each project they intend to undertake. The I.O. is used to determine if the proposed project complies with the requirements of the American Rescue Plan Act (ARPA) as well as any State legislation. All proposed projects must be approved prior to the release of any funds to the entity. Exceptions may be made on a case-by-case basis.
- There are three required training videos (ARPA Overview, Procurement, and Treasury Reporting) found at <https://www.dfa.ms.gov/arpa-funds> that must be reviewed before funds will be released.
- The U.S. Treasury requires quarterly reporting on the obligations and expenditures for all ARPA projects. As such, DFA has created a reporting portal to mirror the required reporting to the Treasury. Each entity will need to designate two personnel who will be responsible for entering monthly data into the DFA Reporting Portal, and those designees will need to view the associated training webinar. Once those designees have been identified, the link to the reporting webinar will be provided.

3. Do we have the ability to revise our initiative overviews once submitted?

Yes, you will have an opportunity to modify your IO after submission. You must contact your Project Manager to modify your IO after submission. If any new expenditure types are identified that were not specifically covered in the original IO, a revised IO would need to be submitted in order to determine that the expenditures fall within an eligible use and that the appropriate expenditure category is being applied.

4. What is the deadline to utilize funds?

Per U.S. Treasury guidelines, funds must be fully committed and obligated by December 31, 2024, and fully expended by December 31, 2026. Please refer to the applicable Senate/House bill for any additional deadlines that may have been imposed on the specific appropriation.

5. Our entity is applying/has applied for other federal funds or other grants. Can we still receive allocations?

Yes. Entities can submit plans for ARPA funds regardless of other grants they have already applied for. However, entities must be clear on their submitted expenditure plans about how the ARPA funds will be used. Programs using funds from other grants may complement each other, but the entity cannot use ARPA funds and funds from other grants for the exact same project as this would be considered a duplication of benefits.

6. Should I submit a timeline if I am unsure of the actual date our activities will take place?

Yes, timelines are required in the Budget Breakdown. DFA will accept an estimated Month and Year if your dates have not been confirmed at the time of submission.

Eligible Expenses

7. What type of expenses will be eligible under this program?

There are four eligible use categories provided for under ARPA funding.

- i. Replace lost public sector revenue
- ii. Support the COVID-19 public health and economic response
- iii. Provide premium pay for eligible workers performing essential work
- iv. Invest in water, sewer, and broadband infrastructure

Please refer to the [Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule](#) for further details on specific expenses that are eligible under the program. Each entity appropriated funding will establish their own program guidelines that fall within the requirements of the State legislation as well as the Treasury guidelines. They will have specific criteria for the programs they are implementing. For information related to specific programs, please refer to the agency managing the program.

Uniform Guidance

8. What provisions of the Uniform Guidance for grants apply to these funds? Will the Single Audit requirements apply?

As stated in the SLFRF Final Rule FAQ, most of the provisions of the Uniform Guidance (2 CFR Part 200) apply to this program, including the Cost Principles and Single Audit Act requirements. Recipients should refer to the Assistance Listing for details on the specific provisions of the Uniform Guidance that do not apply to this program. The Assistance Listing is available at <https://sam.gov/fal/7cecfdef62dc42729a3fdcd449bd62b8/view>.

For information related to Single Audit requirements specifically, please refer to the [Compliance Supplement materials](#) released by the Office of Management and Budget.

9. What are the Procurement Requirements?

Federal procurement standards can be found in sections § 2 CFR 200.317-200.327 of the Uniform Guidance. When procuring property or services under a Federal award, the State of MS must follow the same policies and procedures it uses for procurements from its non-Federal awards per § 2 CFR 200.317. The State of MS will comply with §§ 200.321 200.322, and 200.323 and ensure that every purchase order or other contract includes any clauses required by § 200.327. All other non-Federal entities, including sub-recipients of the State of MS, must follow the procurement standards in §§200.318 through 200.327. For further details related to procurement requirements, please refer to the Procurement Overview webinar [here](#).

10. What are the regulations for completing a single audit?

The audit requirements are found at § 2 CFR 200.501. It states that a non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year. For additional information related to Single Audit requirements specifically, please refer to the [Compliance Supplement materials](#) released by the Office of Management and Budget.

11. What if a contract for goods or services has already been entered into?

As stated in the SLFRF FAQs, recipients may leverage existing contracts for SLFRF activities if the existing contracts conform to the procurement standards in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200 (Uniform Guidance). 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. All other recipients must follow 2 CFR 200.318, General procurement standards, through 200.327, Contract provisions.

12. Are there special requirements for capital expenditures?

Yes. Per the Uniform Guidance at 2 CFR 200.1, capital expenditures are defined as expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life. Capital assets are tangible or intangible assets having a useful life of more than one year which are capitalized in accordance with GAAP. Capital expenditures also include the specific enumerated uses found in the Compliance and Reporting Guidance found at <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>.

Capital expenditures of less than \$1 million have no additional reporting requirements. If a project has capital expenditures between \$1 million and \$10 million and it is for an enumerated use, the recipient must prepare and retain a written justification. If a project has capital expenditures that exceed \$10 million, the recipient must prepare a written justification and submit it to the Department of Treasury. All projects that have capital expenditures in excess of \$1 million and are not for an enumerated use require the preparation of a written justification and submission of the justification to the Department of Treasury.

The written justification must include the following:

1. A description of the harm or need to be addressed;
2. An explanation of why a capital expenditure is appropriate; and
3. A comparison of the proposed capital project against at least two alternative capital expenditures and a demonstration of why the proposed capital expenditure is superior.

DFA Reporting Portal

13. How do I login to my account in the portal?

An account activation email will be sent to the designated users for each agency/branch.

14. How is the primary contact determined and how do I change my primary contact or add a secondary user?

The entity should contact support@msarpa.com to specify the name of any primary and secondary users along with their respective email addresses to be associated with their login access.

15. Who do I contact with questions about utilizing the portal?

Any questions regarding the online portal for expenditure plan submission should be directed to support@msarpa.com.

16. What are the reporting requirements?

The reporting requirements vary based on the expenditure category for the project. Please refer to the [Compliance and Reporting Guidance](#) for details on the reporting requirements for each expenditure category.

20. For purposes of entering data into the Reporting Portal, when is an expense considered “obligated”?

An obligation is an order placed for property and services, contracts and subawards made, and similar transactions that require payment. This will also be considered the subaward amount.

21. For purposes of entering data into the Reporting Portal, when is an expense considered “expended”.

An expense is considered “expended” when the service has been rendered or the good has been delivered to the entity. Total current expenditures are a cumulation of costs spent by the recipient or the subrecipients. Agencies will need to thoroughly manage all expenditures and ensure that amounts spent by subrecipients match the amounts reported into MAGIC. Expenditures entered in the portal should match those reported in MAGIC.

22. How do I report capital expenditures into the Reporting Portal?

Below is a screenshot of the fields that should be completed related to capital expenditures.

- For recipients (other than Tribal governments) investing in projects with total expected capital expenditures for an enumerated eligible use of \$10 million or more, as well as projects with total expected capital expenditures for an “other” use of \$1 million or more, provide a written justification. (This field was required starting with the July 2022 reporting.)

The screenshot shows a form with the following fields:

- A dropdown menu for "Does this project include a capital expenditure?" with "Yes" selected.
- A text input field for "What is the Total expected capital expenditure, including pre-development costs, if applicable?" containing "\$15,000,000.00".
- A dropdown menu for "Type of capital expenditures, based on the following enumerated uses:" with "Other (please specify)" selected.
- A text input field for "Please Specify".
- A text input field for a written justification, with a note above it: "*For recipients (other than Tribal governments) investing in projects with total expected capital expenditures for an enumerated eligible use of \$10 million or more as well as projects with total expected capital expenditures for an 'other' use of \$1 million or more, please provide a written justification".

- For projects with total expected cost of the capital expenditures of over \$10 million, provide labor reporting as outlined for infrastructure projects on pages 42-44 of the [Project and Expenditure Report User Guide](#). (These fields were required starting with the July 2022 Reporting.)

Is the project over \$10 million in expected total cost? *

Yes No

Davis-Bacon Act Certification

Do you intend to certify that "all laborers and mechanics employed by contractors and subcontractors in the performance of the project are paid wages at rates not less than those prevailing, as determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the "Davis-Bacon Act"), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed, or by the appropriate state entity pursuant to a corollary state prevailing-wage-in-construction law (commonly known as "baby Davis-Bacon Acts")? *

Yes No

Certification of Labor Agreements

Do you intend to certify that "the indicated project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f))"? *

Yes No

Does the project prioritize local hires? *

Yes No

Does the project have a Community Benefit Agreement, with a description of any such agreement? *

Yes No

23. What is the deadline for submitting data into the Reporting Portal?

The U.S. Treasury requires quarterly reporting of ARPA funds on the last day of the month following the end of each calendar quarter (i.e., for the quarter ended 9/30, the deadline is 10/31). As DFA is responsible for this reporting, each agency will be required to submit data for their programs monthly in DFA's Reporting Portal. This reporting is due the 15th of each month for the previous month. Each agency must submit their project details (obligations and expenditures) in the Treasury reporting portal for the prior month. Every cycle is a 3-month period, we will not report the aggregate total of obligations and expenditures until the final month in the cycle. If the beginning of a cycle begins in October then the obligations captured in that month will be reported no later than the 15th of the next of November.

As each agency may require information from the applicants to complete this reporting, they may establish their own deadlines for submitting data in order to meet DFA's timeline. Please refer to the awarding agency for those reporting deadlines.