

Guide

Cobb County American Rescue Plan Act (ARPA) Program Eligibility Guidelines for Treasury Expenditure Categories (ECs) 2.1-2.8, 2.16-2.18

BACKGROUND

- Cobb County prepared this document to align with guidance provided in the U.S. Department of Treasury's [Final Rule](#), [Final Rule Overview](#), and [Final Rule FAQs](#). If there is any conflicting language identified in this document, the Treasury-developed guidance and regulatory documents take precedence.
- Negative Economic Impacts is Expenditure Category #2 of the Treasury Expenditure Categories (ECs), which include multiple subcategories (i.e., 2.1-2.8 and 2.16-2.18).

COMPONENTS OF PROGRAM ELIGIBILITY GUIDELINES

- There are three basic components for the program eligibility guidelines of Treasury ECs 2.1-2.8 and 2.16-2.18.
 - Service: Is the awardee providing an eligible service?
 - Population: Does the program serve an eligible population?
 - Response: Does the program respond to the public health emergency or its negative economic impacts?
- When conducting an evaluation on if a particular program meets the Treasury guidelines, the above questions should be answered for each component.
 - A program by an awardee is viewed as meeting program requirements if an awardee can answer "yes" to the above questions.

SERVICE

- The Final Rule included several enumerated eligible uses to provide assistance to households or populations facing negative economic impacts due to COVID-19. ECs 2.1-2.8 and 2.16-2.18 are included as eligible uses.
- Eligible services under these categories include¹:
 - Food assistance as aid to address food insecurity;
 - Rent and rental arrears;

¹ Federal Register /Vol. 87, No. 18 /Thursday, January 27, 2022 /Rules and Regulations pages 4359 – 4360. The electronic version is available at <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>.

- Utility costs or arrears: Electricity, gas, water and sewer, trash removal, and energy costs such as fuel oil. These payments can be made through direct or bulk payments to utility providers to facilitate utility assistance to multiple consumers at once, so long as the payments offset customer balances and therefore provide assistance to households;
- Reasonable accrued late fees (if not included in rental or utility arrears);
- Mortgage payment assistance: Financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing-related costs related to a period of forbearance, delinquency, or default, mortgage principal reduction, facilitating mortgage interest rate reductions, counseling to prevent foreclosure or displacement, relocation expenses following eviction or foreclosure (e.g., rental security deposits, application, or screening fees), delinquent property taxes; and
- Emergency assistance for individuals experiencing homelessness: Services can be provided either as individual-level assistance (e.g., rapid rehousing services), assistance for groups of individuals (e.g., master leases of hotels, motels, or similar facilities to expand available shelter), or transitional shelters (e.g., temporary residences for people experiencing homelessness) as eligible capital expenditures.

POPULATION

- The awardee may choose to identify the beneficiaries of their program at either the individual level or at a class level.
 - If the individual level is selected, then the awardee must retain documentation supporting the impact the individual experienced (e.g., documentation of lost revenues from a small business).
 - If the class level is selected, then the awardee must first identify the class and the impact that it faced. Then, document that the individuals served fall within that class.
- Eligible classes as identified by the Treasury include²:
 - Services provided in a Qualified Census Tract (QCT), to families and individuals living in QCTs, households receiving services provided by Tribal governments, households that qualify for certain Federal benefits, households residing in the U.S. territories or receiving services from these governments, and low-moderate income households or communities.
 - The Final Rule defines a household as low income if it has (i) income at or below 185 percent of the Federal Poverty Guidelines (FPG) for the size of its household based on the most recently published poverty guidelines by the Department of Health and Human Services (HHS) or (ii) income at or below 40 percent of the Area Median Income (AMI) for its county and size of household based on the most recently published data by the Department of Housing and Urban Development (HUD)³.
 - The Final Rule defines a household as moderate income if it has (i) income at or below 300 percent of the FPG for the size of its household based on the most recently published poverty guidelines by HHS or (ii) income at or below 65

² Federal Register /Vol. 87, No. 18 /Thursday, January 27, 2022 /Rules and Regulations pages 4341 – 4343. The electronic version is available at <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>.

³ Federal Register /Vol. 87, No. 18 /Thursday, January 27, 2022 /Rules and Regulations page 4345. The electronic version is available at <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>.

percent of the AMI for its county and size of household based on the most recently published data by HUD⁴.

- The ARPA Cobb County program will only fund programs that provide services to households with income at or below 65 percent of the AMI for Cobb County.
- Awardees can also provide these services to other populations, households, or geographic areas disproportionately impacted by the pandemic. Awardees may also identify additional disproportionate impacts of the pandemic and design an appropriate response to address that harm. Prior approval from Cobb County is required if an awardee is to provide services to populations outside of the classes identified by the Treasury.

RESPONSE

- When assessing whether a project or service is an eligible use to respond to the negative economic impacts of the COVID–19 public health emergency, Treasury will consider the two eligibility requirements⁵:
 - First, there must be a negative economic impact, or an economic harm, experienced by an individual or a class. Consider whether this harm was caused or made worse by the COVID–19 public health emergency.
 - Individuals or classes that did not experience a negative economic impact from the public health emergency would not be eligible beneficiaries under this category.
 - Second, the response must be designed, i.e., related and reasonably proportional, to address the identified economic harm or impact resulting from or exacerbated by the public health emergency

REPORTING

- Treasury collects programmatic data per EC. For ECs 2.1-2.8, Subrecipients must submit the following data on a quarterly basis (as applicable)⁶:
 - Primary, secondary, and tertiary impacted and/or disproportionately impacted populations the project serves;
 - Brief description of structure and objectives of assistance program(s), including public health or negative economic impact experienced;
 - Brief description of the approach to ensuring that response is reasonable and proportional to a public health or negative economic impact of COVID-19, as described in the Final Rule;
 - Number of households served (by project if awardee establishes multiple separate household assistance projects);

⁴ Treasury provides a spreadsheet to assist awardees in determining income thresholds for the Final Rule's definition of LMI in their jurisdiction and assist with administering the public health and economic response provisions of the Final Rule. The tool is available online at [SLFRF-LMI-tool.xlsx \(live.com\)](https://www.slrfrf.com/LMI-tool.xlsx)

⁵ Federal Register /Vol. 87, No. 18 /Thursday, January 27, 2022 /Rules and Regulations pages 4341 – 4343. The electronic version is available at <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>.

⁶ Federal Register /Vol. 87, No. 18 /Thursday, January 27, 2022 /Rules and Regulations pages 4437- 4438. The electronic version is available at <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>.

- Number of households receiving eviction prevention services (including legal representation); and
- Number of affordable housing units preserved or developed.
- Treasury collects programmatic data per EC. For ECs 2.16-2.18, Subrecipients must submit the following data on a quarterly basis (as applicable):
 - Primary, secondary, and tertiary impacted and/or disproportionately impacted populations the project serves;
 - Brief description of structure and objectives of assistance program(s), including public health or negative economic impact experienced;
 - Brief description of the approach to ensuring that response is reasonable and proportional to a public health or negative economic impact of COVID-19, as described in the Final Rule;
 - Number of affordable housing units preserved or developed; and
 - Number of households receiving eviction prevention services (including legal representation).

SUPPORTING DOCUMENTATION

- The awardee should submit documentation to support the claimed expenditures in the Request for Reimbursement or Request for Advance (RFR/RFA) form that reconciles to the total amount claimed on the Use of Funds Report (UFR). Below you can find some examples of common supporting documentation for ECs 2.1-2.8 and 2.16-2.18. As each project is unique, additional documentation may be requested on a case-by-case basis.
 - Expenditures
 - Invoices / Receipts
 - Third Party Proof of Payments Confirmation [ACH transaction, cancelled check (front and back copy), front copy of check with bank statement to show check has been paid, bank statement, credit card statement]
 - Contracts / Change Orders / Purchase Orders
 - Procurement Policy
 - Other Procurement Documentation (estimates or quotes, request for bid or proposal, bid, bid tabulation, among others)
 - Payroll
 - Timesheets
 - Paystubs or Payroll Register
 - Third Party Proof of Payments Confirmation [ACH transaction, cancelled check (front and back copy), front copy of check with bank statement to show check has been paid, bank statement, credit card statement]
 - Activity Log
 - Employee Manual (overtime policy, time off policy and other payroll related policies)
 - Fringe Benefits Calculation
 - Program related documentation (as requested by the Compliance Team)
 - The following documentation may be necessary on a case-by-case basis, depending on the project design and specific policies implemented by the awardee managing the project.
 - Application documentation

- Proof that documents who is the beneficiary of the transaction (e.g., bill in the beneficiary's name with cancelled check paid to the vendor on behalf of the beneficiary, signed and dated lease agreements, among others)
- Proof the beneficiary received the services and/or funding (e.g., signed and dated log of meals served by beneficiary; signed and dated program entry/exit forms; letter/statement signed by beneficiary asserting to having received the benefit, among others)
- Completed Participant Household Payment Data (Excel file)

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