



SLFRF Roadmap

City of Cambridge, MA

SLFRF Project Profile

July 21st, 2022

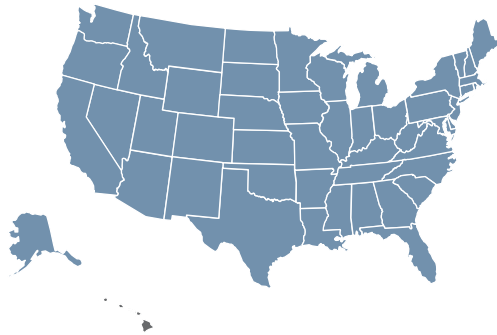


Funding Allocation

The State and Local Fiscal Recovery Fund

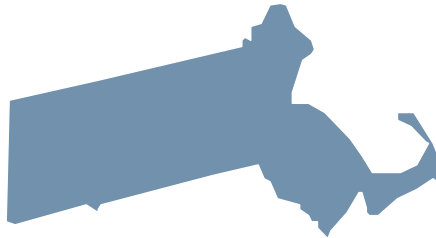
The State and Local Fiscal Recovery Fund (SLFRF) grant program is a response to the COVID-19 pandemic.

The City of Cambridge's direct allocation includes \$65 million, Cambridge's State ARPA/Middlesex allocation is \$23 million and the combined total available to the City of Cambridge is \$88.1 million.



\$350 billion

**Allocated to cities,
counties and tribal
governments
nationwide**



\$3.4 billion

Allocated to cities
and communities in Massachusetts
using a predetermined formula



\$88.1 million

The City of Cambridge's
ultimate share is
\$88.1 million, a combination of
*its direct allocation and State
ARPA Funding for Middlesex*

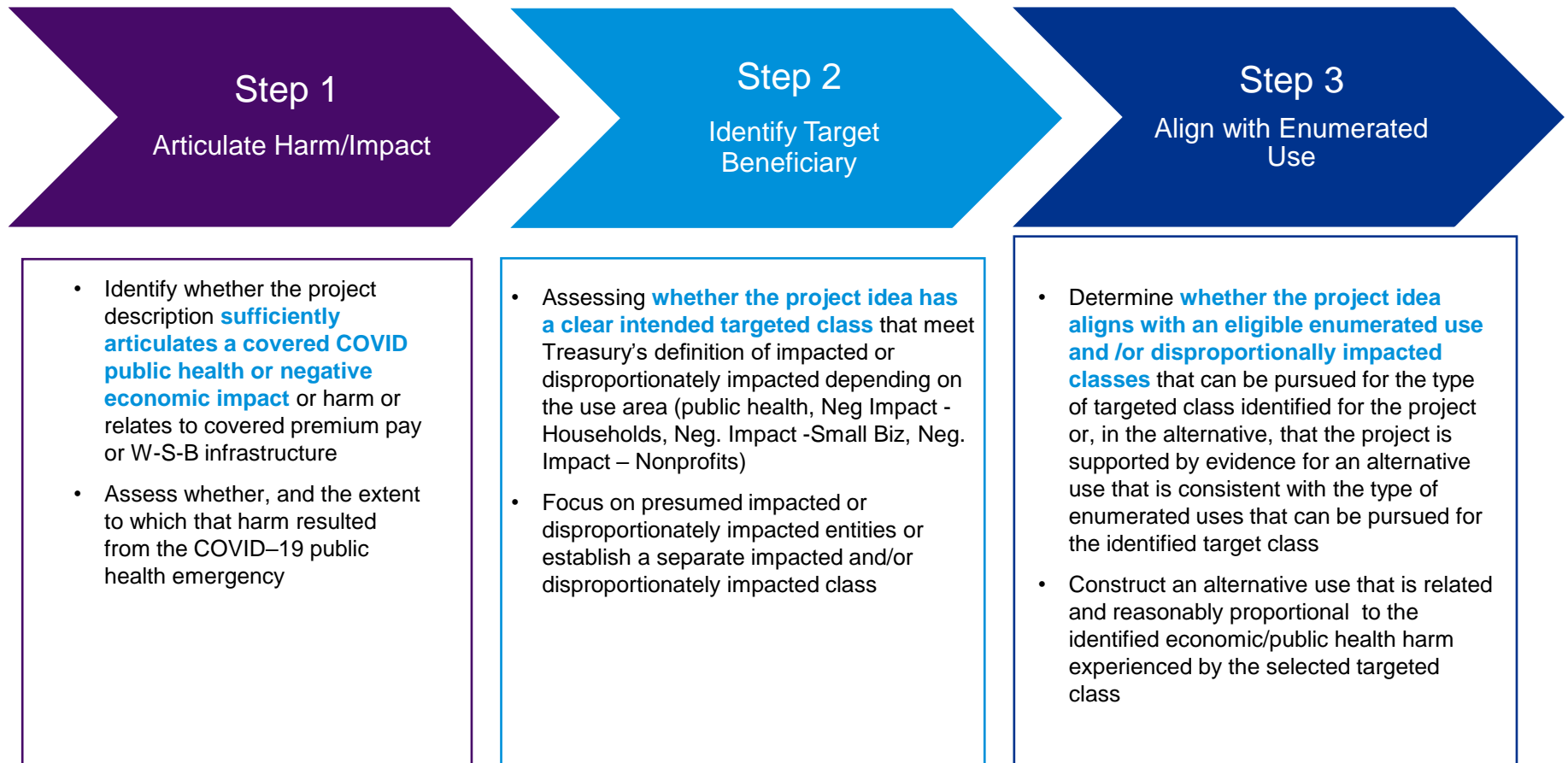
<https://home.treasury.gov/system/files/136/Allocation-Methodology-for-MetropolitanCities-508A.pdf>

Cambridge has a three-year window to commit the remaining funds

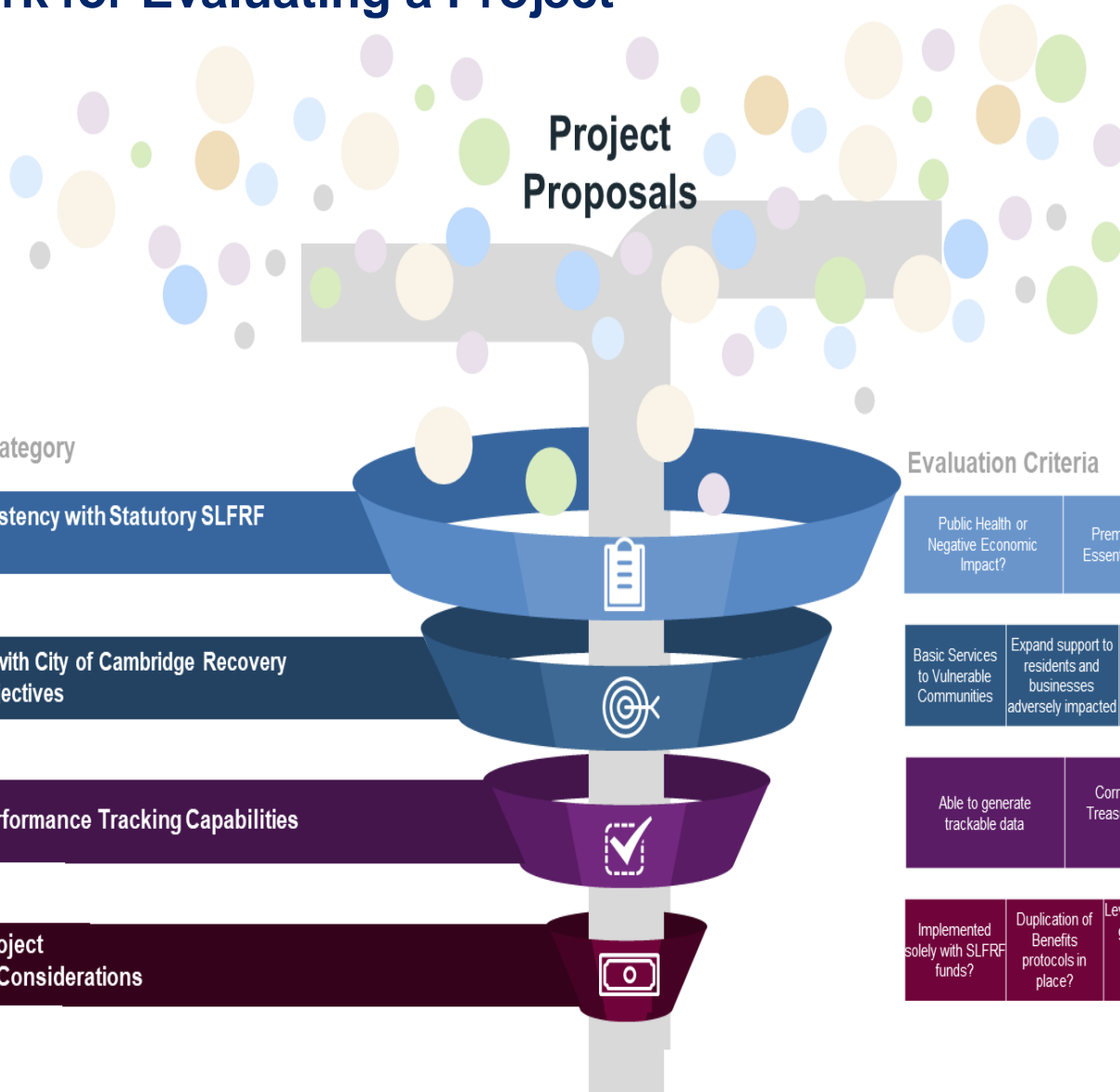


Determine Eligibility

Steps for Determining a Project



Framework for Evaluating a Project



Project Proposals

Evaluation Category

1 Project Consistency with Statutory SLFRF Use Options

2 Consistency with City of Cambridge Recovery Goals and Objectives

3 Mandated Performance Tracking Capabilities

4 Additional Project Cost-Benefit Considerations

Evaluation Criteria

Public Health or Negative Economic Impact?	Premium pay for Essential Workers?	Addresses revenue reduction for government services?	Water, Sewer, Broadband or Infrastructure Expenditure?
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Basic Services to Vulnerable Communities	Expand support to residents and businesses adversely impacted	Housing stabilization for vulnerable populations	Medical services for homeless or unemployed	Assistance to small business in undeserved communities	Community advancement benefitting the entire community
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Able to generate trackable data	Corresponds with U.S. Treasury evidence-based interventions	Corresponds with U.S. Treasury category serving disadvantaged communities
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Implemented solely with SLFRF funds?	Duplication of Benefits protocols in place?	Leverages existing governmental programs, processes or personnel?	Can be implemented without the use of multiple city departments?	Provides direct aid or benefits to non-government persons or entities?	Requires subrecipients to be executed and processes to monitor?
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Statutory Categories

Cambridge's use of the funds must fit into one of four statutory categories
The City and subrecipients have substantial discretion to support the needs of constituents

\$88.1 million

To respond to the Public Health Emergency or its negative economic impacts



e.g. Vaccine Clinics, shelters, food and supplies, eviction protection, nonprofit support

To support Essential Work by providing pay or grants to essential workers



e.g. Assistance to employees classified as Essential, municipal and non-municipal

To support the provision of public services impacted by revenue declines



e.g. Maintain provision of public sector programs that can show revenue impact

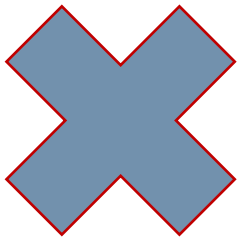
To support necessary investments in water, sewer and broadband



e.g. Wastewater treatment projects, energy conservation, municipal broadband

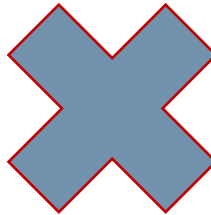
The fund rules explicitly outline three categories of ineligible uses:

Satisfying Federal Matching Fund Needs



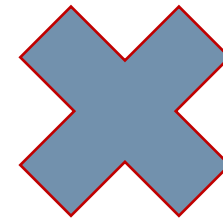
Using the money for projects requiring the jurisdiction to provide **federal matching funds**

Providing premium pay to teleworking employees



Premium **pay for employees who were able to telework** during the public health emergency

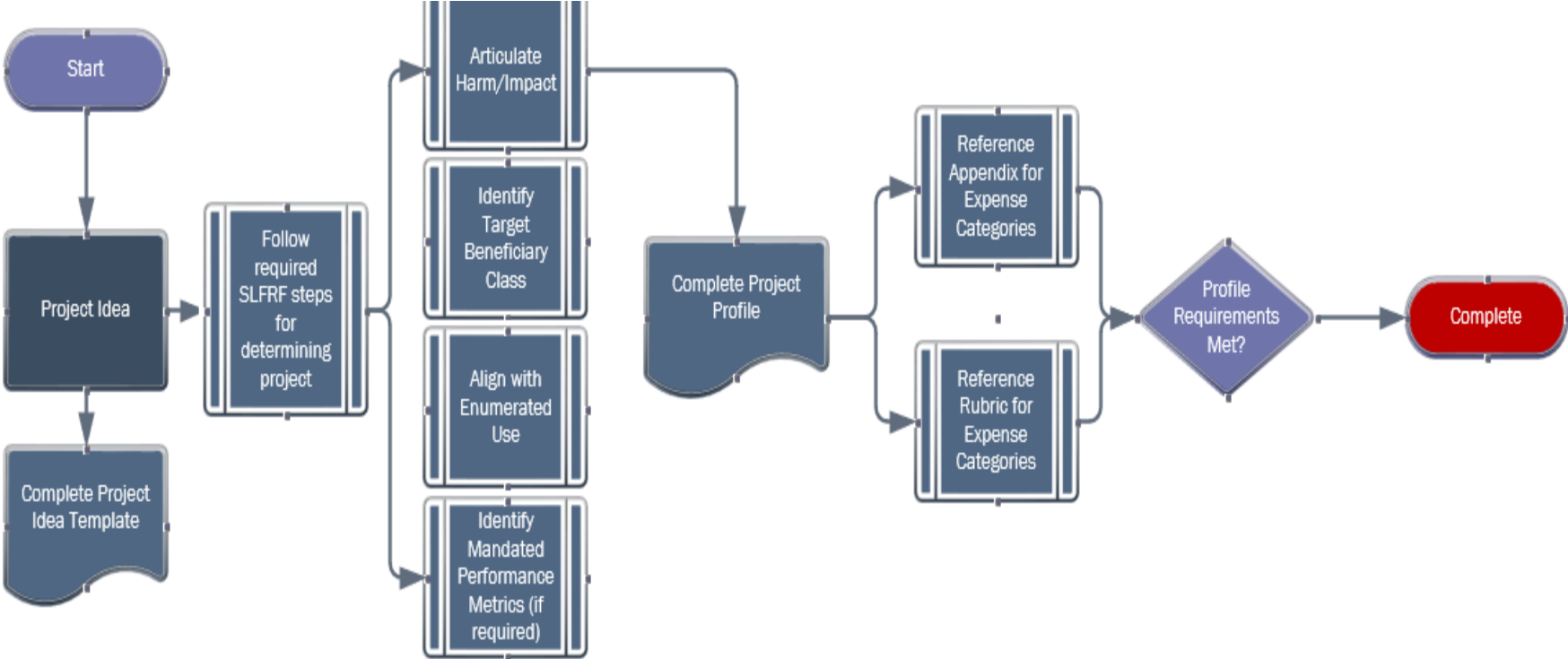
Pensions, debt or reserve funds



Funding pension accounts, **paying off outstanding debt**, or making deposits to reserve accounts, rainy day funds or free cash

Project Profile Roadmap

Roadmap to Create a Project Profile



Project Profile

Project Profile

Upon determination that the project meets the below requirements:

- Articulate Harm/Impact, Identify Target Beneficiary & Align with Enumerated Use

Purpose of Project Profile Template

- The purpose of the profile is to enable a grantee of Federal State & Local Coronavirus Fiscal Recovery Funding (SLFRF) to describe the intended project in the context of relevant elements from the U.S. Treasury Final Rule
- The profile is intended as an aid in furtherance of compliance with U.S. Treasury SLFRF Rules; mandated SLFRF reporting content requirements, and other applicable federal regulations
- Completion of the profile should not be construed as a substitute for all measures necessary to assure that project design and execution details, including related costs, are properly documented and reported upon pursuant to rules governing the use of SLFRF and the overarching Code of Federal Regulations
- In completing the profile, reference to U.S. Treasury SLFRF Rules and the separate U.S. Treasury SLFRF Guidance is recommended

Rubric

Negative Economic Impact on Household/Individuals

Identifying the Class in the Rubric (page 4)

Class Categories	Impacted Classes	Disproportionately Impacted Classes
Households/ Individuals	<i>(Presumed Impacted)</i> Households that experienced unemployment or increased food or housing insecurity because of the pandemic	<i>(Presumed Disproportionately Impacted)</i> Households residing in QCTs
	<i>(Presumed Impacted)</i> Low Income Households at or below 185% of FPG for size of the household based on current poverty guidelines by Dept. of Health and Human Services <u>or</u> income at or below 40% of AMI for its county and size of households based on current data by Department of Housing and Urban Development.	<i>(Presumed Disproportionately Impacted)</i> Households receiving services provided by Tribal governments; residing in the U.S. territories or receiving services from territorial governments.
	<i>(Presumed Impacted)</i> Moderate Income households with income at or below 300% of the FPG for the size of its household based on the most recently published poverty guidelines by HHS, or income at or below 65% of the AMI for its county and size of household based on the most recently published data by HUD.	<i>(Presumed Disproportionately Impacted)</i> Low Income Households as defined for qualifying impacted classes.
	<p><i>(Presumed Impacted)</i> Households qualifying for:</p> <ul style="list-style-type: none"> a) Children’s Health Insurance Program b) Childcare Subsidies through Child Care and Development Fund c) Medicaid d) National Housing Trust Fund for affordable housing programs e) Home Investment Partnerships Program for affordable housing 	<p><i>(Presumed Disproportionately Impacted)</i> Households qualifying for:</p> <ul style="list-style-type: none"> a) Temporary Assistance for Needy Families b) Supplemental Nutrition Assistance Program c) Free and Reduced-Price Lunch and/or School Breakfast d) Medicare Part D Low-income Subsidies e) Supplemental Security Income f) Head Start and/or Early Head Start g) Special Supplemental Nutrition for Women, Infants, and Children h) Section 8 Vouchers i) Low-Income Home Energy Assistance Program j) Pell Grants k) For services to address educational disparities, Title I schools are disproportionately impacted enabling whole school support
	<i>(Not Presumed)</i> Recipients can establish other impacted classes but should be able to support their determination that the pandemic resulted in negative public health or economic outcomes to the specific populations, households, or geographic areas to be served.	<i>(Not Presumed)</i> Recipients can establish other disproportionately impacted household classes but should 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 comparative to typical or average pandemic impacts in their local area, state, or nationally. To augment their analysis, or when quantitative data is not readily available, recipients may also consider qualitative research and sources like resident interviews or feedback from relevant state and local agencies. In both cases, recipients should consider the quality of the research, data, and applicability of analysis to their determination.

Economic Impact on Household/Individuals

Identifying Eligible Use in the Rubric (page 18)

Class Categories	Impacted Class Eligible Uses	Disproportionately Impacted Class Eligible Uses
Households/ Individuals	Food Assistance	
	Rent, mortgage, utility, and other housing cost assistance	
	Counseling and legal aid to prevent eviction or homelessness	
	Emergency assistance for burials, home repairs, weatherization, or other needs	
	Internet access or digital literacy assistance	
	Cash Assistance	
	Survivor's benefits	
	Assistance accessing or applying for public benefits or services	
	Promoting healthy childhood environments (Childcare, home visits, child welfare, early learning)	
	Addressing the impacts of lost instructional time	
	Promoting long-term housing security: affordable housing and homelessness	
	Permanent Supportive Housing	
	Paid sick, medical, or family leave	
	Health insurance	
	Services for the unbanked and underbanked	
	Assistance to Unemployed and Underemployed Workers (job training, transition, start-ups, jobs programs)	
	Recipient Unemployment Insurance Trust Funds and Related Expenses	
	Paying interest on advances received under Title XII of the Social Security Act (42 U.S.C. 1321)	
	Addressing health disparities (community health workers, lead paint removal, medical facilities)	
	Housing vouchers and assistance relocating	
	Building strong, healthy communities through investments in neighborhoods (parks, Green Spaces, Recreational facilities, sidewalks and pedestrian safety features, access to healthy foods, streetlights, Neighborhood cleanups, other projects to revitalize public spaces, and certain services for vacant or abandoned properties)	
	Services to Address Educational Disparities	

Negative Economic Impact Small Business & Nonprofits

Identifying the Class in the Rubric (page 4)

Impacted Class

Disproportionately Impacted Class

	Impacted Class	Disproportionately Impacted Class
Small Businesses	<p><i>(Not Presumed)</i> Recipients may designate a class of small businesses that experienced a negative economic impact (e.g., microbusinesses, small businesses in certain economic sectors) or areas (e.g., downtown, business districts, etc.), design an intervention to fit the impact, and document that the individual entity is a member of the targeted class (e.g., restaurants in the downtown area had generally experienced a negative economic impact and provide assistance to those small businesses to respond).</p>	<p><i>(Not Presumed)</i> Recipients may designate a class of small businesses that experienced a disproportionate negative economic impact (e.g., microbusinesses, small businesses in certain economic sectors) or areas (e.g., downtown, business districts, etc.), design an intervention to fit the impact, and document that the individual entity is a member of the class. To augment their analysis, or when quantitative data is not readily available, recipients may also consider qualitative research and sources like resident interviews or feedback from relevant state and local agencies and business stakeholders.</p>
Nonprofits	<p><i>(Presumed Impacted)</i> Nonprofits evidencing impacts such as decreased revenues or increased costs (e.g., through reduced contributions or uncompensated increases in service need) are presumed impacted.</p> <p><i>(Not Presumed)</i> Recipients may designate a class of nonprofits that experienced a negative economic impact, design an intervention to fit the impact, and document that the individual entity is a member of the targeted class.</p>	<p><i>(Presumed Disproportionately Impacted)</i> Nonprofits operating in QCTs or operated by Tribal governments, on Tribal Lands, or in U.S. territories are presumed to have been disproportionately impacted.</p> <p><i>(Not Presumed)</i> Recipients may designate a class of nonprofits that experienced a disproportionate negative economic impact, design an intervention to fit the impact, and document that the individual entity is a member of the class. To augment their analysis, or when quantitative data is not readily available, recipients may also consider qualitative research and sources like resident interviews or feedback from relevant state and local agencies and business stakeholders.</p>

Negative Economic Impact Small Business & Nonprofits

Identifying Eligible Use in the Rubric (page 11)

Small Businesses	Loans or grants to mitigate financial hardship	
	Loans, grants, or in-kind assistance to implement COVID-19 prevention or mitigation tactics	
	Technical assistance, counseling, or other services to assist with business planning needs	
	Assistance to small business startups or microbusinesses with additional costs associated with COVID-19 mitigation tactics	
	Responses to a negative economic impact of COVID-19 on new small business startups or microbusinesses	
	Support for individuals who have experienced a negative economic impact from the pandemic, including uses that provide job training for unemployed individuals and initiatives that support small business start-ups, microbusinesses, and individuals seeking to start small or microbusinesses	
		Certain capital investments, such as rehabilitation of commercial properties, storefront improvements, and façade improvements
	Microbusinesses additional support to operate the business, including financial, childcare, and transportation supports.	
	Technical assistance, business incubators, and grants for start-ups or expansion costs for disproportionately impacted small businesses	
Nonprofits	Direct assistance may take the form of loans, grants, in-kind assistance, technical assistance, or other services that respond to the negative economic impacts of the COVID-19 public health emergency.	
		Identify a class of nonprofits that have been disproportionately impacted by the public health emergency and design and implement a program that responds to the source of that disproportionate impact.

Reporting Requirements

Reporting Requirements required throughout the period are significant

Subrecipients need to provide information as needed



Project Reports



Expenditure data



Project Status Reports



Project Demographic Distribution



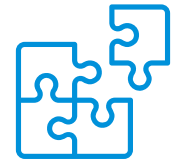
Subawards



Civil Rights Compliance



Programmatic data



**Project-level data
(Infrastructure Projects)**

- Category
- Narrative descriptions
- Metrics

- Current period obligation
- Cumulative obligation
- Current period expenditure
- Cumulative expenditure

- Not Started
- Completed less than 50 percent
- Completed 50 percent or more
- Completed

Evidence that certain types of projects are targeted to economically disadvantaged communities

Detailed obligation and expenditure information for any contracts and grants awarded, loans issued, transfers made to other government entities

Narrative describing the recipient's compliance with Title VI, along with other questions and assurances

- Payroll
- Household Assistance
- Small Business Economic Assistance
- Aid to Travel, Tourism, and Hospitality or Other Impacted Industries
- Rehiring Public Sector Staff
- Education Assistance
- Premium Pay
- Revenue Replacement

Required Programmatic Data

Public Health

- Structure and objectives of assistance program, including public health or negative economic impact experienced
- How subrecipients response is related and reasonably and proportional to a public health or negative economic impact of COVID-19.
- Public Health Projects Providing Household Assistance:
 - Number of individuals served (by program if recipient establishes multiple separate household assistance programs)
- Public Health Projects Providing Small Business Assistance:
 - Number of small businesses served (by program if recipient establishes multiple separate small businesses assistance programs)
- Program Goals: What are the program goals? What are the key performance indicators? (i.e., what are the program output and outcome measures?)

Required Programmatic Data

Negative Economic Impact

- Brief description of structure and objectives of assistance program(s), including public health or negative economic impact experienced
- Brief description of how a recipient's response is related and reasonably and proportional to a public health or negative economic impact of COVID-19.
- Household Assistance – Number of households served (by program if recipient establishes multiple separate household assistance programs)
- Education Assistance – National Center for Education Statistics (“NCES”) School ID or NCES District ID.
- Business or Nonprofit Assistance
 - Small Business Economic Assistance – Number of small businesses served
 - Assistance to Non-Profits - Number of Non-Profits served

Required Programmatic Data

Capital Expenditures over \$1 million

- A description of the specific negative economic harm or need to be addressed, including 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; 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.

Federal Compliance

Depending on the nature of the project, other federal regulations may apply outside of SLFRF program requirements.

1. Existing written policies and procedures for adhering to Uniform Cost Principles under the Code of Federal Regulations (2 C.F.R. 200)
2. Existing written policies and procedures for adhering to applicable federal, state, and local procurement, contracting, and conflicts-of-interest laws and regulations (including validation that contractors are in good standing).
3. Applicability and related compliance protocols related to Federal civil rights and nondiscrimination requirements.
4. Existing written policies and procedures for monitoring and addressing instances of Duplication of Benefits when multiple public and philanthropic funds are used for the same programmatic purpose.
5. Existing written policies and procedures for governing, monitoring, and documenting fund utilization or disbursements among subrecipients and beneficiaries.

State and Local Fiscal Recovery Fund

Accurate reporting will be essential to avoid future grant complications

- Grants must abide by all federal grant requirements and detailed reporting procedures
- While the discretion given for compliance is broad, documentation must still be submitted



Questions



kpmg.com/socialmedia

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