Jason Perkins-Cohen
Mayor's Office of Employment Development
417 E. Fayette St, Suite 468
Baltimore, MD 21202

Re: ARPA SLFRF Monitoring Requirements

February 8, 2023

Dear Director Perkins-Cohen,

We are writing to inform you about updates to the reporting and monitoring requirements for your ARPA State and Local Fiscal Recovery Funds (ARPA SLFRF) grant.

As a direct recipient of federal ARPA funds and as a pass-through entity, the City of Baltimore is required to comply with 2 CFR 200 or "Uniform Guidance," and monitor the activities of its subrecipients to ensure that the federal funding is used for authorized purposes and in compliance with federal statutes and regulations, and that the terms and conditions of the funding are being met. The Recovery Office will facilitate this oversight through a variety of activities including regular performance reports, program/performance meetings, desk reviews, site visits, and single audit review.

Initial frequencies and expectations for reporting and monitoring requirements were outlined in your grant agreement and onboarding materials. However, we have since conducted further analysis of each sub-awardee's programmatic and organizational risk factors, as required under 2 CFR 200. We are adjusting these requirements to better align to each sub-awardee's designated risk level. Through this analysis, we have determined the ARPA-funded program(s) and activities of your organization demonstrate a:

- **Low Risk** of facing compliance issues/challenges (see **Appendix A** for more details)

The updated requirements for your organization and project are outlined below. These changes will take effect on April 1.

Activity	Initial Frequency	Updated Frequency	Schedule
Performance Reports, Including Narrative on Project Activities	Monthly	**Quarterly**	See **Appendix C** for an updated reporting schedule.
Program/Performance Meetings	Quarterly	**Bi-Annually**	One meeting in the spring, one meeting in the fall (exact dates to be determined).
Desk Reviews	TBD	**Annually**	Spring (exact dates to be determined).
Single Audit	Annually	**Annually**	Final report due to Federal Audit Clearinghouse and the Recovery Office within 9 months of your fiscal year end.

You can find a description of each of these reporting and monitoring activities attached as **Appendix B**. The Recovery Office will follow up with more information on these activities and requirements in the coming weeks. In the meantime, if you have any questions or concerns regarding the updated requirements for your organization, please do not hesitate to reach out to your designated Project Manager.

In Partnership,

Shamiah T. Kerney

Chief Recovery Officer

Appendix A: Notification of Risk Rating

Dear Director Perkins-Cohen,

Per 2 CFR 200, prime recipients are required to evaluate each subrecipient's risk factors for compliance with federal statutes, regulations, and the terms and conditions of the subaward.

The City of Baltimore conducted risk assessments for all funding recipients to assess their relative potential for compliance issues, such as not meeting project or programmatic objectives, or incurring challenges in financial, regulatory, reporting, or other compliance requirements. These assessments were based on a set of quantitative and qualitative criteria related to both the organization and the program(s) being administered. Assessment criteria included program complexity, grant management experience, award size, previous single audit results, and presence of internal controls.

After this analysis of your risk factors, we determined the ARPA-funded program(s) and activities of your organization demonstrate a **Low Risk** of facing compliance issues/challenges.

The initial risk ratings determined in this process will be used to designate the level of monitoring for each funding recipient. Please note risk ratings will be reassessed periodically based on monitoring results and findings.

In Partnership,

Shamiah Kerney

Shamiah T. Kerney

Chief Recovery Officer

Appendix B: Description of Activities

Performance Reports

The Recovery Office has consolidated performance reports and narrative reports into one report. Beginning on April 1, you will be required to submit one performance report quarterly which will include information on performance metrics and a narrative on project activities. The report will be submitted through the Recovery Office's web portal. ***Please note, funding recipients will be expected to submit monthly reports until these changes take effect in April.***

Program/Performance Meetings

Program/performance meetings offer an opportunity for funding recipients to discuss their program's performance, as well as any challenges and support needs. You will be required to participate in regular program/performance meetings with your designated Project Manager. These meetings will occur bi-annually, with one meeting taking place in the spring and one in the fall. Your Project Manager will reach out to you to schedule your program/performance meetings. *Please note, the Recovery Office may increase the frequency of these meetings and/or request additional meetings as needed*.

Desk Reviews

Desk reviews are a general evaluation of a funding recipient's current policies, practices, and overall compliance with federal requirements. Desk reviews will be conducted once per year, with the first review occurring this spring. You will receive more information from the Recovery Office on the desk review process and how to prepare. *Please note, more in-depth on-site or virtual reviews may also be conducted as needed.*

Single Audit

Per 2 CFR 200, funding recipients who **expend** $750,000 or more in federal funds each year are required to undergo a single audit annually. These organizations must initiate a single audit and submit an audit report and supporting documentation to the Federal Audit Clearinghouse (FAC) within nine months after the end of their fiscal year, or within 30 days of receipt of the auditor's report, whichever is sooner. Funding recipients must also provide a copy of the single audit to the Recovery Office.

Appendix C: Updated Reporting Schedule

All performance reports, including a narrative on project activities, should be submitted **quarterly** to the Mayor's Office of Recovery Programs **by the second Friday of the month.**

An updated reporting schedule detailing the period of activity and report due dates for each report is outlined below. This updated schedule will take effect on April 1*.

Calendar Year	Period of Activity	Report Due Date
2023	January 1, 2023 – January 31, 2023	February 10, 2023
2023	February 1, 2023 – February 28, 2023	March 10, 2023
2023	January 1, 2023 - March 30, 2023	April 14, 2023
2023	April 1, 2023 - June 30, 2023	July 14, 2023
2023	July 1, 2023 - September 30, 2023	October 13, 2023
2023	October 1, 2023 - December 31, 2023	January 12, 2024
2024	January 1, 2024 - March 30, 2024	April 12, 2024
2024	April 1, 2024 - June 30, 2024	July 12, 2024
2024	July 1, 2024 - September 30, 2024	October 11, 2024
2024	October 1, 2024 - December 31, 2024	January 10, 2025
2025	January 1, 2025 - March 30, 2025	April 11, 2025
2025	April 1, 2025 - June 30, 2025	July 11, 2025
2025	July 1, 2025 - September 30, 2025	October 10, 2025
2025	October 1, 2025 - December 31, 2025	January 9, 2026
2026	January 1, 2026 - March 30, 2026	April 10, 2026
2026	April 1, 2026 - June 30, 2026	July 10, 2026
2026	July 1, 2026 - September 30, 2026	October 9, 2026
2026	October 1, 2026 - December 31, 2026	January 8, 2027

Please note, funding recipients will be expected to submit monthly reports until this updated schedule takes effect in April.