



Alice Kennedy  
 Department of Housing and Community Development  
 417 E. Fayette St., 14th Fl.  
 Baltimore, MD 21202

Re: ARPA SLFRF Monitoring Requirements

February 8, 2023

Dear Commissioner Kennedy,

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.

After a quantitative and qualitative analysis of your programmatic and organizational risk factors, as required under 2 CFR 200, we have determined the ARPA-funded program(s) and activities of your organization demonstrate a:

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

This risk designation will inform your organization’s monitoring and reporting requirements. Initial frequencies and expectations for these requirements were outlined in your grant agreement and onboarding materials. We have made some updates to the requirements to further align them with your designated risk level – **a recap of these requirements and updates on the process are outlined below.**

Activity	Frequency	Updates
<b>Performance Reports, Including a Narrative on Project Activities</b>	<b>Monthly</b>	Narrative on project activities reports will be combined with the monthly performance report. The monthly reporting schedule will remain the same.
<b>Program/Performance Meetings</b>	<b>Quarterly</b>	No update to requirement. Exact meeting dates to be determined.
<b>Onsite/Virtual Reviews</b>	<b>Annually</b>	No update to requirement. Process to launch in the spring (exact dates to be determined).
<b>Single Audit (if applicable)</b>	<b>Annually</b>	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,

A handwritten signature in cursive script, reading 'Shamiah T. Kerney'.

Shamiah T. Kerney

Chief Recovery Officer



## Appendix A: Notification of Risk Rating

Dear Commissioner Kennedy,

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 **Medium Risk/High 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 T. Kerney

Chief Recovery Officer

## **Appendix B: Description of Activities**

### **Performance Reports, Including Narrative**

The Recovery Office has consolidated performance reports and narrative reports into one report. You will now be required to submit one performance report monthly which includes information on performance metrics and a narrative on project activities. The report will be submitted through the Recovery Office's web portal.

### **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 continue taking part in program/performance meetings with your designated Project Manager quarterly. Your Project Manager will schedule your program/performance meetings. *Please note, the Recovery Office may increase the frequency of these meetings and/or request additional meetings as needed.*

### **Onsite or Virtual Reviews**

Onsite or virtual reviews are in-depth reviews of a funding recipient's current policies, practices, and overall compliance with federal requirements. The process may include a combination of documentation and expenditure review, interviews, and site visits. You will be required to complete one onsite or virtual review each year, with the first review occurring this spring. You will receive more information about the onsite/virtual review process and how to prepare. *Please note, the Recovery Office may increase the frequency of onsite/virtual reviews or request supplemental desk reviews as needed.*

### **Single Audit**

Per 2 CFR 200, any 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 your 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.

*Note: The Recovery Office may require an Agreed-Upon Procedures Engagement for funding recipients who are not subject to a single audit. More information will be provided if this is a requirement for your organization.*

### Appendix C: Reporting Schedule

All reports of performance measures for ARPA-funded projects should be submitted **monthly** to the Mayor's Office of Recovery Programs by the **second Friday of the month**.

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	March 1, 2023 - March 30, 2023	April 14, 2023
2023	April 1, 2023 - April 30, 2023	May 12, 2023
2023	May 1, 2023 - May 31, 2023	June 9, 2023
2023	June 1, 2023 - June 30, 2023	July 14, 2023
2023	July 1, 2023 - July 31, 2023	August 11, 2023
2023	August 1, 2023 - August 31, 2023	September 8, 2023
2023	September 1, 2023 - September 30, 2023	October 13, 2023
2023	October 1, 2023 - October 31, 2023	November 13, 2023*
2023	November 1, 2023 - November 30, 2023	December 8, 2023
2023	December 1, 2023 - December 31, 2023	January 12, 2024
2024	January 1, 2024 - January 31, 2024	February 9, 2024
2024	February 1, 2024 - February 28, 2024	March 8, 2024
2024	March 1, 2024 - March 31, 2024	April 12, 2024
2024	April 1, 2024 - April 30, 2024	May 10, 2024
2024	May 1, 2024 - May 31, 2024	June 14, 2024
2024	June 1, 2024 - June 30, 2024	July 12, 2024
2024	July 1, 2024 - July 31, 2024	August 9, 2024
2024	August 1, 2024 - August 31, 2024	September 13, 2024
2024	September 1, 2024 - September 30, 2024	October 11, 2024
2024	October 1, 2024 - October 31, 2024	November 8, 2024
2024	November 1, 2024 - November 30, 2024	December 13, 2024
2024	December 1, 2024 - December 31, 2024	January 10, 2025
2025	January 1, 2025 - January 31, 2025	February 14, 2025
2025	February 1, 2025 - February 28, 2025	March 14, 2025
2025	March 1, 2025 - March 31, 2025	April 11, 2025
2025	April 1, 2025 - April 30, 2025	May 9, 2025
2025	May 1, 2025 - May 31, 2025	June 13, 2025
2025	June 1, 2025 - June 30, 2025	July 11, 2025
2025	July 1, 2025 - July 31, 2025	August 15, 2025
2025	August 1, 2025 - August 31, 2025	September 12, 2025
2025	September 1, 2025 - September 30, 2025	October 10, 2025
2025	October 1, 2025 - October 31, 2025	November 14, 2025

2025	November 1, 2025 – November 30, 2025	December 12, 2025
2026	December 1, 2025 – December 31, 2025	January 9, 2026
2026	January 1, 2026 – January 31, 2026	February 13, 2026
2026	February 1, 2026 – February 28, 2026	March 13, 2026
2026	March 1, 2026 – March 31, 2026	April 10, 2026
2026	April 1, 2026 – April 30, 2026	May 8, 2026
2026	May 1, 2026 – May 31, 2026	June 12, 2026
2026	June 1, 2026 – June 30, 2026	July 10, 2026
2026	July 1, 2026 – July 31, 2026	August 14, 2026
2026	August 1, 2026 – August 31, 2026	September 11, 2026
2026	September 1, 2026 – September 30, 2026	October 9, 2026
2026	October 1, 2026 – October 31, 2026	November 13, 2026
2026	November 1, 2026 – November 30, 2026	December 11, 2026
2027	December 1, 2026 – December 31, 2026	January 8, 2027

\* *Deadline modified due to a holiday on the second Friday of the month.*