

American Rescue Plan Act of 2021

Guidelines & Procedure for Allocating (ARPA) Funds



The American Rescue Plan Act of 2021 is a \$1.9 trillion economic stimulus package that was signed into law by President Biden on March 11, 2021. The current estimate for Chippewa County to receive is \$12.5 million.

On May 19, 2021, Chippewa County received the first transaction of \$6,279,529.50. Chippewa County will receive the second half of the funds in May 2022. The funds must be obligated by December 31, 2024 and spent by December 31, 2026.

The American Rescue Plan Act (ARPA) has four allowable areas of usage:

- “(A) to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- “(B) to respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the metropolitan city, non-entitlement unit of local government, or county that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
- “(C) for the provision of government services to the extent of the reduction in revenue of such metropolitan city, non-entitlement unit of local government, or county due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year of the metropolitan city, non-entitlement unit of local government, or county prior to the emergency; or
- “(D) to make necessary investments in water, sewer, or broadband infrastructure.

On May 10, 2021, the U. S. Treasury issued an Interim Final Rule and counties are still waiting for additional guidance on what is considered an “allowable expense”. It is important to note that if the funds are spent on projects that are not considered “allowable expenses” then the funds will need to be repaid.

On January 6, 2022, the U. S. Treasury issued the Final Rule. The County Administrator will work closely with the Wisconsin Counties Association (WCA) in identifying allowable expenses with the different eligible expenditure categories.

Purpose of this Policy Document

The purpose of this document is to have the County Board approve the criteria that Chippewa County will follow for utilizing ARPA funds. The criteria established by the County Board will need to be in compliance with the U. S. Treasury guidelines. The document will also identify the procedures that Chippewa County will use to allocate the funds.

Process for Establishing and Approving the Criteria for Utilizing ARPA Funds

The County Administrator will ensure the criteria complies with U. S. Treasury guidelines and will provide an initial recommendation to the Executive Committee in a report form to review and discuss. The Executive Committee will then provide a recommendation to the County Board to receive additional input. There could be consensus votes taken at both meetings, but nothing will be final, until a resolution is passed by the Executive Committee and ultimately by the County Board.

County Administrator's Recommendation on Criteria for Utilizing ARPA Funds

1. The funds may be allocated for projects that will/could reduce future operational cost.
2. The funds may be allocated for projects that are currently in Chippewa County's five-year Capital Improvement Plan (CIP) or projects that are similar.
3. The funds may be allocated for projects that will promote future economic growth in Chippewa County.
4. The funds should never be allocated in a way that will increase future operational cost.

County Administrator's Recommendation on the Procedure to Allocate Funds

1. As soon as the final rule is released and the County Administrator has a thorough understanding of the definition for "qualified expenditures" the County Administrator will give a report to the Executive Committee and to the full County Board. The report will cover the current understanding of qualified expenditures.

During that same timeframe, the County Administrator will have a meeting with the Department Heads to explain the final rule and definition of qualified expenditures.

- The Department Heads will be given thirty-days (30) to submit draft ideas to the County Administrator via the Chippewa County ARPA Justification Form, before committee review, of potential projects that may be considered qualified expenditures. At this time the ideas only need to be concepts, not complete projects.
2. The County Administrator will hold a listening sessions with town, city and village leaders to review the guidelines and get input and feedback on projects they may be considering, and to identify municipalities that may want to partner with Chippewa County in order to leverage the ARPA dollars. County Board Supervisors will be invited to attend this listening session, but no formal action will be taken.
 - The Department Heads will be given another thirty-days (30) to review ideas with the policy committee for feedback before submitting their final recommendations to the County Administrator.
 3. The County Administrator will request to have a special County Board meeting for a brainstorming session so County Board Supervisors can provide additional feedback regarding items they would like to see the funds spent on. No ideas will be eliminated, unless it is known the ideas do not qualify as acceptable expenditures according to the U. S. Treasury guidelines.
 4. After receiving feedback from everyone, the County Administrator will prepare a draft plan in a format similar to the Capital Improvement Plan and present it to the Executive Committee for review, discussion, and approval to forward the draft plan to the County Board for consideration.
 5. The County Board will hold a listening session to receive feedback from the public and to review the draft plan report and provide feedback. There may be consensus votes taken at the meeting, but nothing is formally approved during this meeting(s).

6. The County Administrator will send the draft plan to the auditing firm for a compliance review before finalizing the document.
7. The County Administrator will present a plan to the Executive Committee and then to the County Board for final approval. This will be done in the form of a resolution.
8. The financial updates for ARPA funds will be included with the County financial reports that are provided by the Finance Director to the County Board on a quarterly basis.
9. By March 2024, any ARPA funds allocated to a project with an expectation the project may not be completed within the allotted timeframe, those funds may be redirected to other projects. The County Administrator will prepare a resolution to be forwarded to the Executive Committee and County Board for approval before re-allocating any funds.

Procedure to Allocate ARPA Funds

