




MEMORANDUM

To: Agency Contacts
From: Stephanie Tyrer, COVID Fiscal Relief Manager 
Date: May 17, 2024
Subject: Obligation Reporting for US Treasury ARPA SLFRF Grants

US Treasury Frequently Asked Questions (FAQs) Update: Obligations

On March 29, 2024 US Treasury (UST) released a new section in the [Frequently Asked Questions](#) document. Section 17, Obligation, describes updated guidance on how ARPA Recipients are to navigate the obligation deadline of December 31, 2024. We encourage your review of this section as there are many FAQs in this section that will help Agencies navigate the 2-year performance period after the Obligation Deadline.

One of the many key updates is in FAQ 17.6 where UST states Interagency Agreements, under certain conditions, can qualify as obligations. After consulting with our attorney, the Department of Administrative Services (DAS) determined that our IAAs qualify as an obligation under this guidance. We are waiting for additional guidance from UST on how DAS will report this obligation and as soon as we know more about if/how this affects reporting under the IAA, we will communicate that guidance to you.

While DAS is waiting for additional guidance from UST on how to report the clarified obligation categories, the pressure of contracting obligations has been relieved for the Agencies. However, the expenditure deadline remains December 31, 2026.

Administrative Obligation Reporting July 2024

DAS is also still waiting for additional guidance from UST on how to report Administrative Obligations. Section 17 in the FAQs doesn't specifically address how to report these estimated costs, so we will provide further information to you once UST releases the guidance. Until we have more guidance on how to report these obligation estimates, please continue to work up your projected administrative budget as communicated previously so you can report that to us in July.

UST does provide guidance in FAQ 17.9 where they state personnel costs, administrative and legal costs, and costs to cover contract change orders and contingencies can be covered by an IAA. Additionally, in UST's [recent webinar, slide 20](#) it poses the question, "When would a recipient submit cost estimate(s) to Treasury?" Also in Section 17, FAQ 17.11 outlines how Agencies can estimate legal and administrative costs.

Monthly Obligation Reporting to DAS

Finally, some good news! Due to UST's new guidance in Section 17 of the FAQs, DAS will not be requiring monthly obligation reporting from the partner Agencies. Thank you all for your cooperation with this reporting during the last few months.

Additional Resources

DAS has additional resources on our website: [Covid Fiscal Relief Team, American Rescue Plan Act – State Fiscal Recovery Fund](#).

- The most recent UST Guidance is found under Federal Guidance and Resources.
- This Memo as well as other Technical Assistance can be found under Covid Fiscal Relief Team Guidance and Training.

Please contact your Grant Analyst if you have any questions on how this may affect your Agency project(s). Thank you all for your diligence in this work for our statewide communities benefiting from this work; we could not do this without you!