



New Mexico  
Department of Finance  
and Administration

May 30, 2024

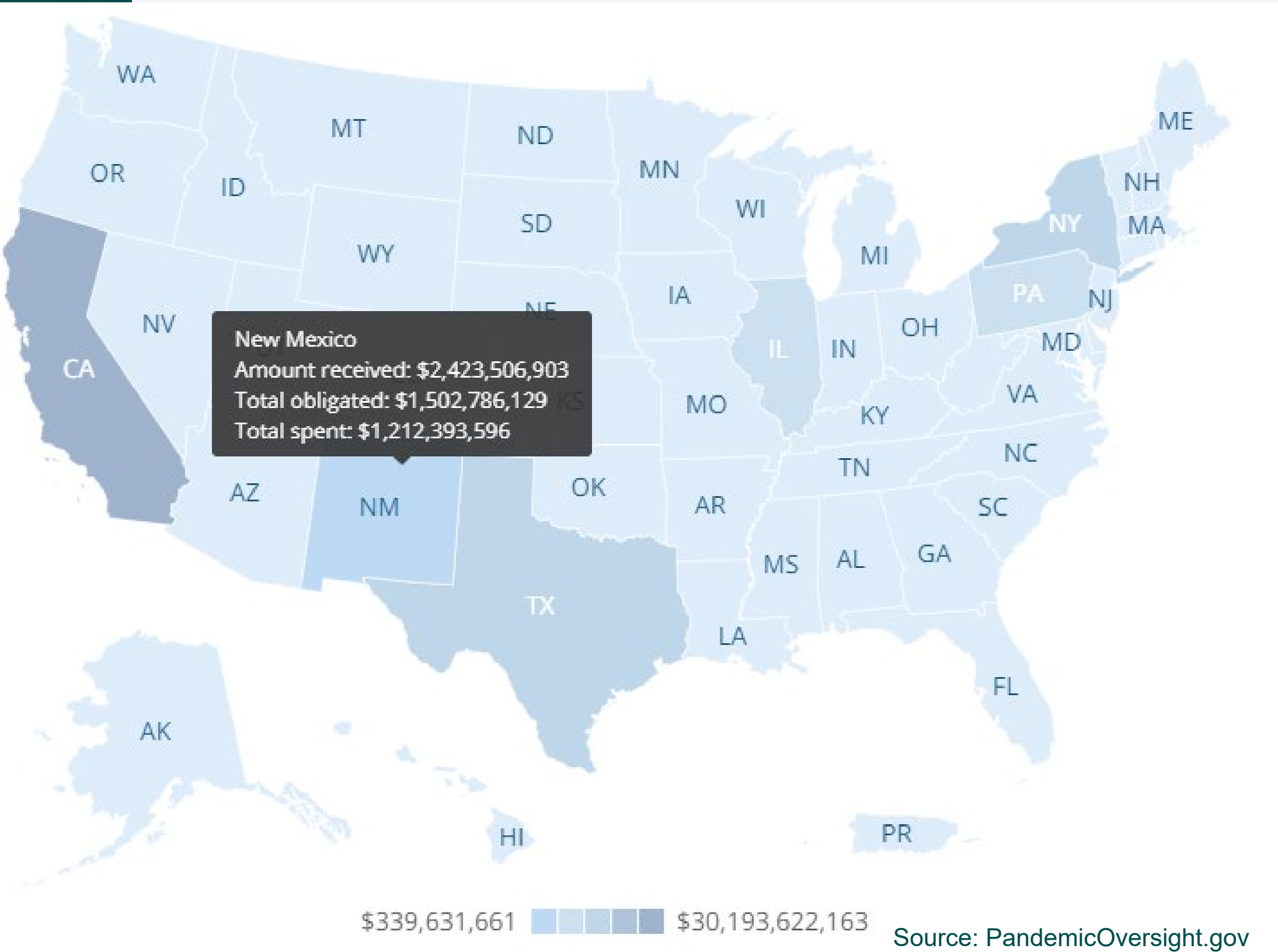
**Federal Grants Management Bureau Presents:**

# **MAXIMIZING SLFRF AWARDS IN NM**

# TABLE OF CONTENTS

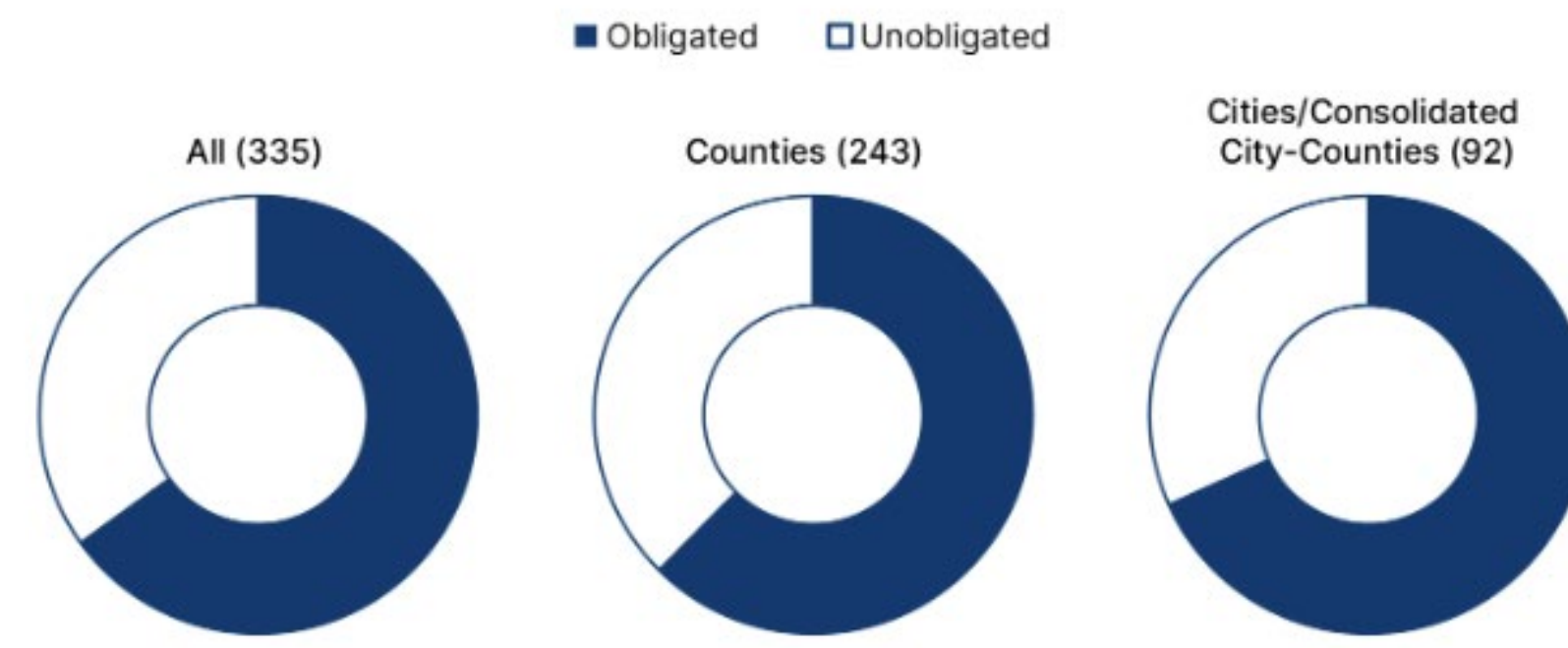
- 01** Why Now? A Brief Overview of SLFRF and This Critical Moment
- 02** Updated Obligation Guidance and Reporting
- 03** Awards Execution and Management

- 04** Procurement and Subrecipient Monitoring
- 05** Closeout
- 06** Questions



**Cities and counties have less than a year left to obligate the remaining one-third of their total allocation**

SLFRF dollars obligated and spent through September 2023, cities and counties with populations over 250,000



Source: Brookings Metro, NLC, and NACo analysis for U.S. Treasury data covering 92 cities/consolidated city-counties and 243 counties.



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# WHY IS THIS INFORMATION CRITICALLY IMPORTANT?



Missing the December 31, 2024, deadline will result in remaining funds reverting to Treasury.

This means that New Mexico will be missing out on much needed community improvements and upgrades by giving up money that the state may never have access to again.



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# WHAT IS AN OBLIGATION?

An obligation is order placed for property and services and entry into contracts, subawards, and similar transactions that require payment.



2 CFR 200



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# EXECUTED SUBAWARDS AND CONTRACTS ARE OBLIGATED FUNDS

Obligation deadline applies only to the direct recipient of SLFRF funds. Subrecipients are not subject to the December 31, 2024, obligation deadline.

An obligation is considered to have been incurred once a recipient enters into a subaward or contract that obligates the recipient to cover that cost.

Treat interagency agreements like a subaward, once they are executed, the funds are obligated!



# TREASURY'S UPDATED DEFINITION OF OBLIGATION FOR SLFRF

The US Treasury has expanded the definition to allow recipients to incur obligations related to the requirements, regulations, and provisions of SLFRF funds.

This means that personnel, administrative, and legal costs are now allowable obligations.



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# ELIGIBLE ADMINISTRATIVE, LEGAL, AND PERSONNEL COSTS

Entities can obligate costs for:

- Reporting and compliance requirements
- Single audit costs
- Record retention and internal control requirements
- Property standards
- Environmental compliance requirements
- Civil rights and nondiscrimination requirements

Eligible costs for the in-house staff time or consultant/contractor expenses needed to satisfy the SLFRF grant requirements

Negotiated indirect cost rates or the de minimis rate of 10% can be charged in addition to direct costs for administrative services



# SLFRF AWARD EXECUTION AND MANAGEMENT



2 CFR 200.302

- Entities must ensure that SLFRF award funds are not used for ineligible purposes and that there is no fraud, waste or abuse associated with the award.
- Entities are responsible for determining a subrecipient's/beneficiaries' eligibility by monitoring use of award funds.
- SFLRF funded projects must maintain a robust documentation and compliance regime.



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# SLFRF AWARD EXECUTION AND MANAGEMENT

All records and financial documents must be maintained for five years after funds have been fully expended or returned to Treasury.

Entities must provide or make available all SLFRF records to Treasury upon request and to the Government Accountability Office.

Entities should implement processes for transparency and public accountability.

Entities and subrecipients that expend more than \$750k in federal awards during their fiscal year, are subject to an audit.

Execution of SLFRF award funds must address one of the statutory expenditure categories.



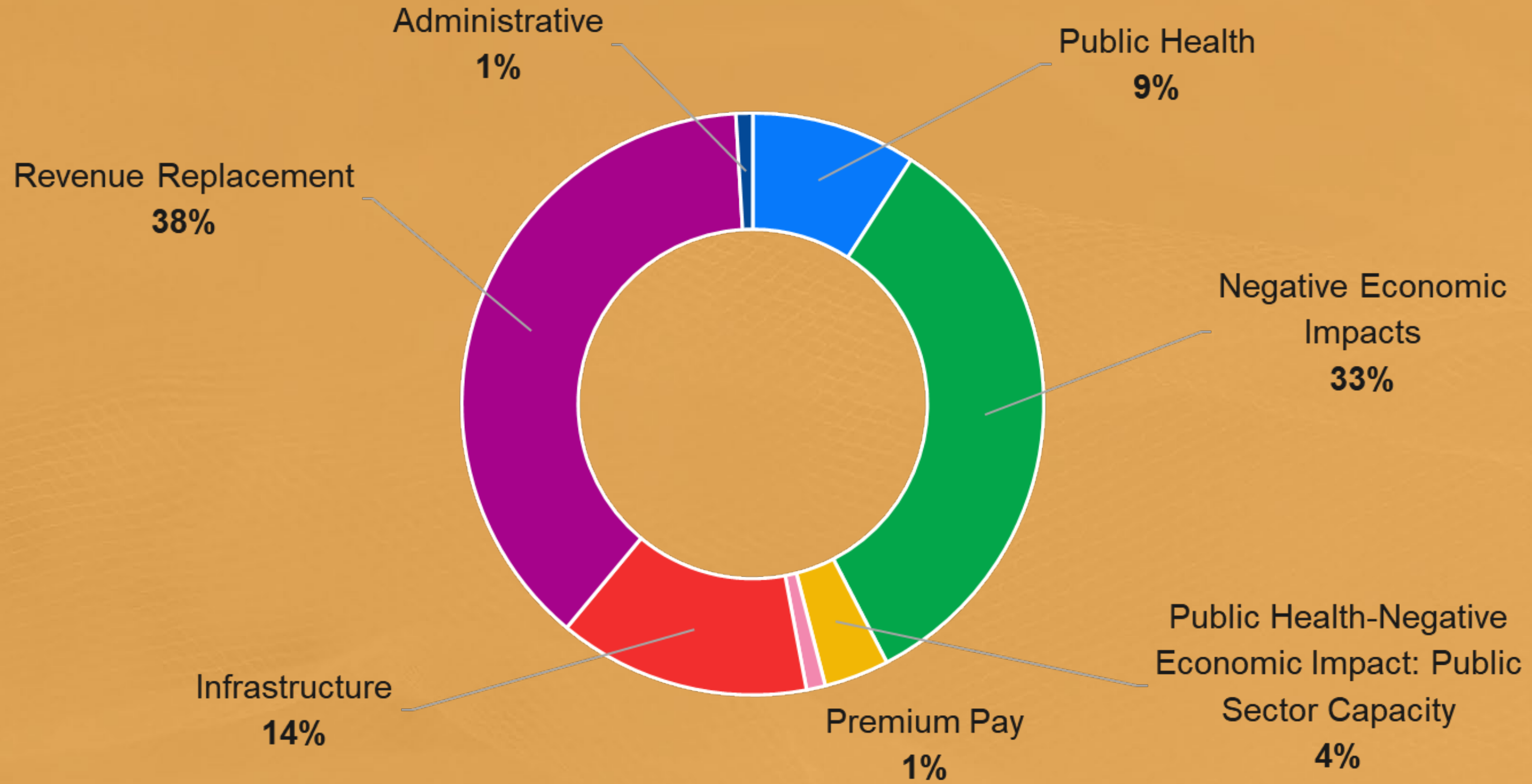
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# SLFRF EXPENDITURE CATEGORIES

1. Public Health
  - a. COVID- 19 Mitigation & Prevention
  - b. Community Violence Interventions
  - c. Behavioral Health
2. Negative Economic Impacts to Households
  - a. Assistance to Households
  - b. Assistance to Small Businesses
  - c. Assistance to Non - Profits
  - d. Aid to Impacted Industries
3. Public Health - Negative Economic Impact: Public Sector Capacity
4. Premium Pay
5. Water, Sewer, and Broadband Infrastructure
6. Revenue Replacement
7. Administrative
8. Emergency Relief from Natural Disasters
9. Surface Transportation Projects
10. Title I Projects



# SLFRF Budgeted Funds by Treasury Category



Source: National Association of State Budget Officials



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# SLFRF REPORTING



2 CFR 200.328

All entities are required to submit quarterly or annual project and expenditure reports.



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# REPORTING SCHEDULE

## Quarterly Reporting

Entities with a population of more than 250k or that received more than \$10M in SLFRF

Tribal governments that received more than \$30M in SLFRF

## Annual Reporting

Entities with a population of less than 250k or that received less than \$10M in SLFRF

Tribal governments that received less than \$30M in SLFRF



# SLFRF REQUIRED REPORTING INFORMATION

## Adopted Budget:

based on information that exists in the recipient's financial systems and the recipient's established budget process.

## Project Data:

description, completion status, and corresponding expenditure category.

## Obligations and Expenditures:

total amounts (current period and cumulative).

## Program Income:

earned and expended to cover eligible project costs, if applicable

## Subaward Information:

type of subaward, number, subrecipient name, place of performance, period of performance dates

## Subrecipient Information:

type of subrecipient, legal name, address, and UEI number or TIN.



# REPORTING TIPS AND TRICKS

- Subscribe to receive the Treasury's SLFRF Newsletter
- Log in early
  - Reporting Office Hours : July 1 - 5 from 1 - 3pm daily
- Enter information into the reporting portal in the following order:
  - Project Data
  - Subrecipients
  - Subawards
  - Expenditures



**AMERICAN**  
RESCUE PLAN

PRESIDENT BIDEN'S PLAN TO PROVIDE DIRECT RELIEF TO AMERICANS,  
CONTAIN COVID-19, AND RESCUE THE ECONOMY



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# SLFRF Procurement



- Procurement of property and services under a federal award requires that entities follow the same policies and procedures used for procurements from its non - federal funds.
- All procurement transactions for property or services MUST be conducted in a manner that provides full and open competition.



# Subrecipient Monitoring

1. Risk  
assessment of  
subrecipient



3. Monitor  
subrecipient  
compliance and  
activities



2. Records and  
written policies  
and procedures



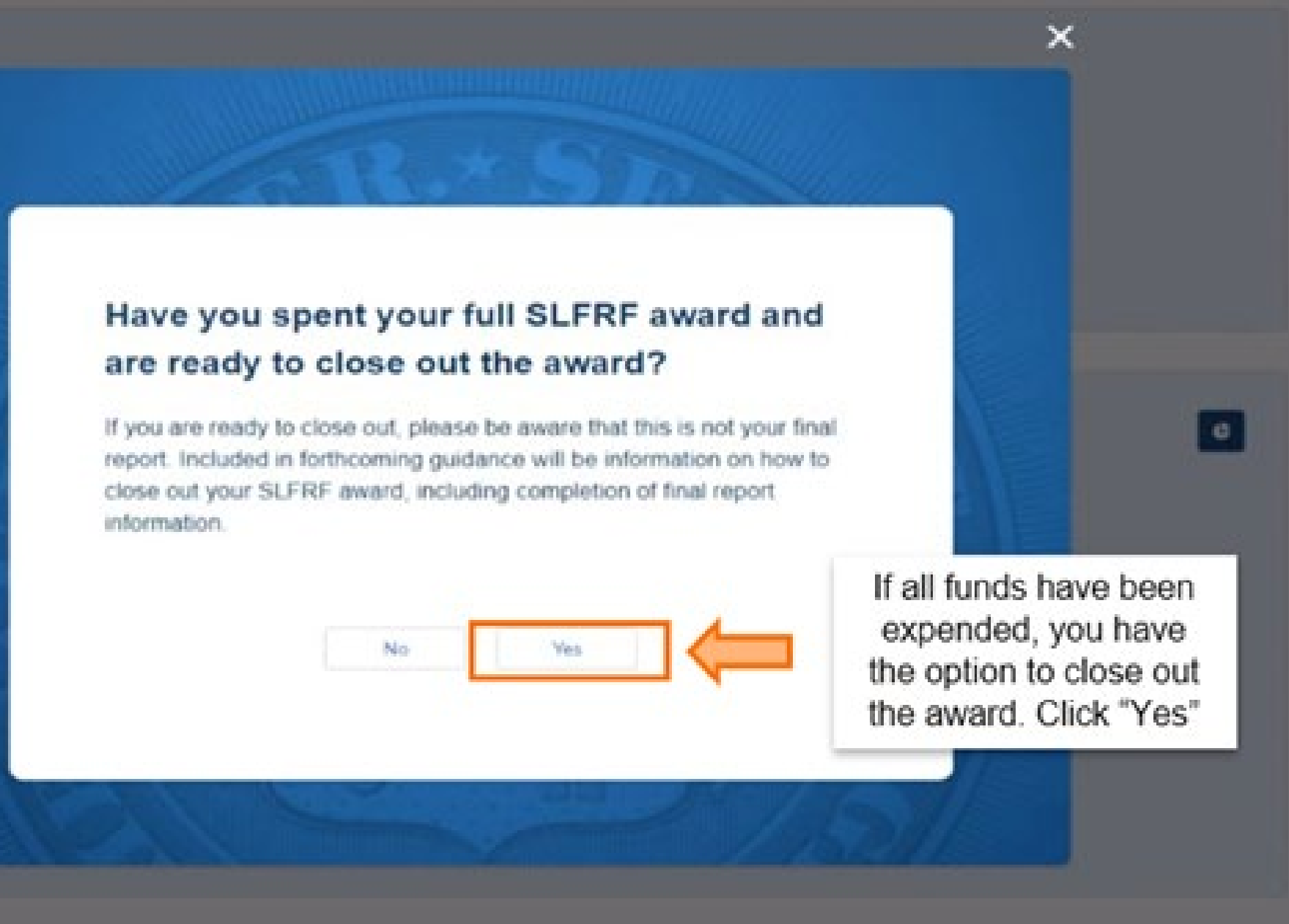
4. Resolving  
audit findings  
related to  
subawards



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# CLOSEOUT

- Final closeout procedures have yet to be defined by the Treasury
- Recipients must also continue to submit the required reports even if SLFRF funds have been fully spent and reported.
- Follow uniform guidance for closeout of federal awards



**Have you spent your full SLFRF award and are ready to close out the award?**

If you are ready to close out, please be aware that this is not your final report. Included in forthcoming guidance will be information on how to close out your SLFRF award, including completion of final report information.

If all funds have been expended, you have the option to close out the award. Click "Yes"





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# Questions?

Don't hesitate to [reach out!](#)

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# THANK YOU!

The Federal Grants Management Bureau appreciates your attendance and participation in today's training.

Before you leave, please complete the course evaluation survey to help us better serve you .



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