



STATE OF INDIANA

Eric J. Holcomb
Governor

OFFICE OF MANAGEMENT & BUDGET

Cristopher R. Johnston
Director

102 State House
Indianapolis, Indiana 46204-2796
317-232-5610

March 4, 2022

Re: American Rescue Plan Act Distributions to Indiana Cities and Towns

Dear Municipal Chief Executive Officer:

The American Rescue Plan Act of 2021 (ARPA) allocated over \$430 million to the State of Indiana for distribution to all Indiana Cities and Towns with a population below 50,000 (referred to by U.S. Treasury as “NEUs”). Pursuant to U.S. Treasury rules, the state received one-half of the allocation last fall for distribution to eligible Indiana NEUs and will receive the balance this summer.

The U.S. Treasury guidance also requires the State to reallocate unclaimed funds to those eligible NEUs that accepted the initial distribution and were not restricted to 75% of their budget. The unused funds totaled just over \$798,000 and will result in most NEU’s receiving a subsequent disbursement this month, although some amounts will be very small. Please be aware that this will show up as a deposit from the State Auditor and should be accounted for in the same manner as your distribution last fall. We apologize for the possible inconvenience of managing such a small distribution, however our request to add this to the final distribution was denied. Please note, the balance of your funds will be wired to you in June or July in the same manner. No additional application is required.

The Indiana Finance Authority website will be updated with this new NEU distribution information.

<https://www.in.gov/ifa/coronavirus-state-and-local-fiscal-recover-funds-american-rescue-plan-act-of-2021/>

Finally, I would like to remind you that your first required reporting deadline is approaching on April 30, 2022. Please see <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf> for specific information about your required Project and Expenditure Report.

Thank you for your efforts in managing these important funds.

Sincerely,

Cristopher R. Johnston