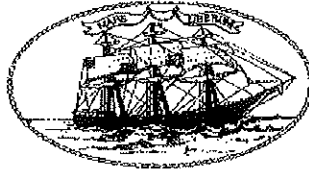


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## CITY OF NEW LONDON

**To:** City Council; Mayor Michael Passero  
**From:** David McBride, Finance Director  
**Date:** February 7, 2022  
**Re:** ARPA funding process

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The purpose of this memo is to provide an explanation as requested by the City Council as to the procedure a ARPA project/purchase must follow from proposal to inception.

### PHASE I – Submitting ARPA project proposals

- The individual or organization submits a summary and detailed project proposal with an accompanying financial request to the appropriate City department head and to the Finance Department.
- This request, along with other submittals, is provided to the Council at a Finance Committee meeting where ARPA funds are discussed. The initial batch of project submittals to Council was completed during the summer of 2021. There have been two additional batches of project submittals to Council in October and December of 2021. Future batch submittals to Council will be completed as necessary.

### PHASE II – Council approval of ARPA appropriation

- The Finance department initially categorized all of the projects submitted into the Internal Revenue Service provided summary template. The Council reviewed this template on numerous occasions and as of today has appropriated the \$13.1 million into the following major and minor Internal Revenue Service categories or “buckets”.

Public Health	\$1,719,710
Negative Economic Impacts	\$3,677,849
Services to Disporotionally Impacted Communities	\$5,543,903
Infrastructure	\$1,887,400
Administration	<u>\$197,042</u>
TOTAL	\$13,025,904

- At the time a project is reviewed Council will discuss the suitable level of approval for a project. A project will either be “Approved on Passage” or require another level of approval such as “Council Approval”, “Human Services Approval”, “Economic Dev Committee”, or a similar third-party or committee approval. The project will be categorized in to the appropriate category and year of funding.

**PHASE III – Finance approval and subsequent PO or other approval**

- Once Council has reviewed the proposal, the Department Head looking to further the project will then need to complete the “ARPA Funding Approval Form”.
  - Section 1 of this form describes the project and the amount as approved by Council.
  - The form is then submitted to the City’s Purchasing Agent to verify that project and amount has been appropriated. Once this information has been verified, the form will be returned to the department with instructions on next steps to ensure the purchase coincides with purchasing ordinances (quotes/go out to bid).
  - Once purchasing ordinances are satisfied, the Department Head will return the form to the Purchasing Agent along with supporting documentation (quotes/bids). Supporting documentation will also include meeting minutes from any Committee that needs to approve such purchase prior to being presented to Council.
  - For any project that is over \$20,000 or any project that requires Council approval, this information will be presented for their review.
  - Once Council has reviewed and approved the project, necessary documents can be administered by the Purchasing Agent and a purchase order created. The purchase order is the approval for both the department and organization to move forward with goods/services.

**OTHER - If project does not fall within the approved appropriation**

- If a project proposal occurs after the Council designated buckets were incorporated into the approved appropriation the project must be funded by completing a Mayors Transfer to move funds from one “bucket” to another. The attached “ARPA Mayors Transfer Form” would need to be reviewed and approved by the proper department heads as well as the Mayor and the Director of Finance. This is necessary to ensure the City does not approve any expenditure beyond what has been appropriated.
  - The department head may transfer from one or more of the other projects she/he proposed that they do not plan to move forward with at that time.
  - If the department head would like to transfer from a project that is not their own and the project is:
    - *Approved upon passage:* written approval from the department head that originally presented the project now being defunded must accompany the transfer.
    - *Council approval:* written approval from the department head that originally presented the project now being defunded must accompany the transfer and Council must review the proposed transfer.
    - *Sub-committee approval:* written approval from the department head that originally presented the project now being defunded must accompany the transfer, said sub-committee must also vote on the transfer and minutes must accompany this transfer, and Council must review the proposed transfer.

FUTURE- the City is expected to receive an additional \$13.1 million in June 2022 and this process of earmarking projects to funding will occur again over several months

If you have any questions relating to this matter please feel free to email me at [dmcbride@newlondonct.org](mailto:dmcbride@newlondonct.org) or reach out to me at 860-447-5218. Thank you

Sincerely,



David McBride



**ARPA Funding approval form**

**SECTION 1 FOR DEPARTMENT:** Complete section 1 ONLY and email to [jmontague@newlondonct.org](mailto:jmontague@newlondonct.org) with subject 'ARPA Funding Approval Form'.

Project/Purchase description: \_\_\_\_\_

Project amount:\$ \_\_\_\_\_

**SECTION 2 FOR FINANCE:** Finance will complete and return to appropriate department.

- \* Signature of Finance approving fund availability: \_\_\_\_\_
- \* ARPA Budget funding line item #: \_\_\_\_\_
- \* Place funds on HOLD against line and return to department

**SECTION 3 FOR DEPARTMENT:** Department must complete section appropriate for purchase. Purchasing ordinances still apply to purchases. **NO PROPOSAL/QUOTE/ESTIMATE/CONTRACT IS TO BE SIGNED BY ANYONE OTHER THAN THE MAYOR.**

Project/Purchase cost is estimated to be under **\$3,000**  
 Proper committee's approval date: \_\_\_\_\_  
 \*Please attach minutes approving purchase

Project/Purchase is estimated to cost between **\$3,000 and \$19,999**

a. Did you obtain 3 quotes?	Y	<input type="checkbox"/>	N	<input type="checkbox"/>	
b. Is this an emergency purchase?	Y	<input type="checkbox"/>	N	<input type="checkbox"/>	*if yes, provide memo explaining.
c. Is this sole source?	Y	<input type="checkbox"/>	N	<input type="checkbox"/>	*if yes, provide sole source letter.
d. Is this a negotiated proposal*?	Y	<input type="checkbox"/>	N	<input type="checkbox"/>	

\*negotiated proposals are only permitted for contract/professional services.  
 d. Proper committee's approval date (if applicable): \_\_\_\_\_  
 \*Please attach minutes approving purchase

Project/Purchase is estimated to cost **\$20,000 or more:**

a. Was this publicly bid?	Y	<input type="checkbox"/>	N	<input type="checkbox"/>	
b. Is this an emergency purchase?	Y	<input type="checkbox"/>	N	<input type="checkbox"/>	*if yes, provide memo explaining.
c. Is this sole source?	Y	<input type="checkbox"/>	N	<input type="checkbox"/>	*if yes, provide sole source letter.
d. Is this a negotiated proposal*?	Y	<input type="checkbox"/>	N	<input type="checkbox"/>	

\*negotiated proposals are only permitted for contract/professional services and must be approved by Council as such  
 d. Proper committee's approval date (if applicable): \_\_\_\_\_  
 \*Please attach minutes approving purchase  
 e. Council's approval date: \_\_\_\_\_

**\*\*\*\*RETURN THIS FORM TO JOSH IN PURCHASING JMONTAGUE@NEWLONDONCT.ORG\*\*\*\***

**SECTION 4 FOR FINANCE:** Finance will return form to you once funding is in place and a P.O. is generated. **YOU WILL BE RESPONSIBLE FOR RELAYING PO NUMBER TO VENDOR FOR PAYMENT.**

- \* Finance approval: \_\_\_\_\_
- \* Purchase order number: \_\_\_\_\_
- \* Finance to return form to appropriate department and keep one on file in ARPA budget book.

File: \_\_\_\_\_  
 Accting: \_\_\_\_\_  
 Dept.: \_\_\_\_\_

A REQUEST FOR TRANSFERRING FY 2022 APPROPRIATIONS:

**\*\*ARPA\*\***

**Transfer From:**

ARPA Line item	\$	
MUNIS LINE ITEM		\$
ARPA Line item	\$	
MUNIS LINE ITEM		\$
ARPA Line item	\$	
MUNIS LINE ITEM		\$
		<u>\$0</u>

**Transfer To:**

ARPA Line item	\$	
MUNIS LINE ITEM		\$
ARPA Line item	\$	
MUNIS LINE ITEM		\$
ARPA Line item	\$	
MUNIS LINE ITEM		\$
		<u>\$0</u>

Description

DESCRIPTION

Requested by: \_\_\_\_\_  
 Department Head

Recommended by: \_\_\_\_\_ Date: \_\_\_\_\_  
 Finance Director  
 David McBride

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
 Mayor  
 Michael Passero

Posted by: \_\_\_\_\_  
 Date: \_\_\_\_\_