



SENATE FISCAL OFFICE
REPORT

AMERICAN RESCUE PLAN ACT

STATE FISCAL RECOVERY FUNDS

FY2024 Q2 UPDATES

APRIL 4, 2024

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EXECUTIVE SUMMARY

Executive Summary

OVERVIEW

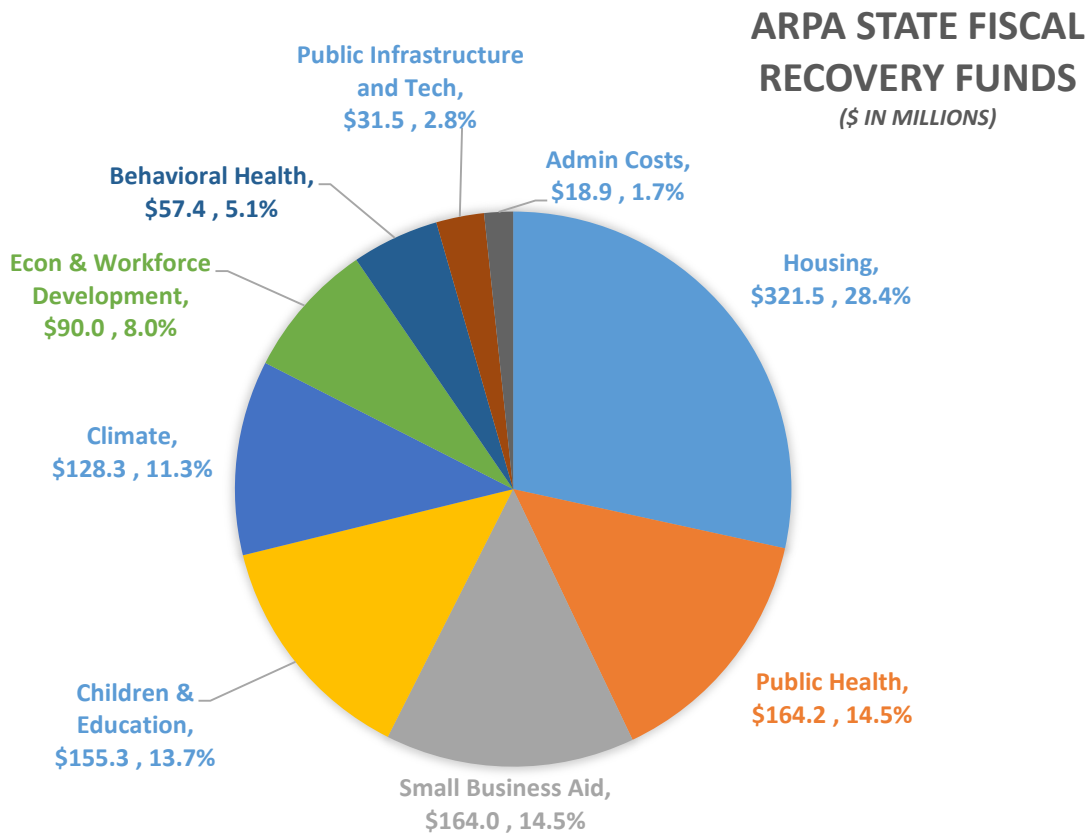
The federal American Rescue Plan Act of 2021 (ARPA) allocated federal funds to state and local governments to aid in the fiscal recovery from the COVID-19 pandemic. The Act included direct allocations to states under the State Fiscal Recovery Fund (SFRF) program. Rhode Island received \$1,131.1 million in SFRF funding. Funds are required to be obligated by December 31, 2024, and expended by December 31, 2026 (FY2027 Q2).

The State first appropriated a portion of SFRF in an amendment to the FY2022 Budget. The Governor proposed the use of approximately 10.0 percent of the SFRF in October 2021. The General Assembly held hearings that fall and early winter, and on January 4, 2022, the \$119.0 million ARPA “down payment” plan was adopted into law. The remainder of SFRF was allocated and appropriated in the FY2023 enacted budget, and amendments to projects and allocations have followed in the FY2023 Supplemental and FY2024 Enacted Budgets.

FY2024 BUDGET AS ENACTED

The FY2024 Budget as Enacted shifted funding allocations so that all funds were obligated in fiscal years 2022 through 2024, to assure federal obligation timelines are met. Funds may still be spent beyond FY2024, through December 2026. Appropriations bills for FY2025 through FY2027 will presumably include carry forward allocations to allow spending in those outyears.

The Governor has categorized SFRF projects into nine functional areas, as shown in the chart.



The following table outlines SFRF allocations by fiscal year, adopted as of the FY2024 Budget as Enacted.

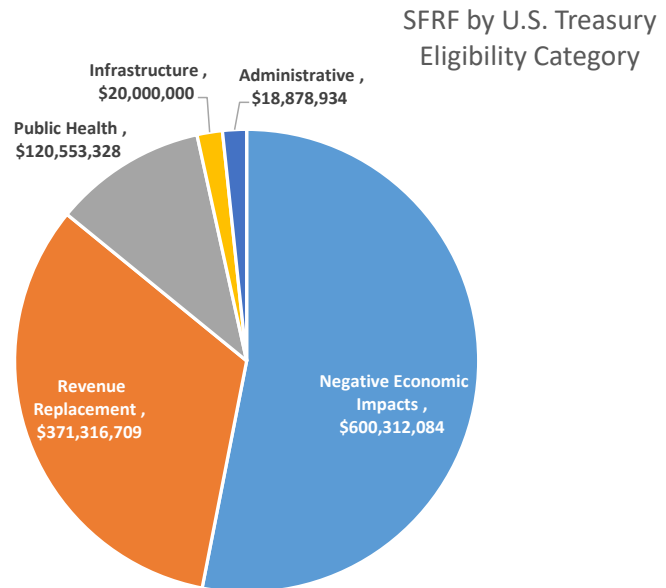
SFRF State Category	FY2022 Actuals	FY2023 Revised	FY2024 Enacted	Total
Housing	\$20,819,434	\$105,180,566	\$195,500,000	\$321,500,000
Public Health	-	84,788,710	79,422,645	164,211,355
Small Business and Impacted Industry	26,613,433	131,886,567	5,500,000	164,000,000
Children, Families, and Education	29,468,532	63,814,468	62,012,766	155,295,766
Climate	-	13,500,000	114,750,000	128,250,000
Economic and Workforce Development	-	10,000,000	80,000,000	90,000,000
Behavioral Health	-	53,425,000	4,000,000	57,425,000
Public Infrastructure and Technology	269,200	230,800	31,000,000	31,500,000
Administration	6,093,604	5,866,542	6,918,788	18,878,934
Grand Total	\$83,264,203	\$468,692,653	\$579,104,199	\$1,131,061,055

The multi-year spending plan is presented in detail in the Summary Tables section at the end of this report.

U.S. TREASURY GUIDELINES

The United States Treasury governs the use of federal SFRF monies. Under guidance issued by the agency, SFRF monies must be applied against the following allowable uses:

- (a) To respond to the public health emergency 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 (This eligible use expired with the conclusion of the official public health emergency on May 11, 2023).
- (c) For the provision of government services (including public sector capacity building investments), to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- (d) To make necessary investments in water, sewer, broadband infrastructure, and some limited surface transportation projects.



The FY2024 Budget makes the largest allocation in the Negative Economic Impacts category, followed by Revenue Replacement.

REVENUE REPLACEMENT

The “revenue replacement” category allows for the least restricted uses of ARPA SFRF monies. The U.S. Treasury outlined methodologies for states to calculate lost revenues, as measured by comparing actual revenues against what would have otherwise been expected to be collected (counterfactual revenue) if not for the pandemic and the subsequent economic downturn.

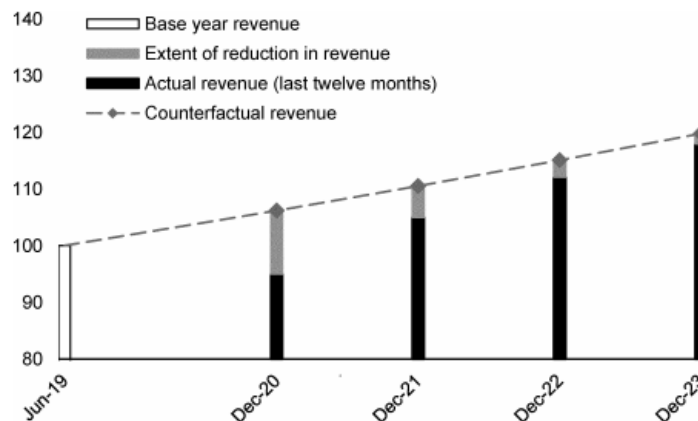
The RI Office of Management and Budget (OMB) calculated the state's calendar year 2020 revenue loss using a cash basis. The Treasury guidance allows the calculation to include state general fund revenues, and certain quasi-public revenues. OMB used FY2019 as the base year to calculate forward.

Treasury allows for an assumed 5.2 percent annual baseline growth, or a state's actual revenue growth rates between FY2017 and FY2019. Rhode Island's actual growth was lower than the Treasury baseline, so OMB used the 5.2 percent to calculate what the state should have collected in CY2020 versus what was actually collected.

Base Year (FY2019) Revenue	\$5,478,193,728
Growth Assumption	5.20%
Counterfactual Revenue (5.2% annual growth from 6/30/19 to 12/21/20)	\$5,911,000,500
Actual Revenue 12/31/20	\$5,397,353,602
Estimated revenue loss due to pandemic in 2020	\$513,646,898

Treasury guidance indicates that states may calculate revenue loss at four points in time: As of December 31, 2020; December 31, 2021; December 31, 2022; and, December 31, 2023. The \$513.6 million calculation is as of December 31, 2020, so additional revenue loss is possible in future years. Of note, if actual revenues exceed counterfactual revenues in future years, there is no claw-back provision. So, the state could see enhanced allowable revenue loss use of SFRF, but it will not be reduced below the \$513.6 million baseline already established regardless of revenue collection strength in the future.

The overall methodology for calculating the reduction in revenue is illustrated in the figure below:



Source: RI State Budget Office

PERFORMANCE EVALUATION

A key component of the ARPA SFRF monies is that states must be able to identify the problems that the funding is being used to address, and then must regularly report progress in meeting defined benchmarks for success. The Office of Management and Budget and the Pandemic Recovery Office issued a project evaluation matrix for state agencies when proposing funding.

When evaluating the effectiveness of SFRF projects, legislators will need to review whether projects define deliverables that meet federal program effectiveness requirements. According to the Pandemic Recovery Office failure to accurately define and measure success could lead to federal funds recoupment.

Key Performance Indicators (KPI):

According to the PRO, a key element of SFRF is the requirement that the use of funds be aligned with performance measurement strategies that demonstrate whether a project achieves its intended outcomes. The U.S. Treasury requires that all projects financed with SFRF “must include key performance indicators. The lead state agency for each of the projects has worked with the PRO to develop key performance indicators to measure success in accordance with the goal of the administration and U.S. Treasury. Agencies report project performance to the PRO each month.

American Rescue Plan Act Funding Project/Use Evaluation Matrix

	Eligibility	Administration / Tracking	Effectiveness
The Problem to be Addressed	Not every problem can be addressed with ARPA funds. To be eligible for consideration, a project or use must: 1. Respond to a problem caused by COVID*, 2. Or be related to water, sewer, or broadband infrastructure.	Can the problem be measured? Is there a “before COVID” baseline? Can data be gathered to demonstrate a “post project” improvement?	Do we know how the problem arose? Was the problem caused by one simple factor or by the interaction of many complicated factors?
The Solution to be Applied	The purpose of ARPA is to keep people from getting sick and to build a solid base for enduring economic recovery. The Act clearly prefers some solutions over others. Is the proposed solution one that is statutorily preferred, or does it need to be justified? Will the solution contribute to investment in productive capacity?	How will the implementation of the solution/project be documented? (This is the who, what, where, when, and how of the project). How will the success or failure of the implementation process be monitored, evaluated and reported? How will mid-course corrections be documented and made if experience demonstrates the need for changes in administration?	Is this solution the best of all possible alternatives? Why? And how do we know? How will the substantive success of the project be determined? How will outcomes be documented and reported?
The People and Businesses to be Helped	Some communities and some groups of people were harmed by COVID more than others. The Act is designed to help those who need help the most.**	Can the participants be adequately communicated with? Will it be expensive, easy or difficult to monitor program or project participation? How many need to be engaged and how often?	How will questions of equity be handled? Will the project or use be subject to attack because it is perceived of as unfair, inappropriate or unnecessary?

* For the sake of brevity, this summary statement must suffice. The details are covered elsewhere.
** Even beyond the disproportionately impacted classes specifically addressed, the Act’s design avoids capital infusions into large institutions and financial markets; it emphasizes assistance to households and small businesses. The Act was designed to stimulate investment in productive assets and sectors rather than fleeting consumption or acquisition of passive assets.

PANDEMIC RECOVERY OFFICE PROJECT STATUS EVALUATIONS

The FY2024 Budget as Enacted required the Pandemic Recovery Office (PRO) to submit quarterly status reports on SFRF projects. Section 18 of Article 1 requires these reports to “identify programs that are at risk of underspending or noncompliance with federal or state requirements. The report, at a minimum must include an assessment of how programs that are at risk can be remedied.”

The PRO issued their first status report in October 2023. The report outlines the evaluation methodology used by the PRO.

“Every SFRF project approved by PRO has a planned expenditure schedule created by the State agency implementing it. To assist in identifying projects potentially at risk of significant underspending, PRO measured each SFRF project’s actual expenditures through the first quarter of FY 2024 against its planned expenditure through the same period. PRO identified projects with actual expenditures that were less than 25.0percent of planned expenditures through the first quarter of FY 2024 and contacted the relevant State agency to explain why spending is significantly behind expectations and how spending will accelerate so that all funds are obligated by U.S. Treasury’s deadline of December 31, 2024, and spent by U.S. Treasury’s deadline of December 31, 2026.”

The PRO then determined which projects to include in this report, breaking projects into two categories, Level I Monitored Projects and Level II Monitored Projects.

Level I Monitored Project is an SFRF-funded project that is “at risk of significant underspending.” For each Level I Monitored Project included, PRO stated why it was identified as being at risk of significant underspending and/or noncompliance with federal or state requirements and includes the remedy proposed by the State agency to address this finding.

Level I Risk Initiative (Q2, FY2024)

Project/Program	Agency	Total Approps.
Homelessness Infrastructure Phase II	Housing/OHCD	\$30.0
State Housing Plan	Housing	2.0
Ongoing COVID-19 Response	DOA	41.8
COVID-19 Operational Support: Testing	DOH	8.9
Small Business Technical Assistance	EOC	10.5
Minority Business Accelerator	EOC	5.2
Workforce Registry	DHS	1.0
Support for Survivors of Domestic Violence	DPS	10.5
Adult Education Providers	RIDE	5.0
Fire Safety Upgrades in Foster Homes	DCYF	0.9
Lead Remediation in Foster Homes	DCYF	1.0
Total		\$116.8

\$ in millions

Level II Monitored Project is a project that PRO is monitoring for potential significant underspending in the future. PRO will provide an update on all monitored projects in the next quarterly report, due in May 2024.

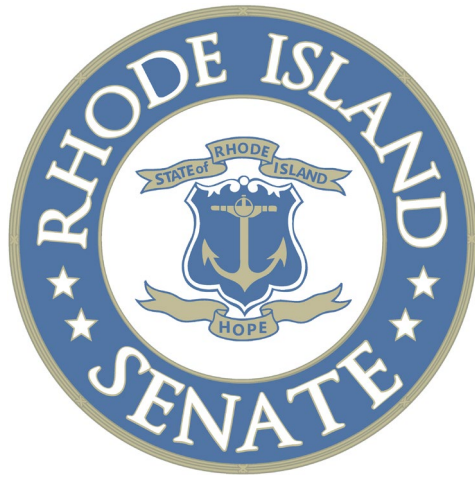
Level II Risk Initiative (Q2, FY2024)

Project/Program	Agency	Total Approps.
Homelessness Assistance Phase II	Housing/OHCD	\$13.0
Municipal Homelessness Support	Housing	2.5
COVID-19 Operational Support: Epidemiology	DOH	10.9
Auto-Enrollment Program HSRI	DOA/HSRI	2.6
PFAS Water Treatment	OPC	20.0
South Quay Marine Terminal	EOC	35.0
Butler Hospital Short Term Stay Unit	EOHHS	8.0
9-8-8 Hotline	BHDDH	3.5
Crisis Intervention Trainings	BHDDH	2.2
Total		\$97.7

\$ in millions

Project Closeout Reporting: Once an SFRF-funded project has ended, all planned expenditures have occurred, and the lead agency has submitted its final financial and performance reports to the PRO, the latter prepares and issues a closeout report. This report summarizes the project and the issues it was supposed to address. The report also presents a financial overview of the expenditures and the final results of the key performance indicators. Through December 31, 2023, the PRO has issued the following four closeout reports:

Project	Completion Date	Report Date
Pediatric Provider Relief and Recovery	3/29/2023	5/4/2023
Statewide Broadband Planning and Mapping	4/30/2023	6/23/2023
Aid to the Convention Center	7/28/2023	9/15/2023
Hospitality, Tourism, and Events (HTE) Marketing	9/12/2023	11/22/2023



PROJECTS AND PROGRAMS

SFRF Projects and Programs

The General Assembly appropriated Rhode Island's allocation of State Fiscal Recovery Funds under the federal American Rescue Plan Act in three tranches from FY2022 through FY2024. These appropriations total \$1.131.1 million in SFRF resources supporting 85 distinct projects across nine categories ranging from affordable housing to children and families to aid to small businesses. According to the Pandemic Recovery Office, 75 projects have been approved for compliance with US Treasury guidelines, and 11 have been revised to incorporate new funding in subsequent appropriations. This totals \$942.4 million, or 83.3 percent of the State's total allocation.

The following section provides project descriptions, appropriation and spending data, and implementation updates. Tables include various additional data on the project, including US Treasury eligibility category, PRO risk level, and expenditures¹. The fiscal data includes total appropriations, the total amounts that have been transferred from the PRO to the administering agency, expenditures and remaining appropriations and unspent transfers.

Category	FY2022 Actual	FY2023 Revised	FY2024 Enacted	Total Appropriation
Housing	\$20.8	\$105.2	\$195.5	\$321.5
Public Health	-	84.8	79.4	164.2
Aid to Small Business and Impacted Industries	26.6	131.9	5.5	164.0
Children, Families, and Education	29.5	63.8	62.0	155.3
Climate	-	13.5	114.8	128.3
Economic and Workforce Development	-	10.0	80.0	90.0
Behavioral Health	-	53.4	4.0	57.4
Public Infrastructure and Technology	0.3	0.2	31.0	31.5
Administration	6.1	5.9	6.9	18.9
Total	\$83.3	\$468.7	\$579.1	\$1,131.1

\$ in millions. Totals may vary due to rounding.

HOUSING

There are 16 project categories related to affordable housing and homelessness, totaling \$321.5 million in SFRF. Of these, 4 have been identified by the PRO as being at risk of underspending.

¹ US Treasury categories are denoted in tables as follows: Revenue Replacement (RR), Negative Economic Impacts (NEI), Public Health (PH), and Infrastructure (Infrastructure). PRO Risk Levels include I, II, or N/A. The latter indicates that the projects is not at risk.

Project/Program	FY2022 Actual	FY2023 Revised	FY2024 Enacted	Total Appropriation
Development of Affordable Housing	\$14.7	\$30.3	\$55.0	\$100.0
Homelessness Infrastructure	-	15.0	30.0	45.0
Targeted Housing Development	-	-	31.0	31.0
Down Payment Assistance	-	10.0	20.0	30.0
Site Acquisition	6.0	9.0	10.0	25.0
Home Repair and Community Revitalization	-	15.0	9.5	24.5
Homelessness Assistance Program	-	8.5	13.0	21.5
Workforce and Middle-Income Housing	-	12.0	8.0	20.0
Affordable Housing Predevelopment Program	-	2.5	7.5	10.0
Housing Related Infrastructure	-	-	4.3	4.3
Municipal Homeless Support	-	-	2.5	2.5
Municipal Planning	-	-	2.3	2.3
Statewide Housing Plan	-	2.0	-	2.0
Predevelopment and Capacity Building	0.1	0.9	0.5	1.5
Proactive Housing Development	-	-	1.4	1.4
Preservation of Affordable Housing Units	-	-	0.5	0.5
Total	\$20.8	\$105.2	\$195.5	\$321.5

\$ in millions. Totals may vary due to rounding.

Development of Affordable Housing

SFRF-supported “Development of Affordable Housing” initiatives are administered by the Department of Housing in partnership with RIHousing and provide an enhanced gap-financing subsidy for affordable housing developments. The funds may be used in combination with or as a match to various housing programs including the state bond-supported Building Homes RI, Rhode Island’s Housing Production Fund, and U.S. Housing and Urban Development (HUD)’s Low-Income Housing Tax Credit programs. The program’s authorizing legislation also requires RIHousing to use \$10.0 million of the SFRF appropriations to develop and support a pilot program that supports low income public housing through project-based rental assistance vouchers and financing for pre-development, improvement, and housing production costs.

An initial SFRF appropriation of \$15.0 million occurred in January 2022, and is identified in the PRO reports and the table below as “Development of Affordable Housing”. Subsequent appropriations in FY2023 and FY2024 amounting to \$75.0 million are officially tracked as “Development of Affordable Housing Phase II” to distinguish progress from the earlier tranche. Total appropriations are \$100.0 million, with \$90.0 million for development and \$10.0 million for the pilot.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Development of Affordable Housing	Housing/RIH	NEI	N/A	\$15.0	\$14.7	\$8.6	\$0.3	\$6.2
Development of Affordable Housing Phase II	Housing/RIH	NEI	N/A	75.0	20.0	3.6	55.0	16.4
Public Housing Pilot Program	Housing/RIH	NEI	N/A	10.0	-	-	10.0	-
Total				\$100.0	\$34.7	\$12.2	\$65.3	\$22.6

\$ in millions. Totals may vary due to rounding. Totals may vary due to rounding.

Status

- **Development of Affordable Housing Phase I & II:** Three rounds of funding have been conducted for awards under this program, with the third round of applications under review by RIHousing as of February 2024. Several projects from the earlier rounds of awards are already under construction with the remainder of those awarded funding moving towards closing by September 2024. The third round of funding is expected to award the remainder of the program’s available funding. Third round funding is anticipated to be awarded by May 2024 with an estimated closing date of early 2025. In the event that funds for new or existing projects do not meet contractual deadlines for closing and construction, the funds may be re-obligated to other projects in order to meet the federal deadlines.
- **Public Housing Pilot Program:** This portion of the program provides grants to Public Housing Authorities (PHAs) for technical assistance and capacity building, predevelopment services, and redevelopment and/or repositioning for existing units in PHAs. Grants for technical assistance and predevelopment funding have begun being awarded on a rolling basis, and the RFP for redevelopment funding resulted in 3 awards. Technical assistance and predevelopment awards are anticipated to be closed by the end of FY2024, while the 3 development awards are expected to range in closing from the end of FY2024 to the third quarter of FY2025.

Homelessness Infrastructure

SFRF-supported “Homelessness Infrastructure” initiatives, administered by the Department of Housing, are intended to reduce and mitigate the effects of homelessness. Program funding is used to acquire or construct, both temporary and permanent shelter space, to support homelessness prevention and stabilization programs, and other housing solutions. Additionally, the authorizing legislation requires a portion of SFRF funding be provided to Crossroads Rhode Island for sponsored housing development-based and/or housing-based solutions, wrap-around services, and administrative costs of implementation.

An initial SFRF appropriation of \$15.0 million occurred in FY2023, with \$10.0 million statutorily designated for Crossroads Rhode Island and \$5.0 million identified in the PRO reports and the table below as “Homelessness Infrastructure”. Subsequent revised appropriations in FY2023 and FY2024 amounting to \$30.0 million are officially tracked as “Homelessness Infrastructure Phase II” to distinguish progress from the earlier tranche. Total appropriations are \$45.0 million, with \$35.0 million for general homelessness infrastructure and \$10.0 million for Crossroads Rhode Island.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Homelessness Infrastructure	Housing/OHCD	NEI	N/A	\$5.0	\$4.1	\$41.0	\$0.9	-
Homelessness Infrastructure Phase II	Housing/OHCD	NEI	I	30.0	2.5	2.5	27.5	-
Permanent Supportive Housing: Crossroads	Housing/OHCD	NEI	N/A	10.0	4.1	4.1	5.9	-
Total				\$45.0	\$10.7	\$47.6	\$34.3	-

\$ in millions. Totals may vary due to rounding.

Status:

- Homelessness Infrastructure Phase I & II:** As of January 2024, Phase I has spent approximately \$4.1 million of the \$5.0 million appropriation, with an additional \$0.7 million selected for award. Phase II has spent, obligated, or committed approximately 80.0% of appropriated funding. Of the \$30.0 million in Phase II, \$10.0 million has been allocated for acquisitions and \$20.0 million allocated for warming center capacity and the Consolidated Homeless Fund (CHF). Of the \$20.0 million, approximately \$15.0 million has been committed. The Department has a purchase and sale agreement for the acquisition of the former Charlesgate Nursing Home, as well as a contract with House of Hope for the creation of Echo Village, a 45-unit pallet shelter. Phase II of this project has been identified by the PRO as a **Level I risk** due to actual planned expenditures equaling only 22.5% of planned expenditures as of the second quarter of FY2024. A successful closing of the Charlesgate property and execution of the contract for Echo Village would likely resolve this expenditure gap.
- Permanent Supportive Housing: Crossroads:** Construction is underway for a new Crossroads Rhode Island facility which will contain 176 one-bedroom units with private bathrooms and kitchens. This project, called the Summer Street project, will result in a facility to replace The Tower, a 176-unit building with single occupancy rooms and shared bathrooms and kitchens for each floor. The groundbreaking for the project took place in August 2023 and project completion is anticipated by December 2025.

Targeted Housing Development

SFRF-supported “Targeted Housing Development” initiatives are administered by the Department of Housing and are intended to develop housing in targeted areas and/or priority projects. A Priority Projects Fund supports the development of permanent supportive housing, housing dedicated to vulnerable Rhode Islanders, individuals transitioning out of state care, and extremely low-income individuals. A portion of the SFRF appropriation is reserved for the development of transit-oriented housing.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Targeted Housing Development: Priority Projects Fund	Housing	NEI	N/A	\$27.0	-	-	\$27.0	-
Targeted Housing Development: Transit-Oriented Housing	Housing	NEI	N/A	4.0	-	-	4.0	-
Total				\$31.0	-	-	\$31.0	-

\$ in millions. Totals may vary due to rounding.

Status:

- **Targeted Housing Development Priority Projects Fund:** This portion of the program is intended to provide funding for the development of new supportive housing and multifamily units for housing that is difficult to build with traditional financing tools, with a particular focus on housing for older adults, veterans, individuals transitioning out of state care, and individuals with disabilities. Funding for this program was included in the Consolidated Housing Fund RFP through RIHousing in November 2023. Applications were under review as of February 2024, with over \$61.0 million in requests received for the available \$27.0 million in funding. Awards are expected to be made in May 2024 and all projects funded through this program are expected to begin construction no later than nine months after being awarded. RIHousing intends to be in close contact with developers who receive awards, and projects which do not meet contractual deadlines may have their funding reobligated to other projects which can more quickly expend the funds in order to stay on track for the federal deadline.
- **Targeted Housing Development Transit-Oriented Housing:** This portion of the program is intended to provide funding for the development of housing in areas designated by municipalities as Transit-Oriented due to their proximity to public transit. All projects must have at least 10% of unit designated for households earning at or below 80% of average median income (AMI), with priority given to projects with a higher percentage of units at or below AMI. Funding for this program was included in the Consolidated Housing Fund RFP through RIHousing in November 2023. Applications were under review as of February 2024, with seven applications totaling \$10.9 million in requests received for the available \$4.0 million in funding. Awards are expected to be made in May 2024 and all projects funded through this program are expected to begin construction no later than nine months after being awarded. RIHousing intends to be in close contact with developers who receive awards, and projects which do not meet contractual deadlines may have their funding reobligated to other projects which can more quickly expend the funds in order to stay on track for the federal deadline.

Down Payment Assistance

The Down Payment Assistance program provides financial resources to eligible first-time home buyers to help lower down payment costs and promote homeownership. The initial iterations of the program limited the assistance to \$17,500. Out of concern that this limit could restrict the program’s responsiveness to the housing market, the General Assembly increased the limit to \$20,000 in the FY2023 Supplemental Budget. RIHousing has since indicated that \$17,500 has proven to be an effective level for the program.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Down Payment Assistance	Housing/RIH	RR	N/A	\$30.0	\$30.0	\$26.8	-	\$3.2

\$ in millions. Totals may vary due to rounding.

Status: Funding for this initiative has been fully committed. As of February 7, 2024, the program had awarded 1,497 contracts for assistance, with \$1.1 million in pending awards and \$2.7 million in available funding. The program had previously awarded all funds and was closed to new applicants, however a slightly higher attrition rate than anticipated resulted in the \$2.7 million available balance. RIHousing briefly reopened the program to new applicants in order to distribute the remaining funds but has since closed the program again due to high demand. It is anticipated that all funds will be awarded by the end of CY2024.

Site Acquisition

The Site Acquisition program supports the purchasing of properties for redevelopment as affordable and supportive housing. Projects funded through this program are required to have deed restrictions of not less than thirty (30) years, and associated financing debt in which the only recourse a lender may have in the event of a default is to seize the property.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Site Acquisition Program	Housing/RIH	NEI	N/A	\$25.0	\$25.0	\$19.4	-	\$5.6

\$ in millions. Totals may vary due to rounding.

Status: As of February 7, 2024, 40 projects have been awarded funding on a rolling basis through this program. 34 of these projects have closed and secured sites for the development of affordable housing with the additional 6 closings scheduled by the fourth quarter of FY2024. \$1.2 million of the funds remain to be committed and the Department and RIHousing have indicated that the project will close out all of these funds by the end of FY2024.

Home Repair and Community Revitalization

The SFRF-supported “Home Repair and Community Revitalization” initiatives consist of two components. The first expands RIHousing’s existing acquisition and revitalization program, which finances the acquisition and redevelopment of blighted properties to increase the number of commercial and community spaces in disproportionately impacted communities and/or to increase the development of affordable housing. Residential developments through this program will serve households earning no more than 80.0 percent of area median income, while commercial and community spaces must meet the needs of residents of a census tract where at least 51.0 percent of the residents are low-and-moderate-income persons. The second component supports critical home repairs within the same communities.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Community Revitalization	Housing/RIH	NEI	N/A	\$20.0	\$14.0	\$2.0	\$6.0	\$12.0
Home Repair Program	Housing/RIH	NEI	N/A	4.5	-	-	4.5	-
Total				\$24.5	\$14.0	\$2.0	\$10.5	\$12.0

\$ in millions. Totals may vary due to rounding.

Status:

- **Community Revitalization:** The program has conducted 2 funding rounds, with the second round of applications under review by RIHousing as of February 2024. It is anticipated that the second round of funding awards will result in all remaining funding for this program being awarded. One project from the initial round of funding is already under construction, with the additional projects moving towards closing in FY2024. Awards from the second round of funding are expected to have closing dates in early 2025. The Department has noted that several of the awardees from the first round of funding have returned for additional financing due to increases in construction and related costs.
- **Home Repair Program:** An RFP for an administrative agency closed on January 11, 2024 and a tentative award letter has been issued to the selected vendor. It is anticipated that the agency will be contracted by March 2024 and the funds will be fully obligated, with the program roll out by summer 2024. It is currently expected that the program, once rolled out, will operate for about 18 months.

Homelessness Assistance Programs

SFRF-supported “Homelessness Assistance Programs” consists of several initiatives that expand housing navigation, behavioral health, and stabilization services to address homelessness; support operating subsidies for extremely low-income housing units; and support services for people transitioning from homelessness to housing, including individuals transitioning out of the adult correctional institutions.

An initial SFRF appropriation of \$1.5 million occurred in January 2022, and is identified in the PRO reports and the table below as “Homelessness Assistance”. Subsequent appropriations for the program of \$7.0 million and \$20.0 million were made in FY2023 and FY2024, respectively. The former allotment primarily

supported the standup and operations of a winter warming/shelter center during the winter of 2022-2023. This is identified distinctly in the table below and by PRO reporting.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Homelessness Assistance	Housing/OHCD	NEI	N/A	\$1.5	\$1.4	\$1.4	\$0.1	-
Homelessness Assistance Phase II	Housing/OHCD	NEI	II	13.0	1.6	1.6	11.4	-
Homelessness Assistance Warming Center and Shelter	Housing/OHCD	NEI	N/A	7.0	6.5	6.5	0.5	-
Total				\$21.5	\$9.5	\$9.5	\$12.0	-

\$ in millions. Totals may vary due to rounding.

Status: This program includes funds from FY2022, FY2023, and FY2024. Funds are anticipated to be fully obligated by the end of FY2024, with nearly all funds for FY2022 and FY2023 already committed and all funds for FY2024 either committed or in the process of being contracted. The program has provided housing stability services to 1,503 people and warming center services to 110 people, with a positive destination exit rate of 16.0 percent. The program has also secured 112 rapid rehousing units and increased statewide shelter capacity by 30.0 percent as compared to the previous winter. Phase II of this project has been identified as a **Level II risk** by the PRO due to actual expenditures equaling only 26.8% of planned expenditures as of the end of the second quarter of FY2024.

Workforce and Middle-Income Housing

The Workforce and Middle-Income Housing program supports efforts to increase the housing supply located near places of employment for families earning up to 120.0 percent of area median income. Housing supply for this program includes both rental housing and home ownership.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Workforce and Middle-Income Housing	Housing/RIH	RR	N/A	\$20.0	\$11.7	\$0.4	\$8.3	\$11.2

\$ in millions. Totals may vary due to rounding.

Status: The program has conducted two rounds of funding, with the second round of applications under review by RIHousing as of February 2024. Of the projects already awarded funding, one is already under construction while the remainder are moving towards closing in FY2024. Projects awarded in the second round of funding are estimated to have a closing date of early 2025. The second round of funding is expected to result in the award of all remaining funds.

Affordable Housing Predevelopment Program

The Affordable Housing Predevelopment program supports activity and work that is necessary before affordable housing development can take place, including vetting project viability, environmental testing, architectural design, etc. This predevelopment support helps to establish a pipeline of new projects and to build the capacity of affordable housing developers in the state.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Affordable Housing Predevelopment	Housing/RIH	RR	N/A	\$10.0	\$6.2	\$5.2	\$3.8	\$1.0

\$ in millions. Totals may vary due to rounding.

Status: As of February 7, 2024, RIHousing has approved 44 awards, 23 of which have closed. It is anticipated that final awards for the program will close by the fourth quarter of FY2024. The awards provide rapid funding for developers to fund development projects on an accelerated track by supporting critical predevelopment tasks. Funding is allocated on a rolling basis.

Housing Related Infrastructure

The Housing Related Infrastructure program supports activity that increases the physical infrastructure necessary to produce additional housing. Program funds are allocated to the Rhode Island Infrastructure Bank and must be used for pre-development and development of site-related infrastructure that supports housing that meets affordable housing pricing and/or income and other criteria established by the Department of Housing.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Housing Related Infrastructure	Housing/RIIB	RR	N/A	\$4.3	-	-	\$4.3	-

\$ in millions. Totals may vary due to rounding.

Status: The Rhode Island Infrastructure Bank (RIIB) issued an RFP on January 17, 2024 to formally establish the program. The RFP is scheduled to remain open until February 20, 2024 with awards anticipated by spring 2024. It is expected that funds will be spent by spring 2025 and all applicants to the RFP have been asked to include a timeframe for expenditure of funds within a year to ensure the project stays on track for the federal deadline.

Municipal Homelessness Support

The Municipal Homelessness Support program provides grants for community services that help emergency shelters improve outcomes in local communities. Services supported by this program include homeless outreach, day programs, ambulance response, and subsidizing municipal services delivered in support of shelters.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Municipal Homelessness Support	Housing	RR	II	\$2.5	-	-	\$2.5	-

\$ in millions. Totals may vary due to rounding.

Status: Funding for this program has been divided into three sub-programs of award categories: formula grants, competitive grants, and emergency winter hub grants. Applications for funding through this program opened on October 31, 2023 and are intended to remain open until March 1, 2024 or until all funding has been obligated, whichever is first. To date the Department has approved three applications for emergency winter hubs, one each in Woonsocket, Newport, and West Warwick. The Department has also received one competitive grant application and anticipates receiving additional applications for both competitive and formula grants in the near future. If funds are available, the Department intends to run a second round of applications next winter. Based on current interest and planned timelines, the program is anticipated to conclude at the end of the winter of 2024-25, significantly in advance of the federal spending deadline. The program has been identified as a **Level II risk** due to the fact that no expenditures have occurred as of the end of the second quarter of FY2024. Although most projects with expenditures under 25.0% of planned expenditures are categorized as a Level I risk, the PRO determined that the project's planned expenditures

of \$1.4 million were significant enough to put the project back on track quickly and therefore placed it in the Level II category.

Municipal Planning

SFRF-supported Municipal Planning initiatives provide technical and expert support to municipalities around affordable housing planning and implementation. A municipal fellows program is envisioned that would embed trained housing experts within communities. A separate grant program would make traditional technical assistance resources available to cities and towns, increasing their capacity to evaluate and implement innovative zoning changes in support of viable affordable housing.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Municipal Planning: Municipality Fellows	Housing	RR	N/A	\$1.3	-	-	\$1.3	-
Municipal Planning: Municipality Technical Assistance	Housing	RR	N/A	1.0	-	-	1.0	-
Total				\$2.3	-	-	\$2.3	-

\$ in millions. Totals may vary due to rounding.

Status:

- **Municipal Planning: Municipality Fellows:** An RFP for the program manager of this project closed on January 18, 2024, and it is anticipated that a contract will be awarded by March 2024. The program is intended to be a two-year program ending in the second quarter of CY2026, with the grant solicitation for municipalities anticipated to be issued in April 2024. The Department has already begun collaboration with the Rhode Island League of Cities and Towns and other local stakeholders in order to ensure the program adequately addresses the needs of communities who may apply, as well as to ensure there is adequate participation in order for the funds to be spent by the federal deadline.
- **Municipal Planning: Municipality Technical Assistance:** The program has been designed and approved by the PRO, with a grant RFP anticipated to be issued in the spring of 2024. It is anticipated that grant awards will be issued on a rolling basis until the funding is fully obligated. Based on demand and level of interest expressed in the design portion of the program, the Department anticipates that the program will be oversubscribed and all awards will be made in FY2024.

Statewide Housing Plan

The General Assembly appropriated SFRF funds in 2022 to support the development of a statewide comprehensive housing plan that would assess current and future housing needs, consider barriers to home ownership and affordability, and identify services needed for increased investments toward disproportionately impacted individuals and communities. The funding can also be used to support municipal planning efforts to identify and cultivate viable sites and housing projects.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
State Housing Plan	Housing	RR	I	\$2.0	-	-	\$2.0	-

\$ in millions. Totals may vary due to rounding.

Status: The Department is currently under contract with Abt Associates for the first phase of the process, with additional RFPs for a Green Housing consultant, Architectural/Engineering for Potential Adaptive Reuse Sites, and School Cost Fiscal Impact Analysis also in process. The project is identified as a **Level I**

risk due to the fact that although the Department has programmed \$1.0 million of the \$2.0 million appropriation, it must go through the PRO's approval process again for the remaining half.

The \$1.0 million that has been programmed to date has been allocated as follows:

- \$344,000 for a contract with Abt Associates
- \$100,000 for a School Cost Fiscal Impact Analysis, RFP responses for which were due on January 16, 2024
- \$50,000 for a Green Housing Consultant, RFP responses for which were due January 16, 2024
- \$467,000 for Architectural and Engineering Feasibility Studies, RFP responses for which were due January 10, 2024

Department has submitted a modified set of planned expenditures to PRO for the balance of the funds that include \$250,000 for an Innovative Development Model project, \$150,000 for a Governance Consultant, additional funding to extend the Abt Associates contract, and an intent to use the remaining funds for a Phase 2 including funding for municipal supports.

Predevelopment and Capacity Building

The Predevelopment and Capacity Building program supports increased contract staff at the Department of Housing to administer proposed affordable housing projects through research and data analysis, stakeholder engagement, and the expansion of services for people experiencing homelessness.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Predevelopment and Capacity Building	Housing	RR	N/A	\$1.5	\$1.0	\$1.0	\$0.5	-

\$ in millions. Totals may vary due to rounding.

Status: The Department has spent \$985,454 of this funding through the end of CY2023, with an additional \$416,870 projected to be spent by the end of CY2024. The funds have allowed the Department to hire 10.0 (ten) contract staff to support initiatives related to the Department's goals to assist Rhode Islanders experiencing homelessness through program design, development, and implementation.

Proactive Housing Development

The Proactive Housing Development initiative focuses on proactive development activities, including staffing, that are conducted by a new enhanced subsidiary of the Rhode Island Housing and Mortgage Finance Corporation that was initially established under Article 6 of the FY2024 Budget.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Proactive Housing Development	Housing	RR	N/A	\$1.4	-	-	\$1.4	-

\$ in millions. Totals may vary due to rounding.

Status: The new subsidiary was officially established by RIHousing at their January board meeting, formally creating the entity that will draw down the appropriated funds. The entity had its first board meeting on January 11, 2024. Primary next steps include hiring staff and finalizing PRO approvals.

Preservation of Affordable Housing Units

The Preservation of Affordable Housing Units program supports the preservation of existing structures for affordable housing, particularly for properties at risk of foreclosure or blight.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Preservation of Affordable Housing Units	Housing	RR	N/A	\$0.5	-	-	\$0.5	-

\$ in millions. Totals may vary due to rounding.

Status: An RFP for this project was posted with solicitation open through January 29, 2024. Six responses were received and were under evaluation as of February 2024, with an award expected to be made by the end of the first quarter of CY2024. The selected vendor will establish and operate a revolving loan fund to prevent the loss of affordable housing units that are at risk due to foreclosure.

PUBLIC HEALTH

There are four project categories related to public health, totaling \$164.2 million in SFRF. Of these, two have been identified by the PRO as being at risk of underspending.

Project/Program	FY2022 Actual	FY2023 Revised	FY2024 Enacted	Total Appropriation
Ongoing COVID-19 Response	-	\$2.0	\$78.1	\$80.1
Health Care Facilities	-	77.5	-	77.5
Public Health Clinics	-	4.0	-	4.0
Auto-Enrollment Program HSRI	-	1.3	1.3	2.6
Total	-	\$84.8	\$79.4	\$164.2

\$ in millions. Totals may vary due to rounding.

Ongoing COVID-19 Response

SFRF-supported initiatives related to State's public health response to the pandemic include a foundational level of baseline support within the Department of Health for public health response activities and reserve funding within the Department of Administration to be available going forward in the event of the pandemic worsening. It also includes funding for the warehousing of pandemic-related supplies.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Ongoing COVID-19 Response	DOA	RR	I	\$41.8	-	-	\$41.8	-
COVID Baseline	DOH	RR	I	34.9	8.0	8.0	26.8	-
Public Health Response Warehouse Support	DOA	RR	N/A	3.4	1.1	1.1	2.3	-
Total				\$80.1	\$9.1	\$9.1	\$70.9	-

\$ in millions. Totals may vary due to rounding.

Status: Two of the three components of the Ongoing COVID-19 Response initiatives have been identified as being in risk of significantly underspending by the PRO. The status is elaborated on below.

- **Ongoing COVID-19 Response:** The FY2024 Budget as Enacted includes \$41.8 million in federal funding from the ARPA SFRF for COVID-19 Ongoing Response activities. This includes the shift of unspent funds from FY2023, to continue COVID-19 mitigation activities and to address public health

impacts, such as COVID-19 testing, vaccine campaign, case investigation, contact tracing efforts; and, for public health emergency response supports such as data and reporting; and communications.

There have been no expenditures and that the State does not anticipate needing to use ongoing COVID-19 response funds during FY2024. As such, PRO identified this as a **Level I Risk**. The FY2025 Budget returns the FY2024 \$41.8 million appropriation to the SFRF to be reappropriated for other eligible uses. The result is a reduction of \$41.8 million in federal funds, as compared to the previous fiscal year budget.

- COVID Baseline:** These funds are allocated to (1) activities related to the prevention and mitigation of COVID-19, and (2) addressing public health impacts of the pandemic. The Department utilizes funds to provide epidemiological, testing, analytics, and operational support.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
COVID-19 Operational Support: Analytics	DOH	PH	N/A	\$15.0	\$5.8	\$5.8	\$9.2	-
COVID-19 Operational Support: Epidemiology	DOH	PH	II	10.9	1.9	1.9	9.0	-
COVID-19 Operational Support: Testing	DOH	PH	I	8.9	0.3	0.3	8.6	-
Total				\$34.8	\$8.0	\$8.0	\$26.8	-

\$ in millions. Totals may vary due to rounding.

- COVID-19 Operational Support: Analytics:** This portion of the COVID-19 baseline supports the project’s analytics team with \$15.0 million in total appropriations. This portion of the project is not identified as at risk by PRO at this time. Pursuant to the Department FY2024 Revised and FY2025 requested budget, the Department plans to re-budget the COVID-19 funds for the upcoming fiscal year.

Status: According to the Department, this project is ongoing. The Department breaks this project down into five different teams: Administrative Assistance Response, Communications Response, Quant Response, Surge Response, and Technology Enablement and Laboratory Integration. Primary challenges include lack of expertise due to many State employees leaving the public sector and being replaced by contracted employees, uncertainty related to reporting requirement of COVID-19 during the post-national emergency, and complexities related to redeveloping the automated data processing system. Regardless of challenges, the project is on time with the Administrative Assistance, Communications Response, Quant Response, and Surge Response teams concluding all aspects of the project by June 30. By the SFRF projects closeout, the Technology Enablement team will have established a scope of work, contract, and the reprocurement of ongoing COVID-19 infrastructure beyond FY2025.

- COVID-19 Operation Support: Epidemiology:** This portion of the COVID-19 baseline project supports epidemiological portions of COVID-19 mitigation. The subproject received a total of \$10.9 million in appropriations in FY2024. It is identified by the PRO as a **Level II Risk** project, elevated from a Level I Risk in the previous quarterly report, because actual expenditures are significantly less than the Department’s planned expenditures. RIDOH is revising its budget timeline and amending the timeline so that it more realistically reflects current trends. Pursuant to the Department FY2024 Revised and FY2025 requested budget, the Department plans to re-budget the COVID-19 funds for the upcoming fiscal year.

- Status:** According to the Department of Health, this project is ongoing. The project primarily monitors reporting of test results, conducts outreach of high-risk individuals, supports high-risk facilities during COVID-19 outbreaks, and coordinates the COVID-19 call center. The Department reports that this project directly correlates to the decreased need of staffing for outbreaks, reduced need for public outreach, reductions in analytical support, and reductions in outbreak management activities.
- **COVID-19 Operation Support: Testing:** This portion of the COVID-19 baseline project supports the acquisition and distribution of COVID-19 test kits. The subproject received a total of \$8.9 million in appropriations in FY2024. It is identified as a **Level I Risk** project because actual expenditures are significantly less than the Department’s planned expenditures. RIDOH is revising and amending its budget timeline so that is more realistically reflects current trends. Pursuant to the Department FY2024 Revised and FY2025 requested budget, the Department plans to re-budget the COVID-19 funds for the upcoming fiscal year.

- Status:** According to the Department of Health, this project is ongoing, partnering with multiple Rhode Island wastewater treatment facilities and clinical laboratories to submit positive COVID-19 tests and wastewater testing results. The Department reports a significant decrease in specimens being sent into the State Health Lab for testing.
- **Public Health Response Warehouse Support:** This project is co-administered with the Department of Administration and the Rhode Island Emergency Management Agency. The FY2023 Budget as Enacted included \$2.0 million in federal funding from the ARPA SFRF for the storage of personal protection equipment (PPE) and other necessary COVID-19 response related supplies. The FY2024 Budget as Enacted included an additional \$1.4 million for a total revised appropriation of \$3.4 million. The Pandemic Recovery Office (PRO) approved the continuation of funding for this project on November 6, 2023. Currently, the State is leasing two warehouses: one is located at 2700 Plainfield Pike, in Cranston, and owned by EIM Plainfield Pike LLC; and the other is located at 100 Higginson Avenue, in Lincoln, and owned by Waterloo Way LLP. According to the PRO, expenditures total \$1.1 million through December 31, 2023. As of February 6, 2024, a total of \$765,052 has been expended leaving a balance of \$2.3 million for warehouse lease payments. The costs of the warehouse, including lease payments, etc., are no longer eligible for FEMA reimbursement at 90.0 percent. The project’s expected completion date is approximately June 2025. The project is currently on track to meet all U.S. Treasury deadlines.

Health Care Facilities

SFRF-funding to Health Care Facilities has been provided to support the ongoing staffing needs of hospitals, nursing facilities and community health centers related to the COVID-19 public health emergency. The FY2023 Budget as Enacted included \$77.5 million in federal funds, including \$45.0 million allocated to hospitals, or systems of hospitals with a base payment equivalent to \$1.0 million per hospital with the remaining appropriation allocated to each hospital based on a hospital’s pro rata share of operating expenses from the 2021 cost reports and \$30.0 million distributed to nursing facilities based on the number of Medicaid beds days from the 2020 facility cost reports, provided at least 80.0 percent of a given nursing facility’s allocation is dedicated to direct care workers. Lastly, \$2.5 million was distributed to the community health centers through the Rhode Island Health Center Association to support direct care staffing needs.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Health Care Facilities: Nonprofit Hospital Assistance	DOA	RR	N/A	\$40.5	\$40.5	\$40.5	-	-
Health Care Facilities: Nursing Home Assistance	DOA	RR	N/A	30.0	30.0	30.0	-	-
For Profit Hospital Assistance	DOA	RR	N/A	4.5	4.5	4.5	-	-
Health Care Facilities: Health Center Assistance	DOA	RR	N/A	2.5	2.5	2.5	-	-
Total				\$77.5	\$77.5	\$77.5	-	-

\$ in millions. Totals may vary due to rounding.

Status: The FY2023 Budget as Enacted included \$77.5 million to address ongoing staffing needs of hospitals, nursing facilities and community health centers related to the COVID-19 public health emergency. The Pandemic Recovery Office (PRO) has not yet issued a closeout report on this item. According to the PRO, although all funds have been expended, the PRO is waiting on the final key performance indicators (KPIs) in order to produce the close-out reports for each sub-project. The subprojects included:

- **Hospital Assistance:** \$45.0 million was allocated to non-profit and for-profit hospitals, or systems of hospitals, if hospitals are members of one; to include a base payment equivalent to \$1.0 million per hospital with the remainder of the appropriation allocated to each hospital based on a hospital's pro rata share of operating expenses from the 2021 cost reports. The project was completed on September 30, 2023, at its targeted completion date.

Health Care Facilities: Nonprofit Hospital Assistance	Amount
Rhode Island Hospital	\$14,075,265
Miriam Hospital	5,192,832
Women and Infants Hospital of Rhode Island	4,857,780
Kent County Memorial Hospital	4,216,829
South County Hospital Healthcare System	2,685,878
Landmark Medical Center	1,992,026
Newport Hospital	1,955,147
Butler Hospital	1,926,538
Westerly Hospital	1,892,849
Emma Pendleton Bradley Hospital	1,677,600
Audit Fees	12,145
Subtotal	\$40,484,889
Health Care Facilities: For-Profit Hospital Assistance	Amount
Prospect Chartercare Roger Williams Medical Center	\$2,408,164
Prospect Chartercare Our Lady of Fatima Hospital	2,105,593
Audit Fees	1,355
Subtotal	\$4,515,111
Total	\$45,000,000

- Nursing Home Assistance:** \$30.0 million was distributed to nursing facilities, based on the number of Medicaid beds days from the 2020 facility cost reports, provided at least 80.0 percent of the funding received by a nursing facility is dedicated to direct care workers. The State started distributing each nursing facility's share of the \$30.0 million on December 23, 2022. A total of 75 nursing facilities received their share of the \$30.0 million. The project was completed on November 15, 2023. The project's targeted completion date was approximately July 2023.

Ninety-three percent of funds went to direct care workers – above the statutory requirement of 80.0 percent. Seventy-four of the 75 nursing facilities remained opened six months after receiving the grant payment. Some nursing facilities were challenged to spend their full grant amount in the time they projected due to the ratio of agency nursing staff used, an ineligible expense with respect to the 80.0 percent requirement, to direct care workers. As a result, these nursing facilities took longer to expend 80.0 percent of their grant amounts on direct care workers. This delayed the time to conclusion of the project slightly.

- Health Center Assistance:** \$2.5 million was paid to the Rhode Island Health Center Association on December 29, 2022, and distributed to the eight eligible community health centers on that date to support direct care staffing needs. The PRO is waiting on final key performance data, which is anticipated to be received approximately June 2024. The employee retention rate was 81.0 percent through July 31, 2023.

Health Care Facilities: Health Center Assistance	Amount
Providence Community Health Center Inc.	\$775,517
Thundermist Health Center	688,543
Blackstone Valley Community Health Center	265,920
Comprehensive Community Action Program	231,930
Wellone	216,435
East Bay Health Center	131,461
Tricounty Health Center	94,972
Wood River Health Services Inc.	94,472
Audit Fees	750
Total	\$2,500,000

Public Health Clinics

SFRF-funded Public Health Clinic initiatives includes assistance for the Rhode Island Free Clinic to improve statewide access and quality of primary care for uninsured adults, to increase access to dental care for uninsured adults integrated into medical care at the clinic, and to build infrastructure for telehealth and electronic medical records. It also includes resources for Open Door Health, a health clinic focused on the LGBTQ+ community, to expand services to address issues for people who are disproportionately impacted by the COVID-19 pandemic. These resources include \$2.0 million to support the building of a new facility. Land acquisition and construction contracts for the new facility are required to be executed prior to June 30, 2024. Any funds not committed by that date are to be transferred back to the State.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Public Health Clinics: Free Clinic	DOH	NEI	N/A	\$2.0	\$1.0	\$1.0	\$1.0	-
Public Health Clinics: Open Door	DOH	RR	N/A	2.0	1.7	1.7	0.3	-
Total				\$4.0	\$2.7	\$2.7	\$1.3	-

\$ in millions. Totals may vary due to rounding.

Status: The Rhode Island Free Clinic has received approximately 35.0 percent of their \$2.0 million appropriation. Funding for Open Door Health was initially delayed due to a delay in negotiations for the purchase of a site. According to Open Door Health, the contract for the site has been established and it is now receiving payments.

Auto-Enrollment Program HSRI

The Auto-Enrollment Program at HealthSource Rhode Island (HSRI) supports the automatic enrollment of qualified individuals transitioned off Medicaid coverage at the end of the COVID-19 public health emergency into qualified health plans to avoid gaps in coverage following the public health emergency.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Auto-Enrollment Program HSRI	DOA/HSRI	NEI	II	\$2.6	\$0.7	\$0.7	\$1.9	-

\$ in millions. Totals may vary due to rounding.

Status: The Auto-Enrollment Program at HSRI has been identified as a **Level I Risk** by the PRO. The General Assembly appropriated a total of \$2.6 million in SFRF funds, \$1.3 million in FY2023 and an additional \$1.3 million in FY2024. In FY2024 the General Assembly appropriated additional funding based

on a high-scenario estimate where as many as 50.0 percent of Medicaid terminations transferred to HSRI. Recent updated data reflect that 15.0 percent of Medicaid terminations are transferring to HSRI. According to PRO's SFRF Quarterly Progress and Performance Report, HSRI is not going to spend the FY2024 appropriation and intends to return it to the State to be reallocated.

HSRI is approximately halfway done with the auto-enrollment program. As of late February 2023, 10 of the 12 cohorts have kicked off, and six have generally completed Medicaid renewals, with two cohorts in process. Four cohorts remain to start, although they are by far the largest because families with children were assigned to the last four cohorts. Through the end of October, HSRI had paid for coverage for 4,314 individuals (in 3,735 households). Of these, 2,683 individuals were auto-enrolled, while the remainder actively selected a plan.

AID TO SMALL BUSINESS AND IMPACTED INDUSTRIES

There are five project categories related to aid to small businesses and impacted industries, totaling \$164.0 million in SFRF. Of these, two have been identified by the PRO as being at risk of underspending.

Project/Program	FY2022 Actual	FY2023 Revised	FY2024 Enacted	Total Appropriation
Unemployment Insurance Trust Fund Contribution	-	\$100.0	-	\$100.0
Aid to Small Business and Impacted Industries	26.6	18.4	-	45.0
Aid to the Convention Center	-	10.0	-	10.0
Minority Business Accelerator	-	2.0	4.0	6.0
Destination Marketing	-	1.5	1.5	3.0
Total	\$26.6	\$131.9	\$5.5	\$164.0

\$ in millions. Totals may vary due to rounding.

Unemployment Insurance Trust Fund Contribution

The Unemployment Insurance (UI) Trust Fund Contribution project involves a direct payment of \$100.0 million to the Department of Labor and Training (DLT) in order to partially replenish the State's Unemployment Insurance Trust Fund. The events of COVID-19 led to an increase in unemployment claims, which resulted in a significant reduction in the UI Trust Fund's balance. The fund reflected a balance of \$264.4 million in July of 2022, compared to a \$537.9 million balance in January of 2020. The low fund balance increased the UI tax rate schedule for employers to Schedule H from Schedule F, resulting in an estimated cost of \$31.0 million for businesses. A \$100.0 million infusion to the trust fund will mitigate the taxes Rhode Island businesses will pay by reducing the unemployment rate schedule from Schedule H to Schedule G.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Unemployment Trust Fund Contribution	DLT	NEI	N/A	\$100.0	\$100.0	\$100.0	-	-

\$ in millions. Totals may vary due to rounding.

Status: The project has been completed and the funds were deposited to the Unemployment Trust Fund on September 26, 2022. The unemployment rate schedule for 2023 is confirmed to be Schedule G and the fund balance as of December 31, 2023 is \$496.0 million.

Aid to Small Business and Impacted Industries

Helping businesses negatively impacted by the pandemic is one of the primary purposes of the State Fiscal Recovery fund. A total of \$45.0 million in SFRF funding has been appropriated through several different programs targeting the various challenges faced by Rhode Island businesses. All of the Aid to Small

Business and Impacted Industries initiatives are required to reserve 20.0 percent of appropriated resources for minority business enterprises. Section 1 of 2021-H6494 Substitute A authorizes the EOC to use \$1.5 million in SFRF funds to administer the following programs:

- **Direct Grant Program:** The Small Business Direct Grant (SBDG) program has provided direct financial payments to businesses to mitigate the impact of pandemic-related lost revenue. The program was first authorized in January 2022 and received a \$12.5 million appropriation. It was part of a larger \$32.0 million SFRF-funded small business assistance package. A cap of \$10,000 per business per assistance program and \$20,000 per business in aggregate was established. According to the Rhode Island Executive Office of Commerce (EOC) the actual direct grants ranged from \$2,500 to \$5,000. Eligible businesses had to demonstrate negative impact from the pandemic. Supplemental grants of \$800 were provided to businesses in the food services, personal services, and arts, entertainment, and recreation industries.
- **Technical Assistance Program:** The Small Business Technical Assistance program is authorized to provide resources to businesses for purposes of building their long-term capacity in the wake of the pandemic. Technical assistance services may include accounting and bookkeeping, legal services, and marketing, communications, and public relations. Grants are capped at \$10,000 per business. The program has received a total of \$10.5 million in SFRF appropriations.
- **HTE Direct Grants Program:** The Hospitality, Tourism, and Event Industry (HTE) Direct Grant Program provides direct financial payments to HTE businesses. It consists of three subprograms: restaurants and event professionals (\$12,500 grant minus any funds from SBDG); hotels, travel agents, tour operators; and arts/culture businesses. It has received \$8.0 million in appropriations and is administered similarly to the Small Business Direct Grant program.
- **HTE Placemaking Program:** The Hospitality, Tourism, and Event Industry (HTE) Placemaking program focuses on local community projects enhance a place's attractiveness and livability. The program funds two types of projects - event programming and public space capital improvements. The program has received \$3.0 million in SFRF appropriations.
- **HTE Marketing Program:** The Hospitality, Tourism, and Event Industry (HTE) Marketing program provided \$2.0 million to the Rhode Island Airport Corporation and the State's regional tourism organization to fund tourism marketing as pandemic travel restrictions were lifted.
- **Public Health Capital Improvements Program:** The Public Health Capital Improvements program provides resources to small businesses to help them make changes to their environment and processes that protect and enhance the health of their customers and employees, including improved ventilation and energy needs. The program has received \$7.5 million in SFRF appropriations.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Small Business Direct Grants	EOC	NEI	N/A	\$12.5	\$12.5	\$12.2	-	\$0.3
Small Business Technical Assistance	EOC	NEI	I	10.5	8.0	1.3	2.6	6.7
HTE Direct Grants	EOC	NEI	N/A	8.0	8.0	8.0	-	-
Public Health Capital Improvements	EOC	RR	N/A	7.5	7.5	5.5	-	2.0
HTE Placemaking	EOC	RR	N/A	3.0	3.0	2.3	-	0.7
HTE Marketing	EOC	NEI	N/A	2.0	2.0	2.0	-	-
Administrative Costs	EOC	RR	N/A	1.5	1.5	1.4	-	0.1
Total				\$45.0	\$42.5	\$32.7	\$2.6	\$9.8

\$ in millions. Totals may vary due to rounding.

Status:

- **Small Business Direct Grants:** According to the EOC, the Small Business Direct Grant program has provided grants to 2,489 businesses, with 60.1 percent going to women or minority business enterprises. The program is now concluded, with PRO reporting all but \$303,288 of total appropriations expended. These funds have been returned to the SFRF and are available for reallocation.
- **Small Business Technical Assistance:** The Small Business Technical Assistance program has been identified by PRO as a **Level I Risk** for significant underspending. The EOC indicated that the delay can be attributed to its decision to take a deliberate approach to the program’s design. The EOC feels that better upfront design and planning yields a more responsive service to businesses. Since the end of the first quarter the EOC has finalized its design to include two phases.
 - Phase One of the TA program assists businesses in applying for and navigating the application processes for the Small Business Direct grant and the HTE Direct Grant (translation services, technology support, etc.)
 - Phase Two of the TA program provides services to eligible small businesses through approved vendors in a range of services – marketing, legal, accounting, etc. Skills for RI’s Future serves as the central vendor coordinator for this portion of the program.

According to the EOC small business services are underway: Phase 2 has resulted in over 13,000 hours of provided services, the most popular being website development support and marketing, communications, and public relations. Matching services have been challenging. Many small businesses are seeking multiple services or are unsure how to prioritize different needs. January 31, 2024 was the deadline for completed Statements of Work to be submitted to SkillsRI, meaning matching is complete and all projects are under contract and underway. There have been 1,248 eligible Phase I and 156 Phase 2 applicants.

- **HTE Direct Grants:** The Hospitality, Tourism, and Event Industry (HTE) Direct Grant Program has provided grants to 163 businesses and organizations with 44.6 percent going to women or minority business enterprises. The program concluded on November 15, 2023, with PRO reporting all appropriations expended.

- Public Health Capital Improvements:** The Public Health Capital Improvements program has undergone several iterations since it was initially authorized. According to the EOC, as the impact of the pandemic continues to recede the types of the capital improvements businesses are prioritizing have changed. The EOC has programmed \$2.0 million for ventilation improvements at businesses, with 275 current applicants and \$1.6 million in eligible reimbursements being paid. The EOC also offers the Take it Outside program, which supports the purchase of goods and services that expand small business's outdoor operations and outdoor capacity. The goods and services can support individual small businesses or support outdoor markets or shopping & dining events. There have been 508 businesses assisted to date, 49.0 percent being women or minority business enterprises. Lastly, the EOC will launch the new RI Rebounds Energy Efficiency Program on February 5, 2024. The program will reimburse small businesses up to \$10,000 for energy efficiency measures implemented as the result of an energy efficiency audit. This program proposal, with a \$600,000 budget, is currently under review by the PRO.
- HTE Placemaking:** According to the EOC, the Hospitality, Tourism, and Event Industry (HTE) Placemaking program has funded 32 project/programs. Program funded events have been attended by over 31,000 visitors. There were 29 projects completed by December 31, 2023, leveraging 45 events across the state. Two projects received extensions through March 2024. One project has been terminated because it would not have been completed by the overall SFRF deadlines. EOC indicates that \$2.9 million of the funding has been obligated and estimates \$215,529 in underspend.
- HTE Marketing:** According to the EOC, the HTE Marketing program has spent its entire \$2.0 million appropriation. Funds were used to support air service marketing programs (\$1.0 million), a paid advertising campaign to target market the regional drive and fly markets via streaming and cable TV (\$250,000), and to provide direct grants to the six tourism districts to use for paid advertising, meetings and conventions advertising, and sports advertising (\$750,000). This initiative formally completed on September 12, 2023, and the PRO issued its [closeout report](#) on November 22, 2023. The following table shows the overall outcomes for the key performance indicators.

Metric	Baseline	Goal	Actual
Rental home occupancy	0.0%	43.0%	65.0%
Meals and beverage tax revenue	\$0.0	\$17.8	\$38.6
Airplane load factor	45.0%	50.0%	88.0%
Ratio of overnight visitors to daytime visitors	2.57	2.13	4.1
Daily hotel occupancy rate	0.0%	68.0%	75.0%
Meeting and covention leads generated	90	97	817

\$ in millions

- Administrative Costs:** The EOC has utilized \$1.4 million of its appropriation for administration expenses, or 93.3 percent, through the end of the second quarter of FY2024.

Aid to the Convention Center

The State provided the Rhode Island Convention Center Authority (RICCA) with \$10.0 million of SFRF for operating support. RICCA is using these funds to tailor its operations for a post-pandemic environment to ensure the comfort and confidence of patrons.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Aid to the Convention Center	DOA/RICCA	RR	N/A	\$10.0	\$10.0	\$10.0	-	-

\$ in millions. Totals may vary due to rounding.

- **Status:** The project concluded July 28, 2023, and the Pandemic Recovery Office issued its [closeout report](#) on September 15, 2023. The key performance indicators of the project are:

Metric	Baseline	Goal	Actual
Operating funds transferred (Life of Project)	-	\$10.0	\$10.0
Operating margin (Life of Project)	-	9.5	14.3

\$ in millions

- The funds were used for the following purposes:
 - **Technology Upgrades - \$5.0 million:** Upgraded technology across all facilities, particularly at the RICC, by expanding broadband capacity, improving Wi-Fi capabilities, and integrating cell service within the building. The RICCA has a contract in place and work is undergoing with Boingo to install the Wi-Fi/PNet for \$4.1 million. This expense may increase based on a couple of potential change orders. The work is expected to be complete by the end of CY2023. The balance of this allotment has been used to upgrade servers, employee computers and associated technology expenses.
 - **AMP Seating Upgrades - \$3.2 million:** Funds were contracted to Irwin Seating to replace the seats in the north end of the Amica Mutual Pavilion (AMP), making it easier to reconfigure the space to accommodate different types of events. The project also added seating capacity in the north end (approximately 400 additional seats for basketball games, concerts, and other events and approximately 36 seats for hockey games). This work is complete and in use for the hockey and basketball seasons.
 - **Signage Improvements - \$800,000:** The marquee project was performed through a contract with Poyant Signs for \$591,000. The balance of the allotment was spent prepping the marquee supports with painting and electrical upgrades to power the signs.
 - **General Operating Support - \$1.0 million:** This money was absorbed as an operating subsidy in FY2023 to assist in replacing revenue lost during the pandemic.
 - **Single Audit Fee - \$3,000:** This is a charge applied to all SFRF projects. The single audit fee is equal 0.03percent of the project's appropriated amount.

Minority Business Accelerator

The SFRF-funded Minority Business Accelerator initiatives support and invest resources to enhance the growth of minority business enterprises in Rhode Island. This support is a range of assistance and programming, including financial and technical assistance, entrepreneurship training, space for programming and co-working, and assistance accessing low-interest loans. RI Commerce Corporation works with minority small business associations, including the Rhode Island Black Business Association (RIBBA), to advance this program. Of the \$6.0 million in appropriated SFRF funds for the program to date, \$500,000 is proscribed for the Rhode Island Black Business Association (RIBBA) and \$300,000 is allocated to the Roger Williams University Business Start-Up Clinic (RWU).

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Minority Business Accelerator	EOC	NEI	I	\$5.2	\$2.1	\$0.3	\$3.1	\$1.9
MBA: Black Business Association	EOC	RR	N/A	0.5	0.5	0.5	-	-
MBA- RWU Start-Up Clinic	EOC	RR	N/A	0.3	0.3	0.3	-	-
Total				\$6.0	\$2.9	\$1.1	\$3.1	\$1.9

\$ in millions. Totals may vary due to rounding.

Status: In November 2022, PRO approved the implementation proposal for the Minority Business Accelerator program. The proposal consisted of the following components:

- **MBE Network:** \$2.5 million to support a network of intermediary organizations that serve MBEs, including costs related to acquiring/using physical space, providing entrepreneurship training and mentorship programming, and other small business supports, and \$200k to train business support organizations (BSOs) in the execution of the program-to ensure its effectiveness.
- **Access to Capital:** \$1.7 million to increase access to capital through a competitive grant program, with grant awards of up to \$20,000 to stimulate growth in MBEs.
- **Technical Assistance:** \$300,000 to provide technical assistance to MBEs that are not eligible for the Rhode Island Rebounds TA program.
- **RIBBA and RWU:** In January 2023, RI Commerce Corporation executed agreements with RIBBA and RWU and transferred the required allotments to them. Per the agreement, the two organizations are required to report back on key performance indicators.
 - **RIBBA:** The RIBBA program has assisted 29 businesses with MBE certification applications and assisted 16 businesses in becoming bankable.
 - **RWU:** The RWU program has provided 34 minority businesses with legal services. With PRO's approval, the project is extended to June 30, 2024 with the goal of expending all funding and providing 100 discrete legal services to minority businesses.

In February, 2023, an MBA program manager was hired, and significant outreach began to understand the challenges facing MBEs and receive input on how to create a meaningful program. A Request for Proposals (RFP) to identify intermediaries was issued in April, 2023 and 11 responders were selected. Negotiated budgets and agreements were completed and \$2.3 million in SFRF was awarded.

Intermediaries had their kick-off meeting in September 2023 and have begun submitting monthly invoices for services rendered. A second RFP was issued in October 2023 to identify vendors to administer the technical assistance, particularly for the food and beverage, child care, and construction industries. EOC is drafting the application and determined the vetting process for the Direct Grant portion of the program.

As of the end of the second quarter of FY2024, fourteen intermediaries are providing technical assistance to W/MBEs. Services include translation, Division of Equity, Diversity, and Inclusion registration preparedness, assistance applying to grants, and entrepreneurship and business start-up training.

The direct grant program is expected to launch in spring 2024 and will support businesses that have received technical assistance. Funding is expected to be obligated to businesses in the summer of 2024. It is also expected that funding will be used throughout 2024 to support training and workshops for intermediaries

providing technical assistance to enhance the level of service provided and ensure reporting and compliance requirements are met.

Nonetheless, as of December 31, 2023 the project had 60.0 percent of its appropriation remaining with only approximately \$100,000 in actual expenditures. Because of this, the PRO continues to identify this project as a **Level I Risk** to underspend.

Destination Marketing

The ability of the Rhode Island Airport Corporation (RIAC) to market Rhode Island as a destination in out-of-state airports is limited by federal regulations. The SFRF-funded Destination Marketing initiative supports alternative strategies to develop new markets for Rhode Island tourism. There has been \$3.0 million in SFRF appropriated to the initiative, with an additional \$3.0 million in RI Commerce Corporation tourism funds contributed, for a total of \$6.0 million.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Destination Marketing	EOC	RR	N/A	\$3.0	\$1.6	\$1.5	\$1.4	\$0.1

\$ in millions. Totals may vary due to rounding.

Status: According to the EOC, \$560,000 of the Destination Marketing funds are being used to maintain existing air service programs and launch advertising in new markets. Another \$1.1 million is going towards New England sports media buys (to attract visiting team fans). Experiential events and installations are supported by \$1.0 million in SFRF. Hotel Month, an annual marketing event is allocated \$160,000. EOC says that marketing is targeted at driving leisure travel during the shoulder and off season from gateway cities such as Los Angeles, Chicago, Washington DC, and Detroit.

CHILDREN, FAMILIES, AND EDUCATION

There are 11 project categories related to children, families, and/or education, totaling \$155.3 million in SFRF. Of these, five have been identified by the PRO as being at risk of underspending.

Project/Program	FY2022 Actual	FY2023 Revised	FY2024 Enacted	Total Appropriation
Child Care Support	\$12.6	\$12.7	\$16.7	\$42.0
Provider Workforce Stabilization	6.8	8.2	7.9	22.9
Nonprofit Assistance	-	20.0	-	20.0
PFAS Water Treatment	-	-	20.0	20.0
Pediatric Recovery	6.0	9.0	-	15.0
Early Intervention Recovery	4.1	6.9	-	11.0
Support for Survivors of Domestic Violence	-	3.5	7.0	10.5
Adult Education Providers	-	2.0	3.0	5.0
Out-of-School Time Education Providers	-	-	4.0	4.0
Rhode Island Community Food Bank	-	-	3.0	3.0
Foster Home Lead Abatement & Fire Safety	-	1.5	0.4	1.9
Total	\$29.5	\$63.8	\$62.0	\$155.3

\$ in millions. Totals may vary due to rounding.

Child Care Support

The Department of Human Services (DHS) child care support consists of the following components: (1) the financing of retention bonuses for direct care staff at child care centers and licensed family providers in response to pandemic-related staffing shortages, (2) start up and technical assistance grants for family child

care providers, (3) support for quality improvements for child care centers, and (4) support for improvements in child care workforce development, including the establishment and implementation of workforce registry and educational opportunities for direct care staff. The FY2023 Budget as Enacted amended language pertaining to retention bonuses as there were departmental setbacks to administering the program as originally described in the FY2021 Budget. Per the FY2023 Budget as Enacted, retention bonuses are required to be paid monthly or as often as administratively feasible, but not less than quarterly.

Project/Program	Agency	Treasury Category	PRO	Total	Total	Total	Remaining	Unexpended
			Risk Level	Approps.	Transfers	Expenses	Approps.	Transfers
Pandemic Retention Bonuses	DHS	NEI	N/A	\$37.4	\$31.8	\$28.0	\$5.6	\$3.9
TEACH	DHS	NEI	N/A	2.0	0.1	0.1	1.9	-
Quality Improvement	DHS	RR	N/A	1.0	0.2	0.2	0.8	-
Workforce Registry	DHS	RR	I	1.0	0.1	0.1	0.9	-
Grants to Family Child Care Providers	DHS	NEI	N/A	0.6	0.6	0.5	-	0.1
Total				\$42.0	\$32.8	\$28.9	\$9.2	\$4.0

\$ in millions. Totals may vary due to rounding.

SFRF Program descriptions are as follows:

- **Pandemic Retention Bonuses:** This initiative addresses shortages in the child care industry by providing incentives for those working in early childhood education. Full-time and part-time staff at state-licensed providers would be eligible for the awards. In FY2022, \$1,500 semi-annual bonuses were provided. In FY2023, bonuses changed to quarterly awards in the amount of \$750. Individual bonuses are not to exceed \$3,000 annually.

Status: As of February 7, the Department reports concluded eight of ten rounds of disbursements. The application window for round 9 is scheduled to open April 1, and round ten on July 1. As of February 7th, \$28.5 million were disbursed to 6,407 individuals, of these individuals, 1,560 had applied to all rounds, indicating retention since January 2022.

- **TEACH:** The Teacher Education and Compensation Helps (TEACH) scholarship is a nationally recognized workforce development model for early childhood educators. TEACH allows participants to complete credit bearing coursework towards degree credentials while remaining employees at an early learning center. TEACH also guarantees participants an increase in compensation through either a bonus or additional income from their employer sponsor. Funding towards TEACH has supported approximately 100 early childhood educators.

Status: As of February 7, the Department reports three new TEACH models completed development and began implementation in 2023 with 53 new scholars. As of January 2024, 89 new sponsoring programs were added. This project is scheduled to be complete by June 2025.

- **Quality Improvement:** Child care facilities who participate in the State's Child Care Assistance Program (CCAP) receive a Brightstars rating of one to five stars based on the quality rating that the provider has achieved within the State's quality rating system. Of the providers who participate, only 16.0 percent have received a high-quality rating of four or five stars. Providers identified funding as a barrier. ARPA SFRF funds have been allocated to grants to support improvements within facilities, materials, curriculum, and staff training, to provide the highest quality of care possible to the children participating in these programs

Status: Quality improvement initiatives are active. The Department has reported seeing positive impacts on Rhode Island’s childcare infrastructure, specifically there is a positive correlation between SFRF Funds and increased Brightstar ratings. As of February 7, the Department reported 111 new participants, and direct correlation with the increase of BrightStars ratings.

- **Workforce Registry:** In response to the workforce shortage, DHS began developing a workforce registry which will survey child care providers annually to track the number of individuals working in the State’s child care industry.

Status: The project has been identified as a **Level I Risk** by PRO because its actual planned expenditures are 11.3 percent of planned expenditures through December 31, 2023. According to the PRO, the Department chose to first exhaust funds from the Preschool Development Block Grant, which needed to be spent before December 31, 2023. The Department is now beginning to spend its SFRF appropriation. It’s first expenditure was \$69,493 on December 29, 2023. The Department has three more payments scheduled through the third quarter of FY2024 totaling \$930,206. The Workforce Registry was launched on February 5, 2024.

- **Grants to Family Child Care Providers:** Grants to Family Child Care Providers are one of five projects that DHS implemented to stabilize the industry as the COVID-19 pandemic exacerbated the State’s existing child care workforce shortage. To mitigate the adverse effects of the shortage and support the industry, the Department began providing technical assistance and start up grants up to \$2,000 to increase the supply of family child care providers (FCCP).

Status: According to the Department, the project is in its final stages of implementation. As of February 2024, of the 130 applicants awarded, 61 have completed the licensing process and 54 are working to complete the process. 15 applicants are no longer engaged in the program. Grant recipients have until March 31, 2024 to complete the full licensing process to meet the requirements of the grant.

Provider Workforce Stabilization

The Provider Workforce Stabilization program supports workforce stabilization supplemental wage payments of up to \$700 monthly and hiring incentives of up to \$750 per employee to eligible direct care and supporting care staff of contracted service providers. Eligible employees for both payments must earn an annual salary of less than \$75,000, and hiring incentives may not be disbursed until 90 days of work has been completed by the employee.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Provider Workforce Stabilization	DCYF	NEI	N/A	\$22.1	\$17.3	\$17.3	\$4.8	-

\$ in millions. Totals may vary due to rounding.

Status: As of the most recent report, issued January 25, 2024, the program has expended \$6.8 million in FY2022, \$7.7 million in FY2023, and \$3.2 million in FY2024. Of the \$6.8 million spent in FY2022, approximately 1.1 percent was on hiring bonuses 7.1 percent was in tax subsidies, and 92.6 percent was on wages. Of the \$7.7 million in FY2023 expenditures, approximately 4.1 percent was on hiring bonuses, 7.1 percent was on tax subsidies, and 88.3 percent was on wages. Of the \$3.2 million spent in FY2024 to date, 4.3 percent was on hiring bonuses, 7.1 percent was on tax subsidies, and 87.5 percent was on wages. Providers have reported a net gain of 184 staff through November 30th, 2023. The project is set to close June 30, 2024, or as new contracts are signed via the procurement process.

Nonprofit Assistance

The SFRF-funded Nonprofit Assistance initiative to support and mitigate the strain on Rhode Island’s network of Not-for-Profit Organization that provide essential community services throughout the State and often are critical partners to the work of State agencies. The missions of these organizations and the need

of their customers have been strained by COVID-19, including housing and food insecurity, and behavioral health issues. The \$20.0 million in SFRF funding was allocated to the Rhode Island Foundation to distribute and manage.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Nonprofit Assistance	DOA/RIF	NEI	N/A	\$20.0	\$20.0	\$20.0	-	-

\$ in millions. Totals may vary due to rounding.

Status: A total of \$20.0 million has been expended leaving no balance. A total of \$19.9 million was made to support the operations of the 241 various non-profits, of which 21.0 percent address behavioral health needs, 22.0 percent address food insecurity, and 10.0 percent address housing instability and homelessness prevention. Forty-seven percent of recipients address more than one of those areas. Grant payments were made from November 2022 through June 2023.

The appropriation balance will be used for Rhode Island Foundation’s (RIF) single audit fee of \$25,000, and an expense of \$6,000 was made for the state assessment of 0.03 percent of federal awards for its single audit fee (money goes to the Office of the Auditor General). The PRO is awaiting final key performance indicator data from RIF, which is anticipated to be received around December 2024.

PFAS Water Treatment

The PFAS Water Treatment program supports the replacement of 3.0 new wells and the construction of a water treatment plant at the University of Rhode Island.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
PFAS Water Treatment	OPC	Infrastructure	II	\$20.0	-	-	\$20.0	-

\$ in millions. Totals may vary due to rounding.

Status: In 2023 URI reported that three of its wells had a PFAS contamination level over twenty parts per trillion, which is the legal limit. The FY2024 Budget as Enacted appropriates \$20.0 million in ARPA SFRF funds to address this water infrastructure problem. PRO has identified this project as a **Level II Risk** project as the budget timeline indicates that \$3.2 million of the total project costs will be incurred in the first two quarters of FY2027 and does not provide any flexibility to URI in case there is a delay in the project. Additionally, the timeline allows for 6 months for project approvals, which would require both RIDOH and DBR to prioritize the PFAS project.

The URI Finance team is working with the PRO approval process. The permanent filtration systems are moving forward with the expectation that the permanent filtration system be completed at the end of calendar year 2026.

Pediatric Recovery

The Pediatric Recovery SFRF program provides relief to pediatric providers in response to the decline in visitation and enrollment caused by the public health emergency and incentivize providers to increase developmental and psychosocial behavioral screenings. In each year, the allocation provides \$6.0 million for stabilization grant funding of certain targets established by the Executive Office of Health and Human Services are met by the pediatric providers and \$1.5 million to be awarded to incentivize pediatric providers to increase developmental and psychosocial behavioral screenings. According to EOHHS, 43 practices, serving 58,644 Medicaid-enrolled children participated in Phase I of the program, and 40 practices serving 54,687 children are participating in Phase II.

The project provided payments to pediatric and family practice primary care providers who serve Medicaid-covered children. The first phase of the project was part of Rhode Island Rebounds and had two components:

- **Grants for Reporting and Performance on Child and Adolescent Well Visits, \$6,000,000:** These funds created an incentive for pediatric primary care providers to improve access to care and drive investment into their practices. Support was necessary for staffing and infrastructure to rebound from COVID-19-related delays in care. Payments were contingent on practices reporting baseline data and either meeting targets or demonstrating measurable improvement in the Child and Adolescent Well Care Visit measure. The Rhode Island Executive Office of Health and Human Services (EOHHS) tracked additional measures related to immunizations, including COVID-19 immunizations, and lead screening rates, which are expected to be closely tied to performance on the Child and Adolescent Well Care Visit measure.
- **Grants for Participation in Technical Assistance Activities to Enhance Efforts to Conduct Developmental, Psychosocial, and Behavioral Health Screenings, \$1,266,993:** EOHHS provided an additional round of grants to pediatric and family practice primary care providers who participated in the technical assistance outlined below. These performance grants were a meaningful incentive for providers to adopt new training and workflow designs to screen children for healthy physical, cognitive, and socio-emotional development. These grants were distributed to providers who engaged with the technical assistance vendor, Care Transformation Collaborative of Rhode Island (CTC).

In addition, Technical Assistance (\$233,008) supported CTC to support training and workflow redesign, data collection and reporting, and best practice sharing to aid providers in improving performance. In addition, these funds supported CTC in evaluating practice performance.

The second Phase continues to incentivize pediatric primary care providers to improve access to care, immunizations, and screenings, and invest in primary care practices to support the staffing and infrastructure necessary to rebound from pandemic-related delays in care. The Rhode Island Executive Office of Health and Human Services (EOHHS) is making six payments to participating practices: The first payment is based on the submission of the program application, including a practice improvement plan and a commitment to participate in the technical assistance program. Four quarterly payments are contingent on practices’ performance on several vaccine and screening measures. One payment is based on participation in the program’s robust learning component, a six-session Behavioral Health Learning Initiative. The learning initiative took place from January 2023 through June 2023. Some funds support a technical assistance contractor tasked with training and workflow redesign, data collection and reporting, and best practice sharing to aid providers in successfully improving performance, as well as evaluating practice performance. The contractor is providing the quality improvement practice facilitation and implementing the Behavioral Health Learning Initiative. Practices have access to a customized behavioral health practice facilitator as an optional service to assist with the development of responses to behavioral health needs.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Pediatric Provider Relief and Recovery	EOHHS	PH	N/A	\$7.5	\$7.5	\$7.5	-	-
Pediatric Provider Relief and Recovery: Phase II	EOHHS	PH	N/A	7.5	7.4	7.4	0.1	-
Total				\$15.0	\$14.9	\$14.9	0.1	-

\$ in millions. Totals may vary due to rounding.

Status: In Phase 1, implemented from March through July 2022, all pediatric practices met their performance and/or improvement targets for the “Child and Adolescent Well Care Visit” measure. All practices attended at least one technical assistance session, and most attended two or three sessions. As of June 30, 2022, 100.0 percent of providers engaged with CTC. According to the evaluation results as of June 7, 2022, 98.1 percent of respondents reported that the sessions were good (17.5 percent) or excellent (80.6

percent), and 46.9 percent (75 individuals) suggested that they were interested in customized psychosocial/behavioral health technical assistance.

In Phase II, all practices submitted their performance improvement plans and attended at least four out of six Behavioral Health Learning Initiative sessions. EOHHS has made three out of four payments for achieving performance and/or improvement targets on the vaccination and lead screening measures and plans to make the final payment by the first week of November 2023. For the first and second payments, 30 out of 39 providers achieved the targets needed to receive payment. For the third payment, 31 out of 39 achieved the targets needed to receive payment. As a group, the cohort of participating practices has exceeded each quarterly target for the vaccine and lead screening measures and is on target to exceed the targets for the final quarter as well.

For Phase I, \$7,266,992 was spent on provider payments with \$233,007 spent on technical assistance. For Phase II, \$5,948,952 has been spent to date with \$201,919 spent on technical assistance. The final provider payments totaling, \$1,199,640, is expected to be spent in November 2023. An additional, final payment is also expected for CTC-RI for the provision of technical assistance. This payment is also expected to be made in November 2023. The final contractor payment was made in February 2024 concluding all spending on this project.

The [closeout report](#) on the Pediatric Provider Relief and Recovery provides the project and financial overview. The key performance indicators are provided in the following table:

Metric	Baseline	Goal	Actual
Child and adolescent well visit	73.0%	78.0%	79.0%
Childhood vaccinations	74.0%	87.0%	81.0%
COVID-19 vaccinations	15.0%	25.0%	27.0%
Technical assistance participation	0.0%	70.0%	100.0%
Lead screenings administered	73.0%	83.0%	79.0%

\$ in millions

Early Intervention Recovery

The Early Intervention Recovery program provides relief to early intervention providers in response to a decline in enrollment for early intervention, family home visiting and screening programs. The Executive Office of Health and Human Services (EOHHS) is providing stabilization grants totaling \$5.2 million to all nine early intervention (EI) providers. The grant amount was calculated based on the size of the population served by each provider, as provided through a survey. Eligible uses for the stabilization grant included, but were not limited to, enhanced outreach activities to ensure equitable access and family engagement in EI services; retention bonuses for staff; workforce costs due to labor market conditions; professional development activities; and, costs required to increase in-person visits.

This program also provides performance bonuses for providers who hit certain targets, such as recovering referral numbers and achieving reduced staff turnover. EOHHS developed a pay-for-performance model to incentivize providers to increase service activity. A total of \$5.8 million is available in bonus payments based on EI providers meeting targets, such as recovering referral and staffing figures to 2019 levels, increasing the percentage of children referred to EI who completed the eligibility process and engaged in services, and reducing disproportionality for families with Medicaid coverage and families of color.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Early Intervention Recovery	EOHHS	PH	N/A	\$11.0	\$11.0	\$11.0	-	-

\$ in millions. Totals may vary due to rounding.

Status: A total of \$10.6 million has been paid for stabilization and pay-for-performance payments. The FY22 expenditures are comprised of \$2.6 million in stabilization grants and \$1.5 million in pay-for-performance payments. The FY2023 expenditures are comprised of \$2.6 million in stabilization grants and \$2.9 million in pay-for-performance payments. To date in FY2024, \$1.0 million in pay-for-performance payments have been made. The final pay-for-performance payments totaling \$435,000 will be paid in December 2023. Key Performance Indicator (KPI) Data, as of January 31, 2023:

- Referrals have increased from a program start of 82.0 percent of typical to 88.0 percent.
- Staffing capacity has increased by 39.0 net positions from the start of the.
- Initial engagement, children referred and enrolled in EI, increased from a program start of 67.0 percent to 81.0 percent.
- Families who either met goals or finished the EI program at age 3 increased from 69.0 percent in CY21 to 88.0 percent in CY23.
- Number of staff departures in a 6-month period of time decreased from 29 (time period: July 1, 2021- to December 3, 2022) to 10 (time period: January 1, 2023 to June 30, 2023).
- Turnover rate decreased from 18.5 percent to 5.6 percent, during the same two six-month periods of time noted above.

KPI reporting will continue into March 2024.

Support for Survivors of Domestic Violence

The Support for Survivors of Domestic Violence project includes \$10.5 million in total funding to nonprofit organizations in order to provide services to adult and youth victims of domestic violence and sexual assault. The project seeks to bolster transitional housing programs that include both a housing option as well as supportive services such as counseling, childcare, transportation, life skills, education, and/or job training. Additionally, the project seeks to increase the number of transitional housing units available in the State for survivors by way of purchasing, renovating, or constructing additional units.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Support for Survivors of Domestic Violence	DPS	PH	I	\$10.5	-	-	\$10.5	-

\$ in millions. Totals may vary due to rounding.

Status: The Public Safety Grant Administration Office is currently in the final stages of awarding State Fiscal Recovery Funds in support of Survivors of Domestic Violence. In late 2023, this office worked to secure a team of state employees that would be available to review submitted proposals for this funding. It was challenging to secure a team of reviewers for this project, primarily due to the time commitments staff already had and the amount of time it would take to perform an accurate and thorough review of the proposals. We were, however, able to establish a three-member team who completed their review of proposals through the holidays and into mid-January. As of the writing of this status, we are actively finalizing funding award and rejection letters and we anticipate having the funds obligated by mid-February.

It is expected that non-profit organizations who receive funding from this award will begin working on their respective projects in March, 2024. The initial activities for awarded organizations will vary based on their individual proposals. These activities will include one or more of the following; property acquisition, property renovation, hiring and on-boarding staff, providing support services to survivors, among others. It is estimated that for agencies hiring staff that they will have new staff onboarded in 90 days from award. For agencies purchasing properties, it is estimated they will acquire and begin renovations on their first property within the first 9-12 months of funding award.

Adult Education Providers

The SFRF-funded Adult Education Providers initiative provides additional support for adult learning in Rhode Island. Funds are to be distributed through a grant process managed by the Office of Adult Education. Proposals will be reviewed and awards will be made to the network of 19 nonprofit, adult education providers to expand access to educational programs and literary services including high school equivalency preparation, English for Speakers of Other Languages, digital literacy skills development, and workforce preparation and training, including Integrated Education and Training (IET). IET is a nationally recognized workforce development model shown to accelerate successful completion of sectoral job training by adults with foundational skill gaps.

Specifically, the project will fund:

- Direct grants to create regional hubs to streamline access to services statewide and facilitate knowledge transfer.
- Direct grants to purchase devices and software to support the integration of digital literacy and use of eTests statewide.
- Direct grants for the expansion of Adult Education services statewide.
- Temporary increased capacity of the Rhode Island Department of Education (RIDE) to oversee implementation, ongoing evaluation, and strategic planning of the project.
- Third-party evaluation to identify service gaps and ensure regional equity.
- Third-party marketing and outreach campaign in multiple languages.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Adult Education Providers	RIDE	NEI	I	\$5.0	\$0.1	\$0.1	\$4.9	-

\$ in millions. Totals may vary due to rounding.

Status: There were delays in launching the project due to a delay in completing the approval process to access the funding, and the subsequent delay in hiring the Project Manager for the initiatives. The Adult Education Providers SFRF project was not approved until April 3, 2023. The project manager was hired in August. Elements of the SFRF-funded work such as the launch of four regional orientation, assessment, and referral hubs and evaluation and communications work with external contractors were on hold pending hiring of the project manager. According to the Department, progress on the Adult Education Providers SFRF project is about a quarter behind its original implementation schedule. This project was flagged by PRO at a **Level I Risk** because as of September 30, 2023, the project had actual expenditures of \$28,359, or 3.9 percent of planned expenditures through September 30, 2023, and below the PRO threshold percentage of 25.0 percent used to identify an SFRF project as at risk for significant underspend. As of January 13, 2024, this project remains at a Level I Risk since only 10.0 percent of the planned expenditures had been spent.

According to the Department, procurement for the communications and evaluation vendors is in progress and work will be completed by May 2024. RIDE will be billing against the balance of the project funds to support the Project Manager FTE, the communications and evaluations contracts, and ongoing marketing and outreach efforts. The largest portion of SFRF funding, three mini-grants to disburse the bulk of the funding to local adult education providers, are also on track to ramp up with the project manager’s support. The Department asserts that project funding will be fully obligated by December 30, 2024, and fully expended by December 30, 2026. In addition, the mini-grant projects funded by SFRF, including the regional orientation, assessment, and referral hubs, will conclude by June 2026, all statewide initiatives will be completed by September 2026, and the entire project will be completed in December 2026 when the Project Manager positions expires.

The Department provides that the grants are awarded on a reimbursement basis; consequently, once the funds are allocated, the grantee must make approved expenditures before requesting reimbursement. This results in a lag time between the date when the funds are obligated and expended. The Department provided that, as of November 27, 2023, \$1.3 million has been obligated and an additional \$1.0 million is projected to be obligated by the end of December 2023.

According to the Department, as of the end of September 2023, 3,918 participants received orientation, assessment, and referral services. Of these:

- 1,981 participants enrolled in Adult Education services with 12 or more hours,
- 230 of those enrolled demonstrated a Measurable Skill Gain (e.g. 2 grade levels on a standardized test, completing an industry-recognized credential, etc.),
- 165 of those enrolled demonstrated a Digital Literacy Skill gain, and
- 55 participants were employed in the second quarter after exit from Adult Education.

According to the Department, \$659,000 has been obligated through two rounds of regional mini-grants as of February 2024, and an additional round will be finalized in April 2024. In addition, the equity audit of the adult education system will be completed by the end of March 2024.

The Department projects that in the Spring of 2024 the statewide outreach campaign for fall enrollment will launch and a stakeholder group of learners, adult educators, and community members will be assembled to support the development of the long-term strategic plan based on the results from the equity audit. This plan will be finalized and distributed in summer 2026.

In addition, according to the Department the following milestones have been reached:

As of December 2023, \$1.9 million in SFRF has been obligated to local adult education grantees.

- 11 regional orientation, assessment, and referral hubs have launched statewide.
- Procurement of the third-party evaluator was finalized and data files were transferred in January 2024.
- Eligible communications vendors were identified and quotes for support of the statewide outreach campaign were solicited in January 2024.

Out-of-School Time Education Providers

SFRF funding would continue the investment in the Advancing Learning Beyond the 180-Day School Year program in support of Governor Daniel J. McKee's Learn365RI initiative, with the long-term goals of improving student learning outcomes and increasing three key metrics:

- Rhode Island Comprehensive Assessment System (RICAS) mathematics and English Language Arts scores
- School Attendance Rates
- Free Application for Federal Student Aid (FAFSA) completion rates.

Specifically, the Out of School Time Education Providers funding would support:

- Direct grants to 38 Rhode Island municipalities, including:
 - Roughly 29 standard grants in the amount of \$40,000, and
 - Roughly 9 expanded grants up to \$400,000.
 - Temporary increased capacity of RIDE to oversee implementation, ongoing evaluation, reporting, and strategic planning of the project.

- Third-party professional development in quality after school program delivery and management to municipalities and their out-of-school time providers and partners.

RIDE will administer a competitive Request for Proposals, review, and award grants. Outcome and participant data will be collected monthly and quarterly for reports. The Out-of-School Time Education Providers initiative provides SFRF funds to “expand access to educational programs”. The funding is to be directly distributed through the Rhode Island Department of Education’s Office of Student, Community and Academic Supports.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Out-of-School Time Education Providers	RIDE	RR	N/A	\$4.0	-	-	\$4.0	-

\$ in millions. Totals may vary due to rounding.

Status: According to the Governor’s Office, there originally was \$4.0 million in federal pandemic Governor’s Emergency Education Relief Funds (GEER) available to provide grants to fund out-of-school time education providers, or “municipal learning centers”. Based on this the Governor’s Office has decided to delay issuing an RFP for municipal learning centers until 2024. As of February 2024, the project budget provides for the expenditure of \$1.8 million in FY2025 and \$2.2 million in FY2026.

Rhode Island Community Food Bank

The SFRF-funded Rhode Island Community Food Bank initiative provides increased financial support to one of the State’s most important food security organizations. The Food Bank has reported a significant increase in utilization, as food insecurity has nearly tripled from pre-pandemic numbers. The additional funds will support the Food Bank in achieving its mission of providing nutrient dense food to RI households who struggle with food insecurity.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Rhode Island Community Food Bank	DHS	NEI	N/A	\$3.0	-	-	\$3.0	-

\$ in millions. Totals may vary due to rounding.

Status: All funds are expected to be disbursed by the end of January 2024. The Department is distributing the funds in two parts. The Department expended \$1.5 million in December 2023.

Foster Home Lead Abatement & Fire Safety

The Foster Home Lead Abatement & Fire Safety initiatives provide financial assistance to foster families for lead remediation and fire suppression upgrades to assist potential foster homes in meeting lead and/or fire code standards.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Lead Remediation in Foster Homes	DCYF	NEI	I	\$1.0	-	-	1.0	-
Fire Safety Upgrades in Foster Homes	DCYF	NEI	I	0.9	-	-	0.9	-
Total				\$1.9	-	-	\$1.9	-

\$ in millions. Totals may vary due to rounding.

Status:

- **Lead Remediation in Foster Homes:** The Department originally intended to work with RIHousing as a sub-recipient of the federal funds due to RIHousing’s existing lead abatement program. The project was identified as a **Level I Risk** due to the fact that the project had no planned expenditures until the second quarter of FY2024. In December 2023, the Department and RIHousing notified the Pandemic Recovery Office (PRO) of the desire to terminate the project due to lack of feasibility and to allow the State to repurpose funding to a different project.
- **Fire Safety Upgrades in Foster Homes:** The RFP for qualified individual(s)/vendor(s) for this project was submitted to the Department of Administration as of October 4, 2023. The project was identified as a **Level I Risk** due to the fact that it did not have enough information to create a project budget or key performance indicators. The October RFP received no bids, and as such the Department notified the PRO of their desire to terminate the project to allow the State to repurpose funding to a different project.

CLIMATE

There are four project categories related to climate initiatives, totaling \$128.3 million in SFRF. Of these, only one at this time has been identified by the PRO as being at risk of underspending.

Project/Program	FY2022 Actual	FY2023 Revised	FY2024 Enacted	Total Appropriation
Port of Davisville	-	\$6.0	\$59.0	\$65.0
South Quay Marine Terminal	-	-	35.0	35.0
OER Electric Heat Pumps	-	5.0	20.0	25.0
RIPTA R-Line Free Service Pilot	-	2.5	0.8	3.3
Total	-	\$13.5	\$114.8	\$128.3

\$ in millions. Totals may vary due to rounding.

Port of Davisville

The SFRF-funded Port of Davisville initiative supports the improvement and expansion of port infrastructure and services at the Port of Davisville in Quonset in accordance with the Quonset Development Corporation’s (QDC) master plan. There is a total of \$65.0 million in SFRF funds appropriated to the Port.

The Port of Davisville is a publicly-owned international shipping port located within the Quonset Business Park (QBP) in North Kingstown. The facilities currently include 4,500 linear feet of berthing space, consisting of five terminals, two piers (each 1,200 feet in length), a bulkhead, 32 feet of controlled water depth, on-dock rail, and 60 acres of laydown and terminal storage.

Infrastructure improvement at the Port is governed by a Port Master Plan. The plan calls for multiple projects required to modernize the existing infrastructure, expand new piers and terminals, and customize the infrastructure to meet the demands of the off-shore wind energy industry. The total cost of the plan is \$234.5 million, of which \$120.2 million is funded.

The SFRF funds are being used to partially finance two of the currently unfunded projects in the Port Master Plan.

- **Pier 1 Rehabilitation:** Pier 1 was originally built by the US Naval Construction Battalions in 1941 when the Port was part of the Quonset Naval Air Station. The nearly 80-year old structure is long past its original design life. The Master Plan calls for a complete rehabilitation, modernization, and expansion of the pier.
- **New Terminal 5 Pier:** The new pier at Terminal 5 is estimated to cost \$56.0 million and is planned to be constructed in phases in order to respond to funding availability, with expanded services available upon completion of each stage.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Port of Davisville	QDC	RR	N/A	\$65.0	\$6.0	\$3.3	\$59.0	\$2.7

\$ in millions. Totals may vary due to rounding.

Status: According to the QDC, \$63.4 million, or approximately 98.0 percent of the total SFRF appropriation has been committed. The individual projects supported by the funding include:

- **Pier 1:** \$10.3 million has been allocated to the on-going Pier 1 reconstruction project. This project is planned to be completed in fall of 2024. According to EOC and the QDC, this project is 30.0 percent complete.
- **Pier 5:** \$53.1 million has been allocated to the construction of the new Terminal 5 Pier. The QDC indicates that this project got underway in the fall of 2023 and is planned to be completed in the fall of 2025.
- **Other Master Plan Items:** The remaining \$1.6 million is earmarked for a port access reconfiguration project which will be bid in the Summer of 2024. As of the end of the second quarter of FY2024, access improvements are in final design and will be under contract by summer of 2024, with construction to occur between winter 2024 and winter 2025.

South Quay Marine Terminal

The SFRF-funded South Quay Marine Terminal initiative is intended to support the development of an integrated and centralized hub of intermodal shipping designed to support the offshore wind industry along memorial parkway in the East Providence waterfront special development district.

The initiative was allotted \$12.0 million in SFRF in FY2023, and \$35.0 million in total through FY2024, to help finance the build-out of the new port facilities at South Quay. This build-out was initially planned to take place in several stages, with facilities being usable to some capacity immediately after the first phase. Authorization of the use of the SFRF funds; however, is contingent upon additional resources being identified by February 1, 2024. Originally, the amount of outside funding was planned to be \$68.0 million for a total investment of \$103.0 million in port infrastructure, the amount estimated to complete the first phase only.

South Quay is a 32-acre peninsula in East Providence located along the 16.8-mile Providence River waterway. The waterway is a deep-water channel with access through Narragansett Bay to the Atlantic shipping lanes and nearby off-shore wind-energy leased property. According to the EOC, Rhode Island Waterfront Enterprises, LLC (RIWE) purchased the land in 2019 with the intent of developing for industrial uses.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
South Quay Marine Terminal	EOC	RR	II	\$35.0	-	-	\$35.0	-

\$ in millions. Totals may vary due to rounding.

Status: During the first quarter of FY2024, the Executive Office of Commerce indicated that progress was being made in the ongoing efforts to secure non-SFRF-funding for the development of the South Quay Marine Terminal. Negotiations between the EOC, Rhode Island Waterfront Enterprises (RIWE) -the landowner of the intended development - and Waterson Terminal Services, LLC. (WTS), focused on securing the mandated funding match from not only private equity sources but also federal opportunities. Several applications for federal grants were made in 2023 (USDOT's Port Infrastructure Development and Mega programs). According to the PRO, the grant applications were unsuccessful.

EOC indicated that in November 2023, WTS had entered into a joint venture with SSA Marine, a national port operator, to advance the South Quay project. This new partnership requires an extensive period of due diligence on the part of SSA Marine prior to it making the necessary financial investments. This makes the February 1, 2024 deadline untenable. In its December 2023 Quarterly SFRF Performance Report, the PRO indicated that because the project principals have officially secured the required matching funds, it has not been able to approve the project and funds have not been transferred. This has jeopardized the timely expenditure of funds and has resulted in the PRO designating this project a **Level II Risk** for underspending.

OER Electric Heat Pumps

The Electric Heat Pump Grant Program within the Office of Energy Resources (OER) assists homeowners and small-to-mid-size business owners with the purchase and installation of high-efficiency electric heat pumps, with an emphasis on families in environmental justice communities, minority-owned businesses, and community organizations who otherwise cannot afford this technology.

The OER is required to report to the Speaker of the House and Senate President no later than April 1 of each year the results of this program, including but not limited to, the number of grants issued, amount of each grant and the average grant amount, and the expected cumulative carbon emissions reductions associated with heat pumps that received a grant, of which \$5.0 million is disbursed in FY2023, \$10.0 million in FY2024, and \$10.0 million in FY2025.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
OER Electric Heat Pumps	DOA/OER	RR	N/A	\$25.0	\$3.7	\$2.2	\$21.3	\$1.5

\$ in millions. Totals may vary due to rounding.

Status: The FY2024 Budget as Enacted allocated \$20.0 million in federal American Rescue Plan Act (ARPA) State Fiscal Recovery Funds (SFRF), an increase of \$15.0 million from the FY2023 Budget as Enacted, to support a grant program within the Office of Energy Resources to assist homeowners and small business owners in purchasing and installing high-efficiency electric heat pumps.

A total of \$25.0 million in federal ARPA SFRF was allocated to fund grants for low and moderate-income households and community organizations to purchase and install energy efficient electric heat pumps, of which \$5.0 million was appropriated in FY2023. The original plan was to disburse the balance in equal amounts in FY2024 and FY2025. However, the Budget advanced the amount scheduled for disbursement in FY2025 to FY2024, thereby appropriating the full allocation for electric heat pumps.

The Clean Heat RI Program administered by Abode Energy Management, an energy management firm. The program launched on September 5, 2023. OER posts results on a website dashboard (i.e.: number of applications approved, geographic distribution of the grants awarded) on a monthly basis that began in October 2023. The project's expenditures are \$2.2 million through December 31, 2023.

Incentive Type	Paid		Reserved	
Residential	747	\$1,981,566	146	\$435,343
Income Eligible	6	108,805	2	49,398
Commercial	4	126,095	16	360,405
Total	757	\$2,216,466	164	\$845,146

Source: Clean Heat RI Statistics Oct 2023 - Jan 2024

As of January 2024, the program has issued 757 residential, income eligible, and commercial rebate payments totaling \$2.2 million and 164 applications in reserve (projects in design phase but the rebate has not yet been issued) with a total rebate estimate of \$845,146. The project's expected completion date is approximately June 2026, and it is currently on track to meet all U.S. Treasury deadlines.

RIPTA R-Line Free Service Pilot

The R-Line Free Service Pilot project was funded with \$3.3 million and provided free fare service on the R-Line bus route to all passengers from September 2022 through September 2023. The R-Line is RIPTA's most utilized route and provides transportation from Broad Street in Providence to the Transit Center in Pawtucket. The pilot was originally intended to conclude in August of 2023 but RIPTA extended the program an additional month. The Rhode Island Public Transit Authority (RIPTA) has tracked ridership data and will submit a report to General Assembly Leadership and the Governor by March 1, 2024

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
R-Line Free Service Pilot	DOT/RIPTA	RR	N/A	\$3.3	\$3.2	\$3.2	-	-

\$ in millions. Totals may vary due to rounding.

Status: The R-Line Free Service Pilot program concluded on September 30, 2023, following a one-month extension. The Authority will submit a report to General Assembly Leadership and the Governor by March 1, 2024, outlining the pilot's results and an analysis of the ridership data.

ECONOMIC AND WORKFORCE DEVELOPMENT

There are 16 project categories related to economic and workforce development, totaling \$90.0 million in SFRF. None of these have been identified by the PRO as being at risk of underspending.

Project/Program	FY2022 Actual	FY2023 Revised	FY2024 Enacted	Total Appropriation
Bioscience Investments	-	-	\$45.0	\$45.0
Enhanced Real Jobs	-	10.0	20.0	30.0
RI Reconnects	-	-	8.0	8.0
Fresh Start Scholarship	-	-	5.0	5.0
Institute for Cybersecurity	-	-	2.0	2.0
Total	-	\$10.0	\$80.0	\$90.0

\$ in millions. Totals may vary due to rounding.

Bioscience Investments

The SFRF-funded Bioscience Investments initiative is intended to support and grow the biosciences industry in Rhode Island through the establishment of a Life Sciences Hub and a dedicated fund. This support also includes the development of at least one wet lab incubator space in collaboration with industry partners; the creation of a fund that will support wrap-around services to aid in the commercialization of technology and business development, growth of the biosciences talent pipeline, and support for staff to implement the bioscience investments initiative.

To facilitate these initiatives, the FY2024 Budget as Enacted established the Rhode Island Life Sciences Hub as a new quasi-public corporate entity for the purposes of coordinating state investment and strategy around the life sciences industry sector. It also created the Rhode Island Life Sciences Investment Fund within the Hub for the purpose of making investments, grants, loans, research and other funding in life science initiatives.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Bioscience Investments	EOC	RR	N/A	\$45.0	-	-	\$45.0	-

\$ in millions. Totals may vary due to rounding.

Status: The Bioscience project has a \$2,000,000 startup budget approved to support RILSH's formation, including staff salaries and related employee expenses, professional and consulting services, marketing, travel, and office supplies and technology to be spent by September 2024. RI Commerce staff and operations are supporting this effort. The second phase will be a direct grant to the RILSH contingent on additional information and planned expenditure budgets on programming and operations enabled through the Bioscience Investment (remaining \$43,000,000). RILSH was incorporated in September 2024 and the inaugural RILSH board meeting was held on January 22, 2024. An executive search firm, legal firm, and communications/public relation firm have been selected through an RFP process.

Enhanced Real Jobs

The Enhanced Real Jobs project builds on the Department of Labor and Training's (DLT) preexisting Real Jobs program, which provides training and placement assistance for job seekers, as well as skills training for incumbent workers, business owners, and other types of participants. Real Jobs is a demand-driven workforce development program that identifies workforce needs from local employers and provides training to unemployed or underemployed workers. The project includes a total of \$30.0 million for DLT to disburse and the largest recipients include Skills for Rhode Island's Future, the University of Rhode Island Research Foundation, Community College of Rhode Island, Amos House, and Genesis Center. Additionally, the initiative provides funding to the Office of the Postsecondary Commissioner for supportive services.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Enhanced Real Jobs	DLT	NEI	N/A	\$30.0	\$14.6	\$14.6	\$15.4	-

\$ in millions. Totals may vary due to rounding.

Status: The project is an ongoing workforce training and upskilling program. The Department indicates that the project will continue utilizing ARPA funding through December 31, 2024.

RI Reconnect

RI Reconnect assists students in addressing barriers to education completion, particularly among communities of color and lower socio-economic strata. These funds support a program to improve postsecondary degree and credential attainment among working-age Rhode Islanders and is administered by the Office of the Postsecondary Commissioner.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
RI Reconnect	OPC	RR	N/A	\$8.0	-	-	\$8.0	-

\$ in millions. Totals may vary due to rounding.

Status:

According to the Office of the Postsecondary Commissioner, application for the RI Reconnect project was approved by the Pandemic Recovery Office on 11/21/2023. To align with the academic calendar participants of the program will begin receiving services in the third quarter of fiscal year 2024. As of the February 7, 2024 there have been no drawdown of funds and the project remains on schedule.

Fresh Start Scholarship

The Fresh Start Scholarship is an SFRF-funded initiative that will fund a semester of tuition and fees at CCRI in order help adult students who previously received college credits but did not attain a degree. Eligible students must be Rhode Island residents who qualify for in-state tuition, have not earned an associate or bachelor's degree, were not enrolled in any college between Fall 2022- and Spring 2023 semesters, and complete the 2023-2024 FASFA. Students who do not meet the Satisfactory Academic Progress must also complete the appeal process during the first semester.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Fresh Start Scholarship	OPC	RR	N/A	\$5.0	-	-	\$5.0	-

\$ in millions. Totals may vary due to rounding.

Status: According to the Office of the Postsecondary Commissioner, the project is in process. As of February 7, 2024, data collection for Fall 2023 semester is being compiled for submission to the Pandemic Recovery Office. Funds for this project have been committed to the Community College of Rhode Island via an executed subaward agreement. As of February 7, 2024, there have been no drawdown of funds. Project remains on schedule with an estimated date of completion in fiscal year 2026.

Institute for Cybersecurity

The Institute for Cybersecurity and Emerging Technologies at Rhode Island College will provide certificate, baccalaureate, and master's level courses with focuses on research and developing highly skilled cyber security professionals. This SFRF-funded initiative will provide seed funding for the Institute through the Office of the Postsecondary Commissioner.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Institute for Cybersecurity	OPC	RR	N/A	\$2.0	-	-	\$2.0	-

\$ in millions. Totals may vary due to rounding.

Status: The Office of the Postsecondary Commissioner and Rhode Island College have met with the Pandemic Recovery to review the project's key performance indicators and the College's projected timeline for utilization of the funds. As of February 7, the application is still in a pending status with the Pandemic Recovery Office. It is anticipated that the application will be approved, and funds will be committed in the third quarter of fiscal year 2024.

BEHAVIORAL HEALTH

There are six project categories related to behavioral healthcare, totaling \$57.4 million in SFRF. Of these, two have been identified by the PRO as being at risk of underspending.

Project/Program	FY2022 Actual	FY2023 Revised	FY2024 Enacted	Total Appropriation
Certified Community Behavioral Health Clinics	-	\$30.0	-	\$30.0
Psychiatric Residential Treatment Facility	-	12.0	-	12.0
Butler Hospital Short Term Stay Unit	-	8.0	-	8.0
9-8-8 Hotline	-	1.9	1.6	3.5
Crisis Intervention Trainings	-	0.6	1.7	2.2
RITBA: Safety Barriers Study	-	1.0	0.8	1.8
Total	-	\$53.4	\$4.0	\$57.4

\$ in millions. Totals may vary due to rounding.

Certified Community Behavioral Health Clinics

The SFRF-funded Certified Community Behavioral Health Clinics initiative supports certified community behavioral health clinics (CCBHCs) to bolster behavioral health supports, medical screening and monitoring, and social services to particularly vulnerable populations in response to a rise in mental health needs during the public health emergency.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Certified Community Behavioral Health Clinics	EOHHS	PH	N/A	\$30.0	\$10.6	\$10.6	\$19.4	-

\$ in millions. Totals may vary due to rounding.

The Rhode Island Executive Office of Health and Human Services (EOHHS) is providing infrastructure development grants to community-based behavioral health and social services providers to recover from the pandemic and comply with federal Certified Community Behavioral Health Clinic (CCBHC) standards. These grants are supporting CCBHC providers and organizations seeking to become designated collaborating organizations (DCO). Specifically, this funding will be used to:

- Provide infrastructure grants to community-based behavioral health and social services providers to build capacity to operate as CCBHCs (e.g., electronic health records, data and payment/claims systems, staffing and training, capital needs and related infrastructure).
- Equip DCOs (focused on substance use, cultural competency, and related specialties) to participate in service delivery and collaboration with CCBHCs.
- Support the State’s implementation of this initiative through project management, evaluation, technical assistance, and administration.

EOHHS will provide up to \$25.5 million to be split among organizations as follows:

- **CCBHCs**
 - Phase 1: Readiness Assessment – Estimated \$300,000 per grantee, provided upon award
 - Phase 2: Capacity Development/Planning Collaboration Participation – If selected, estimated \$760,000 per grantee based on funding request developed and submitted in Phase 1. Funds to be distributed upon completion of specified milestones, contingent on documented participation in the Rhode Island Executive Behavioral Health Interagency Collaborative planning collaborative.
 - Phase 3: Activities include start-up operational costs and the development of relevant memoranda of understanding (MOUs), contracts, and partnership agreements. (Funding based on remaining grant dollars and EOHHS’ state budget for these activities).
- **DCO Providing Other CCBHC Services**
 - Phase 1: Readiness Assessment – Estimated \$30,000 per grantee, provided upon award.
 - Phase 2: Capacity Development/Planning Collaboration Participation – If selected, estimated \$370,000 per grantee based on funding request developed and submitted in Phase 1. Funds to be distributed upon completion of milestones.
 - Phase 3: Activities include start-up operational costs and the development of relevant MOUs, contracts, and partnership agreements. (Funding based on remaining grant dollars and EOHHS’ state budget for these activities).

The total amount and number of awards distributed will be determined by the number of qualified applicants. EOHHS projects the following number of awards by entity type for Phase 1: up to 10 CCBHCs and up to 22 DCOs offering other CCBHC services.

Status: This project has three separate elements of work including direct grants, operations, and administration.

- **Direct Grants to Potential CCBHCs and Partner Designated Collaborating Organizations (DCOs):**

The original goals were to fund 10 potential CCBHC organizations at \$300,000 each for Phase 1 and \$760,000 each for Phase 2, as well as to fund 22 potential DCOs at \$30,000 each for Phase 1 and \$370,000 each for Phase 2. The total original budget for this area of work was \$25.5 million.

EOHHS met its CCBHC grantee funding goal and has obligated a total of \$10.6 million for these 10 organizations. If they meet all necessary certification and readiness requirements the first cohort of three CCBHC are eligible to open I on July 1, 2024, and the second cohort of three on October 1, 2024.

- **Operations:** The operations component includes two major areas: Program Development and Provider Technical Assistance. For Program Development, the State is working with Milliman as its actuarial vendor, Gainwell as its Medicaid Management Information System (MMIS) technical implementation vendor, and Faulkner Consulting Group as its program design and development technical assistance vendor. BHDDH also received \$400,000 for certification staff, to help with the ongoing CCBHC certification and oversight process. For Provider Technical Assistance, which includes a group Learning Collaborative and significant one-on-one support for all grantee provider organizations, the State carried out a competitive RFP to choose the Brandeis Behavioral Health Institute to serve as the technical assistance vendor for this provider support program.
- **Program Administration:** EOHHS filled allocated positions midway through FY2023. The budget allows EOHHS to keep staff into FY2025. To continue the effective operations of the program, the Department indicated it is important to retain staff through the beginning of FY2026 when the rest of the dollars will be spent.

This project was identified by PRO as a **Level II Risk** because, as of September 30, 2023, the project had actual expenditures of \$8,225,638. The actual expenditures are 51.8 percent of planned expenditures through September 30, 2023, above the PRO percentage of 25 percent used to identify an SFRF project as at risk for significant underspend. However, given the large funding amount appropriated for this project, PRO provided an explanation on its status and anticipated progress.

The Certified Community Behavioral Health Clinics (CCBHC) Interagency State Team and providers have grappled with unexpected changes, some of which are still pending, in federal CCBHC program requirements and conflicting guidance from the Centers for Medicare and Medicaid Services (CMS) and the Substance Abuse and Mental Health Services Administration (SAMHSA). Additionally, providers have needed more assistance than expected in correctly completing cost reports and staffing plans.

The Interagency Team has contingently certified three CCBHCs for the slated program Year 1 start date of February 1, 2024, pending approval from CMS. An additional eight potential CCBHCs are preparing to meet the certification requirements to begin services after the Year 1 go-live date. Of this group, based on their current level of readiness, EOHHS anticipates that between two and five providers will be able to achieve CCBHC certification status during Year 1, between February 1 and June 30, 2024, and the remainder will be able to achieve certification status beginning with, or during Year 2, between July 1, 2024, and June 30, 2025.

As directed by the General Assembly in the FY2023 Budget as Enacted, the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals (BHDDH) and EOHHS worked together to apply for the SAMHSA CCBHC Planning Grant. They successfully secured this \$1.0 million allocation, with new and different requirements for spending not covered by the SFRF dollars and are braiding the funding from these two sources.

Since the launch of the program a total of \$10.6 million has been obligated including \$8.6 million in direct grants to CCBHCs and DCOs, \$1.4 million in technical assistance, and \$508,000 in internal administrative expenses. EOHHS plans to obligate all the funds by the deadline of December 31, 2024.

Based on the January 1, 2024 Quarterly Report, the CCHBC project has been removed from Level Monitored status since the actual expenditures equal 64.2 percent of planned expenditures by the second quarter of FY2024.

Psychiatric Residential Treatment Facility

This program provides funding to expand existing in-state provider Psychiatric Residential Treatment Facility capacity to provide intensive residential treatment options for adolescent girls and young women who face severe and complex behavioral health challenges. Of the funding, \$11.0 million is allocated for the expansion of a current psychiatric residential facility and \$1.0 million is allocated for the initial stage of the design and construction of a new step-down facility.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Psychiatric Residential Treatment Facility	DCYF	RR	N/A	\$12.0	\$2.1	\$2.1	\$8.9	-

\$ in millions. Totals may vary due to rounding.

Status: The Department of Children, Youth, and Families announced a signed agreement for the expansion of services with St. Mary’s Home for Children, the only existing licensed PRTF in the State, on February 9, 2023. The expansion will consist of the construction and operation of an additional 12-bed facility on the St. Mary’s Campus in North Providence, bringing their total capacity to 26. While a soil contamination issue identified in August 2023 has pushed the anticipated construction completion date from November 2024 to February/March 2025, the facility still expects to begin operations in the spring of 2025 as previously targeted.

Butler Hospital Short Term Stay Unit

The Butler Hospital Short Term Stay Unit initiative supports the construction of a 25-bed short stay unit at Butler Hospital to provide behavioral health care services, crisis intervention and other related services, and is based on the success of a similar model of care at Butler Hospital, the 24-bed Brief Stay Unit. That unit opened in January 2022 to address the overwhelming number of patients experiencing a mental health crisis that were boarding in emergency departments. Within three weeks of opening, the average daily census at Butler Hospital rose from 147.5 to 169.3. Patients were taken from emergency departments across the State. The census did not reach full capacity due to limitations imposed by the physical space (converted conference center), preventing high-acuity patients from being admitted despite referrals from medical emergency departments. This would not be the case with a purpose-built behavioral health unit.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Butler Hospital Short Term Stay Unit	EOHHS	PH	II	\$8.0	\$6.0	\$2.1	\$2.0	\$3.9

\$ in millions. Totals may vary due to rounding.

Status: Construction of the Short-Term-Stay Unit began the week of September 18, 2023. As of September 30, 2023, the project had actual expenditures of \$466,677. The actual expenditures are 7.8 percent of planned expenditures through September 30, 2023, below the PRO threshold percentage of 25 percent used to identify an SFRF project as a **Level I Risk** for significant underspend. As of January 31, 2024, this project is identified as a **Level II Risk** since only 46.1 percent of planned expenditures have been spent; however, as

of December 31, 2023, \$8.0 million of the SFRF appropriation has been obligated for the execution of the project. This represents 100.0 percent of the total project appropriation.

The Department remedy provides that spending for the schematics, design development, and construction documents is completed, with a final invoice submitted in September 2023, signaling a transition to construction activities that is anticipated to accelerate spending. Site mobilization began the week of September 11, and the first phases of construction began the week of September 18. EOHHS, which is implementing this project on behalf of the state in collaboration with Butler Hospital, anticipates that construction will be completed around June 2024. Butler Hospital is working with the construction contractor to identify opportunities to reduce the timeline, as completion was initially scheduled by the end of March 2024.

9-8-8 Hotline

The 9-8-8 Hotline program establishes and implements a fulltime communications behavioral health crisis hotline. The project would help Rhode Island maintain compliance with the National Suicide Hotline Designation Act of 2020 and the Federal Communications Commission adopted rules to assure that all citizens receive a consistent level of 9-8-8 and crisis behavioral health services.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
9-8-8 Hotline	BHDDH	PH	II	\$3.5	\$0.8	\$0.8	\$2.7	-

\$ in millions. Totals may vary due to rounding.

Status: The transition to the 9-8-8 Hotline was successfully made in July 2022 and the hotline is operated out of BH Link, the state's 24/7 behavioral health center. In CY2023 the hotline received an average of 623 calls per month with an average in-state answer rate of 98 percent, one of the highest call answer rates in the country. In January of 2023 the project was still awaiting a PO for the SFRF contract and was utilizing other funding until the SFRF funds became available. As of October 19, 2023, the project had begun utilizing SFRF funding but continues to search for permanent funding to support the hotline after the SFRF project is completed. The project is identified as a **Level II Risk** due to the actual expenditures continuing to lag behind planned expenditures, with actual expenditures as of December 31, 2023 at only 42.0 percent of planned expenditures. Underspending has been identified by the PRO as largely a result of the call center not yet reaching full staffing, and the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals concurred that workforce challenges, in particular with regards to evening and overnight shifts, have been an implementation issue. Recruitment efforts are ongoing and it is anticipated that an increase in staffing would align planned and actual expenditures, bringing the project on track.

Crisis Intervention Trainings

The Crisis Intervention Trainings initiative provides a total of \$2.2 million to respond to the increased volume of mental-health related calls reported by police departments by providing training every three years for law enforcement as well as continuing education opportunities.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Crisis Intervention Trainings	BHDDH	RR	II	\$2.2	\$0.7	\$0.7	\$0.3	-

\$ in millions. Totals may vary due to rounding.

Status: As of December 31, 2023, 303 five Crisis Intervention Training (CIT) academies have taken place since the onset of the trainings in January 2023, with 95 new officers trained and certified since March 2023. In addition to officers, a number of behavioral health professionals, EMTs, criminal justice professionals, and others also attended these academies. Following a request in July, Thundermist Health

Center developed an 8-hour training covering mental health basics and de-escalation techniques which was implemented at the Department of Corrections in October 2023, and as part of the training academies in November 2023. In addition to the trainings, Thundermist has developed regional committees to meet with stakeholders across the state, and Roger Williams University (RWU) conducted a technical evaluation of the CIT work which took place between December and July. Collaboration with RWU is expected to be ongoing. The project is identified as a **Level II Risk** due to a current underspend, with only 46.2 percent of planned expenditures currently spent. This underspend is attributed primarily to staffing, as Thundermist remains in the hiring process to fill two vacant positions for a Mental Health Coordinator and an Advocacy Coordinator. The completion of the hiring process, as well as additional evaluations and reports from RWU, are anticipated to increase expenditures and bring the project back on track.

RITBA: Safety Barriers Study

The Safety Barrier Study project provides funding to the Rhode Island Turnpike and Bridge Authority (RITBA) to conduct a feasibility study in order to identify and evaluate options that will prevent and address the risk of suicide on the 4 major bridges in the State. The FY2023 Budget as Enacted provided \$1.0 million for a study for the Mt. Hope and Jamestown-Verrazano bridges, which began in January of 2023. RITBA selected Atkins North America, LLC to conduct the study. The FY2024 Budget as Enacted provided an additional \$750,000 to expand the study's scope to include the Claiborne Pell and Sakonnet River Bridge.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
RITBA: Safety Barriers Study	DOT/RITBA	RR	N/A	\$1.8	\$0.5	\$0.5	\$1.3	-

\$ in millions. Totals may vary due to rounding.

Status: Both sections of the Safety Barrier Study have progressed on schedule. RITBA selected Atkins North America, LLC as a consultant to conduct the study of the Mt. Hope and Jamestown-Verrazano bridges at the November 16, 2022 Board Meeting. Atkins is currently performing a deep analysis of two different barrier options for the two bridges. Additionally, at the August 23, 2023, Board Meeting, RITBA directed Atkins to expand the project's scope to include the Claiborne Pell and Sakonnet River bridges. Reports for the Mt. Hope and Jamestown-Verrazano bridges are expected in May 2024, and reports for the Claiborne Pell and Sakonnet River bridges are expected in January 2025.

PUBLIC INFRASTRUCTURE AND TECHNOLOGY

There are three project categories related to public infrastructure and technology, totaling \$31.5 million in SFRF. None of these have been identified by the PRO as being at risk of underspending.

Project/Program	FY2022	FY2023	FY2024	Total Appropriation
	Actual	Revised	Enacted	
Municipal Roads Grant Program	-	-	\$20.0	\$20.0
Municipal Public Safety Infrastructure	-	-	11.0	11.0
Statewide Broadband Planning and Mapping	0.3	0.2	-	0.5
Total	\$0.3	\$0.2	\$31.0	\$31.5

\$ in millions. Totals may vary due to rounding.

Municipal Roads Grant Program

The Municipal Roads Grant Program provides municipalities with \$20.0 million to serve as a 33.0 percent match to fund road, bridge, and sidewalk projects on locally maintained, municipal roads. The cities and towns will provide the remaining 67.0 percent, reflecting a possible \$60.0 million available for municipal road improvement. The Department will divide the first \$5.0 million of funding equally amongst all municipalities, providing \$128,205 of federal funds to each municipality that matches \$260,295. The remaining \$15.0 million will be disbursed to municipalities based on the amount of non-federal land miles

of roads. The municipalities of Warwick, Providence, and Cranston contain the largest number of non-federal land miles of roads and are projected to receive the largest share. The program requires all projects to be completed by the end of 2026. Additionally, the program includes accountability and transparency measures, such as a quarterly reporting requirement. Cities and towns utilizing the program will report on the progress of each project and its anticipated completion date, as well as the values of any contracts and the dates they were awarded.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Municipal Roads Grant Program	DOT	RR	N/A	\$20.0	\$0.4	\$0.4	\$19.6	-

\$ in millions. Totals may vary due to rounding.

Status: The Application Portal for the Municipal Roads Grant Program opened on August 2, 2023, and closed on October 15, 2023. The Department received 621 applications for funding projects and all of the State's 39 municipalities are participating in the project. As of December 2023, 621 applications have been approved and one is pending review. The Department anticipates finalizing the projects and awards by the end of the calendar year.

Municipal Public Safety Infrastructure

The Municipal Public Safety Infrastructure initiative supports improvements to municipal public safety infrastructure. The FY2024 Budget as Enacted includes \$11.0 million in matching support to cities and towns to make undertake new construction, prioritizing projects based on readiness. Eligible projects are limited to those for which the total costs exceed \$1.0 million. Matching funds to any municipality will be limited to \$5.0 million for projects that serve a regional purpose and \$1.0 million for others.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Municipal Public Safety Infrastructure	DOA	TBD	N/A	\$11.0	-	-	\$11.0	-

\$ in millions. Totals may vary due to rounding.

Status: DOA began accepting grant proposals from municipalities on December 14, 2023. The closing date to submit a grant proposal was February 2, 2024. An evaluation committee has been assembled to review the proposals. DOA expects award decisions to be made by March 1, with disbursements made 30 days thereafter. The project is expected to meet all U.S. Treasury deadlines.

Statewide Broadband Planning and Mapping

The SFRF-funded Statewide Broadband Planning and Mapping Initiative, based in the Executive Office of Commerce (EOC) supports the development of a statewide broadband strategic plan to provide broadband access to unserved and underserved households and businesses, to support a state broadband director at the Commerce Corporation, and to conduct mapping in support of future state broadband investment.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Statewide Broadband Planning and Mapping	EOC	RR	N/A	\$0.5	\$0.5	\$0.5	-	-

\$ in millions. Totals may vary due to rounding.

Status: On June 23, 2023, the PRO issued its SFRF [closeout report](#) for Statewide Broadband Planning and Mapping initiative, indicating the expenditure of all funds and met objectives. The following table shows the final key performance indicators for the initiative:

Metric	Baseline	Goal	Actual
Director of Broadband Strategy hired at RI Commerce	0	1	1
State broadband strategy finalization	0	1	1
First iteration of state broadband map completed	0	1	1
Second iteration of state broadband map completed	0	1	1

The State's Broadband and Digital Equity Strategic Plan was submitted to and approved by the U.S. Department of Commerce's National Telecommunications and Information Administration in January of 2023. EOC has convened its Broadband Advisory Committee quarterly since then and has been working on building state broadband maps, aligned to the State's RIGIS architecture to ensure compatibility with aligned State efforts.

ADMINISTRATION

There is one project category related to administration, totaling \$18.9 million in SFRF.

Project/Program	FY2022	FY2023	FY2024	Total
	Actual	Revised	Enacted	Appropriation
Administration	\$6.1	\$5.9	\$6.9	\$18.9
Total	\$6.1	\$5.9	\$6.9	\$18.9

\$ in millions

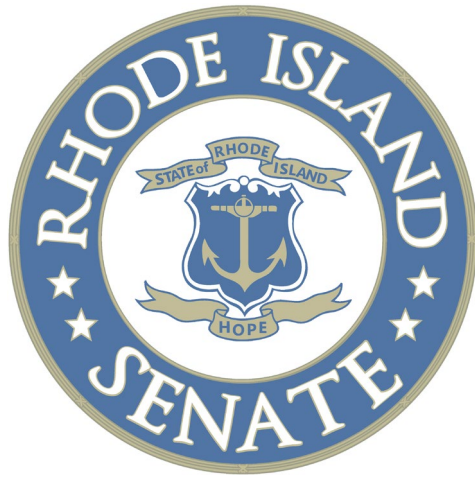
Pandemic Recovery Office

The Pandemic Recovery Office (PRO), established in the Department of Administration, serves as the central office for policy coordination and compliance for federal COVID-19 stimulus funds. This includes funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and the American Rescue Plan Act (ARPA). A portion of Rhode Island's State Fiscal Recovery Funds are available to support the overall administration and compliance work that the PRO is responsible for.

Project/Program	Agency	Treasury Category	PRO Risk Level	Total Approps.	Total Transfers	Total Expenses	Remaining Approps.	Unexpended Transfers
Pandemic Recovery Office	DOA	Admin	N/A	\$18.9	\$11.2	\$11.2	\$7.7	-

\$ in millions. Totals may vary due to rounding.

Status: Since FY2022, the Pandemic Recovery Office has received total appropriations of \$18.9 million and has expended \$11.5 million on SFRF administration through February 29, 2024. The project's expected completion date is April 2027.



SUMMARY TABLE

STATE FISCAL RECOVERY FUNDS

Project/Program	FY2022 Final Enacted (A)	Enacted FY2023 (B)	FY2022 Actuals (C)	FY2022 to FY2023 Re-Appropriation (A-C)	FY2023 Revised (B+(A-C))	FY2024 Enacted	Total
9-8-8 Hotline	-	\$1,875,000	-	-	\$1,875,000	\$1,600,000	\$3,475,000
Adult Education Providers	-	2,000,000	-	-	2,000,000	3,000,000	5,000,000
Affordable Housing Predevelopment Program	-	2,500,000	-	-	2,500,000	7,500,000	10,000,000
Aid to the Convention Center	5,000,000	5,000,000	-	5,000,000	10,000,000	-	10,000,000
Assistance to Impacted Industries	13,328,000	-	8,199,000	5,129,000	5,129,000	-	13,328,000
Auto-Enrollment Program	-	1,288,710	-	-	1,288,710	1,325,358	2,614,068
Bioscience Investments	-	5,000,000	-	-	-	45,000,000	45,000,000
Butler Hospital Short Term Stay Unit	-	8,000,000	-	-	8,000,000	-	8,000,000
Certified Community Behavioral Health Clinics	-	30,000,000	-	-	30,000,000	-	30,000,000
Child Care Support	19,000,000	21,283,000	12,624,421	6,375,579	12,658,579	16,717,000	42,000,000
Crisis Intervention Trainings	-	550,000	-	-	550,000	1,650,000	2,200,000
Destination Marketing	-	1,500,000	-	-	1,500,000	1,500,000	3,000,000
Development of Affordable Housing	15,000,000	30,000,000	14,740,825	259,175	30,259,175	55,000,000	100,000,000
Down Payment Assistance	-	10,000,000	-	-	10,000,000	20,000,000	30,000,000
Early Intervention Recovery	5,500,000	5,500,000	4,051,215	1,448,785	6,948,785	-	11,000,000
Electric Heat Pump Grant Program	-	5,000,000	-	-	5,000,000	20,000,000	25,000,000
Enhanced Real Jobs	-	10,000,000	-	-	10,000,000	20,000,000	30,000,000
Foster Home Lead Abatement & Fire Safety	-	1,500,000	-	-	1,500,000	375,000	1,875,000
Health Care Facilities	-	77,500,000	-	-	77,500,000	-	77,500,000
Home Repair and Community Revitalization	-	15,000,000	-	-	15,000,000	9,500,000	24,500,000
Homelessness Assistance Program	1,500,000	7,000,000	-	1,500,000	8,500,000	13,000,000	21,500,000
Homelessness Infrastructure	-	-	-	-	15,000,000	30,000,000	45,000,000
Housing Related Infrastructure	-	-	-	-	-	4,300,000	4,300,000
Minority Business Accelerator	-	2,000,000	-	-	2,000,000	4,000,000	6,000,000
Municipal Homeless Support	-	-	-	-	-	2,500,000	2,500,000
Municipal Planning	-	-	-	-	-	2,300,000	2,300,000
Municipal Public Safety Infrastructure	-	-	-	-	-	11,000,000	11,000,000
Municipal Roads Grant Program	-	-	-	-	-	20,000,000	20,000,000
Nonprofit Assistance	-	20,000,000	-	-	20,000,000	-	20,000,000
Ongoing COVID-19 Response	-	73,000,000	-	-	2,000,000	78,097,287	80,097,287
OPC - RIC Cyber Center	-	-	-	-	-	2,000,000	2,000,000
OPC - CCRI Fresh Start	-	-	-	-	-	5,000,000	5,000,000
Out-of-School Time Learning Grants/ Municipal Learning Centers	-	-	-	-	-	4,000,000	4,000,000
Pandemic Recovery Office	7,011,307	4,948,839	6,093,604	917,703	5,866,542	6,918,788	18,878,934
Pediatric Recovery	7,500,000	7,500,000	5,965,100	1,534,900	9,034,900	-	15,000,000
Port of Davisville	-	6,000,000	-	-	6,000,000	59,000,000	65,000,000
Predevelopment and Capacity Building	500,000	500,000	78,609	421,391	921,391	500,000	1,500,000
Preservation of Affordable Housing Units	-	-	-	-	-	500,000	500,000
Proactive Housing Development	-	-	-	-	-	1,400,000	1,400,000
Provider Workforce Stabilization	12,500,000	2,500,000	6,827,796	5,672,204	8,172,204	7,920,766	22,920,766
Psychiatric Residential Treatment Facility	-	12,000,000	-	-	12,000,000	-	12,000,000
Public Health Clinics	-	4,000,000	-	-	4,000,000	-	4,000,000
RI Community Food Bank	-	-	-	-	-	3,000,000	3,000,000
RI Reconnects	-	-	-	-	-	8,000,000	8,000,000
RIPTA R-Line Free Service Pilot	-	2,500,000	-	-	2,500,000	750,000	3,250,000
Site Acquisition	12,000,000	3,000,000	6,000,000	6,000,000	9,000,000	10,000,000	25,000,000
Small Business Assistance	31,672,000	-	18,414,432	13,257,568	13,257,568	-	31,672,000
South Quay Marine Terminal	-	12,000,000	-	-	-	35,000,000	35,000,000
Statewide Broadband Planning and Mapping	500,000	-	269,200	230,800	230,800	-	500,000
Statewide Housing Plan	-	2,000,000	-	-	2,000,000	-	2,000,000
Support for Survivors of Domestic Violence	-	3,500,000	-	-	3,500,000	7,000,000	10,500,000
Targeted Housing Development	-	-	-	-	-	31,000,000	31,000,000
Turnpike and Bridge Authority – Safety Barriers Study	-	1,000,000	-	-	1,000,000	750,000	1,750,000
Unemployment Insurance Trust Fund Contribution	-	100,000,000	-	-	100,000,000	-	100,000,000
URI- PFAS	-	-	-	-	-	20,000,000	20,000,000
Workforce Housing	-	12,000,000	-	-	12,000,000	8,000,000	20,000,000
Total	\$131,011,307	\$508,945,549	\$83,264,203	\$47,747,104	\$468,692,653	\$579,104,199	\$1,131,061,055

Senate Fiscal Office

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Senate Fiscal Advisor

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Arts Council
Behavioral Healthcare, Developmental
Disabilities, and Hospitals
Children, Youth, and Families
Child Advocate
Department of Housing
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RIHMFC (RI Housing)

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Administration
Board of Elections
Commission on Disabilities
Convention Center Authority
General Treasurer
Governor
Historic Preservation and Heritage Commission
Human Rights Commission
I-195 Redevelopment Commission
Lieutenant Governor
Military Staff
Public Utilities Commission
Quonset Development Corporation
RI Emergency Management Agency
Secretary of State

Kelly M. Carpenter
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Coastal Resources Management Council
Elementary and Secondary Education
Environmental Management
Executive Office of Health and Human Services
Health & Educational Building Corporation
Judiciary
Narragansett Bay Commission
Resource Recovery Corporation
RI Infrastructure Bank

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Atomic Energy Commission
Business Regulation
Commission on Deaf and Hard of Hearing
Ethics Commission
Health
HealthSource RI
Higher Education
Human Services
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Public Defender
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