Once a recipient has identified a reduction in revenue, how will Treasury track use of funds for the provision of government services?

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For recipients using Fiscal Recovery Funds to provide government services to the extent of reduction in revenue, the description of government services reported to Treasury may be narrative or in another form, and recipients are encouraged to report based on their existing budget processes and to minimize administrative burden. For example, a recipient with $100 in revenue replacement funds available could indicate that $50 were used for personnel costs and $50 were used for pay-go building of sidewalk infrastructure.

In addition to describing the government services provided to the extent of reduction in revenue, all recipients will also be required to indicate that Fiscal Recovery Funds are not used ***directly*** to make a deposit in a pension fund. Further, recipients subject to the tax offset provision will be required to provide information necessary to implement this provision. Treasury does not anticipate requiring other types of reporting or recordkeeping on spending in pensions, debt service, or contributions to reserve funds.

(FAQ - Project and Expenditure Report User Guide - Appendix F , 1.4, page 80)

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