



ARP investment strategies

Making your American Rescue Plan Act fund work smarter for Indian Country Programs

While the pandemic underscored the disadvantaged status of many minority communities, it also triggered Congress to take long-overdue and meaningful action for Native American Tribes. The American Rescue Plan (ARP) will deploy more than \$20 billion to Tribal governments to help them respond to the COVID-19 emergency and lay the foundation for an equitable recovery. This creates an opportunity for tribes to use these funds to support their immediate objectives and build a foundation for generations to come. How? By building investment portfolios to meet your tribe’s unique needs while planning for the future.

The silver lining in the red tape

This is the largest infusion of capital ever provided to Indian Country, but it comes with caveats. The ARP statute requires that payments from the Fiscal Recovery Funds (Funds) be used only to cover costs incurred by the state, territory, Tribal government, or local government. There are also special expenditure tracking, reporting, and auditing requirements (among others).

Therefore, maintaining these Funds in bank and investment accounts separate from other Indian Affairs program funds can increase efficiencies for tribes and auditors alike.

The good news is that the list of ARP-eligible initiatives is wide-ranging to address the long-standing needs of Nations (see table at right). **The better news is that Tribal governments will have until December 31, 2024, to disburse Funds received.** This not only provides time to develop a more strategic and optimal deployment plan, but also enables your Funds to work harder and smarter in the meantime.

Eligible uses for Tribal ARP Funds

- ▶ **Support** public health expenditures
- ▶ **Address** negative economic impacts caused by the public health emergency
- ▶ **Replace** lost public sector revenue
- ▶ **Provide** premium pay for essential workers
- ▶ **Invest** in water, sewer, and broadband infrastructure
- ▶ **Address** health disparities and the social determinants of health
- ▶ **Build** stronger neighborhoods and communities
- ▶ **Address** educational disparities exacerbated by COVID-19
- ▶ **Promote** healthy childhood environments

The best news: We're poised to help you now

Three years' time plus industry expertise can empower your tribe. The KeyBank Native American Financial Services (NAFS) Team has a long history of delivering and managing resources for a wide range of Tribal government programs and entities. KeyBank is one of the first financial institutions to create teams dedicated exclusively to the Indian Country. Over time, we have learned how to better support your sector with meaningful and customized financial solutions.

Based on your tribe's cash flows, immediate needs, and long-term objectives, our team can help you enhance your assets' outcomes via a variety of cash management and investment strategies. We also bring deep regulatory knowledge and analytical experience to help identify the best options to leverage the value of these Funds. For instance, your ARP Funds can serve as seed capital for a program if your tribe's appropriation can't fully fund the project, or they can be deployed now to free up other Tribal resources.

Expertise and peace of mind

KeyBank's NAFS Team is committed to helping your tribe leverage opportunities like this unforeseen funding event and pursue your long-term goals. Contact us today to start creating effective, efficient strategies with confidence, now and in the future.

3 yrs +

Tribal governments will have until 12/31/24 to disburse Funds received.

60 yrs +

KeyBank has delivered customized solutions to Native American Tribes and their communities for more than 60 years.

To learn more, contact:

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