

INCREASING TIMELY REPORTING BY LOCAL GOVERNMENTS THROUGH REMINDERS



Sending reminder emails did not increase submission of spending reports

Target a Priority Outcome

As part of the American Rescue Plan (ARP), the Department of the Treasury (“Treasury”) is administering the State and Local Fiscal Recovery Funds program (SLFRF), which provides \$350 billion in funding for eligible state, local, territorial, and Tribal governments to support their response to and recovery from the COVID-19 public health emergency. Approximately 27,000 small cities and towns – referred to as non-entitlement units (NEUs) of local government¹ – were allocated \$19.5 billion of this funding. Treasury seeks to support NEUs to meet their reporting requirements in order to promote transparency, responsibility, and equity in the use of funds.² NEUs must submit their Project & Expenditure reports (“spending reports”) on Treasury’s American Rescue Plan (ARP) Reporting and Compliance Portal.

Translate Behavioral Insights

Reminders can make salient an action that busy individuals should take, but otherwise would forget. However, sending too many reminders may have the perverse effect of decreasing the saliency of the intended action by making the information redundant. The Office of Evaluation Sciences (OES) and Treasury collaborated to test the effectiveness of reminders that encourage NEUs to submit their spending reports. OES randomly assigned half of NEUs to receive an additional reminder email the week that their spending reports were due. The email included the same content and subject line that NEUs received the prior week, with just the addition of the word “reminder.”

¹ Non-entitlement units of local government (NEUs), defined in section 603(g)(5) of the Social Security Act, as added by section 9901 of the American Rescue Plan Act of 2021 are local governments typically serving populations of less than 50,000. NEUs include cities, villages, towns, townships, or other types of local governments.

² [U.S. Department of the Treasury, Coronavirus State and Local Fiscal Recovery Funds.](#)

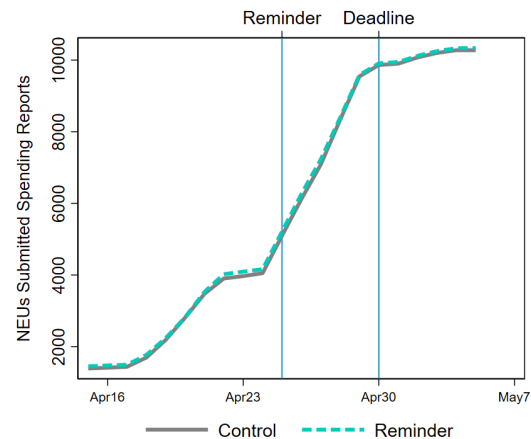
Embed Evaluation

OES evaluated the effectiveness of email reminders using a clustered and blocked randomized control trial.³ Clusters of NEUs were randomly assigned to receive (N=13,067 NEUs) or not receive (N=13,079 NEUs) an additional email with the same content that they had received the prior week. Treasury sent the emails the final week in April, 2022, six days before spending reports were due, and outcomes were measured one day after the reporting deadline, on May 1, 2022.

Analyze Using Existing Data

The analysis uses data from Treasury’s ARP Reporting and Compliance Portal. The primary analysis focuses on submission of spending reports one day after the reporting deadline, comparing NEUs who received the additional email to those that did not.

Figure 1: Number of NEUs that submitted spending reports on Treasury’s ARP Reporting and Compliance Portal



³ The same email address might be included on carbon copy (cc'd) on emails to multiple NEUs. We clustered NEUs based on shared email addresses to avoid assigning the same address to multiple treatment conditions. Within states, we organized clusters into a block of singletons and a block of non-singleton networks. This blocking scheme mitigates bias from correlation between cluster size and treatment effects.

Results

We found no evidence that email reminders increase or decrease the probability of submission. One day after reports were due, the proportion of NEUs that had submitted their spending reports among the group receiving the control email was 76%. The effect of sending an additional email message on the proportion of NEUs that submitted their spending reports one day after the reporting deadline was not statistically significant (0.002, $p = 0.70$; 95% CI [-0.008, 0.012]).

Build Evidence

This evaluation finds no statistically significant effect from additional reminders on NEUs' report submission. One implication is that agencies can focus efforts on increasing the clarity and quality of communications, rather than being concerned that the quantity is too low or too high. An important contextual factor to consider, however, is the proximity of the deadline. Future work can also investigate whether there were differing trends in submission rates between the group receiving the reminder treatment and the control group - either before or after the deadline - but that were not discernible the day after the deadline.