


INDIANA STATE BOARD OF ACCOUNTS

**Accounting for
CARES Act Funding**

**Common Issues &
Resolutions**

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What We'll Cover Today



- **Funds – Separate and Names**
- **What Fund Number to Use**
- **When to Spend Reimbursements**
- **Appropriations**
- **AFR Reporting**



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Funds – Separate & Names

“How many funds do I need?”

- A separate fund for each CARES grant received
- Might only be one fund if all you get is the reimbursement for public safety costs from the Indiana Finance Authority (IFA)
- When receiving CARES funding, you need to determine which specific grant is involved – the entity sending you the money should be able to tell you if you aren’t sure

“What do I name the funds? They can’t all be just CARES or COVID.”

- Make them grant-specific
- Identifiable
 - ✓ CARES IFA
 - ✓ CARES CDBG
 - ✓ CARES Airport Improvement

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What Fund Number to Use

CARES Provider Relief Fund – use fund 264

(memo 4/20/2020)

CARES Relief from IFA, or any other CARES money - use a fund number in the range of 150-175

(memo 4/29/2020 revised 9/29/2020)



Accounting and Appropriation of COVID-19 Grants
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In anticipation of several separate funds being necessary, the following fund numbering system should be followed:

- Counties: 8901-8925
- Cities/Towns: 150-175
- Schools: 7943-7949
- Township: Assign an available number in your system

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"Do I have to spend reimbursements by the end of the year?"



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When to Spend Reimbursements

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We are not aware of any requirements to spend reimbursed money by the end of the year.

Check with your grantor or pass-through entity to determine if there are any spending requirements in 2021 and beyond

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When to Spend Reimbursements

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When to appropriate and when not necessary

First Consideration: IFA reimbursed public safety payroll costs

2 options:

- Reverse expense out of various funds to separate CARES fund, or
- Transfer reimbursed amount from separate CARES fund to General

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Appropriations

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When to appropriate and when not necessary

Reverse Expenses

- Reverse expense out of originating fund
- Post expense to CARES fund
- Receipt reimbursement to CARES fund

Appropriation in CARES fund *NOT* required

Council can, however, if they want

Transfer reimbursed amount to General

- Receipt reimbursement to CARES fund
- Council pass ordinance or resolution to transfer reimbursed payroll costs to General
- Transfer money to General

- ✓ **Appropriation in General *IS* required to spend**
- ✓ **Normal procedures for additional**
- ✓ **Appropriation in CARES fund *NOT* required** (Council can, however, if they want)

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Appropriations

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Appropriations

When to appropriate and when not necessary

Second Consideration: Non-IFA public safety payroll CARES grants

- **Provider Relief**
 - **CDBG Cares**
 - **Airport Improvement CARES**
 - **Others**
- Reimbursement grants require local appropriation without going through the additional appropriation process (IC 6-1.1-18-7.5)

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AFR Reporting

AFR Unit Questions ?

Please answer all of the questions below by clicking Yes or No as appropriate. Please make sure you answer the questions correctly as they will determine the information required for you to complete your annual report.

<p>1. Has your unit received or disbursed any Federal money from grants?</p> <p>The amount of Federal funding that is received or disbursed during the year affects the type of engagement that you are required to have performed by the State Board of Accounts as well as the format and content of the Financial Statements. Federal grants can come to you in different forms including: direct grants from Federal agencies; Amounts passed through from the State; Loan and Loan guarantee programs; Receipt of Donated property; Food commodities; Interest subsidies; Insurance; Endowments; and Program income. Click below for more information on grants. Additional Information</p>	<p><input checked="" type="radio"/> Yes <input type="radio"/> No</p>
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AFR Reporting

Grants ?

Complete the Grant Schedule for grants you received or disbursed money from during the year.

Make sure to press the ENTER key on the keyboard after entering a number to make sure it is saved!

Delete	Local Project Name/Description	Federal Program Title/Project Name	Local Fund Number/Name	Receipts	Disbursements	Amount of Federal Awards Provided to Subrecipients During the Year	Amount of Loans Outstanding at Year End	Amount of Federal Noncash Assistance for the Year
✗	CARES Grant Fund	Coronavirus Relief Fund	150 CARES grant fund	\$500,000.00	\$500,000.00	\$0.00	\$0.00	\$0.00
✗	CARES Provider Relief	Provider Relief Fund	264 CARES Provi	\$12,345.00	\$12,345.00	\$0.00	\$0.00	\$0.00

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One more (non-CARES) thing . . .

Paying your audit costs is changing (slightly).

City or town audit costs (not including utility costs) will still be deducted from your tax settlement from your County Auditor.

Utility costs will still be invoiced for payment. However, the State will no longer be accepting checks.

You will be required to pay for utility audit costs by ACH.



Paying for Audits

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Questions & Contacts

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