



# Accounting for FEMA & CARES Federal Grants

Fall 2020 Auditor Virtual Conference

1

## COVID-19 Grants

---

- ✓ CARES Act Provider Grants
- ✓ FEMA Grants
- ✓ COVID 19 Grants (CARES Act)
  - ❖ Indiana Finance Authority
  - ❖ Secretary of State
  - ❖ Department of Health
  - ❖ Indiana Office of Community & Rural Affairs (CDBG)
  - ❖ Federal Aviation Administration - Airport



2

## CARES Act Provider Grants

---

- ✓ Provider Relief Fund
  - ❖ CFDA# 93.498
  - ❖ General and Targeted Advance Distribution
- ✓ COVID-19 Testing for the Uninsured
  - ❖ CFDA# 93.461
  - ❖ Testing and Treatment Reimbursements



## Provider Relief Fund

CFDA# 93.498

---

- ✓ Automatically received payment if received Medicare Fee-for-Service reimbursements in 2019
- ✓ Wired directly into bank account via Optum Bank - "HHSPAYMENT"
- ✓ Once payment received an Attestation confirming receipt and agreeing to terms and conditions
- ✓ Receipted into fund 8900



## CARES Act Provider Relief Fund Resources

---

- ✓ Website - <https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/index.html>
  - ❖ Includes information in Terms & Conditions, FAQ's, Reporting, etc..
- ✓ CARES Act Fund Numbers, April 20,2020 Memo - [https://www.in.gov/sboa/files/Cares%20Act%20Fund%20Numbers%2004\\_20\\_2020.pdf](https://www.in.gov/sboa/files/Cares%20Act%20Fund%20Numbers%2004_20_2020.pdf)



Indiana State Board of Accounts

5

## COVID-19 Testing for the Uninsured

CFDA# 93.461

---

- ✓ Reimbursement based on Medicare rates
- ✓ Uses Optum Bank - Account for direct deposit
- ✓ Provider must attest patient does not have coverage
- ✓ Receipted into fund 8901 - 8925



Indiana State Board of Accounts

6

## COVID-19 Testing for the Uninsured Resources

---

- ✓ Health Resources & Services Administration -  
<https://coviduninsuredclaim.linkhealth.com/>
  - ❖ Includes overview information and how to get started
- ✓ Frequently Asked Questions  
<https://www.hhs.gov/sites/default/files/provider-relief-fund-general-distribution-faqs.pdf>



## Accounting for CARES Act Provider Grants

---

- ✓ Maintained in separate fund
  - ❖ Clearly identifies assistance provided
  - ❖ COVID should be a part of the title
- ✓ Track expenditures and assistance received
- ✓ Maintain all supporting documentation and correspondence
- ✓ Follow the Grant Agreement



## FEMA Grants

---

- ✓ Separate Fund needed
- ✓ Track all expenditures
- ✓ Maintain all supporting documentation
- ✓ Follow the agreement in place



## COVID 19 Grants (CARES Act)

---

- ✓ Indiana Finance Authority
- ✓ Secretary of State
- ✓ Department of Health
- ✓ Indiana Office of Community & Rural Affairs (CDBG)
- ✓ Federal Aviation Administration - Airport



## Accounting for COVID 19 Grants

---

- ✓ Maintained in separate fund
  - ❖ Clearly identifies assistance provided
  - ❖ COVID should be a part of the title
- ✓ Track expenditures and assistance received
- ✓ Maintain all supporting documentation and correspondence
- ✓ Follow the Grant Agreement



## Coronavirus Relief Fund (CFDA# 20.019)

---

- ✓ Distributed by Indiana Finance Authority (IFA)
- ✓ Commissioners - Acceptance Certifications
- ✓ Each county has an allotment of funds
- ✓ Reimbursement Grant
- ✓ County can Pass-Thru grant monies



## Accounting and Appropriation of COVID-19 Grants Memo - Dated April 29, 2020

---

- ✓ Identified Fund numbers 8901-8925
- ✓ Accounting for in separate fund
- ✓ All expenditure records maintained
- ✗ ~~No appropriations needed~~
- ✓ Establishing internal controls
- ✓ Accounting for expenditures

Changed with  
Directive 2020-3



Indiana State Board of Accounts

13

## Accounting and Appropriation of COVID-19 Grants Memo - Dated April 29, 2020 *Cont...*

---

- ✓ Accounting for expenditures prior to receiving the grant:
  - ❖ Reverse the allowable disbursement from the original fund
  - ❖ Post the allowable disbursement to the appropriate COVID grant fund
  - ❖ Reinstate the fund balance in original fund
  - ❖ Re-appropriates the original fund



Indiana State Board of Accounts

14

## Example: Commissioners sign certification and reimbursement request sent 5/10/20

		Cash Balance	Appropriation
General Fund (1000)		12,000,000.00	
Supplies Expenditure Line:			20,000.00
2/15/20 Walmart - Copy Paper	250.00	11,999,750.00	19,750.00
2/15/20 Staples - Ink	50.00	11,999,500.00	19,700.00
2/26/20 PPE	600.00	11,998,900.00	19,100.00
5/10/20 PPE -COVID CORRECTION	(600.00)	11,999,500.00	19,700.00

Cash Balance & Appropriation have been re-instated.

		Cash Balance	Appropriation
Coronavirus Relief Fund (8904)		0.00	
Supplies Expenditure Line:			0.00
5/10/20 PPE -COVID CORRECTION	600.00	(600.00)	0.00



## Accounting and Appropriation of COVID-19 Grants Memo - Dated April 29, 2020 *Cont...*

- ~~✗~~ Disburse directly from grant fund once received
- ✓ Reimbursable Grant fund can be negative while waiting for the reimbursement
- ✓ All documentation of moving the expense needs to be maintained
- ✓ Any expenditure not reimbursed would need to be made whole by the county

Changed with Directive 2020-3







## Directive 2020-3

---

- ✓ Outlines 3 Frameworks for Reimbursed costs other than Public Health and Safety Payroll Costs
- ✓ Outlines the two options for Reimbursed Public Health and Safety Payroll Costs
- ✓ <https://www.in.gov/sboa/files/Directive%202020-3%20Accounting%20for%20CARES%20Administered%20by%20IFA%2010.22.2020.pdf>



Indiana State Board of Accounts

17

## Coronavirus Relief Fund - Update

---

- ✓ Public Safety and Public Health Payroll costs are now eligible for reimbursement
- ✓ Payroll costs incurred March 1, 2020 to September 30, 2020
- ✓ Up to the allocated amount
- ✓ Priority Reimbursements



Indiana State Board of Accounts

18

## Accounting and Appropriation of COVID-19 Grants Memo – Updated 9/29/20

---

- ✓ Accounting for public safety / public health payroll costs reimbursed:
  - ❖ Reverse the allowable disbursement from the original fund
  - ❖ Post the allowable disbursement to the appropriate COVID grant fund
  - ❖ Reinstate the fund balance in original fund
  - ❖ Re-appropriates the original fund



## Accounting and Appropriation of COVID-19 Grants Memo – Updated 9/29/20 *Cont...*

---

- ✓ Restored Appropriation:
  - ❖ Council would reduce the appropriation since it is no longer needed
  - ❖ Frees up the balance in the original fund for re-appropriation or remains as part of the available fund balance for next years budget.
  - ❖ Proper appropriation procedures would apply



## CARES Reimbursement of Public Health and Public Safety Payroll Costs Memo 9/30/20

---

- ✓ Alternative Process to provide maximum flexibility
  - ❖ Determine allowable payroll costs to be reimbursed and request reimbursement
  - ❖ Receipt reimbursed payroll costs to appropriate Coronavirus Relief fund
  - ❖ Commissioner need to adopt ordinance that this alternative process will be used
  - ❖ Claim will be created to move reimbursement to General Fund
  - ❖ Once in General fund normal appropriations procedures should be followed



## Commonly Asked Questions

---

- ✓ Does the alternative process apply to public safety / public health payroll costs only? **Yes**
- ✓ Is the alternative process a requirement? **No**
- ✓ Can we transfer the payroll costs to another fund by claim instead of the general fund? **No**



## State Board of Account Directives & Memos

- ✓ These are all on the SBOA Home page: <https://www.in.gov/sboa/>
  - ❖ Accounting and Appropriation of COVID-19 Grants 4/29/20: [https://www.in.gov/sboa/files/COVID%20Grant%20Accounting%20and%20Appropriations%2004\\_29\\_2020.pdf](https://www.in.gov/sboa/files/COVID%20Grant%20Accounting%20and%20Appropriations%2004_29_2020.pdf)
  - ❖ Accounting and Appropriation of COVID-19 Grants updated 9/29/20: [https://www.in.gov/sboa/files/COVID\\_Grant\\_Accounting\\_and\\_Appropriations\\_update%2009\\_29\\_2020.pdf](https://www.in.gov/sboa/files/COVID_Grant_Accounting_and_Appropriations_update%2009_29_2020.pdf)
  - ❖ CARES Reimbursement of Public Health and Public Safety Payroll Costs 9/30/20: [https://www.in.gov/sboa/files/Public%20Health\\_Public%20Safety%20Payroll%20Expenses%20and%20CARES%2009\\_30\\_2020.pdf](https://www.in.gov/sboa/files/Public%20Health_Public%20Safety%20Payroll%20Expenses%20and%20CARES%2009_30_2020.pdf)



Indiana State Board of Accounts

23

## Reporting Information to be included in the Schedule of Expenditures of Federal Awards

- ✓ CFDA Number
  - ❖ Grant Agreement
  - ❖ Grantor Agency
- ✓ Federal Program Title
  - ❖ <https://beta.sam.gov/>
- ✓ Pass Thru Entity
  - ❖ Who gave the county \$\$\$?



Indiana State Board of Accounts

24

## SEFA – Federal Expenditures Reported

- ✓ Grant Type:
  - ❖ Reimbursement – County pays upfront
  - ❖ Advance – County gets grant upfront
- ✓ Enter Receipts and disbursements for each grant fund, the grant type you enter will determine which amount is reflected on the schedule



## SEFA – Other Considerations

- ✓ Subrecipients
  - ❖ The county passed through grant money to another political subdivision.
  - ❖ The amount given should be reported as: Amount of Federal Awards Provided to Subrecipients During the Year
  - ❖ No Separate Fund needed

	Amount of Federal Awards Provided to Subrecipients During the Year	Federal Expenditures
CFDA #21.019 Coronavirus Relief Fund	25,000	350,000

The \$25,000 is also included in the \$350,000



## SEFA – Other Considerations *Continued...*

---

- ✓ Noncash Assistance
  - ❖ Such as Equipment and Supplies are given instead of money
  - ❖ The amount of Federal Noncash Assistance should be reported
  - ❖ Determine the value of the noncash assistance, this value should be reasonable and consistently applied



Indiana State Board of Accounts

27

## Contact Information

---

*Lori Rogers & Ricci Hofherr*  
*Directors of Audit Services for Counties*  
*(317) 232-2512*  
[Counties@sboa.in.gov](mailto:Counties@sboa.in.gov)



Indiana State Board of Accounts

28

# Questions?????

