



<h1>ARPA & CARES Funds</h1> <p>Auditors Fall Annual Conference October 2021</p>	
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<p>The Audit:</p> <p>CARES Grants</p>	 <ul style="list-style-type: none">✓ Was a separate fund created?• Range: 8901 -8925• No comingling• Zero Balance
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The Audit:

CARES
Grants

✓ Compliance Supplement

- Allowable Activities
- Allowable Costs
- Period of Performance
- Reporting

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The Audit:

Coronavirus
Relief Fund
21.019
(IFA Administered)


✓ State Examiner Directive 2020-3 was followed?

- Non-Payroll costs reimbursed
 - ❖ Appropriated
 - ❖ Movement of Expense
 - ❖ Timely posting


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<p>The Audit:</p> <p>Coronavirus Relief Fund</p> <p>21.019 (IFA Administered)</p>	 <p>✓ State Examiner Directive 2020-3 was followed?</p> <ul style="list-style-type: none"> • Payroll Costs reimbursed <ul style="list-style-type: none"> ❖ Option 1: Movement of Expense ❖ Option 2: Ordinance and timely transfer by claim to General Fund
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<p>The Audit:</p> <p>Coronavirus Relief Fund</p> <p>21.019 (IFA Administered)</p>	 <p>✓ State Examiner Directive 2020-3 was followed?</p> <ul style="list-style-type: none"> • Zero Balance <ul style="list-style-type: none"> ❖ All postings have occurred ❖ If a reimbursement was not received until January 2021, then the fund should be zero by 12/31/21.
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The Audit:

Results

- ✓ Any and all findings need to be corrected.
- ✓ Contact Lori and Ricci for any needed assistance

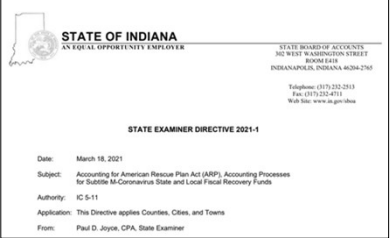
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ARP :

Coronavirus
State and
Local Fiscal
Recovery
Funds


- ✓ State Examiner Directive 2021-1
 - Accounting procedures for federal assistance received through the American Rescue Plan.




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<p>ARP : Coronavirus State and Local Fiscal Recovery Funds</p>	 <p>✓ Separate Fund Required</p> <ul style="list-style-type: none"> • Fund # Range - 8950 - 8975 <p>✓ Ordinance</p> <ul style="list-style-type: none"> • Specify uses in accordance with Section 603(c) • Reference Detailed Plan <p>✓ Appropriations</p>
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<p>ARP : Coronavirus State and Local Fiscal Recovery Funds</p>	 <p>AUDIT</p> <p>✓ Accounting for costs within ARP fund</p> <p>✓ Internal Controls</p> <p>✓ Documentation & Explanation of costs in compliance with Section 603 & Treasury Guidance</p> <p>✓ Uniform Compliance Requirements</p>
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ARP :

**Coronavirus
State and
Local Fiscal
Recovery
Funds**

- ✓ There are 12 Compliance Requirements federal programs
- ✓ Main ones for ARP (others may apply):
 - Activities Allowed or Unallowed
 - Allowable Costs / Cost Principles
 - Equipment & Real Property Mgt
 - Period of Performance
 - Procurement and Suspension and Debarment
 - Reporting
 - Special Tests and Provisions
- ✓ https://www.whitehouse.gov/wp-content/uploads/2021/08/OMB-2021-Compliance-Supplement_Final_V2.pdf

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ARP :


**Coronavirus
State and
Local Fiscal
Recovery
Funds**

- ✓ Updates www.in.gov/sboa
- COVID-19 Resources
 - ❖ Directive 2021-1
 - ❖ Accounting Processes Memo
 - ❖ Interest Earned Memo
 - ❖ Revenue Loss Calculation Video


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<p>ARP : Coronavirus State and Local Fiscal Recovery Funds</p>	<p>Accounting Processes Memo (Updated May 12th)</p>	
	<p>✓ Section 603(c)(1)(A). Grants and programs to respond to the public health emergency or its negative economic impacts under Section 603 (c)(1)(A) should be through written agreement with the recipient. Disbursements to grantees and program recipients must be documented and in compliance with the written agreement.</p>	


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<p>ARP : Coronavirus State and Local Fiscal Recovery Funds</p>	<p>Accounting Processes Memo (Updated May 12th)</p>	
	<p>✓ 603(c)(1)(B) Premium Pay. If your local plan includes premium pay, maintain <u>documentation/explanation</u> that the premium pay meets the definitions and requirements of the ARPA and Interim Final Rule.</p>	


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<p>ARP : Coronavirus State and Local Fiscal Recovery Funds</p>	<p>Accounting Processes Memo (Updated May 12th)</p>	
	<p>✓ 603(c)(1)(B) Premium Pay (Continued)...</p> <ul style="list-style-type: none"> • Make sure you know the definitions! <ul style="list-style-type: none"> ❖ Premium Pay – Section 602(g) ❖ Eligible Worker – Section 603(g); Page 131 IFR ❖ Essential Worker – Page 131 IFR ❖ Essential Critical Infrastructure Sectors – Examples on page 48 of IFR 	


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<p>ARP : Coronavirus State and Local Fiscal Recovery Funds</p>	<p>Accounting Processes Memo (Updated May 12th)</p>	
	<p>✓ 603(c)(1)(B) Premium Pay (Continued)...</p> <ul style="list-style-type: none"> ✓ If the premium pay increases a worker's total pay above 150% of the greater of the state and county average annual wage, written justification must be maintained to show how the premium pay responds to the needs of these workers. (IFR page 49 and FAQ 28). ✓ Premium Pay may not exceed \$25,000 per eligible worker. (Section 603(c)(1)(B)) 	


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<p>ARP : Coronavirus State and Local Fiscal Recovery Funds</p>	<div style="text-align: right;">  </div> <p>Accounting Processes Memo (Updated May 12th)</p> <p>✓ 603 (c)(1)(C) Revenue Reduction:</p> <ul style="list-style-type: none"> • https://www.youtube.com/watch?v=2u87DOF2IB8 • Maintain Documentation and Explanations for all calculations for reduce reduction • The costs incurred for the provision of government services may not exceed the total amount of revenue reduction.
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<p>ARP : Coronavirus State and Local Fiscal Recovery Funds</p>	<div style="text-align: right;">  </div> <p>Accounting Processes Memo (Updated May 12th)</p> <p>✓ 603 (c)(1)(C) Revenue Reduction(Continued)...</p> <ul style="list-style-type: none"> • Government services can include, but are not limited to: <ul style="list-style-type: none"> ❖ maintenance of infrastructure or pay-go spending for building new infrastructure, including roads; ❖ modernization of cybersecurity, including hardware, software, and protection of critical infrastructure; ❖ health services; ❖ environmental remediation; ❖ school or educational services; ❖ and the provision of police, fire, and other public safety services
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<p>ARP : Coronavirus State and Local Fiscal Recovery Funds</p>	<div style="text-align: right;">  </div> <p>Accounting Processes Memo (Updated May 12th)</p> <ul style="list-style-type: none"> ✓ Reporting Requirements for Counties <ul style="list-style-type: none"> • Interim Report due August 31, 2021 • Initial Quarterly Project and Expenditure Report due January 31, 2022 • If population exceeds 250,000 – Annual Recovery Plan Performance
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<p>ARP : Coronavirus State and Local Fiscal Recovery Funds</p>	<div style="text-align: right;">  </div> <p>✓ Record Retention:</p> <ul style="list-style-type: none"> • Five years after all funds have been expended or returned, including records demonstrating that the award funds were used for eligible purposes. (US Treasury FAQ 44 (as of May 10).
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