

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

ROBERT YU
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

August 31, 2020

The Honorable Donovan Dela Cruz, Chair
and Members of the Senate Special Committee
on COVID-19
Hawaii State Capitol
235 South Beretania Street, Room 208
Honolulu, Hawaii 96813

Dear Chair Dela Cruz and Committee Members:

In response to your August 25, 2020 request sent separately to all departments, the Department of Budget & Finance provides the below information based upon its tracking of the State's use of CARES Act payments. Certain departments also have responded directly to the Committee. It is our understanding based upon further clarification from the Committee that your questions are specific to the money from the Coronavirus Relief Fund established by the CARES Act.

What are the total dollars appropriated, disbursed and expended to date?

The State received a \$862.8 million direct payment from the Coronavirus Relief Fund to assist with the impact of COVID-19. To date, we have allotted \$462.7 million to help renters, homeowners, and businesses impacted by the pandemic.

Attachment A outlines the monthly comprehensive CARES Act funding that has been reported to the legislature pursuant to Acts 8 and 9 (SLH 2020). The latest report was filed on August 14, 2020 for the period ending July 31, 2020. The report presents all CARES Act awards.

With respect to the \$862.8M the state received from the Coronavirus Relief Fund, page 2 of the attachment shows the balances and expenditures as of July 31, 2020.

Attachment B shows the updated Coronavirus Relief Fund balances as of August 28, 2020, which totals \$399.1M, along with the status of each appropriation in the comments column.

Reason(s) for unspent funds?

The status of appropriations in Act 8 & Act 9 (SLH) is included in the comments section of attachment B. A total of \$463.7 million appropriated were encumbered or transferred in August. Thus, program expenditures will begin showing up in September.

What program/services or other purchases have resulted from the CARES funds?

Attachment B describes the programs and services appropriated in Act 8 and Act 9 (SLH 2020).

Who is being served by the programs/services or other purchases?

Services are being provided as mandated in Acts 8 and 9 (SLH 2020).

What metrics of performance have been established to ensure funds will be spent by December 2020?

Departments have spend plans that are monitored closely and reported regularly to department leadership and the legislature. Deputy Director Robert Yu has been designated by the Administration as the point person for the Departments' expenditure of CARES Act funds.

With respect to appropriations under Acts 8 and 9 that involve the facilitation of third-party administrators, departments will oversee the third-party administrators to ensure the program plans are carried out for the individual, household or businesses they are designed to assist.

We hope that this answers your questions concerning the Coronavirus Relief Fund under the CARES Act.

Respectfully,



Craig Hirai
Director of Finance

Enclosures: July-Report to the Legislature on COVID-19 Spending
Coronavirus Relief Fund Appropriations
US Treasury and Office of the Inspector General Guidance and FAQs

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OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

August 14, 2020

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirtieth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott Saiki, Speaker
and Members of the House of
Representatives
Thirtieth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a report for the period ending July 31, 2020 that describes allocations and expenditures from the Coronavirus Relief Fund award from the U.S. Treasury as appropriated in P.L. 116-136 the Coronavirus Aid, Relief and Economic Security Act ("CARES" Act). This report fulfills the monthly reporting requirements as required by Act 008, SLH 2020 and Act (009), SLH 2020.

I am also transmitting for your information a report for the period ending July 31, 2020 that provides revenue and expenditure information for all COVID-19 awards to state departments. The preparation of these reports involves the participation of the departments receiving COVID-19 awards and the Department of Accounting and General Services.

In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at <http://budget.hawaii.gov/budget/reports-to-the-legislature/>.

Sincerely,

/s/

CRAIG K. HIRAI
Director

Enclosures: Allocations and Expenditures from the Coronavirus Relief Fund

Covid-19 Awards Received by Hawaii State Departments - Revenue,
Expenditure, Encumbrance Balance Report

As of: July 31st, 2020

CORONAVIRUS RELIEF FUND 1 - ALLOCATIONS AND EXPENDITURES

REVENUE

Received	Amount
4/15/2020	\$ 625,000,000.00
4/24/2020	\$ 237,823,978.80
TOTAL	\$ 862,823,978.80

COUNTY ALLOCATIONS

County	Amount Allocated	Cash Transferred	Expenditures (Cumulative)	Unexpended Transfer Balance	Comments
Kauai	\$ 28,715,551.00	\$ 14,357,775.50	\$ 6,874,754.41	\$ 7,483,021.09	50% transferred 6/18/20
Maui	\$ 66,598,757.00	\$ 33,299,378.50	\$ 2,814,298.91	\$ 30,485,079.59	50% transferred 6/18/20
Hawaii	\$ 80,009,671.00	\$ 40,004,835.50	\$ 4,354,991.00	\$ 35,649,844.50	50% transferred 6/18/20
TOTAL	\$ 175,323,979.00	\$ 87,661,989.50	\$ 14,044,044.32	\$ 73,617,945.18	

DEPARTMENT SUBAWARDS

Department	Amount Allocated	Cash Transferred	Expenditures (Cumulative)	Unexpended Transfer Balance	Comments
Department of Human Services	\$ 2,000,000.00	\$ 2,000,000.00	\$ -	\$ 2,000,000.00	Approved by Governor 6/9/2020
Department of Labor and Industrial Relations	\$ 1,360,000.00	\$ 1,360,000.00	\$ 785,340.00	\$ 574,660.00	Approved by Governor 5/20/2020
Department of Defense	\$ 40,000,000.00	\$ 10,000,000.00	\$ -	\$ 10,000,000.00	Approved by Governor 7/15/2020
Department of Business, Economic Dev & Tourism (BED160)	\$ 50,000,000.00	\$ -	\$ -	\$ -	Act 009/SB126 CD1; GM1112
Department of Human Services	\$ 15,000,000.00	\$ -	\$ -	\$ -	Act 009/SB126 CD1; GM1112
Department of Defense	\$ 61,000,000.00	\$ -	\$ -	\$ -	Act 009/SB126 CD1; GM1112
Department of Transportation (Airports)	\$ 70,000,000.00	\$ -	\$ -	\$ -	Act 009/SB126 CD1; GM1112
Department of Business, Economic Dev & Tourism (BED100)	\$ 10,000,000.00	\$ -	\$ -	\$ -	Act 009/SB126 CD1; GM1112
Department of Business, Economic Dev & Tourism (BED143)	\$ 10,000,000.00	\$ -	\$ -	\$ -	Act 009/SB126 CD1; GM1112
Department of Labor and Industrial Relations (LBR903)	\$ 5,000,000.00	\$ -	\$ -	\$ -	Act 009/SB126 CD1; GM1112
Department of Business, Economic Dev & Tourism (BED100)	\$ 3,000,000.00	\$ -	\$ -	\$ -	Act 009/SB126 CD1; GM1112
Department of Labor and Industrial Relations (LBR903)	\$ 1,000,000.00	\$ -	\$ -	\$ -	Act 009/SB126 CD1; GM1112
Office of the Governor	\$ 39,986,000.00	\$ -	\$ -	\$ -	Act 009/SB126 CD1; GM1112
TOTAL	\$ 308,346,000.00	\$ 13,360,000.00	\$ 785,340.00	\$ 12,574,660.00	

GRAND TOTALS

Amount Allocated	Transferred	Expenditures (Cumulative)	Unexpended Transfer Balance
\$ 483,669,979.00	\$ 101,021,989.50	\$ 14,829,384.32	\$ 86,192,605.18

¹: Appropriated in P.L. 116-136, The Coronavirus Aid, Relief, and Economic Security (CARES) Act

Department	Pgm ID	FAMS #	CFDA No.	CFDA Program Title	Award Name	Federal Agency	Award Date (Initial)	Performance Period Start/End Dates	Liquidation Date	Public Law	Award Amount (Cumulative)	Appropriation Account	Revenue (Drawdowns)	Expenditure	Encumbrance Balances	Notes
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Dept. of Health	HTH907	#2052	93.069	Public Health Emergency Preparedness	PHEP Cooperative Agreement	US DHHS/CDC	6/29/2019	07/01/2019 - 06/30/2024	9/30/2025	P.L. 116-136	\$5,075,000.00	S-20-220-H,S-20-223-H,S-20-250-H	\$38,911.75	\$38,911.75	\$37,837.63	Provision in P.L. 116-136 stipulates that States must receive 100 % allocation which Hawaii'i had already received NOA dated 6/29/19.
Dept. of Health	HTH131	#2250	93.354	Public Health Emergency Response: Cooperative Agreement for Emergency	Rapid funding by CDC	US DHHS/CDC	3/5/2020	03/05/2020 - 03/15/2021	12/4/2021	P.L. 116-123	\$6,317,500.00	S-20-637-H				New award.
Dept. of Health	HTH131	#2071	93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Epidemiology and Laboratory Capacity for Infectious Disease (ELC)	US DHHS/CDC	3/15/2020	08/01/2019-07/31/2024	10/31/2024	P.L. 116-123	\$57,319,228.00	S-20-501-H	\$1,036,525.00	\$981,493.69	\$1,026,917.20	COVID 19 supplementary funding total award amount \$57,319,228 added to existing award amount \$3,273,227.
Dept. of Health	HTH904	#2256	93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	Title III C1: Families First Coronavirus Response Act, Congregate Meals	US DHHS/ACL	3/20/2020	03/20/2020 - 09/30/2021	12/31/2021	P.L. 116-127	\$400,000.00	S-20-221-H	\$144,789.50	\$137,218.02	\$406,857.00	New award.
Dept. of Health	HTH904	#2258	93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	Title III C2: Families First Coronavirus Response Act, Home-Delivered Meals	US DHHS/ACL	3/20/2020	03/20/2020 - 03/30/2021	12/30/2021	P.L. 116-127	\$800,000.00	S-20-221-H	\$0.00	\$0.00	\$0.00	New award.
Dept. of Human Services	HMS401	#2136	93.778	Medical Assistance Program	Medical Assistance Payment	US DHHS/CMS	3/23/2020			P.L. 116-127	\$23,095,000.00	S-20-229-K	\$0.00	\$0.00	\$0.00	Temporary FMAP 6.2% increase for quarter January-March 31, 2020. Supplementary funding to existing award.
						US DHHS/CMS	4/3/2020				\$34,022,000.00		\$42,685,722.62	\$42,685,722.62	\$0.00	Temporary FMAP 6.2% increase for quarter April-June, 2020.
Dept. of Accounting & General Services	AGS879	#2286	90.404	2020 HAVA CARES Act	2020 HAVA CARES Act	Election Assistance Commission	3/28/2020	03/28/2020 - 03/27/2022	12/31/2020	P.L. 116-136	\$3,295,842.00	S-20-509-M	\$3,295,842.00	\$0.00	\$0.00	New award.
Dept. of Health	HTH907	#2058	93.889	National Bioterrorism Hospital Preparedness Program	Hospital Preparedness Program Cooperative Agreement	US DHHS	3/29/2020, 5/22/2020	07/01/2019 - 6/30/2024	9/30/2025	P.L. 116-136	\$174,660.00	S-20-246-H	74,173.68	74,170.74	\$75,000.00	Supplementary funding of \$924,660 to current award amount \$1,272,454.
Dept. of Defense	DEF110	#2268	97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	FEMA 4510-DR COVID-19/Disaster Grant-Public Assistance (Presidentially Declared Disasters)	US DHS	4/1/2020	01/20/2020 - 01/19/2024	4/18/2024		\$750,000.00	S-20-523-G	\$0.00	\$0.00	\$0.00	Type of Assistance- Public Assistance. Appropriation ceiling \$60,000,000. Cost reimbursement basis up to 75% federal cost share.
Dept. of Human Services	HMS224	#2074	14.231	Emergency Solutions Grant Program	Emergency Solutions Grant	US HUD	4/2/2020	07/01/2019 - 07/11/2021	6/30/2022	P.L. 116-136	\$1,567,697.00	S-20-216-K	\$0.00	\$0.00	\$0.00	Supplementary funding of \$1,567,697 to current award amount \$449,445.
Dept. of Human Services	HMS224	#2075	14.241	Housing Opportunities for Persons with AIDS	Housing Opportunities for Persons with AIDS (HOPWA)	US HUD	4/2/2020	07/22/2019 - 07/21/2022	10/21/2022	P.L. 116-136	\$39,007.00	S-20-222-K	\$0.00	\$0.00	\$0.00	Supplementary funding of \$39,007 to current award amount \$266,237.
Dept. of Labor and Industrial Relations	LBR903	#2271	10.568	Commodity Assistance Program (2 Year)	TEFAP ADMIN FFRA	USDA/FNS	4/6/2020	03/27/2020 - 09/30/2020	12/29/2020	P.L. 116-127	\$256,060.00	S-20-267-L			\$0.00	New award. Note: Awarded \$256,060 for ADM and \$880,070 for Food in P.L. 116-129; \$429,090 for ADM and \$848,598 for Food in P.L. 116-136. Decision was made locally to use only \$256,060 for ADM and \$2,158,758 for food. 8.5.20 - Though funds are not encumbered, OCS has contracted \$228,545 with local agencies to distribute food.
Dept. of Accounting & General Services	AGS881	#2021	45.025	Promotion of the Arts Partnership Agreements	FY 2019 State Partnership Agreement	NEA	4/9/2020	07/01/2019 - 06/30/2023	6/30/2025	P.L. 116-136	\$427,500.00	S-20-203-M	\$0.00	\$0.00	\$0.00	Supplementary funding of \$427,500 to current award amount \$737,800.
Dept. of Human Services	HMS302	#2275	93.575	Child Care and Development Block Grant	Child Care and Development Block Grant	US DHHS/ACF	4/13/2020	03/27/2020 - 09/30/2023	9/30/2023	P.L. 116-136	\$11,990,147.00	S-20-215-K,S-20-225-K,S-20-230-K,S-20-516-K,S-20-521-K,S-20-266-K	\$139,370.00	\$139,370.00	\$0.00	New award.
Executive Office of the State of Hawai'i	BUF101	#2287	21.109	Coronavirus Relief Fund	Coronavirus Relief Fund	US Treasury	4/15/2020, 4/24/2020	03/01/2020 - 12/30/2020	12/30/2020	P.L. 116-136	\$625,000,000.00, \$237,823,978.80	S-20-247-O, S-20-524-G,S-20-556-K,S-20-525-L	\$862,842,882.91	\$87,661,989.50	\$0.00	New award. Total award amount: \$862,823,978.80
Dept. of Health	HTH904	#2279	93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services	SSC3 CARES Act for Supportive Services under Title III B of the Older Americans Act	US DHHS/ACL	4/20/2020	04/01/2020 - 09/30/2021	12/31/2021	P.L. 116-136	\$1,000,000.00	S-20-221-H	\$0.00	\$0.00	\$0.00	New award.
Dept. of Health	HTH904	#2280	93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	HDC3 CARES Act for Nutrition Services under Title III C of the Older Americans Act	US DHHS/ACL	4/20/2020	04/01/2020 - 09/30/2021	12/31/2021	P.L. 116-136	\$2,400,000.00	S-20-221-H	\$0.00	\$0.00	\$0.00	New award.
Dept. of Health	HTH904	#2278	93.052	National Family Caregiver Support, Title III, Part E	FC3 CARES Act for Family Caregiver Support Program under Title III E of the Older Americans Act	US DHHS/ACL	4/20/2020	04/01/2020 - 09/30/2021	12/31/2021	P.L. 116-136	\$500,000.00	S-20-221-H	\$0.00	\$0.00	\$0.00	New award.
Dept. of Health	HTH904	#2277	93.042	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care	OMC3 CARES Act for Ombudman Program under Title VII of the Older Americans Act	US DHHS/ACL	4/20/2020	04/01/2020 - 09/30/2021	12/31/2021	P.L. 116-136	\$100,000.00	S-20-554-H	\$0.00	\$0.00	\$0.00	New award.
Dept. of Health	HTH560	#2289	93.301	Small Rural Hospital Improvement Grant Program	Coronavirus State Hospital Improvement Pgm	US DHHS/HRSA	4/17/2020	04/01/2020 - 09/30/2021	1/30/2022	P.L. 116-136	\$843,170.00	S-20-638-H	\$0.00	\$0.00	\$505,902.00	New award.
Dept. of Transportation	TRN 102, 111, 114, 131, 161,195	#2276, 2281, 2282, 2283, 2284, 2285	20.106	Airport Improvement Program	Airport Improvement Pgm	US DOT/FAA	4/20/2020	05/03/2020 - 05/03/2024	5/3/2024	P.L. 116-136	\$133,334,924.00	#2284, S-20-236-D, #2285, S-20-219-D, #2283, S-20-229-D, #2282, S-20-216-D, #2281, S-20-217-D, #2276, S-20-234-D	\$12,905,791.00	\$12,905,791.00	\$0.00	New award. Application dated 4/20/20. Airport Allocation: Hāna \$69,000; Port Allen \$1,000; Upolu \$1,000; Hilo International \$6,295,953; Daniel K. Inouye Intl \$74,811,046; Kahului \$23,656,740; \$13,085,108 Ellison Onizuka Kona Intl Keahole; Kalaupapa \$69,000; Waimea-Kohala \$69,000; Kalaheo (John Rodgers Field) \$30,000; Molokai \$1,497,842; Kapalea \$1,000; Lāna'i \$1,302,047; Līhu'e \$12,426,188; Dillingham Airfield \$20,000
Dept. of Education	EDN407	#2291	45.310	State Library Program	State Library Program/LSTA CARES ACT State Grants	IMLS	4/20/2020	04/21/2020 - 09/30/2021	12/30/2021	P.L. 116-136	\$127,936.00	S-21-248-E	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i, Kapi'olani Community College	UOH800	N/A	84.425E	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund	US DOE	4/24/2020	04/28/2020-04/27/2021		P.L. 116-136	\$1,011,471.00	N/A			\$0.00	New award.
University of Hawai'i, West O'ahu	UOH700	N/A	84.425E	Education Stabilization Fund	CARES Act: Student Aid	US DOE	4/24/2020	04/28/2020-04/27/2021		P.L. 116-136	\$697,500.00	N/A	\$70,400.00	\$70,400.00	\$0.00	New award.
University of Hawai'i, Honolulu Community College	UOH800	N/A	84.425E	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund	US DOE	4/24/2020	04/28/2020-04/27/2021		P.L. 116-136	\$553,694.00	N/A	\$697,500.00	\$697,500.00	\$0.00	New award.
University of Hawai'i, Hawai'i Community College	UOH800	N/A	84.425E	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund	US DOE	4/24/2020	04/28/2020-04/27/2021		P.L. 116-136	\$573,613.00	N/A	\$99,800.00	\$99,800.00	\$0.00	New award.
University of Hawai'i at Mānoa	UOH100	N/A	84.425E	Education Stabilization Fund	Higher Education Emergency Relief for University of Hawai'i at Mānoa	US DOE	4/25/2020	04/28/2020-04/27/2021		P.L. 116-136	\$5,504,934.00	N/A	\$143,600.00	\$143,600.00	\$0.00	New award.
University of Hawai'i, Kaua'i Community College	UOH800	N/A	84.425E	Education Stabilization Fund	Emergency Financial Aid Grants to Students Under the CARES Act	US DOE	4/27/2020	04/28/2020-04/27/2021		P.L. 116-136	\$267,842.00	N/A	\$2,528,420.00	\$2,603,275.00	\$0.00	New award.
University of Hawai'i, Leeward Community College	UOH800	N/A	84.425E	Education Stabilization Fund	CARES Act: Higher Education Relief Fund	US DOE	4/27/2020	04/28/2020-04/27/2021		P.L. 116-136	\$1,033,945.00	N/A	\$63,400.00	\$63,400.00	\$0.00	New award.
University of Hawai'i, Maui College	UOH800	N/A	84.425E	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund	US DOE	4/25/2020	04/28/2020-04/27/2021		P.L. 116-136	\$593,954.00	N/A	\$120,800.00	\$120,800.00	\$0.00	New award.
University of Hawai'i at Hilo	UOH800	N/A	84.425E	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund	US DOE	5/1/2020	04/28/2020-04/27/2021		P.L. 116-136	\$1,497,363.00	N/A	\$137,200.00	\$137,200.00	\$0.00	New award.
University of Hawai'i, Windward Community College	UOH801	N/A	84.425E	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund	US DOE	5/2/2020	04/28/2020-04/27/2021		P.L. 116-136	\$275,549.00	N/A	\$1,147,050.00	\$1,147,050.00	\$0.00	New award.
Dept. of Human Services, Hawai'i Public Housing Authority	HMS220	#2309	14.850	Public and Indian Housing	Public Housing Operating Funds Grant from CARE Act	US HUD	4/30/2020	03/27/2020 - 12/31/2020	12/31/2099	P.L. 116-136	\$4,128,858.00	S-20-220-K	\$413,046.00	\$413,411.00	\$0.00	Supplementary funding to existing award.
Dept. of Health	HTH495	#2293	93.665	Emergency Grants to Address Mental and Substance Use Disorders	Emergency Grants to Address Mental and Substance Use Disorders During Covid-19	SAMSHA	4/16/2020	04/20/2020 - 08/19/2021	11/16/2021	P.L. 116-136	\$2,000,000.00	S-20-519-H	\$5,091.14	\$3,554.42	\$1,536.72	New award.
Dept. of Education	EDN400	N/A	10.555	National School Lunch Program	Child Nutrition (2 Year)	USDA/FNS	4/24/2020	4/24/20-9/30/2020	12/31/2020	P.L. 116-136	\$28,297,498.47	S-20-240-E				New award.
Dept. of Attorney General	ATG100	#2295	16.034	Coronavirus Emergency Supplemental Funding Program	Hawai'i Coronavirus Emergency Supplemental Funding Program	US DOJ/BJA	4/30/2020	01/20/2020 - 01/31/2022	5/1/2022	P.L. 116-136	\$3,642,919.00	S-20-516-N	\$3,642,919.00	\$0.00	\$0.00	New award.
University of Hawai'i at Hilo	UOH800	N/A	84.425F	Education Stabilization Fund	CARES Act:Higher Education Emergency Relief Fund-UH Hilo Institutional Portion	US DOE	5/4/2020	05/05/2020-05/04/2021		P.L. 116-136	\$1,497,362.00	N/A	\$140,883.55	\$152,078.28	\$251,814.70	New award.
University of Hawai'i, Maui College	UOH800	N/A	84.425F	Education Stabilization Fund	CARES Act:Higher Education Emergency Relief Fund-UH Maui College Institutional Portion	US DOE	5/4/2020	05/05/2020-05/04/2021		P.L. 116-136	\$593,953.00	N/A	\$13,590.90	\$14,050.53	\$26,252.40	New award.

Department	Pgm ID	FAMS #	CFDA No.	CFDA Program Title	Award Name	Federal Agency	Award Date (Initial)	Performance Period Start/End Dates	Liquidation Date	Public Law	Award Amount (Cumulative)	Appropriation Account	Revenue (Drawdowns)	Expenditure	Encumbrance Balances	Notes
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
University of Hawai'i, Kap'olani Community College	UOH800	N/A	84.425F	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- Kap'olani Community College Institutional Portion	US DOE	5/4/2020	05/05/2020-05/04/2021		P.L. 116-136	\$1,011,470.00	N/A	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i, Kaua'i Community College	UOH800	N/A	84.425F	Education Stabilization Fund	Emergency Financial Aid Grants to Students Under the CARES Act (I)	US DOE	5/6/2020	05/05/2020-05/04/2021		P.L. 116-136	\$267,842.00	N/A	\$0.00	\$3,087.96	\$2,693.57	New award.
University of Hawai'i, Leeward Community College	UOH800	N/A	84.425F	Education Stabilization Fund	CARES Act Higher Education Emergency Fund (I)	US DOE	5/6/2020	05/05/2020-05/04/2021		P.L. 116-136	\$1,033,944.00	N/A	\$8,300.44	\$8,300.44	\$37,940.23	New award.
University of Hawai'i at Mānoa	UOH100	N/A	84.425F	Education Stabilization Fund	Higher Education Emergency Relief-Institu	US DOE	5/5/2020	05/05/2020-05/04/2021		P.L. 116-136	\$5,504,933.00	N/A	\$19,067.16	\$48,019.24	\$40,819.29	New award.
University of Hawai'i, Windward Community College	UOH800	N/A	84.425F	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund Intitutional Portion	US DOE	5/6/2020	05/05/2020-05/04/2021		P.L. 116-136	\$275,549.00	N/A	\$33,763.34	\$47,121.93	\$6,869.87	New award.
University of Hawai'i, West O'ahu	UOH700	N/A	84.425F	Education Stabilization Fund	University of Hawai'i West O'ahu Recipient Institutions Costs	US DOE	5/7/2020	05/05/2020-05/04/2021		P.L. 116-136	\$697,500.00	N/A	\$110,542.20	\$120,914.64	\$141,407.28	New award.
University of Hawai'i, Hawai'i Community College	UOH800	N/A	84.425F	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund-Instutional Portion	US DOE	5/6/2020	05/05/2020-05/04/2021		P.L. 116-136	\$573,613.00	N/A	\$0.00	\$0.00	\$88,056.34	New award.
University of Hawai'i, Honolulu Community College	UOH800	N/A	84.425F	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund for Institutions	US DOE	5/7/2020	05/05/2020-05/04/2021		P.L. 116-136	\$553,693.00	N/A	\$4,118.56	\$4,118.56	\$27,624.18	New award.
Dept. of Human Services	HMS206	#2301	93.568	Low-Income Home Energy Assistance	Low-Income Home Energy Assistance	US DHHS/ACF	5/8/2020	03/27/2020 - 09/30/2021	9/30/2021	P.L. 116-136	\$1,190,942.00	S-20-267-K	\$12,905.00	\$12,904.39	\$0.00	New award.
Dept. of Human Services	HMS301	#2302	93.671	Family Violence Prevention and Services/Domestic Violence Shelter	Family Violence Prevention	US DHHS/ACF	5/11/2020	03/27/2020 - 09/30/2021	12/31/2021	P.L. 116-136	\$149,206.00	S-20-268-K	\$0.00	\$0.00	\$0.00	New award.
Dept. of Education	EDN100	N/A	84.425D	Education Stabilization Fund	Elementary and Secondary School Emergency Relief Fund (ESSER)	US DOE	5/15/2020	5/14/2020-9/30/2022	12/30/2022	P.L. 116-136	\$43,385,229.00	N/A	\$190,000.00	\$4,848,320.69	\$14,353,791.08	New award.
Executive Office of the State of Hawai'i	GOV100	#2300	84.425C	Education Stabilization Fund	Governor's Emergency Education Relief Fund (GEER)	US DOE	5/5/2020	04/22/2020 - 09/30/2021	12/31/2021	P.L. 116-136	\$9,993,387.00	S-20-502-O	\$0.00	\$0.00	\$0.00	New award.
Dept. of Labor and Industrial Relations	LBR903	#2304	93.569	Community Services Block Grant	Community Services Block Grant	US DHHS/ACF	5/8/2020	03/27/2020 - 09/30/2022	12/29/2022	P.L. 116-136	\$1,372,494.00	S-20-271-L	\$1,645.38	\$1,645.38	\$0.00	New award.
Dept. of Human Services	HMS222	#2350	19.871	Section 8 Housing Choice Vouchers	CY2020 Housing Choice Vouchers-CARES Act Administrative Fees	US HUD	5/8/2020	03/27/2020 - 06/30/2021	12/31/2019	P.L. 116-136	\$560,130.00	S-20-219-K	\$21,292.00	\$21,292.00	\$0.00	New award.
Dept. of Human Services	HMS301	#2306	93.645	Stephanie Tubbs Jones Child Welfare Services Program	Child Welfare Social Services Pgm Title IV-B	US DHHS/ACF	4/23/2020	03/27/2020 - 09/30/2021	12/31/2021	P.L. 116-136	\$176,363.00	S-20-250-K	\$0.00	\$0.00	\$0.00	New award.
Dept. of Human Services	HMS301	#2169	93.659	Adoption Assistance	Adoption Assistance	US DHHS/ACF	5/12/2020	10/01/2019 - 09/30/2021	12/31/2021		\$426,700.00	S-20-255-K, S-20-203-K, S-20-513-K, S-20-525-K	\$0.00	\$832,778.00	\$0.00	Supplemental award to current amount of \$11,489,091. This supplement represents a 6.2% increase to the FMAP rate.
Dept. of Defense	DEF110	#2305	97.042	Emergency Management Performance Grants	FY2020 Emergency Management Performance Management Grant Pgm COVID-19	US DHS/FEMA	4/29/2020	01/27/2020 - 01/26/2022	4/26/2022	P.L. 116-136	\$1,006,027.00	S-20-220-G	\$0.00	\$0.00	\$0.00	New award.
Dept. of Business, Economic Dev. & Tourism	BED143	#2315	11.611	Manufacturing Extension Partnership	Innovate Hawai'i MEP Emergency Assistance Partnership	US Dept of Commerce	5/29/2020	06/01/2020 - 09/30/2021	12/31/2021	P.L. 116-136	\$132,000.00	S-20-532-B	\$0.00	\$0.00	\$0.00	New award.
Dept. of Health	HTH904	#2314	93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	COVID-19 ADCR Grant Stimulus	US DHHS/ACF	5/12/2020	04/01/2020 - 09/30/2021	12/31/2021	P.L. 116-136	\$300,000.00	S-20-522-H	\$0.00	\$0.00	\$0.00	New award.
Dept. of Labor and Industrial Relations	LBR135	#2312	17.277	WIOA National Dislocated Worker Grants / WIA National Emergency Grants	COVID-19 Employment Recovery	US Dept of Labor/ETA	5/20/2020	04/01/2020 - 06/30/2022	12/31/2022	P.L. 116-136	\$1,500,000.00	S-20-268-L	\$0.00	\$0.00	\$0.00	New award.
Dept. of Labor and Industrial Relations	LBR135	#2313	17.277	WIOA National Dislocated Worker Grants / WIA National Emergency Grants	COVID-19 Disaster Recovery	US Dept of Labor/ETA	5/20/2020	04/01/2020 - 06/30/2022	12/31/2022	P.L. 116-136	\$1,500,000.00	S-20-526-L	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i, Kap'olani Community College	UOH800	N/A	84.425L	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- MSI	US DOE	6/1/2020	06/08/2020-06/07/2021		P.L. 116-136	\$1,700,403.00	N/A	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i at Mānoa	UOH100	N/A	84.425L	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- MSI	US DOE	6/1/2020	06/08/2020-06/07/2021		P.L. 116-136	\$9,566,804.00	N/A	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i, Hawai'i Community College	UOH800	N/A	84.425L	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- MSI	US DOE	6/6/2020	06/08/2020-06/07/2021		P.L. 116-136	\$1,017,101.00	N/A	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i, Honolulu Community College	UOH800	N/A	84.425L	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- MSI	US DOE	6/6/2020	06/08/2020-06/07/2021		P.L. 116-136	\$940,828.00	N/A	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i, Kaua'i Community College	UOH800	N/A	84.425L	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- MSI	US DOE	6/6/2020	06/08/2020-06/07/2021		P.L. 116-136	\$472,524.00	N/A	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i, Leeward Community College	UOH800	N/A	84.425L	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- MSI	US DOE	6/6/2020	06/08/2020-06/07/2021		P.L. 116-136	\$1,775,424.00	N/A	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i, Windward Community College	UOH800	N/A	84.425L	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- MSI	US DOE	6/6/2020	06/08/2020-06/07/2021		P.L. 116-136	\$466,753.00	N/A	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i at Hilo	UOH800	N/A	84.425L	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- MSI	US DOE	6/6/2020	06/08/2020-06/07/2021		P.L. 116-136	\$2,691,303.00	N/A	\$13,700.83	\$16,180.51	\$8,532.24	New award.
University of Hawai'i, Maui College	UOH800	N/A	84.425L	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- MSI	US DOE	6/6/2020	06/08/2020-06/07/2021		P.L. 116-136	\$1,041,410.00	N/A	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i, West O'ahu	UOH800	N/A	84.425L	Education Stabilization Fund	CARES Act: Higher Education Emergency Relief Fund- MSI	US DOE	6/6/2020	06/08/2020-06/07/2021		P.L. 116-136	\$1,238,257.00	N/A	\$0.00	\$0.00	\$0.00	New award.
Dept. of Labor and Industrial Relations	LBR171	#2319	17.225	Unemployment Insurance	EUSSA 2020 Admin	US Dept of Labor/ETA	5/7/2020	03/18/2020 - 12/31/2020	3/31/2021	P.L. 116-127	\$3,939,342.00	S-20-269-L	\$0.00	\$0.00	\$0.00	New award.
Dept. of Labor and Industrial Relations	LBR171	#2324	17.225	Unemployment Insurance	COVID-19 Pandemic UI Grant Programs	US Dept of Labor/ETA	5/29/2020	04/01/2020 - 06/30/2021	8/15/2021	P.L. 116-136	\$1,741,402.00	S-20-272-L	\$383,801.00	\$1,405,658.23	\$0.00	New award.
Dept. of Transportation	TRN995	#2330	20.507	Federal Transit Formula Grants	Hawai'i DOT, FFY20 CARES Act, Section 5307 Small Urbanized Area	US DOT/FTA	6/16/2020	06/16/2020 - 06/30/2022	12/31/2022	P.L. 116-136	\$7,864,323.00	S-20-237-D	\$0.00	\$0.00	\$0.00	New award.
Dept. of Health	HTH560	#1953	93.136	Injury Prevention and Control Research and State and Community Based	Sexual Violence Primary Prevention and Education	US DHHS/CDC	6/19/2020	02/01/2019 - 01/31/2024	4/30/2024	P.L. 116-136	\$15,307.00	S-19-531-H	\$0.00	\$0.00	\$0.00	Supplementary funding to existing award.
Dept. of Transportation	TRN995	#2344	20.509	Formula Grants for Rural Areas	Hawai'i DOT, FFY20 CARES Act, Section 5311 Rural Grant-Operating & Replacement Assistance	US DOT/FTA	6/29/2020	06/29/2020 - 09/30/2023	12/31/2023	P.L. 116-136	\$8,906,600.00	*	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i at Mānoa	UOH100	N/A	93.107	Area Health Education Centers	Area Health Education Centers Program COVID-19	US DHHS/HRSA	5/8/2020	05/01/2020-04/30/2021		P.L. 116-136	\$95,455.00	N/A	\$0.00	\$0.00	\$0.00	New award.
University of Hawai'i at Mānoa	UOH100	N/A	93.211	Telehealth Programs	Coronavirus Telehealth Resource Centers	US DHHS/HRSA	4/17/2020	04/01/2020-03/31/2021		P.L. 116-136	\$828,571.00	N/A	\$37,342.45	\$37,342.45	\$3,316.23	New award.
Dept. of Health	HTH100	#2352	93.917	HIV Care Formula Grants	Ryan White HIV/AIDS Program Part B COVID19 Response	US DHHS/HRSA	5/19/2020	04/04/2020 - 03/31/2021	6/30/2021	P.L. 116-136	\$108,092.00	S-21-247-H	\$0.00	\$0.00	\$0.00	New award.
University of Hawaii Systems	UOH100	N/A	59.037	Small Business Development Centers	Small Business Development Centers CARES Act	US Small Business Adm	4/27/2020	04/01/2020-03/31/2021			\$1,280,000.00	N/A	\$0.00	\$159,372.37	\$3,197.40	New award.
University of Hawaii Systems	UOH100	N/A	47.041	Engineering	RAPID: Determine Community Disease Burden of COVID-19 by Probin Wastewater Microbiome	National Science Foundation	4/23/2020	5/1/2020 - 4/30/2021		National Science Foundation Act of 1950, as amended, 42 U.S.C. 1861 et seq.	\$151,956.00		\$0.00	\$0.00	\$0.00	New award.
University of Hawaii Systems	UOH100	N/A	47.070	Computer and Information Science and Engineering	Rapid: Modeling COVID-19 transmission and mitigation using contained populations	National Science Foundation	6/16/2020	7/01/2020 - 06/30/2021		National Science Foundation Act of 1950, as amended, 42 U.S.C. 1861 et seq.	\$199,023.00		\$0.00	\$0.00	\$0.00	New award.

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Department	Pgm ID	FAMS #	CFDA No.	CFDA Program Title	Award Name	Federal Agency	Award Date (Initial)	Performance Period Start/End Dates	Liquidation Date	Public Law	Award Amount (Cumulative)	Appropriation Account	Revenue (Drawdowns)	Expenditure	Encumbrance Balances	Notes
Dept. of Health	HTH131	#2045	93.268	Immunization and Vaccines for Children	Immunization and Vaccines-COVID19 Vaccine Response/PPHCEA	CDC	6/5/2020	07/01/2019 - 06/30/2024	9/30/2024		\$558,383.00	S-20-200-H	\$0.00	\$0.00	\$0.00	New award (added)
Dept. of Human Services	HMS222	#2351	14.871	Section 8 Housing Choice Vouchers	Housing Choice Voucher Program-Mainstream Program Vouchers	US HUD	8/1/2020	08/01/2020 - 07/31/2021		P.L. 116-136	\$269,084.00		\$0.00	\$0.00	\$0.00	New award.
Dept. of Human Services	HMS222	#2376	14.871	Section 8 Housing Choice Vouchers	Section 8 Housing Choice Voucher Program	US HUD	8/10/2020	03/27/2020 - 12/31/2020		P.L. 116-136	\$707,968.00		\$0.00	\$0.00	\$0.00	New award.
Totals:											\$1,318,017,440.27		\$933,306,693.55	\$157,940,349.48	\$17,046,365.36	

1. (HR 6074, P.L. 116-123) Coronavirus Preparedness and Response Supplemental Appropriation Act 2020, signed into law on March 6, 2020
2. (HR 6201, P.L. 116-127) Families First Coronavirus Response Act, 2020, signed into law on March 18, 2020
3. (HR 748, P.L. 116-136) The Coronavirus Aid, Relief, and Economic Security (CARES) Act, signed into law on March 27, 2020
4. (HR 266, P.L. 116-139) Paycheck Protection Program and Healthcare Enhancement Act, signed into law on April 24, 2020
5. (Other) Awarded to support COVID response but funding from a source other than four (4) COVID19 Public Laws listed above.

FIELD	Field Name	DEFINITION
1	Department	The expending agency that is authorized to expend federal funds appropriated in the budget bill or via Governor's approval to expend non-appropriated federal funds.
2	Pgm ID	The unique identifier for the specific program responsible for carrying out the program consisting of the abbreviation for the organization followed by the organization no. for the program.
3	FAMS #	The identification number assigned by the Federal Award Management System (FAMS).
4	CFDA No.	The number that is shown on the federal award notice which identifies the federal program in the Catalog of Federal Domestic Assistance database.
5	CFDA Program Title	The title of the program under which the federal award was funded in the Catalog of Federal Domestic Assistance.
6	Award Name	The name of the award as shown on the award notice.
7	Federal Agency	The federal agency that provided the federal award to the non-Federal entity.
8	Award Date (Initial)	The date when the federal award notice was signed by the authorized official of the federal awarding agency.
9	Performance Period Start/End Dates	The time during which the non-federal entity may incur new obligations to carry out the work authorized under the federal award. The federal awarding agency or pass-through entity must provide start and end dates of the period of performance on the federal award notice.
10	Liquidation Date	Date by which all funds must be expended as provided on the award notice. Normally 90 days after the ending date of the performance period.
11	Public Law	One of the four federal Coronavirus bills that appropriated funds for the award. (PL 116-123) Coronavirus Preparedness and Response Supplemental Appropriation Act 2020; (P.L. 116-127) Families First Coronavirus Response Act, 2020); (P.L. 116-136) The Coronavirus Aid, Relief, and Economic Security (CARES) Act; (P.L. 116-139) Paycheck Protection Program and Healthcare Enhancement Act.
12	Award Amount (Cumulative)	The amount of financial assistance awarded.
13	Appropriation Account	F = Fund type; FY = Fiscal year of the appropriation; ACCT = 3-digit code; D=Department (format: F-FY-ACCT-D)
14	Revenue (Drawdowns)	Revenue amount as recorded in the state's accounting system.
15	Expenditure	Expenditure amount as recorded in the state's accounting system.
16	Encumbrance	Encumbrance amount as recorded in the state's accounting system ("Contracts Balance" + "Claims (POs) Balance").
17	Notes	Relevant information to assist person viewing report

Act 009 (SB126) Appropriations								
	Program Descriptions	Appropriation	Appropriated to	Approved	Cash Transferred	Balance Available	Appropriation Account	Comments
Part XI	Housing Relief and Resiliency Program	\$ 100,000,000.00	HHFDC	\$ 50,000,000.00	\$ 50,000,000.00	\$ 50,000,000.00	S-21-383-B	GM 1112 reduced appropriation from \$100 m to \$50 m. Approved 8/7/20. Governor's approval in blanket encumbrance memo of 7/31/20. Remaining \$50 m will be used to assist qualified renters and homeowners with back payments from March 1 - July 31, 2020 via Gov. E.O. signed on August 28, 2020. Signed contract with AUW & CCH for the first \$50 million on August 12.
Part XII	SCRF Childcare Facility Subsidy	\$ 15,000,000.00	HMS	\$ 15,000,000.00	\$ 15,000,000.00	\$ -	S-21-353-K	Approved 8/10/20. Governor's approval in blanket encumbrance memo of 7/31/20. Selected Hawaii Community Foundation as third party administrator.
Part XIII	SCRF Personal Protection Equipment (PPE)	\$ 61,000,000.00	DEF	\$ 61,000,000.00	\$ 61,000,000.00	\$ -	S-21-350-G	GM 1112 reduced appropriation from \$100 m to \$61 m. Approved 8/12/20. Governor's approval in blanket encumbrance memo of 7/31/20. Status meetings are held weekly with DOD and House members
Part XIV	SCRF Airport Screening and Health Assurance Security Initiatives	\$ 70,000,000.00	TRN	\$ 70,000,000.00	\$ 70,000,000.00	\$ -	S-21-353-D	GM 1112 reduced appropriation from \$90 m to \$70 m. Approved 8/10/20. Governor's approval in blanket encumbrance memo of 7/31/20. Equipment and service contracts in place.
Part XV	SCRF Retraining and Workforce Development	\$ 10,000,000.00	BED100	\$ -	\$ -	\$ 10,000,000.00	S-21-363-B	GM 1112 reduced appropriation from \$36 m to \$10 m. Third party administrators contract structure under review.
Part XVI	Innovation Grants to Create a Supply Chain of Cleaning Supplies and Personal Protective Equipment	\$ 10,000,000.00	BED143	\$ 10,000,000.00	\$ 10,000,000.00	\$ -	S-21-365-B	GM 1112 reduced appropriation from \$15 m to \$10 m. Grant program adminster by Hawaii Technology Development Corp.
Part XVII	Food Distribution	\$ 5,000,000.00	LBR903	\$ 5,000,000.00	\$ 5,000,000.00	\$ -	S-21-352-L	Approved 8/11/20. Governor's approval in blanket encumbrance memo of 7/31/20. Selected Hawaii Community Foundation as third party administrator.
Part XVIII	Fishing Industry Support	\$ 3,000,000.00	BED100	\$ 3,000,000.00	\$ 3,000,000.00	\$ -	S-21-384-B	Program approved on August 24. DBEDT is working with 1) Hawaii Longline Assoc.; 2) Hawaii Seafood Council; and 3) Pacific States Marine Fisheries Commission.
Part XIX	Support for 2020 Graduates of Public High Schools	\$ 1,000,000.00	LBR903	\$ -	\$ -	\$ 1,000,000.00	S-21-353-L	GM 1112 reduced appropriation from \$2 m to \$1 m. Program under review due to restrictions in Act 009.
Part XX	Governor Discretionary Fund	\$ 39,986,000.00	GOVERNOR	\$ 39,986,000.00	\$ 31,000,000.00	\$ 8,986,000.00	S-21-350-Q	Approved by Governor's memo 8/12/20. Transferred \$31 million to DOE.
Part XXI	SCRF Unemployment Insurance Initiatives	\$ -	LBR	\$ -	\$ -	\$ -		GM 1112 deleted \$230m appropriation.
	Total Appropriations less line item vetos	\$ 314,986,000.00		\$ 253,986,000.00	\$ 245,000,000.00	\$ 69,986,000.00		
	Line item veto amounts to Emergency Budget Reserve Fund-CARES Act	\$ 321,000,000.00		\$ -	\$ -	\$ 321,000,000.00		Funds are not available until September 15, 2020.
	Total Act 009	\$ 635,986,000.00		\$ 253,986,000.00	\$ 245,000,000.00	\$ 390,986,000.00		

Act 008 (SB 75) Appropriations								
	Program Descriptions	Appropriation	Appropriated to	Approved	Cash Transferred	Balance Available	Appropriation Account	Comments
Section 2	COVID19 response	\$ 40,000,000.00	DEF	\$ 10,000,000.00	\$ 10,000,000.00	\$ 30,000,000.00	S-20-524-G	Authorized by Governor 7/15/20 memo. Transferred 7/22/20 from S-20-247-O.
				\$ 30,000,000.00	\$ 30,000,000.00	\$ (30,000,000.00)	S-20-527-G	Authorized by Governor's 8/10/20 memo for \$30,000,000. Transferred 8/14/20 from S-20-358-O
Section 3	Pandemic unemployment assistance program	\$ 1,360,000.00	LBR	\$ 1,360,000.00	\$ 1,360,000.00	\$ -	S-20-525-L (Non-app)	Transferred 6/2/20 from S-20-247-O. Appropriation Warrant assigned S-20-527-L.
Section 4	Information technology, systems, and staffing	\$ 8,154,000.00	LBR	\$ -	\$ -	\$ 8,154,000.00	S-20-528-L	This program for technology and staffing was approved.
Section 6	Information technology and other systems	\$ 2,000,000.00	HMS	\$ 2,000,000.00	\$ 2,000,000.00	\$ -	S-20-556-K (Non-app)	Transferred 6/12/20 from S-20-247-O. Appropriation Warrant assigned S-20-557-K.
Section 8	COVID19 response	\$ 80,009,671.00	Hawai'i County	\$ 80,009,671.00	\$ 80,009,671.00	\$ -	S-20-500-W	50% paid 6/18/20 from S-20-247-O. Remaining 50% paid on 8/31/2020
Section 9	COVID19 response	\$ 66,598,757.00	Maui County	\$ 66,598,757.00	\$ 66,598,757.00	\$ -	S-20-500-V	50% paid 6/18/20 from S-20-247-O. Remaining 50% paid on 8/31/2021
Section 10	COVID19 response	\$ 28,715,551.00	Kaua'i County	\$ 28,715,551.00	\$ 28,715,551.00	\$ -	S-20-500-X	50% paid 6/18/20 from S-20-247-O. Remaining 50% paid on 8/31/2022
Section 13	Thermal screening programs	\$ -	TRN	\$ -	\$ -	\$ -		36,000,000 appropriated from PL 116-139. Voided in SB126.
Section 14	Outbreak control, contact tracing programs and PPE	\$ -	HTH	\$ -	\$ -	\$ -	S-20-643-H	\$14,000,000 appropriated from PL 116-139. Voided in SB126.
Section 15	Emergency and Budget Reserve Fund (See Act 009 above)	\$ 635,986,000.00	BUF	\$ 635,986,000.00	\$ 635,986,000.00	\$ -	S-20-503-O	\$635,986,000 cash transferred from S-20-247-O on 8/11/20. MOF P.
	Total Act 008	\$ 862,823,979.00		\$ 854,669,979.00	\$ 854,669,979.00	\$ 8,154,000.00		
	Total Balance Available under Act 008 & 009					\$ 399,140,000.00	S-20-358-O	\$635,986,000 cash transferred from S-20-503-O on 8/11/20. MOF B.

Coronavirus Relief Fund
Guidance for State, Territorial, Local, and Tribal Governments
Updated June 30, 2020¹

The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The CARES Act established the Coronavirus Relief Fund (the “Fund”) and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.²

The guidance that follows sets forth the Department of the Treasury’s interpretation of these limitations on the permissible use of Fund payments.

Necessary expenditures incurred due to the public health emergency

The requirement that expenditures be incurred “due to” the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be “necessary.” The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

Costs not accounted for in the budget most recently approved as of March 27, 2020

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the

¹ This version updates the guidance provided under “Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020”.

² See Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act.

cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The “most recently approved” budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

Finally, the CARES Act provides that payments from the Fund may only be used to cover costs that were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020 (the “covered period”). Putting this requirement together with the other provisions discussed above, section 601(d) may be summarized as providing that a State, local, or tribal government may use payments from the Fund only to cover previously unbudgeted costs of necessary expenditures incurred due to the COVID-19 public health emergency during the covered period.

Initial guidance released on April 22, 2020, provided that the cost of an expenditure is incurred when the recipient has expended funds to cover the cost. Upon further consideration and informed by an understanding of State, local, and tribal government practices, Treasury is clarifying that for a cost to be considered to have been incurred, performance or delivery must occur during the covered period but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred). For instance, in the case of a lease of equipment or other property, irrespective of when payment occurs, the cost of a lease payment shall be considered to have been incurred for the period of the lease that is within the covered period, but not otherwise. Furthermore, in all cases it must be necessary that performance or delivery take place during the covered period. Thus the cost of a good or service received during the covered period will not be considered eligible under section 601(d) if there is no need for receipt until after the covered period has expired.

Goods delivered in the covered period need not be used during the covered period in all cases. For example, the cost of a good that must be delivered in December in order to be available for use in January could be covered using payments from the Fund. Additionally, the cost of goods purchased in bulk and delivered during the covered period may be covered using payments from the Fund if a portion of the goods is ordered for use in the covered period, the bulk purchase is consistent with the recipient’s usual procurement policies and practices, and it is impractical to track and record when the items were used. A recipient may use payments from the Fund to purchase a durable good that is to be used during the current period and in subsequent periods if the acquisition in the covered period was necessary due to the public health emergency.

Given that it is not always possible to estimate with precision when a good or service will be needed, the touchstone in assessing the determination of need for a good or service during the covered period will be reasonableness at the time delivery or performance was sought, *e.g.*, the time of entry into a procurement contract specifying a time for delivery. Similarly, in recognition of the likelihood of supply chain disruptions and increased demand for certain goods and services during the COVID-19 public health emergency, if a recipient enters into a contract requiring the delivery of goods or performance of services by December 30, 2020, the failure of a vendor to complete delivery or services by December 30, 2020, will not affect the ability of the recipient to use payments from the Fund to cover the cost of such goods or services if the delay is due to circumstances beyond the recipient’s control.

This guidance applies in a like manner to costs of subrecipients. Thus, a grant or loan, for example, provided by a recipient using payments from the Fund must be used by the subrecipient only to purchase (or reimburse a purchase of) goods or services for which receipt both is needed within the covered period and occurs within the covered period. The direct recipient of payments from the Fund is ultimately responsible for compliance with this limitation on use of payments from the Fund.

Nonexclusive examples of eligible expenditures

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
 - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
 - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
 - Costs of providing COVID-19 testing, including serological testing.
 - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
 - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
 - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
 - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
 - Expenses for disinfection of public areas and other facilities, *e.g.*, nursing homes, in response to the COVID-19 public health emergency.
 - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
 - Expenses for public safety measures undertaken in response to COVID-19.
 - Expenses for quarantining individuals.
3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
 - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
 - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
 - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.

- Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
 - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
 - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
 - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
 - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
 - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
 6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund’s eligibility criteria.

Nonexclusive examples of ineligible expenditures³

The following is a list of examples of costs that would *not* be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.⁴
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.
5. Reimbursement to donors for donated items or services.
6. Workforce bonuses other than hazard pay or overtime.
7. Severance pay.
8. Legal settlements.

³ In addition, pursuant to section 5001(b) of the CARES Act, payments from the Fund may not be expended for an elective abortion or on research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death. The prohibition on payment for abortions does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed. Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions.

⁴ See 42 C.F.R. § 433.51 and 45 C.F.R. § 75.306.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 31, 2020

OIG-CA-20-025

MEMORANDUM FOR CORONAVIRUS RELIEF FUND RECIPIENTS

FROM: Richard K. Delmar /s/
Deputy Inspector General

SUBJECT: Coronavirus Relief Fund Reporting Requirements Update

On July 2, 2020, my office issued memorandum OIG-CA-20-021, *Coronavirus Relief Fund Recipient Reporting and Record Retention Requirements* informing you of the Department of the Treasury (Treasury) Office of Inspector General's (OIG) monitoring and oversight responsibilities related to the Coronavirus Relief Fund, among other things. Specifically, Title VI of the Social Security Act, as amended by Title V of Division A of the *Coronavirus Aid, Relief, and Economic Security Act* (Public Law 116-136), provides that Treasury OIG is responsible for monitoring and oversight of the receipt, disbursement, and use of Coronavirus Relief Fund payments. Treasury OIG also has authority to recover funds in the event that it is determined a recipient of a Coronavirus Relief Fund payment failed to comply with requirements of subsection 601(d) of the Social Security Act, as amended, (42 U.S.C. 801(d)). Recipient reporting and record retention requirements are essential for the exercise of these responsibilities, including our conduct of audits and investigations.

This memorandum augments and clarifies the prime recipient's quarterly reporting requirements contained in memorandum OIG-CA-20-021. We plan to use reported data to support our office's Coronavirus Relief Fund compliance monitoring and oversight efforts and for audit and investigative purposes. In addition, reported data will be provided to the Pandemic Response Accountability Committee (PRAC), which will report the data on its website in accordance with Section 15010 of the CARES Act.¹

¹ P. L. 116-136 (March 27, 2020), Section 15010, established the PRAC within the Council of Inspectors General on Integrity and Efficiency to promote transparency and conduct and support oversight of covered funds and the coronavirus response to (1) prevent and detect fraud, waste, abuse, and mismanagement; and (2) mitigate major risks that cut across program and agency boundaries. The PRAC's website will provide data on relevant operational, economic, financial, grant, subgrant, contract, and subcontract information in user-friendly visual presentations to enhance public awareness of the use of covered funds and the Coronavirus response.

Reporting Requirements

The Treasury OIG has engaged GrantSolutions, a grant and program management Federal shared service provider under the U.S. Department of Health and Human Services, to develop a customized and user-friendly reporting solution to capture the use of Coronavirus Relief Fund payments. In this regard, the GrantSolutions portal will be prepopulated with prime recipient data to include the Coronavirus Relief Fund payment amount, date, recipient Dun & Bradstreet unique identification number (DUNS number), and contact information. It is the responsibility of the prime recipients² to report on uses of Coronavirus Relief Fund payments. Accordingly, each prime recipient shall report Coronavirus Disease 2019 (COVID-19) related costs incurred³ during the covered period (the period beginning on March 1, 2020, and ending on December 30, 2020), as follows.

Projects

List all projects⁴ the prime recipient plans to complete with Coronavirus Relief payments. For each project, the prime recipient will be required to enter the project name, identification number (created by the prime recipient), description, and status of completion. Once a project is entered into the GrantSolutions portal, the prime recipient will be able to report on the project's obligations and expenditures.

Expenditure Categories

Once expenditures are entered against obligations, the prime recipient will need to select the specific expenditure category from the available options from a dropdown menu:

- a. Administrative Expenses
- b. Budgeted Personnel and Services Diverted to a Substantially Different Use
- c. COVID-19 Testing and Contact Tracing
- d. Economic Support (Other than Small Business, Housing, and Food Assistance)
- e. Expenses Associated with the Issuance of Tax Anticipation Notes
- f. Facilitating Distance Learning
- g. Food Programs
- h. Housing Support
- i. Improve Telework Capabilities of Public Employees
- j. Medical Expenses

² Prime recipients include all 50 States, units of local governments, the District of Columbia, U.S. Territories, and Tribal Governments that received a direct Coronavirus Relief Fund payment from Treasury in accordance with the CARES Act.

³ Refer to Treasury's *Guidance for State, Territorial, Local, and Tribal Governments* updated June 30, 2020, at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>, for more information on costs incurred and the covered period.

⁴ Projects are a grouping of related activities that together are intended to achieve a specific goal.

- k. Nursing Home Assistance
- l. Payroll for Public Health and Safety Employees
- m. Personal Protective Equipment
- n. Public Health Expenses
- o. Small Business Assistance
- p. Unemployment Benefits
- q. Workers' Compensation
- r. Items Not Listed Above - to include other eligible expenses that are not captured in the available expenditure categories

Each prime recipient shall also provide detailed obligation and expenditure information for any contracts and grants awarded, loans issued, transfers made to other government entities, and direct payments made by the prime recipient that are greater than or equal to \$50,000 as follows.

Contracts Greater Than or Equal to \$50,000

- a. Contractor identifying and demographic information (e.g. DUNS number and location)
- b. Contract number
- c. Contract date, type, amount, and description
- d. Primary place of contract performance
- e. Related project name(s)
- f. Period of performance start date
- g. Period of performance end date
- h. Quarterly obligation amount
- i. Quarterly expenditure amount
- j. Expenditure categories (listed above)

Grants Greater Than or Equal to \$50,000

- a. Grantee identifying and demographic information (e.g. DUNS number and location)
- b. Award number
- c. Award date, amount, and description
- d. Award payment method (reimbursable or lump sum payment(s))
- e. Related project name(s)
- f. Period of performance start date
- g. Period of performance end date
- h. Primary place of performance
- i. Quarterly obligation amount
- j. Quarterly expenditure amount
- k. Expenditure categories (listed above)

Loans Greater Than or Equal to \$50,000

- a. Borrower identifying and demographic information (e.g. DUNS number and location)
- b. Loan number
- c. Loan amount, date (date when loan signed by prime recipient and borrower), and description
- d. Loan expiration date (date when loan expected to be paid in full)
- e. Purpose of loan
- f. Primary place of performance
- g. Related project(s)
- h. Quarterly obligation amount
- i. Quarterly payments on outstanding loans
- j. Recipient plans for reuse of Coronavirus Relief Fund loan repayments
- k. Loan/expenditure categories

Transfers to Other Government Entities Greater Than or Equal to \$50,000

- a. Transferee/government unit identifying and demographic information (e.g. DUNS number and location)
- b. Transfer date, amount, and description
- c. Related project(s)
- d. Quarterly obligation amount
- e. Quarterly expenditure information
- f. Expenditure categories (listed above)

Direct Payments Greater Than or Equal to \$50,000

- a. Payee identifying and demographic information (e.g. DUNS number and location)
- b. Direct Payments amount and date
- c. Related project(s)
- d. Quarterly obligation amount
- e. Quarterly expenditure amount
- f. Expenditure categories (listed above)

Aggregate reporting below \$50,000

Aggregate reporting is allowed on contracts, grants, transfers made to other government entities, loans, direct payments, and payments to individuals that are below \$50,000.

Certification and Submission

As noted in our July 2, 2020 memorandum, each prime recipient was required to designate two preparers to enter data into GrantSolutions and an authorizing official, who is responsible for certification and submission of the recipient's quarterly report. Preparers are only permitted to enter data into the required fields and validate entries once completed. Authorizing officials are responsible for reviewing and certifying the information prior to submission within the portal. Accordingly, these individuals will be granted user permissions in the GrantSolutions portal.

Once a report submission is complete, the Treasury OIG will review the submission to ensure that the prime recipient has reported all required information and accounted for the current period's obligations, expenditures, and loan payments, among other information. The Treasury OIG will approve final submissions that are determined to be complete. After approval of the prime recipient's report, certain data fields that do not change will be carried forward to reduce reporting burden in future quarters. All prime recipient data will be captured on a quarterly and cumulative basis.

Reporting Timeline

By no later than September 21, 2020, the prime recipient's authorizing official shall certify and submit via the GrantSolutions portal the first detailed quarterly report, which shall cover the period of March 1 through June 30, 2020. Thereafter, quarterly reporting will be due no later than 10 calendar days after the end of each calendar quarter. If the 10th calendar day falls on a weekend or a Federal holiday, the due date will be the next working day. For example, the period July 1 through September 30, 2020, must be reported no later than Tuesday, October 13, 2020 (considers that the 10th calendar is on a weekend and the following Monday is a Federal Holiday). The table below summarizes the quarterly reporting timeline for prime recipients of Coronavirus Relief Fund payments.

Reporting Cycle	Reporting Period	Reporting Due Date	OIG Review Period	Data Extract to PRAC
Cycle 1	3/1-6/30/2020	9/21/2020	9/22-29/2020	9/30/2020
Cycle 2	7/1-9/30/2020	10/13/2020	10/14-20/2020	10/21/2020
Cycle 3	10/1-12/31/2020	1/11/2021	1/12-20/2021	1/21/2021
Cycle 4	1/1-3/31/2021	4/12/2021	4/13-20/2021	4/21/2021
Cycle 5	4/1-6/30/2021	7/12/2021	7/13-20/2021	7/21/2021
Cycle 6	7/1-9/30/2021	10/12/2021	10/13-20/2021	10/21/2021

Reporting Preparation and Training

To prepare for the initial reporting cycle, each prime recipient should ensure that any current or potential sub-recipients are registered in SAM.gov.⁵ While each prime recipient is responsible for reporting on its sub-recipients, sub-recipient registration in SAM.gov will enable detailed sub-recipient data to be imported into the GrantSolutions portal. Therefore, the prime recipient should require that sub-recipients register with SAM.gov prior to September 1, 2020.

In anticipation of GrantSolutions portal becoming operational on September 1, 2020, training will be provided on portal access and use during the last week of August 2020.

Reporting Questions

For questions regarding eligible uses of Coronavirus Relief Fund payments, please first consult Treasury's *Guidance for State, Territorial, Local, and Tribal Governments* and Treasury's *Coronavirus Relief Fund Frequently Asked Questions* documents which are located at <https://home.treasury.gov/policy-issues/cares/state-and-local-governments>. You may also contact Treasury OIG with questions about reporting requirements at CARES@oig.treas.gov or Monday through Friday from 8:00 a.m. to 5:00 p.m. EST, at 1 (855)-584-4853.

Thank you and we appreciate your compliance with these reporting requirements.

⁵ The System for Award Management (SAM) is an official website of the U.S. government. Entities are required to register at SAM.gov to do business with the U.S. government.

**Coronavirus Relief Fund
Frequently Asked Questions
Updated as of August 10, 2020¹**

The following answers to frequently asked questions supplement Treasury’s Coronavirus Relief Fund (“Fund”) Guidance for State, Territorial, Local, and Tribal Governments, dated April 22, 2020, (“Guidance”).² Amounts paid from the Fund are subject to the restrictions outlined in the Guidance and set forth in section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”).

A. Eligible Expenditures

1. *Are governments required to submit proposed expenditures to Treasury for approval?*

No. Governments are responsible for making determinations as to what expenditures are necessary due to the public health emergency with respect to COVID-19 and do not need to submit any proposed expenditures to Treasury.

2. *The Guidance says that funding can be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. How does a government determine whether payroll expenses for a given employee satisfy the “substantially dedicated” condition?*

The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.

3. *The Guidance says that a cost was not accounted for in the most recently approved budget if the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. What would qualify as a “substantially different use” for purposes of the Fund eligibility?*

Costs incurred for a “substantially different use” include, but are not necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty’s ordinary responsibilities.

¹ On August 10, 2020, these Frequently Asked Questions were revised to add Questions 49–52. The previous revision was made on July 8.

² The Guidance is available at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

Note that a public function does not become a “substantially different use” merely because it is provided from a different location or through a different manner. For example, although developing online instruction capabilities may be a substantially different use of funds, online instruction itself is not a substantially different use of public funds than classroom instruction.

4. *May a State receiving a payment transfer funds to a local government?*

Yes, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act. Such funds would be subject to recoupment by the Treasury Department if they have not been used in a manner consistent with section 601(d) of the Social Security Act.

5. *May a unit of local government receiving a Fund payment transfer funds to another unit of government?*

Yes. For example, a county may transfer funds to a city, town, or school district within the county and a county or city may transfer funds to its State, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, a transfer from a county to a constituent city would not be permissible if the funds were intended to be used simply to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify as an eligible expenditure.

6. *Is a Fund payment recipient required to transfer funds to a smaller, constituent unit of government within its borders?*

No. For example, a county recipient is not required to transfer funds to smaller cities within the county’s borders.

7. *Are recipients required to use other federal funds or seek reimbursement under other federal programs before using Fund payments to satisfy eligible expenses?*

No. Recipients may use Fund payments for any expenses eligible under section 601(d) of the Social Security Act outlined in the Guidance. Fund payments are not required to be used as the source of funding of last resort. However, as noted below, recipients may not use payments from the Fund to cover expenditures for which they will receive reimbursement.

8. *Are there prohibitions on combining a transaction supported with Fund payments with other CARES Act funding or COVID-19 relief Federal funding?*

Recipients will need to consider the applicable restrictions and limitations of such other sources of funding. In addition, expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds, are not eligible uses of Fund payments.

9. *Are States permitted to use Fund payments to support state unemployment insurance funds generally?*

To the extent that the costs incurred by a state unemployment insurance fund are incurred due to the COVID-19 public health emergency, a State may use Fund payments to make payments to its respective state unemployment insurance fund, separate and apart from such State's obligation to the unemployment insurance fund as an employer. This will permit States to use Fund payments to prevent expenses related to the public health emergency from causing their state unemployment insurance funds to become insolvent.

10. *Are recipients permitted to use Fund payments to pay for unemployment insurance costs incurred by the recipient as an employer?*

Yes, Fund payments may be used for unemployment insurance costs incurred by the recipient as an employer (for example, as a reimbursing employer) related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

11. *The Guidance states that the Fund may support a "broad range of uses" including payroll expenses for several classes of employees whose services are "substantially dedicated to mitigating or responding to the COVID-19 public health emergency." What are some examples of types of covered employees?*

The Guidance provides examples of broad classes of employees whose payroll expenses would be eligible expenses under the Fund. These classes of employees include public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Payroll and benefit costs associated with public employees who could have been furloughed or otherwise laid off but who were instead repurposed to perform previously unbudgeted functions substantially dedicated to mitigating or responding to the COVID-19 public health emergency are also covered. Other eligible expenditures include payroll and benefit costs of educational support staff or faculty responsible for developing online learning capabilities necessary to continue educational instruction in response to COVID-19-related school closures. Please see the Guidance for a discussion of what is meant by an expense that was not accounted for in the budget most recently approved as of March 27, 2020.

12. *In some cases, first responders and critical health care workers that contract COVID-19 are eligible for workers' compensation coverage. Is the cost of this expanded workers compensation coverage eligible?*

Increased workers compensation cost to the government due to the COVID-19 public health emergency incurred during the period beginning March 1, 2020, and ending December 30, 2020, is an eligible expense.

13. *If a recipient would have decommissioned equipment or not renewed a lease on particular office space or equipment but decides to continue to use the equipment or to renew the lease in order to respond to the public health emergency, are the costs associated with continuing to operate the equipment or the ongoing lease payments eligible expenses?*

Yes. To the extent the expenses were previously unbudgeted and are otherwise consistent with section 601(d) of the Social Security Act outlined in the Guidance, such expenses would be eligible.

14. *May recipients provide stipends to employees for eligible expenses (for example, a stipend to employees to improve telework capabilities) rather than require employees to incur the eligible cost and submit for reimbursement?*

Expenditures paid for with payments from the Fund must be limited to those that are necessary due to the public health emergency. As such, unless the government were to determine that providing assistance in the form of a stipend is an administrative necessity, the government should provide such assistance on a reimbursement basis to ensure as much as possible that funds are used to cover only eligible expenses.

15. *May Fund payments be used for COVID-19 public health emergency recovery planning?*

Yes. Expenses associated with conducting a recovery planning project or operating a recovery coordination office would be eligible, if the expenses otherwise meet the criteria set forth in section 601(d) of the Social Security Act outlined in the Guidance.

16. *Are expenses associated with contact tracing eligible?*

Yes, expenses associated with contact tracing are eligible.

17. *To what extent may a government use Fund payments to support the operations of private hospitals?*

Governments may use Fund payments to support public or private hospitals to the extent that the costs are necessary expenditures incurred due to the COVID-19 public health emergency, but the form such assistance would take may differ. In particular, financial assistance to private hospitals could take the form of a grant or a short-term loan.

18. *May payments from the Fund be used to assist individuals with enrolling in a government benefit program for those who have been laid off due to COVID-19 and thereby lost health insurance?*

Yes. To the extent that the relevant government official determines that these expenses are necessary and they meet the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance, these expenses are eligible.

19. *May recipients use Fund payments to facilitate livestock depopulation incurred by producers due to supply chain disruptions?*

Yes, to the extent these efforts are deemed necessary for public health reasons or as a form of economic support as a result of the COVID-19 health emergency.

20. *Would providing a consumer grant program to prevent eviction and assist in preventing homelessness be considered an eligible expense?*

Yes, assuming that the recipient considers the grants to be a necessary expense incurred due to the COVID-19 public health emergency and the grants meet the other requirements for the use of Fund payments under section 601(d) of the Social Security Act outlined in the Guidance. As a general matter, providing assistance to recipients to enable them to meet property tax requirements would not be an eligible use of funds, but exceptions may be made in the case of assistance designed to prevent foreclosures.

21. *May recipients create a “payroll support program” for public employees?*

Use of payments from the Fund to cover payroll or benefits expenses of public employees are limited to those employees whose work duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

22. *May recipients use Fund payments to cover employment and training programs for employees that have been furloughed due to the public health emergency?*

Yes, this would be an eligible expense if the government determined that the costs of such employment and training programs would be necessary due to the public health emergency.

23. *May recipients use Fund payments to provide emergency financial assistance to individuals and families directly impacted by a loss of income due to the COVID-19 public health emergency?*

Yes, if a government determines such assistance to be a necessary expenditure. Such assistance could include, for example, a program to assist individuals with payment of overdue rent or mortgage payments to avoid eviction or foreclosure or unforeseen financial costs for funerals and other emergency individual needs. Such assistance should be structured in a manner to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.

24. *The Guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. What is meant by a “small business,” and is the Guidance intended to refer only to expenditures to cover administrative expenses of such a grant program?*

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

25. *The Guidance provides that expenses associated with the provision of economic support in connection with the public health emergency, such as expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures, would constitute eligible expenditures of Fund payments. Would such expenditures be eligible in the absence of a stay-at-home order?*

Fund payments may be used for economic support in the absence of a stay-at-home order if such expenditures are determined by the government to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency.

26. *May Fund payments be used to assist impacted property owners with the payment of their property taxes?*

Fund payments may not be used for government revenue replacement, including the provision of assistance to meet tax obligations.

27. *May Fund payments be used to replace foregone utility fees? If not, can Fund payments be used as a direct subsidy payment to all utility account holders?*

Fund payments may not be used for government revenue replacement, including the replacement of unpaid utility fees. Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the recipient to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services.

28. *Could Fund payments be used for capital improvement projects that broadly provide potential economic development in a community?*

In general, no. If capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects.

However, Fund payments may be used for the expenses of, for example, establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity or improve mitigation measures, including related construction costs.

29. *The Guidance includes workforce bonuses as an example of ineligible expenses but provides that hazard pay would be eligible if otherwise determined to be a necessary expense. Is there a specific definition of “hazard pay”?*

Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19.

30. *The Guidance provides that ineligible expenditures include “[p]ayroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.” Is this intended to relate only to public employees?*

Yes. This particular nonexclusive example of an ineligible expenditure relates to public employees. A recipient would not be permitted to pay for payroll or benefit expenses of private employees and any financial assistance (such as grants or short-term loans) to private employers are not subject to the restriction that the private employers’ employees must be substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

31. *May counties pre-pay with CARES Act funds for expenses such as a one or two-year facility lease, such as to house staff hired in response to COVID-19?*

A government should not make prepayments on contracts using payments from the Fund to the extent that doing so would not be consistent with its ordinary course policies and procedures.

32. *Must a stay-at-home order or other public health mandate be in effect in order for a government to provide assistance to small businesses using payments from the Fund?*

No. The Guidance provides, as an example of an eligible use of payments from the Fund, expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. Such assistance may be provided using amounts received from the Fund in the absence of a requirement to close businesses if the relevant government determines that such expenditures are necessary in response to the public health emergency.

33. *Should States receiving a payment transfer funds to local governments that did not receive payments directly from Treasury?*

Yes, provided that the transferred funds are used by the local government for eligible expenditures under the statute. To facilitate prompt distribution of Title V funds, the CARES Act authorized Treasury to make direct payments to local governments with populations in excess of 500,000, in amounts equal to 45% of the local government's per capita share of the statewide allocation. This statutory structure was based on a recognition that it is more administratively feasible to rely on States, rather than the federal government, to manage the transfer of funds to smaller local governments. Consistent with the needs of all local governments for funding to address the public health emergency, States should transfer funds to local governments with populations of 500,000 or less, using as a benchmark the per capita allocation formula that governs payments to larger local governments. This approach will ensure equitable treatment among local governments of all sizes.

For example, a State received the minimum \$1.25 billion allocation and had one county with a population over 500,000 that received \$250 million directly. The State should distribute 45 percent of the \$1 billion it received, or \$450 million, to local governments within the State with a population of 500,000 or less.

34. *May a State impose restrictions on transfers of funds to local governments?*

Yes, to the extent that the restrictions facilitate the State's compliance with the requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance and other applicable requirements such as the Single Audit Act, discussed below. Other restrictions are not permissible.

35. *If a recipient must issue tax anticipation notes (TANs) to make up for tax due date deferrals or revenue shortfalls, are the expenses associated with the issuance eligible uses of Fund payments?*

If a government determines that the issuance of TANs is necessary due to the COVID-19 public health emergency, the government may expend payments from the Fund on the interest expense payable on TANs by the borrower and unbudgeted administrative and transactional costs, such as necessary payments to advisors and underwriters, associated with the issuance of the TANs.

36. *May recipients use Fund payments to expand rural broadband capacity to assist with distance learning and telework?*

Such expenditures would only be permissible if they are necessary for the public health emergency. The cost of projects that would not be expected to increase capacity to a significant extent until the need for distance learning and telework have passed due to this public health emergency would not be necessary due to the public health emergency and thus would not be eligible uses of Fund payments.

37. *Are costs associated with increased solid waste capacity an eligible use of payments from the Fund?*

Yes, costs to address increase in solid waste as a result of the public health emergency, such as relates to the disposal of used personal protective equipment, would be an eligible expenditure.

38. *May payments from the Fund be used to cover across-the-board hazard pay for employees working during a state of emergency?*

No. The Guidance says that funding may be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Hazard pay is a form of payroll expense and is subject to this limitation, so Fund payments may only be used to cover hazard pay for such individuals.

39. *May Fund payments be used for expenditures related to the administration of Fund payments by a State, territorial, local, or Tribal government?*

Yes, if the administrative expenses represent an increase over previously budgeted amounts and are limited to what is necessary. For example, a State may expend Fund payments on necessary administrative expenses incurred with respect to a new grant program established to disburse amounts received from the Fund.

40. *May recipients use Fund payments to provide loans?*

Yes, if the loans otherwise qualify as eligible expenditures under section 601(d) of the Social Security Act as implemented by the Guidance. Any amounts repaid by the borrower before December 30, 2020, must be either returned to Treasury upon receipt by the unit of government providing the loan or used for another expense that qualifies as an eligible expenditure under section 601(d) of the Social Security Act. Any amounts not repaid by the borrower until after December 30, 2020, must be returned to Treasury upon receipt by the unit of government lending the funds.

41. *May Fund payments be used for expenditures necessary to prepare for a future COVID-19 outbreak?*

Fund payments may be used only for expenditures necessary to address the current COVID-19 public health emergency. For example, a State may spend Fund payments to create a reserve of personal protective equipment or develop increased intensive care unit capacity to support regions in its jurisdiction not yet affected, but likely to be impacted by the current COVID-19 pandemic.

42. *May funds be used to satisfy non-federal matching requirements under the Stafford Act?*

Yes, payments from the Fund may be used to meet the non-federal matching requirements for Stafford Act assistance to the extent such matching requirements entail COVID-19-related costs that otherwise satisfy the Fund's eligibility criteria and the Stafford Act. Regardless of the use of Fund payments for such purposes, FEMA funding is still dependent on FEMA's determination of eligibility under the Stafford Act.

43. *Must a State, local, or tribal government require applications to be submitted by businesses or individuals before providing assistance using payments from the Fund?*

Governments have discretion to determine how to tailor assistance programs they establish in response to the COVID-19 public health emergency. However, such a program should be structured in such a manner as will ensure that such assistance is determined to be necessary in response to the COVID-19 public health emergency and otherwise satisfies the requirements of the CARES Act and other applicable law. For example, a per capita payment to residents of a particular jurisdiction without an assessment of individual need would not be an appropriate use of payments from the Fund.

44. *May Fund payments be provided to non-profits for distribution to individuals in need of financial assistance, such as rent relief?*

Yes, non-profits may be used to distribute assistance. Regardless of how the assistance is structured, the financial assistance provided would have to be related to COVID-19.

45. *May recipients use Fund payments to remarket the recipient's convention facilities and tourism industry?*

Yes, if the costs of such remarketing satisfy the requirements of the CARES Act. Expenses incurred to publicize the resumption of activities and steps taken to ensure a safe experience may be needed due to the public health emergency. Expenses related to developing a long-term plan to reposition a recipient's convention and tourism industry and infrastructure would not be incurred due to the public health emergency and therefore may not be covered using payments from the Fund.

46. *May a State provide assistance to farmers and meat processors to expand capacity, such to cover overtime for USDA meat inspectors?*

If a State determines that expanding meat processing capacity, including by paying overtime to USDA meat inspectors, is a necessary expense incurred due to the public health emergency, such as if increased capacity is necessary to allow farmers and processors to donate meat to food banks, then such expenses are eligible expenses, provided that the expenses satisfy the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance.

47. *The guidance provides that funding may be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. May Fund payments be used to cover such an employee's entire payroll cost or just the portion of time spent on mitigating or responding to the COVID-19 public health emergency?*

As a matter of administrative convenience, the entire payroll cost of an employee whose time is substantially dedicated to mitigating or responding to the COVID-19 public health emergency is eligible, provided that such payroll costs are incurred by December 30, 2020. An employer may also track time spent by employees related to COVID-19 and apply Fund payments on that basis but would need to do so consistently within the relevant agency or department.

48. *May Fund payments be used to cover increased administrative leave costs of public employees who could not telework in the event of a stay at home order or a case of COVID-19 in the workplace?*

The statute requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. As stated in the Guidance, a cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. If the cost of an employee was allocated to administrative leave to a greater extent than was expected, the cost of such administrative leave may be covered using payments from the Fund.

49. Are States permitted to use Coronavirus Relief Fund payments to satisfy non-federal matching requirements under the Stafford Act, including “lost wages assistance” authorized by the Presidential Memorandum on Authorizing the Other Needs Assistance Program for Major Disaster Declarations Related to Coronavirus Disease 2019 (August 8, 2020)?

Yes. As previous guidance has stated, payments from the Fund may be used to meet the non-federal matching requirements for Stafford Act assistance to the extent such matching requirements entail COVID-19-related costs that otherwise satisfy the Fund’s eligibility criteria and the Stafford Act. States are fully permitted to use payments from the Fund to satisfy 100% of their cost share for lost wages assistance recently made available under the Stafford Act.

50. At what point would costs be considered to be incurred in the case of a grant made by a State, local, or tribal government to cover interest and principal amounts of a loan, such as might be provided as part of a small business assistance program in which the loan is made by a private institution?

A grant made to cover interest and principal costs of a loan, including interest and principal due after the period that begins on March 1, 2020, and ends on December 30, 2020 (the “covered period”), will be considered to be incurred during the covered period if (i) the full amount of the loan is advanced to the borrower within the covered period and (ii) the proceeds of the loan are used by the borrower to cover expenses incurred during the covered period. In addition, if these conditions are met, the amount of the grant will be considered to have been used during the covered period for purposes of the requirement that expenses be incurred within the covered period. Such a grant would be analogous to a loan provided by the Fund recipient itself that incorporates similar loan forgiveness provisions. As with any other assistance provided by a Fund recipient, such a grant would need to be determined by the recipient to be necessary due to the public health emergency.

51. If governments use Fund payments as described in the Guidance to establish a grant program to support businesses, would those funds be considered gross income taxable to a business receiving the grant under the Internal Revenue Code (Code)?

Please see the answer provided by the Internal Revenue Service (IRS) available at <https://www.irs.gov/newsroom/cares-act-coronavirus-relief-fund-frequently-asked-questions>.

52. If governments use Fund payments as described in the Guidance to establish a loan program to support businesses, would those funds be considered gross income taxable to a business receiving the loan under the Code?

Please see the answer provided by the IRS available at <https://www.irs.gov/newsroom/cares-act-coronavirus-relief-fund-frequently-asked-questions>.

B. Questions Related to Administration of Fund Payments

1. Do governments have to return unspent funds to Treasury?

Yes. Section 601(f)(2) of the Social Security Act, as added by section 5001(a) of the CARES Act, provides for recoupment by the Department of the Treasury of amounts received from the Fund that have not been used in a manner consistent with section 601(d) of the Social Security Act. If a government has not used funds it has received to cover costs that were incurred by December 30, 2020, as required by the statute, those funds must be returned to the Department of the Treasury.

2. *What records must be kept by governments receiving payment?*

A government should keep records sufficient to demonstrate that the amount of Fund payments to the government has been used in accordance with section 601(d) of the Social Security Act.

3. *May recipients deposit Fund payments into interest bearing accounts?*

Yes, provided that if recipients separately invest amounts received from the Fund, they must use the interest earned or other proceeds of these investments only to cover expenditures incurred in accordance with section 601(d) of the Social Security Act and the Guidance on eligible expenses. If a government deposits Fund payments in a government's general account, it may use those funds to meet immediate cash management needs provided that the full amount of the payment is used to cover necessary expenditures. Fund payments are not subject to the Cash Management Improvement Act of 1990, as amended.

4. *May governments retain assets purchased with payments from the Fund?*

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds provided by section 601(d) of the Social Security Act.

5. *What rules apply to the proceeds of disposition or sale of assets acquired using payments from the Fund?*

If such assets are disposed of prior to December 30, 2020, the proceeds would be subject to the restrictions on the eligible use of payments from the Fund provided by section 601(d) of the Social Security Act.

6. *Are Fund payments to State, territorial, local, and tribal governments considered grants?*

No. Fund payments made by Treasury to State, territorial, local, and Tribal governments are not considered to be grants but are "other financial assistance" under 2 C.F.R. § 200.40.

7. *Are Fund payments considered federal financial assistance for purposes of the Single Audit Act?*

Yes, Fund payments are considered to be federal financial assistance subject to the Single Audit Act (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Guidance, 2 C.F.R. § 200.303 regarding internal controls, §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

8. *Are Fund payments subject to other requirements of the Uniform Guidance?*

Fund payments are subject to the following requirements in the Uniform Guidance (2 C.F.R. Part 200): 2 C.F.R. § 200.303 regarding internal controls, 2 C.F.R. §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

9. *Is there a Catalog of Federal Domestic Assistance (CFDA) number assigned to the Fund?*

Yes. The CFDA number assigned to the Fund is 21.019.

10. *If a State transfers Fund payments to its political subdivisions, would the transferred funds count toward the subrecipients' total funding received from the federal government for purposes of the Single Audit Act?*

Yes. The Fund payments to subrecipients would count toward the threshold of the Single Audit Act and 2 C.F.R. part 200, subpart F re: audit requirements. Subrecipients are subject to a single audit or program-specific audit pursuant to 2 C.F.R. § 200.501(a) when the subrecipients spend \$750,000 or more in federal awards during their fiscal year.

11. *Are recipients permitted to use payments from the Fund to cover the expenses of an audit conducted under the Single Audit Act?*

Yes, such expenses would be eligible expenditures, subject to the limitations set forth in 2 C.F.R. § 200.425.

12. *If a government has transferred funds to another entity, from which entity would the Treasury Department seek to recoup the funds if they have not been used in a manner consistent with section 601(d) of the Social Security Act?*

The Treasury Department would seek to recoup the funds from the government that received the payment directly from the Treasury Department. State, territorial, local, and Tribal governments receiving funds from Treasury should ensure that funds transferred to other entities, whether pursuant to a grant program or otherwise, are used in accordance with section 601(d) of the Social Security Act as implemented in the Guidance.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

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Department of the Treasury Office of Inspector General Coronavirus Relief Fund Frequently Asked Questions Related to Reporting and Recordkeeping

The Department of the Treasury (Treasury) Office of Inspector General (OIG) is responsible for monitoring and oversight of the receipt, disbursement, and use of Coronavirus Relief Fund (CRF) payments as authorized by Title VI of the Social Security Act, as amended by Title V of Division A of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).¹ Treasury OIG was also assigned authority to recover funds in the event that it is determined a recipient of a CRF payment failed to comply with requirements of subsection 601(d) of the Social Security Act, as amended, (42 U.S.C. 801(d)). Recipient reporting and record retention requirements are essential for the exercise of these responsibilities, including our conduct of audits and investigations.

Beginning September 1, 2020, the prime recipient of CRF payments will begin reporting Coronavirus Disease 2019 (COVID-19) related costs incurred from March 1, 2020 to December 30, 2020 in the GrantSolutions portal. This document addresses frequently asked questions (FAQ) from CRF prime recipients regarding their reporting and record keeping requirements and supplements Treasury OIG's memorandums *Coronavirus Relief Fund Recipient Reporting and Record Retention Requirements* (OIG-CA-20-021; July 2, 2020)² and *Coronavirus Relief Fund Reporting Requirements Update* (OIG-CA-20-025; July 31, 2020).³

A. Prime Recipients

1. *Who is a prime recipient?*

A prime recipient is an entity that received a CRF payment directly from Treasury in accordance with the CARES Act, including:

- All 50 States,
- Units of local governments with populations over 500,000 that submitted required certifications to Treasury,
- The District of Columbia,

¹ P. L. 116 136 (March 27, 2020)

² <https://www.treasury.gov/about/organizational-structure/ig/Audit%20Reports%20and%20Testimonies/OIG-CA-20-021.pdf>

³ <https://www.treasury.gov/about/organizational-structure/ig/Audit%20Reports%20and%20Testimonies/OIG-CA-20-025.pdf>

- U.S. Territories, and
- Tribal Governments

2. *Who is a sub-recipient?*

For purposes of reporting in the GrantSolutions portal, a sub-recipient is any entity to which a prime recipient issues a contract, grant, loan, direct payment, or transfer to another government entity of \$50,000 or more.

3. *The definition of a sub-recipient provided by Treasury OIG is different than the definition of a sub-recipient in the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal, 2 CFR Part 200 (Uniform Guidance). Which definition is a prime recipient expected to comply with?*

The prime recipient must comply with the Treasury OIG definition. For purposes of reporting in the GrantSolutions portal, a prime recipient is to report on sub-recipients, as defined in Question 2 above. In addition, Treasury has issued guidance as described in Treasury's *Coronavirus Relief Fund Frequently Asked Questions* (FAQs),⁴ noting that prime recipients are to monitor and manage sub-recipients as defined in 2 CFR sec. 200.330 through 200.332.

4. *Who is responsible for reporting in the GrantSolutions portal, the prime or sub-recipient?*

Only the prime recipient is required to report COVID-19 related costs in the GrantSolutions portal.

5. *If the prime recipient distributes funds to an agency or department within the prime recipient's government, is the agency or department considered the prime recipient or a sub-recipient when funds obligated are \$50,000 or more?*

The agency or department is considered part of the prime recipient as they are all part of the same legal entity that received a direct CRF payment from Treasury. Obligations and expenditures that the agency or department incurs with the CRF proceeds must be collected by and reported in the GrantSolutions portal by the prime recipient as if they were obligated or expended by the prime recipient.

⁴ <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>

- 6. If the prime recipient obligates funds to an entity that provides a public service on behalf of the prime recipient but the prime recipient is not financially accountable of, is the entity considered the prime recipient or a sub-recipient when funds obligated are \$50,000 or more (e.g., discreetly presented component unit, quasi agency, etc.)?**

The entity is considered a sub-recipient of the prime recipient when funds obligated are \$50,000 or more. The prime recipient must report its obligations and expenditures related to the sub-recipient, including associated projects and expenditure categories, in the GrantSolutions portal. If the prime recipient obligated less than \$50,000, the prime recipient must report its obligations and expenditures related to the sub-recipient entity in aggregate in the GrantSolutions portal.

- 7. If a prime recipient enters into multiple obligations with an entity, each obligation being less than \$50,000 with no agreement (i.e., contract, grant, or loan), however, the total obligations to the entity is above \$50,000, is the entity considered a sub-recipient?**

The entity is considered a sub-recipient, however since the obligations are below \$50,000, the prime recipient must report the multiple obligations to the entity and related expenditures in the aggregate section of the GrantSolutions portal.

- 8. If a unit of local government received funds as both a prime recipient and as a sub-recipient do they have to track and report obligations and expenditures separately?**

Yes. For purposes of reporting in the GrantSolutions portal, the unit of local government is the prime recipient and must report obligations and expenditures related to the funds received directly from Treasury. As a sub-recipient of funds, obligations and expenditures related to the funds received from another prime recipient must be reported by the prime recipient in the GrantSolutions portal. It is recommended that the unit of local government, as a sub-recipient, report obligations and expenditure information to the prime recipient for its reporting purposes.

- 9. If a third party is hired to review and approve sub-recipient reimbursement requests and supporting documentation, can the prime recipient place reliance on the reviews performed by the third party or is the prime recipient still required to review and approve 100 percent of all costs?**

It is up to the prime recipient on how much it relies on third-party review of reimbursement requests. However, the prime recipient is responsible for maintaining documentation to support the use of CRF proceeds. Per Treasury's *Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments*, the direct

(or prime) recipient is ultimately responsible for compliance with the limitation on the use of payments from the CRF.⁵

B. System for Award Management (SAM.gov) Registration

10. *Treasury OIG's memorandum, Coronavirus Relief Fund Reporting Requirements Update, states that "each prime recipient should ensure that any current or potential sub-recipients are registered in SAM.gov." Are all sub-recipients required to register in SAM.gov?*

No, all sub-recipients are not required to register in SAM.gov. This statement is a recommendation to help reduce the reporting burden on the prime recipient when entering sub-recipient details in the GrantSolutions portal. SAM.gov registration allows sub-recipient identifying and demographic details to be automatically populated in the portal after the prime recipient inputs a valid Data Universal Numbering System (DUNS) number assigned to the sub-recipient.⁶

11. *What are the identifying and demographic data elements that automatically populate in the GrantSolutions portal if a sub-recipient is registered in SAM.gov with a valid DUNS number?*

The following identifying and demographic data elements will automatically populate in the GrantSolutions portal if a sub-recipient is registered in SAM.gov with a valid DUNS number:

- Legal Name
- Address Line 1
- Address Line 2, if applicable
- Address Line 3, if applicable
- City Name
- State Code
- Zip + 4
- Congressional District
- Country Name
- Country Code
- Organization Type

⁶ A DUNS number is a unique nine-character number used to identify an organization.

12. If a sub-recipient does not have a DUNS number, can another unique identification number be used in the GrantSolutions portal to automatically populate sub-recipient details (e.g. Federal Employment Identification Number, Federal Tax Identification Number, etc.)?

No. The DUNS number is the only unique identification number that the GrantSolutions portal can associate with a SAM.gov registration in order to automatically populate sub-recipient details.

13. Where does a prime recipient direct a sub-recipient to obtain a DUNS number?

If a sub-recipient does not already have a DUNS number, they can call 1-866-705-5711 or access <http://fedgov.dnb.com/webform> to get a DUNS number assigned for free.

14. Where does a prime recipient direct a sub-recipient to register in SAM.gov?

Refer the sub-recipient to <https://sam.gov>.

15. What if a sub-recipient is not registered in SAM.gov?

For each sub-recipient that is not registered in SAM.gov, the prime recipient will be responsible for manually entering the following data elements in the GrantSolutions portal:

- Legal Name
- Address Line 1
- Address Line 2, if applicable
- Address Line 3, if applicable
- City Name
- State Code
- Zip Code
- Country Name (selection menu)
- Organization Type (selection menu)

16. If a sub-recipient is registered in SAM.gov, are they required to report any information on a quarterly basis in SAM.gov?

No. There are no reporting requirements for a sub-recipient; the prime recipient is required to report in the GrantSolutions portal on behalf of the sub-recipient.

17. Is an entity that a prime recipient obligates a contract, grant, loan, direct payment, or transfer to another government entity of less than \$50,000 recommended to register in SAM.gov?

No. Detailed information of an entity that the prime recipient obligates less than \$50,000 to will not be reported in the GrantSolutions portal. The obligations and related expenditure(s) to entities that the prime recipient obligates less than \$50,000 to will be reported in the aggregate.

18. Is an individual that a prime recipient obligates a contract, grant, loan, or direct payment recommended to register in SAM.gov?

No. Detailed information of an individual that the prime recipient obligates any amount to will not be reported in the GrantSolutions portal; the obligations and related expenditure(s) to individuals will be reported in the aggregate.

C. Terminology

18. What is an obligation?

For purposes of reporting in the GrantSolutions portal, an obligation is a commitment to pay a third party with CRF proceeds based on a contract, grant, loan, or other arrangement.

19. What is an expenditure?

For purposes of reporting in the GrantSolutions portal, an expenditure is the amount that has been incurred as a liability of the entity (the service has been rendered or the good has been delivered to the entity). As outlined in *Treasury's Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments*, performance or delivery must occur between March 1 and December 30, 2020 in order for the cost to be considered incurred; payment of funds need not be made during that time (though it is generally expected that payment will take place within 90 days of a cost being incurred).

20. What is a project?

A project is a grouping of related activities that together are intended to achieve a specific goal (e.g. building a temporary medical facility, offering an economic support program for small businesses, offering a housing support program, etc.)

21. What is a contract?

A contract is an obligation to an entity associated with an agreement to acquire goods or services.

22. What is a grant?

A grant is an obligation to an entity that is associated with a grant agreement. A grant agreement is a legal instrument of financial assistance between the prime recipient and entity that is used to enter into a relationship to carry out a public purpose and does not include an agreement to acquire goods or services or provide a loan.

23. What is the primary place of performance for a contract or a grant?

The primary place of performance is the address where the predominant performance of the contract or grant will be accomplished.

24. What is the period of performance start date and end date for a contract or a grant?

The period of performance start date is the date on which efforts begin or the contract or grant is otherwise effective. The period of performance end date is the date on which all effort is completed or the contract or grant is otherwise ended.

25. What is a transfer to another government entity?

A transfer to another government entity is a disbursement or payment to a government entity that is legally distinct from the prime recipient. See the list of government entities in Question 26 below.

26. For transfers to another government entity, what type of entity is considered another government entity?

The following organization types are considered another government entity:

- State government
- County government
- City/Township Government
- Special District Government
- US Territory or Possession
- Indian/Native American Tribal Government (Federally Recognized)
- Indian/Native American Tribal Designated Organization

27. What is a direct payment?

A direct payment is a disbursement (with or without an existing obligation) to an entity that is not associated with a contract, grant, loan, or transfer to another government entity. If the direct payment is associated with an obligation, then the obligation and expenditure should be reported. If the direct payment does not

involve a previous obligation, the direct payment will be recorded when the expenditure is incurred.

D. Reporting

28. If a prime recipient received CARES Act funding from different Federal agencies, are all costs incurred related to CARES funding to be reported in the GrantSolutions portal, regardless of the funding source?

No. The GrantSolutions portal is only for the reporting of costs incurred related to CRF proceeds received from Treasury. Financial assistance that a prime recipient may have received from other sources are not to be reported in this portal.

29. Will CRF proceeds be subject to Federal Funding Accountability and Transparency Act (FFATA) reporting requirements? If so, what general information are recipients expected to report?

No, FFATA reporting is not required since CRF payments are not grants.

30. Are prime recipients required to report on an accrual or cash basis?

The prime recipient should report on an accrual basis, unless the prime recipient's practice is traditionally to report on a cash basis for all its financial reporting.

31. Are the reporting requirements different for lump sum payments versus payments made on a reimbursable basis?

No. Reporting of obligations and expenditures related to lump sum payments and reimbursed payments are the same.

32. How should a reimbursable payment to a sub-recipient be reported?

The prime recipient should first report the total obligation to the sub-recipient. As reimbursements are made to the sub-recipient, the prime recipient should report the reimbursements as expenditures to the obligation by expenditure category.

33. How should a lump sum payment to a sub-recipient be reported?

The prime recipient must report the total obligation for the lump sum payment to the sub-recipient. As the sub-recipient uses the funds it received, the prime recipient is responsible for collecting and reporting on the uses as expenditures to the obligation by expenditure category.

34. What level of sub-recipient data will prime recipients be required to report?

The prime recipient is required to report on the first sub-recipient level only. For example: The prime recipient enters into a grant with Entity A to provide assistance to small businesses. For reporting purposes, the prime recipient must report the details of the grant with Entity A as an obligation. As Entity A provides assistance to small businesses, the prime recipient must report the assistance provided as expenditures to the obligation. However, details of the small businesses that received funding is not required.

35. Is every obligation and expenditure required to be associated with a project?

No. We understand that not all uses of funds will be associated with a project. If an obligation or expenditure is not associated with a project, in the GrantSolutions portal, the recipient would select "No Associated Project".

36. How did Treasury OIG determine the \$50,000 reporting threshold?

Sec. 15011 of the CARES Act states that any entity that receives large covered funds (or funds more than \$150,000) is considered a covered recipient. All prime recipients of CRF proceeds are covered recipients as no prime recipient received payment less than \$150,000. Sec. 15011 further requires that each covered recipient (in this case, prime recipient) should submit a report that contains, among other items, detailed information on subcontracts or subgrants awarded by the covered recipient allowing for aggregate reporting on awards below \$50,000.

37. Is the \$50,000 threshold on a project basis?

No. The \$50,000 threshold dictates the specific sub-recipients that must be identified by the prime recipient on a detailed basis rather than in an aggregate total for related obligations and expenditures, regardless of any projects.

38. What is the reporting structure?

The reporting structure is as follows:

- A. Projects
- B. Obligations of \$50,000 or more and related expenditures
 - a. Contracts of \$50,000 or more
 - i. Obligations (individually reported) and links to projects, if applicable
 - ii. Related expenditures (individually reported) and link to projects, if applicable
 - b. Grants of \$50,000 or more
 - i. Obligations (individually reported) and link to projects, if applicable

- ii. Related expenditures (individually reported) and link to projects, if applicable
 - c. Loans of \$50,000 or more
 - i. Obligations (individually reported) and link to projects, if applicable
 - ii. Related expenditures (individually reported) and link to projects, if applicable
 - d. Transfers to other government entities of \$50,000 or more
 - i. Obligations (individually reported) and link to projects, if applicable
 - ii. Related expenditures (individually reported) and link to projects, if applicable
 - e. Direct Payments of \$50,000 or more
 - i. Obligations (individually reported) and link to projects, if applicable
 - ii. Related expenditures (individually reported) and link to projects, if applicable
- C. Aggregate obligations and expenditures of contracts, grants, loans, direct payments, and transfers to other government entities below \$50,000 (reported in total by obligation type)
- D. Aggregate obligations and expenditures to individuals, regardless of the amount (reported in total)

39. If a prime recipient obligates funds to another government entity in the form of a grant, are the obligated funds to be reported as a transfer to another government entity or as a grant?

If a grant agreement in place, the obligation should be reported as a grant.

40. Treasury OIG's reporting timeline indicates six reporting cycles with three cycles for reporting periods of January 1, 2021 through September 30, 2021. If costs related to CRF proceeds must be incurred by December 30, 2020, why are there reporting cycles after December 30, 2020?

Treasury's *Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments* addresses the concept of incurred costs. Specifically, "for a cost to be considered to have been incurred, performance of services or delivery of goods must occur during the covered period (March 1, 2020 through December 30, 2020) but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred)." As a result, we determined to allow reporting through September 30, 2021 to ensure that the prime recipient has sufficient time to capture and report all expenditures incurred that were covered with CRF, including loan repayments, the related obligations of which must have occurred, and been reported, during the covered period. In addition, any final close out reconciliations and adjustments should occur during the time period before September 30, 2021.

41. Are forgivable loans to be reported as a grant or loan?

The forgivable portion of a loan should be reported as a grant. If the forgiving of the loan is conditional, then the loan will originally be reported as a loan for the total amount. At the time that the conditions are met, the portion of the loan that is forgivable, will be removed from the loan section of the GrantSolutions portal and reported as a grant at that time.

42. For each reporting period, should a prime recipient report all costs that are eligible to be covered with CRF proceeds or only report costs for which the prime recipient has made a final determination to cover with CRF proceeds?

The prime recipient should only report eligible costs for which obligations have been made with CRF payments or specific determinations have been made related to using CRF funds.

43. Do the expenditure categories apply to aggregate reporting?

No. The only information collected during aggregate reporting are obligations (in total) and expenditures (in total) by obligation type (contract, grant, loan, transfer to another government entity, and direct payments) and for individuals.

44. For aggregate reporting of obligations to individuals, what information is required to be reported about the individuals?

None. The only information collected during aggregate reporting are obligations (in total) and expenditures (in total).

45. Where can recipients and sub-recipients access training tools or archived training sessions to assist with reporting?

The only entity responsible for reporting in the portal is the prime recipient. Training on the GrantSolutions portal will be provided to prime recipients by September 1, 2020.

E. Reporting Corrections

46. If a prime recipient submitted information in its interim report of costs incurred as of June 30, 2020 and some information has changed, can we correct this information in the portal?

Yes. Keep in mind that for purposes of meeting the interim reporting requirement, reporting estimated costs incurred was allowed. For the first quarterly reporting period (March 1, 2020 through June 30, 2020) beginning September 1, 2020, the prime recipient must report actual obligations and expenditures in the GrantSolutions portal. The amounts reported in the GrantSolutions portal and certified will be considered the official reporting.

47. If an error is identified or an addition/modification needs to be made, is there an ability to amend the previous submitted data?

Yes, if a prime recipient determines corrections or additions are necessary, the current GrantSolutions submission may be recalled, corrected, and resubmitted within the first 10 days after the quarter end. Also, changes to a previous quarterly submission may be made in a current reporting submission. If a Treasury OIG reviewer determines corrections or additions to the quarterly submission may be required, feedback and the submission will be returned to the prime recipient for resolution. The prime recipient is ultimately responsible for certifying that the quarterly submissions are true, complete, and accurate in the GrantSolutions portal. If an error is identified or a modification needs to be made after a report is already approved by the Treasury OIG, the prime recipient will need to make the modification or correction in the next quarterly reporting cycle.

48. For forgivable loans originally reported as a grant, in a subsequent reporting period, if the recipient has not met the terms of forgiveness, should this obligation be changed to a loan in subsequent reporting period?

See question 41 above. The loan should be recorded as a loan in total until the condition is met. Only at that time will the forgivable portion of the loan be removed and recorded as a grant.

49. Is there a process to modify prior quarter numbers that change significantly due to the Department of Homeland Security's Federal Emergency Management Agency (FEMA) Public Assistance reimbursement?

Yes, if a prime recipient determines corrections or additions to a quarterly submission are necessary and the quarterly submission has already been approved by Treasury OIG, changes to a previous quarterly submission may be made in the subsequent reporting submission. The prime recipient will not be able to re-open the previous quarter, but instead will make necessary adjustments in the open quarter. The prime recipient is ultimately responsible for certifying that the quarterly submissions are true, complete, and accurate in the GrantSolutions portal.

50. If a prime recipient reports a cost allocated to the CRF in one reporting cycle, but subsequently determines to allocate that cost to a different funding source, can the prime recipient remove the obligations and related expenditures from its CRF reporting submission?

Yes, if a prime recipient determines corrections or additions to a quarterly submission are necessary and the quarterly submission has already been approved by Treasury OIG, changes to a previous quarterly submission may be made in the subsequent reporting submission. The prime recipient will not be able to re-open the previous quarter, but instead will make necessary adjustments in the open quarter. The prime recipient is ultimately responsible for certifying that the quarterly submissions are true, complete, and accurate in the GrantSolutions portal.

Keep in mind, if a prime recipient has not used funds it has received to cover costs that incurred between March 1, 2020 and December 30, 2020, as required by the statute, those funds must be returned to the Treasury.

51. Do we need a budget set up for FEMA Cares Act monies received or just to track and report monies used?

The prime recipient is required to report obligations and expenditures of CRF proceeds. It is at the discretion of the prime recipient to determine a budget setup related to CRF payments.

F. Reporting Deadline

52. Can the CRF reporting submission deadline be modified to 30 days, opposed to 10 days, after the quarter end?

We do not have the authority to change the quarterly recipient reporting deadline. Section 15011 of the CARES Act requires CRF reporting within 10 days after the end of each calendar quarter. Prime recipients' GrantSolutions data will be reported to the Pandemic Response and Accountability Committee (PRAC) for display on its website.

53. Can a prime recipient request extensions in filing their quarterly reports?

Yes, requests to extend the quarterly reporting deadline should be sent to Treasury OIG at CARES@oig.treas.gov for extension approval/disapproval. These decisions will be made on a case-by-case basis and consider extenuating circumstances.

54. If a prime recipient does not close its records by 10 days after the reporting period ends, how should these costs be reported?

Record closing times vary and may not align with the GrantSolutions reporting deadlines. If a prime recipient is not able to report within 10 days after the reporting period ends, the prime recipient is responsible for submitting the missing data in the GrantSolutions portal as part of the next quarter's reporting cycle.

G. GrantSolutions Portal

55. Is the portal still on schedule for becoming available on September 1, 2020?

Yes for most users. An upload feature will be available for select very high volume prime recipients. The upload feature will be available after September and timing of that schedule will be communicated to those select recipients.

56. If a prime recipient's designated users already have accounts with GrantSolutions, does the prime recipient still need to submit each user's name, title, email address, and phone number to Treasury OIG?

Yes.

57. Can portal access be granted to users if they share the same email address?

No. In order to grant portal access, each user must have a unique email address; users cannot have the same email address.

58. Can a prime recipient designate more than two preparers?

No. The GrantSolutions portal can only sustain up to three users per prime recipient: two preparers and one authorizing official.

59. Can the authorizing official also be one of the preparers?

No. The authorizing official cannot be both a designee/preparer and an authorizing official.

60. What is the best way to import data from a large number of sub-recipients?

Only the prime recipient is required to report CRF related obligations and expenditures in the GrantSolutions portal. We are currently working with GrantSolutions regarding a data upload feature. The upload feature will be available for certain prime recipients with the most sub-recipient activity. See question 55.

61. Will the portal provide a cumulated view of obligations and expenditures a prime recipient has reported?

Yes.

H. Record Retention/Audit

62. According to Treasury's FAQs, for administrative convenience, a State can presume that all payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency and, thus, can be covered by CRF. Will Treasury OIG or the PRAC ever question the applicability of this presumption in the audit context? If so, under what circumstances?

Yes, the CARES Act provides that Treasury OIG is responsible for monitoring and oversight of the receipt, disbursement, and use of CRF payments. Documents and financial records, as defined in the Treasury OIG memorandum *Coronavirus Relief Fund Recipient Reporting and Record Retention Requirements* must be maintained to support the use of CRF payments for when the presumption is made that payroll costs is substantially dedicated to mitigating or responding to the COVID-19 emergency. Documents should include those sufficient to support decisions made with respect to its use of CRF payments. See questions 69, 70, and 71.

63. How far down will the audit cascade?

The CARES Act provides that Treasury OIG is responsible for monitoring and oversight of the receipt, disbursement, and use of CRF payments. As such, all CRF payments received by the prime recipient are subject to audit. In this regard, an

audit will be at the prime recipient level and may involve reviewing the prime's sub-recipients. In the event that it is determined the prime recipient failed to comply with requirements of subsection 601(d) of the Social Security Act, as amended, (42 U.S.C. 801(d)), those funds will be recouped by Treasury OIG.

64. If providing Small Business Assistance, do we have to receive actual documentation of the expense or business interruption? If we provide thousands of grants to small businesses and are audited, what would be need to provide to satisfy an audit?

The prime recipient of CRF payments must maintain and make available to Treasury OIG upon request, all documents and financial records sufficient to establish compliance with subsection 601(d) of the Social Security Act, as amended (42 U.S.C. 801(d)). Records include, but are not limited to, general ledger and subsidiary ledgers used to account for (a) the receipt of CRF payments and (b) the disbursements from such payments to meet eligible expenses related to the public health emergency due to COVID-19. The prime recipient is responsible for determining the level and detail of documentation needed from the sub-recipient of Small Business Assistance to satisfy these requirements, however, there would need to be some proof that the small business was impacted by the public health emergency and was thus eligible for the CRF funds.

65. Is there an audit plan at this point? For example, will there be interim audits, or only after Dec 30 or final reporting? Also, do you have criteria upon which you will decide which awards to audit?

Treasury OIG will perform monitoring of the prime recipient's receipt, disbursements, and uses of CRF payments and has developed procedures for this purpose. There are procedures for monitoring, reviewing, and approving prime recipient's quarterly GrantSolutions submissions. Treasury OIG will also conduct desk reviews, for which other procedures have been developed, to further evaluate the prime recipient's documentation supporting the reported uses of CRF proceeds, as well as, results of other audits (i.e. Single Audit), among other things. The desk review may result in a site visit to the prime recipient for a more in-depth review. Based on results of the quarterly monitoring, desk reviews, site reviews, and our risk assessments, Treasury OIG will determine the need for a more in-depth audit. In addition to ongoing monitoring, Treasury OIG will initiate audits as deemed necessary based on other referrals and ongoing risk assessments of the prime recipients.

66. Will Treasury OIG audit the sub-recipient as part of its prime recipient audit?

Treasury OIG may audit the sub-recipient as part of its audit of the prime recipient.

67. What cost principles will Treasury OIG be applying to determine allowability of costs during audit if Subpart E of 2 CFR 200 is not applicable to this funding?

The CARES Act and the Treasury guidance and FAQs will be used as criteria for allowability of costs. According to Treasury's FAQs, provisions of the Uniform Guidance, 2 C.F.R. sec. 200.303 regarding internal controls, 2 C.F.R. sec. 200.330 through 200.332 regarding sub-recipient monitoring and management, and subpart F regarding audit requirements are applicable to CRF payments. Subpart E is not applicable.

68. How does the CRF audit relate to Single Audit?

CRF payments are considered to be Federal financial assistance subject to the Single Audit Act (31 U.S.C. sec. 7501-7507). The related provisions of the Uniform Guidance, 2 C.F.R. sec. 200.303 regarding internal controls, sec. 200.330 through 200.332 regarding sub-recipient monitoring and management, and subpart F regarding audit requirements provides detailed information. The results of a prime recipient's Single Audit will be evaluated as part of the Treasury OIG's desk reviews and any audits initiated.

69. To what level of documentation will a government be held to support the reimbursement of public safety payroll that was "presumed" to be substantially dedicated to mitigating the emergency?

The recipient of CRF payments must maintain and make available to Treasury OIG upon request, all documents and financial records sufficient to establish compliance with subsection 601(d) of the Social Security Act, as amended (42 U.S.C. 801(d)). Documents/records include payroll records and documentation that support an employee's time dedicated to mitigating the COVID-19 health emergency for the covered period March 1 through December 30, 2020. Records include, but are not limited to (1) general and subsidiary ledgers used to account for the receipt of CRF payments and subsequent disbursements; and (2) payroll, time, and human resource records to support costs incurred for payroll expenses related to addressing the COVID-19 health emergency. Please refer to the Treasury OIG memorandum, Coronavirus Relief Fund Reporting and Record Retention Requirements (OIG-20-021; July 2, 2020).

a. Will government have to demonstrate/substantiate that an employee's function/duties were in fact substantially dedicated to mitigating the emergency?

Yes, through documentation and financial records as defined above and any other documents/records that support employee's function/duties and/or time

was substantially dedicated to mitigating the COVID-19 emergency. Please refer to the Treasury OIG record retention requirements memorandum OIG-20-021 noted in response to question 69.

- b. For payroll that was accounted for in the FY2020 budget but was then "presumed" to be substantially dedicated to mitigating the emergency, will the government have to demonstrate/substantiate that an employee's function was a substantially different use?***

Yes, the government is required to maintain documents and financial records supporting payroll substantially dedicated to mitigating the emergency to support the use of CRF payments regardless of whether the payroll was originally budgeted. Please refer to response to question 69. The Treasury OIG also requires the government to maintain budgetary records to support the fiscal years 2019 and 2020 budgets.

- 70. Is the government required to perform any analysis or maintain documentation of the "substantially dedicated" conclusion for payroll expenses of public safety, public health, health care, and human service employees?***

Yes, the government is required to maintain documents and financial records to support all payroll expenses, including payroll of public safety, public health, health care, and human service employees, substantially dedicated to mitigating the emergency. Documents should include those to support conclusions made with respect to the "substantially dedicated" use of CRF payments. If an analysis is performed, it should be supported by documentation as outlined in the record retention requirements memorandum OIG-20-021. Please refer to response to question 69.

- 71. Treasury's FAQs indicate a "State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise."***

- a. What level of documentation needs to be maintained to indicate the chief executive did not determine "specific circumstances indicate otherwise?"***

Documents and financial records, as defined in the Treasury OIG memorandum OIG-CA-20-021 must be maintained to support the use of CRF payments for when the presumption is made that payroll costs is substantially dedicated to mitigating or responding to the COVID-19 emergency. Documents should include those sufficient to support decisions made with respect to its use of CRF payments. No specific

documentation of the negative assurance of the chief executive (or equivalent) is required.

b. Is the absence of documentation indicating “specific circumstances indicate otherwise” sufficient, or does an affirmative decision need to be documented?

See previous responses.

72. Are CRF funds required to be accounted for in a separate fund of the government? At least one state thinks it should be.

These are individual management decisions, however, the documentation required above should be easily understandable by the auditors.