

# **CORONAVIRUS RELIEF FUNDS**

## **LOCAL GOVERNMENT TRAINING**

**GOVERNOR'S OFFICE OF PLANNING AND BUDGET  
STATE ACCOUNTING OFFICE  
DEPARTMENT OF COMMUNITY AFFAIRS**



# ROLES AND RESPONSIBILITIES



## Office of Planning & Budget

- Policy Development
- Disbursement of Funds



## Department of Community Affairs

- Technical Assistance
- Compliance review



## • State Accounting Office

- Oversight of allowable expenditures
- Account Management
- Approval of Disbursement Requests

## • Local Governments

- Provide documentation of expenditures
- Maintain adequate records

# CARES ACT OVERVIEW

- The Coronavirus Aid, Relief, and Economic Security (CARES) Act, passed on March 27<sup>th</sup> is a \$2 trillion economic relief package providing support for families, workers, small businesses, and local governments.
- The Coronavirus Relief Fund (CRF) was created to offset certain costs associated with the COVID-19 Pandemic.

# CRF ELIGIBLE EXPENSES

Expenses must satisfy three distinct criteria:

- Necessary Expenditures -- Necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).
- Unbudgeted expenses -- 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.
- Incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

# CRF ELIGIBLE USES

- Certain Medical Expenses
- Certain Public Health Expenses
- Specific Payroll Expenses
- Specific Public Health Measures
- Other Potential Uses
  - Economic Support
  - FEMA Cost-Share

# CRF INELIGIBLE USES

- Replacement of lost revenues, including property tax relief or utility payment grants.
- Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
- 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.
- Reimbursement to donors for donated items or services.
- Workforce bonuses other than hazard pay or overtime.
- Severance pay or legal settlements
- Damages covered by insurance.

# CRF ELIGIBLE EXPENSES

## MEDICAL EXPENSES

- COVID-19-related expenses of public hospitals, clinics, and similar facilities.
- Establishing temporary public medical facilities and other measures to increase treatment capacity, including related construction costs.
- Providing COVID-19 testing, including serological testing.
- Emergency medical response, including transportation, related to COVID-19.
  - Ex. Purchase of additional ambulances or increased contract costs with private medical transport providers
- Establishing and operating public telemedicine capabilities for COVID-19 related treatment.

# CRF ELIGIBLE EXPENSES

## PUBLIC HEALTH

- Expenses for communication and enforcement of public health orders
- Acquisition and distribution of medical and protective supplies for public health or safety workers
- Disinfection of public areas and other facilities, e.g. nursing homes or jails
- Technical assistance to local authorities or other entities
- Public safety measures undertaken
- Expenses for quarantining individuals
- Distance learning expenses for school systems
- Costs to implement teleworking for public employees
- Food delivery services for elderly or vulnerable populations



# CRF ELIGIBLE EXPENSES

## PAYROLL EXPENSES

- Public Safety, Public Health, Health Care, Human Services whose services are substantially dedicated to mitigating or responding to COVID-19
  - Ex. Local governments 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.”
  - These must be employees directly performing public health and public safety activities and not administrative support functions for these departments.
- Payroll and benefit costs associated with public employees who were repurposed to perform previously unbudgeted functions related to COVID-19
  - Ex. 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.

# CRF ELIGIBLE EXPENSES

## PAYROLL EXPENSES

- Payroll and benefit costs of educational support staff or faculty responsible for developing online learning capabilities necessary to continue educational instruction or enforcing social distancing/sanitization measures in schools
- Leave expenses for employees on FFCRA leave
- Hazard pay and overtime for public health and public safety employees substantially dedicated to COVID-19 response
- Ineligible payroll expenses:
  - Bonuses for employees
  - Employees teleworking but performing same job function

# HOW DO LOCAL GOVERNMENTS ACCESS THIS MONEY?

- Local governments must use the online portal to provide specific data to the Governor's Office of Planning and Budget and formally accept the allocated amount.
- No funds are available unless or until the local government's authorized official completes the terms and conditions.
- Phase One Funds are split into an advance allocation (30%) and the remaining will be disbursed on a reimbursable basis

# PROCESS FOR 30% ADVANCEMENT

## HIGH-LEVEL OVERVIEW

### INITIAL PROCESS FOR PORTAL SET UP AND DOCUMENTATION OF EXPENSES FOR THE INITIAL 30% ALLOCATION ADVANCEMENT

Local certifying official receives email from AdobeSign

Local certifying official signs Terms and Conditions; 30% of allocation is released to the local government

Local certifying official receives invitation from GeorgiaCares

Local Certifying official logs into portal and adds local point of contact

Local point of contact receives email from GeorgiaCares

Local point of contact logs in and creates profile

Once local point of contact creates a profile, he or she can begin submitting expense documentation for review.

# WHAT IS THE ONGOING RESPONSIBILITY OF THE LOCAL GOVERNMENT?

- Local government must provide documentation of expenditures
- Timeframe for submittal, review, and receipt of funds
  - Documentation for all incurred and eligible expenses must be submitted by **September 1, 2020**
    - Treasury Guidance: “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).”
- Maintain appropriate audit trails, including fiscal records and supporting documentation, to provide accountability for all expenditures of grant funds for a minimum of 7 years
- Conduct due diligence of eligibility of expense prior incurring expenditure

# PROCESS FOR REIMBURSEMENT

## HIGH-LEVEL OVERVIEW

ENABLE REQUEST OF FUNDS THROUGH  
PORTAL FOR ORGANIZED REVIEW AND  
DISBURSEMENT



**Complete  
Account  
Profile**



**Create Project &  
Request**



**Request Review  
by DCA and  
SAO**



**Disbursements  
made**

# CRF

## SUPPORTING DOCUMENTATION

- **Invoice minimum requirements:**
  - Original invoice
    - Not billing summary statement
  - Dates after March 1<sup>st</sup>
  - Vendor/Company details
  - Itemization of items/services, such as:
    - Quantity
    - Detailed description
    - Unit price
    - Invoice totals
  - Appropriate approval that purchase was authorized

# CRF

## SUPPORTING DOCUMENTATION

- **Payroll minimum requirements:**
  - Dates after March 1<sup>st</sup>
  - Division/Department details
  - Employee details, such as:
    - Department
    - Employee title
    - Hours
    - Hourly Rate
    - Calculations of gross/net pay amounts
  - Appropriate approval that payroll was authorized



# CRF

# FEDERAL AUDIT REQUIREMENTS

- **2 CFR §200.501 – Audit Requirements**
- “A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.”

# CRF

## AUDIT REQUIREMENTS WHAT DOES THIS MEAN?

- **2 CFR §200.501** – Audit Requirements
  - “Non-Federal entity”
    - Includes City, County, State
  - “expends \$750,000 or more”
    - Must consider all Federal amounts spent, including this CRF money
  - “non-Federal entity's fiscal year”
    - Review Federal amounts spent during **your** fiscal year when determining \$750,000 threshold
  - “must have a single or program-specific audit”
    - Must = mandatory (not optional)

# CRF

## AUDIT REQUIREMENTS - TIMING

- **2 CFR §200.512** – Report Submission (to Federal government)
- (a) General. (1) The audit must be completed and the data collection form described in paragraph (b) of this section and reporting package described in paragraph (c) of this section must be submitted within the **earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period.**

# CRF

## US TREASURY REPORTING REQUIREMENTS

### **US Treasury Department – CRF Quarterly Reporting Requirements**

- Currently only applies to the prime recipient, which is the State.
- Future updated Federal reporting requirements could cause more detailed information to be requested from Cities and Counties, such as:
  - Vendor/Contractor information
  - Contract details
  - Quarterly amounts
  - Other documentation

# SUPPORT



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# ADDITIONAL RESOURCES

- **Visit [opb.Georgia.gov/CARESact](https://opb.Georgia.gov/CARESact)**
  - State of Georgia's CRF FAQ's
  - [U.S. Treasury FAQ's](#) –July 8, 2020
  - [U.S. Treasury Guidance for State Governments](#)– June 30, 2020
  - [GeorgiaCARES Portal User Guide](#)
  - [GeorgiaCARES Portal](#)