



STATE CONTROLLER'S OFFICE – BULLETIN 08-19-2020

Wisconsin Department of Administration – Division of Executive Budget and Finance

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Target Audience:

- **Agency Financial Managers**
- **Agency Grant Accountants**

2020 Compliance Supplement: Guidance Related to COVID-19 Funding

Background

Yesterday the Office of Management and Budget (OMB) released the [2020 Compliance Supplement](#). The Compliance Supplement is an extensive guide used in auditing federal grant programs and can also be a valuable resource for the individuals and entities administering federal grant programs.

Since the onset of the COVID-19 pandemic, the State of Wisconsin has received funding under existing and new federal programs through various COVID-19 related Acts. The 2020 Compliance Supplement provides additional information that state agencies should be aware of when administering their federal grant programs related to COVID-19 Acts. Appendix VII of the 2020 Compliance Supplement outlines specific COVID-19 considerations and we have summarized key items from the appendix below. Agencies are encouraged to review this information and the applicable portions of the 2020 Compliance Supplement (pdf pages 1542 – 1548).

Identification of COVID-19 Related Awards and SEFA Reporting

Congress has made appropriations under several Acts to address the COVID-19 pandemic. Federal agencies may have incorporated COVID-19 funding into an existing program and CFDA number. Conversely, federal agencies may have established a separate COVID-19 program with a unique CFDA number. Federal agencies are required to specifically identify COVID-19 awards, regardless of whether the funding is provided under a new or existing CFDA number. [Appendix VII of the 2020 Compliance Supplement includes a link to a list of COVID-19 related federal assistance programs by CFDA number.](#)

The State of Wisconsin, as a recipient of federal funding, is required to complete a Schedule of Expenditures of Federal Awards (SEFA). The 2020 Compliance Supplement indicates that non-federal entities, including the State of Wisconsin, should separately identify COVID-19 expenditures on their SEFA. This will require that state agencies separately track and have the ability to identify COVID-19 related expenditures within their federal grant portfolios. When a federal awarding agency has not



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established a separate/unique CFDA number for COVID-19 funding, agencies are encouraged to use separate chartfields to distinguish these COVID-19 funds.

2020 State of Wisconsin SEFA Reporting and COVID-19

After completion of the fiscal year 2019 SEFA, SCO Audit Services engaged in an assessment of the current SEFA compilation process to identify areas for improvement. As a result of this assessment, a new *agency SEFA workbook* was developed to ease the reporting and compilation process. This workbook includes an area to designate whether funding is related to COVID-19.

SCO Audit Services previewed this new workbook with several agencies and, once finalized, the workbook will be available at [this](#) location on the DOA website.

Coronavirus Relief Fund

The Coronavirus Relief Fund (CRF) was created after the signing of the CARES Act to distribute money directly to state, local, tribal, and territorial governments. A unique CFDA program number, 21.019, was established for the CRF. Because these are federal funds, all state agencies that received reimbursement for qualifying expenditures from the CRF will be required to complete an *agency SEFA workbook* for fiscal year 2020.

Responsibility for Informing Subrecipients

When sub-awarding federal funds to a subrecipient, state agencies must separately identify and inform their subrecipients of instances in which COVID-19 funds are being provided. This is in addition to information state agencies should already be providing to their subrecipients, including federal award number, CFDA number, and any other special requirements. This information is needed to allow state agencies to properly monitor subrecipient expenditures of COVID-19 funds, as well as comply with other subrecipient monitoring requirements.