



STATE CONTROLLER'S OFFICE – BULLETIN 08-16-2021

Wisconsin Department of Administration – Division of Executive Budget and Finance

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Target Audience:

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

2021 Compliance Supplement: Guidance Related to COVID-19 Funding

Background

On August 12, 2021, the Office of Management and Budget (OMB) released the [2021 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. Similar to the 2020 Compliance Supplement, the 2021 Compliance Supplement provides additional information that state agencies should be aware of when administering their federal grant programs related to COVID-19 Acts. Agencies are encouraged to review this information (pdf pages 1769-1779) along with any particular portions of the Compliance Supplement that are applicable to the federal programs they administer. Appendix VII of the 2021 Compliance Supplement outlines specific COVID-19 considerations and we have summarized key items from the appendix below.

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 2021 Compliance Supplement includes a link to a list of COVID-19 related federal assistance programs by CFDA number.



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The State of Wisconsin, as a recipient of federal funding, is required to complete a Schedule of Expenditures of Federal Awards (SEFA). The 2021 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 established a separate/unique CFDA number for COVID-19 funding, agencies are encouraged to use separate chartfields within STAR to distinguish these COVID-19 funds.

2021 State of Wisconsin SEFA Reporting and COVID-19

Similar to fiscal year 2020, the SCO Audit Services section will again use the *agency SEFA workbooks* to ease the reporting and compilation process for the statewide SEFA schedule. SCO Audit Services and the agencies used these workbooks last fiscal year. The updated *agency SEFA workbooks* for fiscal year 2021 will be available within the next few weeks 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. Similar to fiscal year 2020, 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 2021.

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.