

Date: August 12, 2020
To: Agency Leadership
From: Julie Lorenz, Executive Director – Office of Recovery
DeAngela Burns-Wallace, Secretary – Department of Administration
Subject: Coronavirus Relief Fund FY20 and FY21 Update

Summary

We wanted to provide an update regarding Coronavirus Relief Fund (CRF) funds that have been disbursed in FY 20 and the plan for disbursing funds in FY 21 for state entities.

FY 20 Reimbursement Request

Since the CRF was first received in early March, agencies have been coding all COVID-19 related expenditures in SMART. The first round of FY 20 reimbursements to state agencies were made on June 19, 2020 totaling at \$16,764,667. The second round of reimbursement requests were pulled from SMART last week, which included all COVID-19 coded, non-personnel expenditures, personnel expenditures, and administrative leave. These amounts were reviewed by the Office of Recovery in conjunction with the Governor’s office and the decision was made to only reimburse non-personnel/operational expenditures for FY 20 at this time. Due to guidance that might be issued from the Department of Treasury in the next couple months, we will hold off on reimbursing those two categories at this time. Please continue to have your agency follow the coding guidance outlined in previous information circulars released by The Office of Accounts and Reports. We will continue this process for two reasons, first, the state needs to track these useful metrics irrespective of reimbursement, and second, COVID-19 personnel costs and admin leave still remain in a pool of eligible expenses considered for future CRF funds.

The FY 20 operating expenditures reimbursements that were approved, were transferred on August 11, 2020, totaling at \$3,908,737.12. Your agency’s financial team has received Information Circular 21-A-001, from Department of Administration’s Office of Accounts and Reports, with necessary information to process these funds where applicable.

FY 21 Agency Applications for CRF

As we enter FY 21, the process for agencies securing CRF will alter to a more proactive approach. The Office of Recovery will no longer use a reimbursement process for COVID-19 expenditures. Instead agencies will fill out an application to obtain CRF monies for the rest of calendar year 2020. There will be two applications available to secure funding, the first will be for projected operational expenditures through the end of the year. The second application will be for project requests, which would include any funds needed for COVID-19 costs that do not qualify as an operating expenditure. We plan to have more information regarding the application process early next week, so that agencies can submit applications by the end of the month. By moving to proactive planning, the Office of Recovery will be better able to plan for the remaining dollars to be expended by the December 30th deadline. The Office of Recovery will be partnering with the Department of Administration to coordinate this process. We appreciate your flexibility and adaptability as these processes evolve.

Thank you all for your patience and we will be in touch soon with specifics on the application process.