

May 29, 2020

## Arizona Auditor General

As you know, the U.S. Congress authorized the Coronavirus Aid, Relief, and Economic Security (CARES) Act monies to provide emergency assistance to those affected by the 2020 COVID-19 pandemic. Through our membership and participation in the National Association of State Auditors, Comptrollers and Treasurers (NASACT), we are receiving updates on audit and reporting requirements for the CARES Act monies. We are also monitoring U.S. Department of the Treasury (Treasury) information and FAQs available on its [website](#).

In a recent NASACT conference call, representatives from the U.S. Office of Management and Budget (OMB) and Treasury provided information regarding COVID-19 federal monies and the Single Audit Act's requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ([Uniform Guidance](#)).

The following provides current important information:

- OMB and Treasury have assigned Catalog of Federal Domestic Assistance (CFDA) number 21.019 to the Coronavirus Relief Fund monies, a portion of the CARES Act monies, provided directly to the State and some local governments. Any government that has or that may receive these monies directly or passed through another government should identify and track the monies' uses under the current guidelines available on the Treasury's [website](#). These use guidelines may change frequently over time, so it is important that governments track and document their use of these monies and the specific guidelines followed at the time of use.
- The Coronavirus Relief Fund monies are considered federal financial assistance subject to the Single Audit Act's Uniform Guidance audit requirements of [2 CFR Part 200, Subpart F](#). Audit expenses incurred under the Single Audit Act may be paid for using Coronavirus Relief Fund monies.
- Governments that receive Coronavirus Relief Fund monies are subject to the post-award requirements of [2 CFR Part 200, Subpart D](#), relating to internal controls (§200.303) and subrecipient monitoring (§§200.330–332). At this time, it is not known whether other post-award requirements will be applicable.
- OMB is finalizing the 2020 *Compliance Supplement* and is considering including a list of all COVID-19-related programs, the programs' CFDA numbers, and whether each program is subject to the Uniform Guidance audit requirements. There could be 11 new COVID-19-related programs and possibly more. Although the *Compliance Supplement* is primarily used by auditors in performing single audits, governments may find this list useful to identify and track COVID-19-related monies.

OMB and Treasury did not provide time frames for when they will provide additional information. We will notify you when additional information is available.

On June 3, 2020, at 11:00 a.m., the Pandemic Response Accountability Committee (PRAC), which is composed of 20 Inspectors General from across the federal

government, is hosting a virtual public listening forum entitled “Stakeholder Perspectives on Oversight of the Federal COVID-19 Spending and Response.” For more information go to PRAC’s [website](#).

We continue to monitor the COVID-19 situation, and we will email updates and post on our website any COVID-19-related guidance we issue.

If you have any questions regarding reporting and auditing requirements over federal coronavirus aid or relief monies, please contact Michael Stelpstra or Kathleen Wood, Financial Audit Technical Managers, at [aqc@azauditor.gov](mailto:aqc@azauditor.gov) or (602) 553-0333.

Sincerely,  
Arizona Auditor General’s Office

