

From: Governor's Office of Management and Budget

To: State of Illinois Agencies

Date: 3/20/2020

Re: Administrative Relief for Programs affected by Coronavirus

Guidance for the short-term relief in the application of administrative, financial management and audit requirements under 2 CFR 200, Uniform Administrative Requirements, Cost principles and Audit Requirements for Federal Awards, and the Grant Accountability and Transparency Act for all COVID-19 impacted programs under OMB M-20-17

The guidance is applicable to federally and state funded programs and the Governor's Executive Orders and serves to streamline the processes for employing flexibilities and to provide short term relief from 2 CFR 200 and GATA.

GOMB is providing this information for all grant making agencies to ensure that recipients and subrecipients who have received flexibilities to administrative requirements are not placed on the Grantee Compliance Enforcement (Stop Pay) listing.

Agencies are required to provide a single point of contact for communication purposes and will be responsible for ensuring all flexibilities are properly reviewed and documented. This serves to ensure a proper audit trail exists for all impacted programs, and to avoid possible Single Audit Findings and Questioned Costs.

In order to expedite emergency response activities, state agencies are not required to obtain prior written approval from GOMB/GATU for activities related to the emergency response, including grant programs adversely affected by the COVID-19 response, in accordance with the allowable flexibilities and temporary relief outlined in OMB-20-17.

GOMB/GATU may be evaluating the agencies' project plan, budget and appropriateness of future/ funding, as time permits. For state funded grants agencies should provide information required to determine appropriate flexibilities and temporary relief for programs impacted by the COVID 19 response. The process requires agencies to provide and update information as it becomes available using the spreadsheet template as well as submitting an and support documentation as information becomes available. As additional information becomes available, the spreadsheet should be updated and provided to GATU.

Agencies must follow the basic steps outlined below for all impacted programs:

1. Identify the state and federal grant programs that have been impacted by the emergency response to COVID 19. Is this a new program due to COVID or are

there flexibilities due to the impact such as capacity grants or extended reporting periods?

2. The state awarding agency must ensure all decisions are documented with a written plan that includes information on the program, the reason and rationale for the application of relief actions. It is understood that federal guidance may be coming in at different points in time.
3. Complete the attached spreadsheet to document the flexibilities employed. Copies of relevant communication including emails should be submitted to preserve the audit trail. This exercise will greatly assist the streamlining of state and federal flexibilities employed. This needs to be submitted to omb.gata@illinois.gov.

Depending on the funding source (state or federal), at a minimum these specific steps are to be followed:

State funded grants

Agencies must document decisions regarding flexibilities or administrative relief for state funded grants in accordance with allowed temporary relief itl in OMB M-20-17.

1. Identify the type of impact on the program. Is this a new program due to COVID or are there flexibilities due to the impact such as capacity grants or extended reporting periods.
2. If the state funded program is directly associated with a federally funded program, the federal funder's guidance also applies to the state program; document the flexibilities employed (relief actions):
 - a. State funded programs used for maintenance of effort or other cost sharing requirements of a federal award;
 - b. State funded programs that mirrors a federally funded program.
3. If the state funded program is not associated with a federal program, the state awarding agency must follow the guidance in M-20-17:
 - a. Allow recipients to continue to charge salaries and benefits to currently active State awards consistent with the recipient organization's policy of paying salaries (under unexpected or extraordinary circumstances) from state funding sources.
 - b. Allow other costs to be charged to State and non-federal awards, including those necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project.
 - c. Adopt any flexibilities allowed under M-20-17 and in line with this state guidance for affected program.

Federally Funded Programs

1. Identify to type of impact for each program identified.
2. Document the flexibilities authorized by the federal awarding agency under OMB M-20-17:
 - a. Provide a pdf or a link for information received electronically or via federal agency webpages.
 - b. Obtain written approval from the federal awarding agency if possible. This should include the question, answer and the name, title and contact information of the federal staff providing guidance.
 - c. If approval or guidance is provided verbally, immediately follow up with the federal staff providing the approval, memorializing the conversation and including the question, answer and name, title and contact information.

Questions regarding the above administrative relief provisions should be directed to:

OMB.GATA@illinois.gov

Please note that this guidance is current as of 3/20/2020 but updates will be provided as information becomes available.