CARES ACT
OVERVIEW

SUMMER HIRSCHFIELD
ITD GRANTS & CONTRACTS OFFICER
THINGS ARE GOING TO GET A LOT WORSE BEFORE THEY GET WORSE.

-LILY TOMLIN
CARES ACT FUNDS

https://www.pandemicoversight.gov/
Where the money went
CARES ACT OVERVIEW

PUBLIC TRANSIT FUNDING ALLOCATION

US DEPT OF TRANSPORTATION CARES ACT FUNDS

$25 BILLION

IDAHO TRANSIT CARES AWARD

$48.3 MILLION

INCLUDES: 5307, 5311, 5311F.

AVG AWARD PER DISTRICT

$8.1 MILLION
CARES ACT OVERVIEW

IDAHO PUBLIC TRANSIT CARES AWARDS

TOTAL AWARD: 48,252,650

- **Tech Upgrades**: $2,000,000
- **State Admin**: $730,336
- **5311**: $13,719,961
- **5307**: $6,757,556
- **Reserve Funds**: $20,949,294

TOTAL AWARD: 48,252,650
STATE ADMIN
Funds support a one-time competitive grant to provide technology upgrades that will improve operational efficiency and ensure seamless customer experiences.

STATE ADMIN
Funds support salaries & benefits for ITD Grants Officers & state-wide PPE distribution.

5311(f) INTERCITY
Funds support connections between non-urbanized areas and the larger regional or national system of intercity bus services.

FUTURE USE
Funds being held in reserves for future 2021 capital project funding.

5311 RURAL
Funds support capital, planning, and operating assistance to states and federally recognized Indian tribes to support public transportation in rural areas with populations less than 50,000.
• Funding is provided at a 100 percent federal share, with no local match required
• Available to support capital, operating and other expenses generally eligible under the grant programs incurred
• Expanded eligibility to include admin leave, hazard pay, and Lost Revenue
• FTA will also waive local match requirements for covid-19 related activities funded out of previously apportioned urbanized area formula funds (49 u.S.C. 5307) and previously apportioned rural formula program funds (49 U.S.C. 5311)
ITD GUIDANCE

- ITD is not including capital expenses in the first iteration of the CARES Act Awards
- Reserve funds will be awarded in 2021
- The application process has not been finalized
- Why did we do this?
USING CARES FUNDS TO RECOVER RIDERSHIP
Report hours associated with jobs worked during this period, regardless of whether they were paid through CARES funds, as of January 20, 2020.

The number of work hours should include the sum of:
1) The number of hours worked by your staff, which will be paid by CARES funds;
2) The number of hours worked on-site (e.g. at your facilities, or your primary location) by contractors or sub-contractors whom you are paying with CARES funds; and
3) The number of hours worked offsite by employees or contractors that you are paying with CARES funds; and
4) The number of hours claimed by sick leave, administrative leave, family leave and furlough.

Do NOT report the following information:
1) Hours worked in the manufacture of materials and supplies that you have bought “off-the-shelf” and not produced under contract;
2) Hours worked in producing the raw materials and other supplies for projects;
3) Hours associated with your general overhead or indirect costs.
Regardless of whether they were paid through CARES funds, as of January 2020 report the following:

Jobs or positions created -- new positions created and filled, or previously existing unfilled positions that are filled, as a result of CARES Act funding.

Jobs or positions retained -- means those previously existing filled positions that are retained as a result of CARES Act funding.

This description may rely on job titles, broader labor categories, or the contractor’s existing practice for describing jobs as long as the terms used are widely understood and describe the general nature of the work.

At a minimum, this estimate shall include any new positions created and any existing filled positions that were retained to support or carry out CARES Act projects or activities managed directly by subrecipients.

A job cannot be reported as both created and retained.
Section 15010 of the CARES Act created the Pandemic Response Accountability Committee to perform oversight of CARES Act funds in order to "(i) detect and prevent fraud, waste, abuse, and mismanagement; and (ii) identify major risks that cut across programs and agency boundaries." Membership of the Committee includes:

• the Inspectors General of the Departments of Defense, Education, Health and Human Services, Homeland Security, Justice, Labor, and the Treasury;
• the Inspector General of the Small Business Administration;
• the Treasury Inspector General for Tax Administration; and
• any other Inspector General, designated by the Chairperson from any agency that expends or obligates covered funds or is involved in the coronavirus response.

The Committee's specific duties include:

• auditing or reviewing covered funds . . . to determine whether wasteful spending, poor contract or grant management, or other abuses are occurring;
• making referrals for investigation to the Inspector General for the agency that disbursed the covered funds, including random audits to identify fraud; and
• reviewing whether competition requirements applicable to contracts and grants using covered funds have been satisfied.

In addition, the CARES Act establishes a "Special Inspector General" for pandemic recovery, the Office of the Special Inspector General for Pandemic Recovery, which will be housed in the Treasury Department. The Special Inspector General duties include the conduct, supervision, and coordination of audits and investigations regarding the "making, purchase, management, and sale of loans, loan guarantees, and other investments made by the Secretary of the Treasury under any program established" under the CARES Act.
- Establish formal guidance on allowable CARES related expenditures versus those incurred in the normal course of business.
- Consider the type and volume of expenditures. Seek input from your boards, executive management team, operations managers, etc.

CARES ACT GUIDANCE
INTERNAL CONTROLS
Identify and Track Expenditures

- Set up bank accounts specifically attributable to CARES Act disbursements to prevent commingling of funds.
- Establish separate account codes to track CARES Act allowable labor and benefits paid (e.g., hazard pay, sick leave, family & medical leave).
- Establish and review methodology of allocating costs between allowable and non-allowable expenditures.
- Identify expenditures that may have been incurred since the inception of the CARES Act and evaluate for inclusion as allowable expenditures.

Set Internal Guidelines on Allowable Expenditures

Support Expenditures

Maintain Internal Controls
CARES ACT GUIDANCE

INTERNAL CONTROLS

- Maintain supporting documents for expenditures (e.g., receipts, contracts, time reporting, documents requesting and authorizing benefits paid, etc.) until January 2025.

Identify and Track Expenditures

Support Expenditures

Set Internal Guidelines on Allowable Expenditures

Maintain Internal Controls
CARES ACT GUIDANCE

INTERNAL CONTROLS

- Build internal controls into processes or ensure current internal control processes are properly designed and operating effectively (e.g., purchase-to-pay process).
- Partner with your Internal Audit team or provider to monitor internal controls to ensure compliance and prevent and detect fraud, waste or abuse.

Identify and Track Expenditures

Support Expenditures

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Maintain Internal Controls
INTERNAL CONTROLS

CARES ACT GUIDANCE

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CARES ACT PORTAL