



# **TOP TRENDS IN CARES ACT FUNDING AND FEDERAL GRANTS MANAGEMENT**





**DIGITAL  
TRANSFORMATION  
CAN BE CRUCIAL  
TO SUCCESSFULLY  
ADDRESSING  
DISRUPTIONS LIKE  
MASS TELEWORK  
AND SUPPORTING  
INCREASINGLY  
DISTRIBUTED  
GOVERNMENT  
WORKFORCES.**





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# EXECUTIVE SUMMARY

COVID-19 HAS ACCELERATED THE MODERNIZATION OF GRANTS MANAGEMENT. AS A RESULT OF THE PANDEMIC, GRANT MANAGERS AND PROFESSIONALS HAVE HAD TO RETHINK THE WAY THEY ACCOMPLISH WORK BY MOVING THEIR TEAMS AND ACTIVITIES TO VIRTUAL ENVIRONMENTS.

By now, the **Department of Treasury** has already distributed 99.6 percent of the \$150 billion Coronavirus Relief Fund package for state and local governments (approximately \$149,463,000,000). The \$8 billion allocated to tribal governments has been distributed, with the exception of Alaskan Native Corporations (due to pending litigation).

With the pressures of addressing COVID-19 in communities, **innovation may seem like the last priority**. This doesn't have to be the case, especially when digital transformation can be crucial to successfully addressing disruptions like mass telework and supporting increasingly distributed government workforces.

This guide is intended to serve as inspiration for innovation with practical examples of governments that are successfully innovating in the era of COVID-19 across the state and local level. In this guide, you'll learn how governments are successfully administering, tracking and measuring their COVID-19 relief grants. By digitally transforming their grants management, they're ready to address the short-term ramifications of this pandemic as well as long-term recovery. And you will be too.

## IN THIS ECIVIS GUIDE, WE'LL GO OVER THE FOLLOWING:

- **Eligibility guidance** for distributing Coronavirus Relief Funds
- The top government **grants success stories** in the era of COVID-19 including:

<b>The State of Arizona</b> Expedites Disbursement of COVID-19 Dollars And Centralizes Grants Tracking	<b>Los Angeles County</b> Increases Funding Opportunities to Help Communities in Need	<b>The City of Atlanta</b> Streamlines Subrecipient Management	<b>California Housing Department</b> Achieves Improved Outcomes for COVID-19 Grants and Loans
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- **Tools these governments used** to achieve success and how you can apply them



# ELIGIBILITY GUIDANCE FOR DISTRIBUTING CORONAVIRUS RELIEF FUNDS



## OVERVIEW OF THE LATEST IN CARES ACT FUNDING

To start, here is a general overview of what's been happening in COVID-19 funding and relief since March of 2020. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. Title V, the Coronavirus Relief Fund (CRF), sets forth the direct payment amounts for states, local units of government, tribes and US territories.

What Title V doesn't list out is reporting requirements or methods of determining eligibility for distribution of funds from these governments to smaller governments. These requirements have been left to the discretion of direct funded governments, generating much confusion.

On May 27, 2020, the Department of Treasury issued a memo on Interim Audit Update – Coronavirus Relief Fund Recipient Reporting. This memo included Treasury counsel and OIG review statements. These reviews stated Title V does not fall under the same reporting requirements as other funding in the CARES Act. Additionally, it is stated by counsel and OIG and understood, Title V funds will fall under the same transparency and accountability as other CARES Act funding.

As of May 28, 2020, Title V Coronavirus Relief Funds have been assigned a CFDA number of 21.019 and will be subject to the Single Audit Act. These two facts alone answer the question; do we have to report? The answer is, yes.





# DETERMINING ELIGIBILITY OF EXPENSES, ADMINISTRATION OF FUNDS AND REPORTING REQUIREMENTS

Still, one of the most frequently asked questions is: How will reporting be accomplished? Below is a set of four recommendations and practical examples which can be used to help determine eligibility of expenses, administration of funds, and reporting requirements. As always, any outstanding questions regarding allowability and/or eligible expenses can be addressed to the funder (direct funded government) or Department of Treasury. The agency frequently updates their [COVID-19 FAQ](#) page.

## 1. CREATE CHECKLIST OF REQUIREMENTS SET FORTH BY THE CARES ACT

Based on the Department of Treasury’s Guidance, each jurisdiction is charged with determining whether or not an expense is eligible as provided in their contract scope of work with Commerce. To help jurisdictions with this determination, the State of Washington’s Department of Commerce has put together a [Coronavirus Relief Funds for Local Governments Eligible Cost Test](#). This test gives each jurisdiction full authority to make appropriate calls for each circumstance.

If all responses for the specific incurred cost are “true” for all five statements, then a jurisdiction can reasonably determine the cost is eligible.

- \*Note:** Eligible expenditures include but are not limited to payment for:
- Medical expenses, such as COVID-19-related expenses of public hospitals, clinics, testing etc.
  - Public health expenses such as communication and enforcement, public health orders, acquisition and distribution of medical and protective supplies, expenses for technical assistance to local authorities, etc.
  - Payroll expenses for public health, healthcare, human services, etc.
  - Expenses of actions to facilitate compliance with COVID-19-related public

- |   |                               |                                |
|---|-------------------------------|--------------------------------|
| 1. The expense is connected to the COVID-19 emergency.  | <input type="checkbox"/> True | <input type="checkbox"/> False |
| 2. The expense is “necessary.”  | <input type="checkbox"/> True | <input type="checkbox"/> False |
| 3. The expense is not filling a short fall in government revenues.  | <input type="checkbox"/> True | <input type="checkbox"/> False |
| 4. The expense is not funded through another budget line item, allotment or allocation, as of March 27, 2020. | <input type="checkbox"/> True | <input type="checkbox"/> False |
| 5. The expense wouldn’t exist without COVID-19 OR would be for a “substantially different” purpose.           | <input type="checkbox"/> True | <input type="checkbox"/> False |

- health measures, such as expenses for food delivery to residence or technology improvements for distance learning, etc.
- Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, i.e. expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
  - Any other COVID-19 related expenses reasonably necessary to the function of government that satisfy the Fund’s eligibility criteria.



## 2. ESTABLISH STANDARD TERMS AND CONDITIONS TO ALIGN WITH FUND REQUIREMENTS SET FORTH BY CARES ACT, OMB GUIDANCE AND TREASURY GUIDANCE

The state of Texas has created a document called the [Coronavirus Relief Fund Terms and Conditions](#). For grantees (applicants and recipients), the document provides terms and conditions applicable to payments distributed in the form of grants to local units of governments from the Coronavirus Relief Fund established within section 601 of the Social Security Act, as added by section 5001 of the CARES Act. Such documents help provide effective guidance for grantees and a single point of reference to navigate any FAQs they encounter throughout the grants management process.

## 3. ESTABLISH A CENTRAL PLACE FOR CRF INFORMATION REQUIRED BY DIRECT FUNDED GOVERNMENTS TO SMALLER GOVERNMENTS

Arizona’s Office of Grants and Federal Resources has put together a [COVID-19 Grant Resources page](#) meant to serve as a “clearinghouse of COVID-19 grants-related information” and tools. This central repository allows grantees in the state to view key state priorities and resources available to revive Arizona’s economy including related grants and funding opportunities, Treasury Guidance, and tools to help grantees streamline their grants management process.

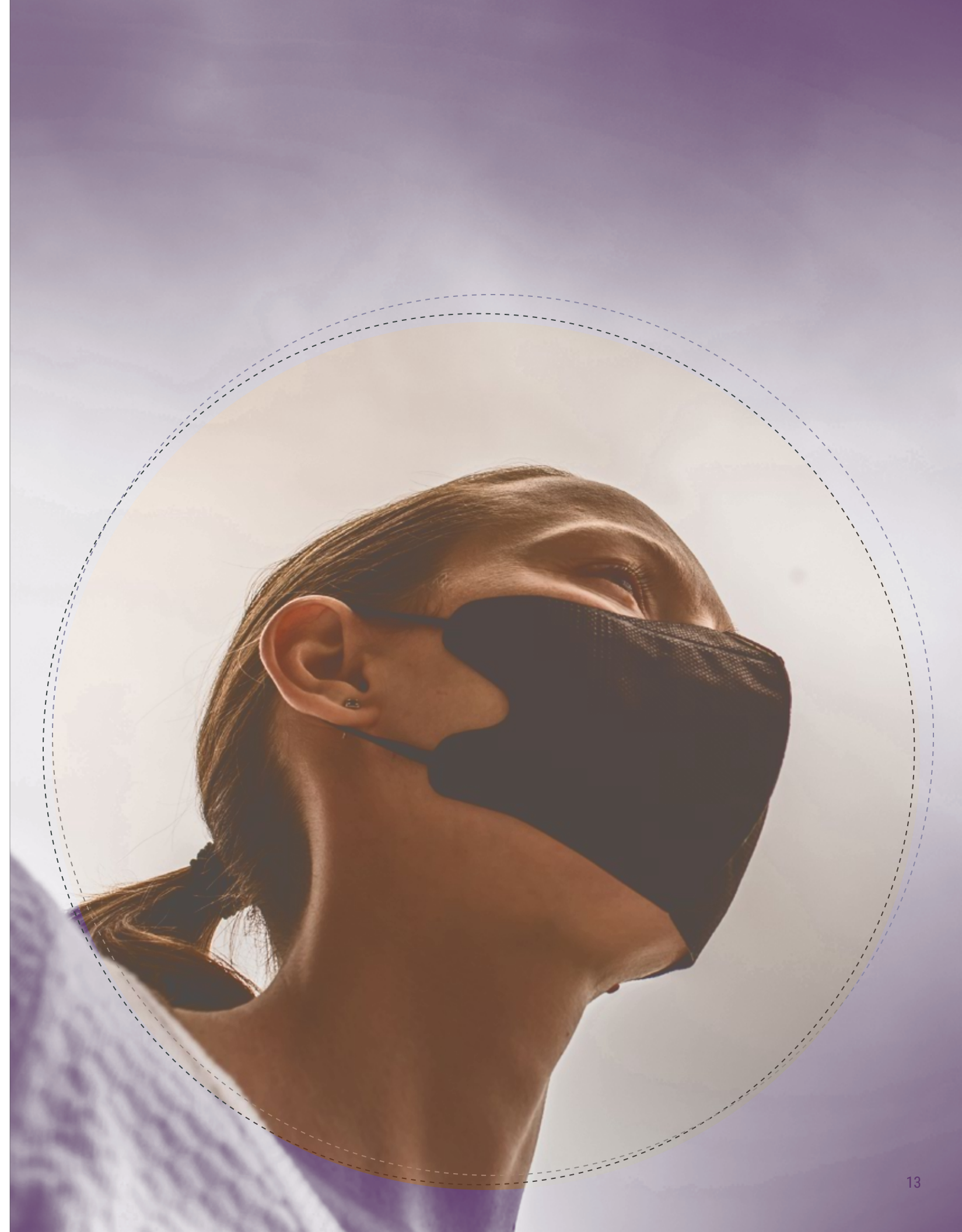
## 4. ESTABLISH A CRF TEAM OR COUNCIL

Through its Department of Commerce, the state of Montana established a [Coronavirus Relief Fund Advisory Council](#). The council is an advisory team made up of experts from several facets of the economy to “help the state determine where these funds can best serve Montanans, businesses, and our health care system – and where we can fill unmet needs not addressed in the overall CARES Act package.” The council recently put forth a [Recommendation Report](#) that summarizes Treasury Guidance, methods of distribution, and priorities for funding recommendations including immediate safety needs and business stabilization.

# TOP GRANT SUCCESS STORIES IN THE ERA OF COVID-19



THE FOLLOWING GOVERNMENTS HAVE MANAGED TO VIRTUALIZE THEIR GRANTS PROCESSES, SPEED UP THE TRACKING, ADMINISTRATION, AND DISBURSEMENT OF CRUCIAL FUNDING—ALL WHILE IMPROVING PERFORMANCE AND COMPLIANCE. HERE ARE THE TOP GOVERNMENT GRANT SUCCESS STORIES OF THE COVID-19 ERA TO DATE.





# STATE OF ARIZONA EXPEDITES DISBURSEMENT OF COVID-19 DOLLARS AND CENTRALIZES GRANTS TRACKING



## CHALLENGE

For state governments, disbursing funding and managing subrecipients can be especially challenging. How can states effectively distribute funding that other city and local entities so desperately need while making sure every dollar is accounted for? This was a central question for the state of Arizona. Not to mention more scrutiny and funding dedicated to compliance and administrative measures (with at least \$80 million appropriated to the Pandemic Response and Accountability Committee). Many of its state agencies had been operating with manual paper processes, significantly delaying the distribution of critical funding.



## SOLUTION

In an effort to expedite the disbursement of COVID-19-related funding across the state, Governor Ducey's Office launched the **Arizona Public Assistance Express Pay Program**, expediting delivery of public assistance to local governments, tribal communities, schools, nonprofit organizations, and houses of worship for FEMA-eligible projects related to COVID-19 response and recovery efforts. Managed by the Department of Emergency and Military Affairs (DEMA), the program centralizes the disbursement and tracking of funding from FEMA's Category B Public Assistance Program to ensure continued delivery of critical services for Arizonans.



## RESULTS

By digitizing the Public Assistance Express Pay Program on an electronic grants management system, Arizona now expects to expedite the timeline of reviewing, disbursing, and reimbursing grants from months to possibly as little as five business days.

### ONE SOURCE OF TRUTH FOR INFORMATION:

Instead of relying on disparate spreadsheets or data for tracking and information, the centralized grants management system provides one source of truth to track where funding is and who's responsible for next steps.

### DATA VISUALIZATION AND TRANSPARENCY:

DEMA can promote better visibility and transparency to FEMA and citizens with automated reporting in real-time regarding where COVID-19 dollars are going as well as ensuring built in compliance with 2 CFR 200.

### IMPROVED PROGRAM AND PERFORMANCE:

Arizona's centralized grants management system enables DEMa to easily tag and distinguish different funding streams, i.e. HHS dollars from FEMA, making it easier to scale grant programs and quickly disburse funding.



# LOS ANGELES COUNTY INCREASES FUNDING OPPORTUNITIES TO HELP COMMUNITIES IN NEED



## CHALLENGE

For local governments, like the county of Los Angeles, there are many priorities to address in addition to COVID-19 emergency management. Specifically, the County needed to increase funding in key priority areas including child protection, environmental health oversight, homeless initiatives, immigration services, and justice reform and sustainability. Tracking down the grant opportunities for these various needs can be extremely cumbersome and time consuming. Meanwhile, the urgency of COVID-19 only adds more pressure to acquire this funding faster.

## SOLUTION

By moving the pre-award grants process online, the County's Board of Supervisors and County leaders are able to centralize their funding research in one portal that connects all priorities throughout the county. Each county department is able to automatically receive grants related to the priority areas relevant to them, drastically reducing the time it takes to determine the viability of each funding opportunity. Additionally, the digital grants system automatically tracks activity and outcomes related to each funding opportunity. This allows for real-time reporting on funding pursued, not pursued, anticipated funding, and awarded grants. Additionally, the County has been able to successfully secure COVID-19 funding and better track the re-allocation of Coronavirus Relief funding from other grants projects.

## RESULTS

Through their new SaaS system, LA county has access to thousands of active funding opportunities related to board initiatives including:

**1,793**  
HEALTH  
INTEGRATION  
FUNDING  
OPPORTUNITIES

**1,027**  
HOMELESSNESS  
FUNDING  
OPPORTUNITIES

**3,142**  
CHILD  
PROTECTION  
FUNDING  
OPPORTUNITIES

**548**  
JAIL REFORM  
FUNDING  
OPPORTUNITIES





# CITY OF ATLANTA STREAMLINES SUBRECIPIENT MANAGEMENT



## CHALLENGE

There are a number of significant challenges governments face, especially when they are in the role of “grantors” or pass-through entities. In addition to navigating different funding streams and tracking their own compliance and administration requirements, they have to manage subrecipients and ensure their success or risk paying back the federal government from their own pockets. For the city of Atlanta, these challenges were compounded by cross-departmental efforts to manage subrecipients, including vendor contracts and different payments to manage. The City’s entitlement grants portfolio is multifaceted with numerous requirements. Overall, the City awards upwards of \$33 million and over 100 grants per year. Moreover, the City had to navigate reviewing and scoring applications remotely with the onset of mass telework.



## SOLUTION

Full lifecycle grants management software has led the City into the modern era of grants management where cloud-based software reduces administration time and redundancies, reduced audit and compliance issues, and driven information sharing and collaboration between departments and administrations. Additionally, the cloud-based grants system enables the city to scale performance, adding more users and integrating more data to improve tracking and follow-up. The City was also able to provide a link for the public to use to complete the entire process electronically. This access enabled the City to provide real-time FAQs to all those interested.



## RESULTS

With their new grants management software, the City is able to:

**EXPEDITE PROCESSES  
THAT WOULD HAVE  
PREVIOUSLY TAKEN  
6 TO 8 MONTHS DOWN  
TO UNDER 2 MONTHS**

**INCREASE NUMBER  
OF QUALIFIED  
PROPOSALS BY  
44 PERCENT OVER  
THE PREVIOUS YEAR,  
ENCOMPASSING A  
GEOGRAPHY OF  
29 COUNTIES**





# CALIFORNIA DEPARTMENT FOR HOUSING & COMMUNITY DEVELOPMENT ACHIEVES IMPROVED OUTCOMES FOR COVID-19 GRANTS AND LOANS

**MANAGE  
7 PROGRAMS AND  
100+ SUBAWARDS**

**MODERNIZED  
MANAGEMENT OF \$900  
MILLION IN COMMUNITY  
DEVELOPMENT BLOCK  
GRANT DISASTER  
RECOVERY (CDBG AND  
CDBG-DR) FUNDING  
ACROSS THE STATE**



## CHALLENGE

HCD needed to quickly deliver community development and disaster relief funding throughout the entire state of California. Compounding these challenges was the fact that the state's financial information sat in disparate silos, making it even more difficult to ensure accurate and timely reporting.



## SOLUTION

HCD used a robust grantor management solution that integrates with the state's financial system and HUD's federal reporting system. This helps the Department reduce the risk of human-prone error while achieving improved outcomes for grants and loans (both from state and federal housing programs).

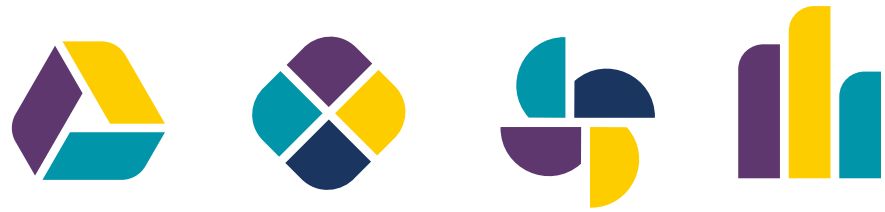


## RESULTS

The Department is able to speedily deliver critical community development and disaster relief funding throughout the state as well as:

**ADMINISTER EMERGENCY  
SOLUTION GRANTS  
(ESG) ALLOCATION  
UNDER CARES ACT TO  
PREPARE FOR, PREVENT  
AND RESPOND TO  
CORONAVIRUS AMONG  
HOMELESS POPULATIONS**





# TOOLS THEY USED FOR SUCCESS

**WHAT DO ALL OF THESE INNOVATIVE GOVERNMENTS HAVE IN COMMON? IN ADDITION TO DELIVERING CRITICAL AID AND FUNDING TO THEIR COMMUNITIES IN THE WAKE OF COVID-19, THEY HAVE LONG-TERM SOLUTIONS TO HELP THEM CONTINUE THEIR DIGITAL TRANSFORMATION EFFORTS. HELPING POWER THESE DIGITAL TRANSFORMATIONS IS ECIVIS.**

eCivis' Grants Network solution is a fully integrated, SaaS-based system that helps governments propel the full grants management cycle, whether you're on the grantor or grantee side. In addition to full lifecycle grants management, we offer indirect cost calculation and planning services to help governments recover reimbursements and maximize funding opportunities.

eCivis helps 1,000+ state, local and tribal government agencies fully maximize their grant resources:

- Grants Network is a professionally curated database of over 16,000 grants providing access to billions in potential new funding
- 700+ cost plans and \$1 billion in recovered costs for clients
- Currently managing 18,500+ grant funded projects across the US

Since 2000, eCivis has helped thousands of governments like Arizona, California, Los Angeles and Atlanta navigate their grants and funding challenges. We've been on the frontlines of grants management during crises like the Great Recession and are ready to help you navigate COVID-19- during and long after.

What could you accomplish for your communities if grants were made easier? Find out by reaching out to eCivis today. Join the thousands of public-sector entities that have successfully moved their digital transformation efforts forward with innovative grants management.

To learn more, connect with us at [info@ecivis.com](mailto:info@ecivis.com).

**16,000**  
PROFESSIONALLY  
CURATED DATABASE  
OF OVER 16,000  
GRANTS

**\$1 B**  
IN RECOVERED  
COSTS FOR  
CLIENTS

**18,500+**  
GRANT FUNDED  
PROJECTS

**1,000+**  
STATE, LOCAL  
AND TRIBAL  
GOVERNMENT  
AGENCIES

**700+**  
COST PLANS





