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TO: State Agency Fiscal and Budget Officers

FROM: Ed Ross, Controller
Office of the Controller,
Finance and Administration Cabinet

John T. Hicks, State Budget Director
Office of State Budget Director

DATE: January 22, 2021

SUBJECT: Tracking Expenses – Coronavirus Response and Relief Supplemental Appropriations Act, 2021

The Office of the Controller, within the Finance and Administration Cabinet, and the Office of State Budget Director are providing the following guidance for the tracking of expenses related to the issuance of Division M – “Coronavirus Response and Relief Supplemental Appropriations Act, 2021” and Division N - “Additional Coronavirus Response and Relief” of the Consolidated Appropriations Act, 2021.

- Divisions M and N of the Consolidated Appropriations Act, 2021, enacted on December 27, 2020, will provide additional COVID-19 related federal funds for many existing federal programs, with the addition of a few new federal awards.
- All Commonwealth agencies should record any activity allowable under the Divisions M and N separately from existing non-COVID-19 related federal programs.
- Due to its supplementary nature, we have amended our previous guidance to allow Fund 12CV to be used for both the CARES Act grant awards, as well as Divisions M and N of the Consolidated Appropriations Act, 2021.
- Major Program CARES is used exclusively for the Coronavirus Relief Fund awards and should not be used for new federal awards under Divisions M and N.

- New federal awards provided under Divisions M and N should be reported as follows:
 - A Major Program other than “CARES”.
 - A new Program code must be created to account for the funds received under the Divisions M & N.
 - Each new Program shall be associated to Program Category “CARE” on the Program Table.
 - Fund 12CV should be used for all related expenditures. In both the Expense and Revenue section of the Funding Line, agencies should populate fund 12CV.
 - A new Reimbursable Grant Budget document (BGPDR) will be required to establish the ‘Current Budget’ based upon the federal award.
- If a federal awarding agency issues additional federal appropriations under an existing federal grant award number, the existing Cost Accounting structure should remain the same.

If you have any questions related to the required Cost Accounting Setup, or need assistance related to the Coronavirus Response and Relief Supplemental Act, 2021, please contact the Office of the Controller, Office of Statewide Accounting Services, or the Office of State Budget Director.

Thank you for your assistance in ensuring the Commonwealth has comprehensive and accurate statewide reporting on spending in response to COVID-19.