

BUDGET LETTER

SUBJECT: 2020 COVID-19 COST REPORTING	NUMBER: 20-07
REFERENCES:	DATE ISSUED: March 9, 2020
	SUPERSEDES:

TO: Agency Secretaries
Department Directors
Departmental Budget and Accounting Officers
Department of Finance Budget and Accounting Staff

FROM: DEPARTMENT OF FINANCE

This BL informs departments of required 2020 COVID-19-related cost reporting on a monthly basis until notified of an end date.

Background

On March 4, 2020, the Governor declared a state of emergency to help the state prepare and respond to COVID-19. State departments have been tasked with various response and recovery activities.

Cost Reporting

Many departments and Agencies have assisted in the evolving response to address this emergency, which may result in costs that cannot be absorbed within existing budgets. In an effort to track overall state costs, and to make informed financial decisions, the Department of Finance is requesting that all departments provide monthly cost estimates associated with COVID-19-related activities.

Attachment I provides the format for the monthly reporting by Agency, which shall commence **April 5, 2020**, and continue **by the 5th of each subsequent month until further notice**. Although this is relatively high-level reporting, more detailed backup and substantiation should be maintained for potential reporting to the Office of Emergency Services or your Finance Budget Analyst upon request.

Additional points of clarification:

1. This financial reporting does not take the place of State Operations Center reporting that each department may already provide to the Office of Emergency Services.
2. The reporting costs is not a guarantee of funding and Agencies are encouraged to work closely with their Finance Budget Analyst for any COVID-19-related funding needs or questions.
3. Each month should be an estimate of total costs, not an incremental change to the prior month or specific costs for just the month of the report.

4. Although Attachment I includes a field to identify whether costs are absorbable, the goal of the reporting is to capture extraordinary costs beyond current budgeted levels. For example, while staff may be spending significant time coordinating or responding to various needs, their normal work hours or salaries would generally be assumed to be absorbable. However, extraordinary levels of additional overtime that cannot be absorbed within existing resources may fit the criteria for potential additional funding. Additionally, departments may be required to enter into new contracts for goods or services that cannot be absorbed within existing resources.
5. All costs should be reported in a consolidated spreadsheet by each Agency, and should be attributed to the department/agency that will ultimately incur the additional cost. For departments that do not report to an Agency, a spreadsheet should be submitted directly to your respective Finance Budget Analyst.

If you have questions regarding this BL, please contact your assigned Finance Budget Analyst.

/s/ Keely Bosler

KEELY BOSLER
Director

Attachment