

October 28, 2021

ADDENDUM

EMERGENCY RENTAL ASSISTANCE PROGRAMS REPORTING GUIDANCE

**Clarifications and Guidance for Financial Reporting on Recipient and
Subrecipient Activities**

October 28, 2021

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Introduction

This addendum supplements information and guidance found in the Reporting Guidance, Emergency Rental Assistance Programs (“Reporting Guidance”) and the User Guide: Treasury Portal for Recipient Reporting, ERA programs (“User Guide”).

Throughout this guidance, a Recipient of an Emergency Rental Assistance (ERA) program award is referred to as the “Prime Recipient” or the “ERA Recipient”.

Each ERA Recipient must report on its uses of ERA funds and each of its Subrecipient’s uses of the ERA funds, including all obligations and expenditures made by the Recipient and by all Subrecipients.

Important Definitions for ERA Reporting:

- For purposes of ERA Reporting, a “Subrecipient” is an entity to which an ERA Recipient issues a “subaward,” contract, or direct payment in the amount of \$30,000 or more.
- For purposes of ERA Reporting, the term “subaward” has two meanings:
 - “Subaward” refers to any of the following: a “subaward”, contract and direct payment.
 - “Subaward” also means an award issued by the ERA Recipient for the Subrecipient to carry out part of an ERA Project.
- A “contract” is an obligation to an entity associated with an agreement to acquire goods or services.
- A “direct payment” is a disbursement (with or without an existing obligation) to an entity that is not associated with a subaward or contract. If the direct payment is associated with an obligation, then the obligation and expenditure should be reported. If the direct payment does not involve a previous obligation, the direct payment will be recorded when the expenditure is incurred.

“Project” and “Subrecipient – Subaward” Tab on Treasury’s Portal

Each ERA1 and ERA2 Recipient is responsible for quarterly reporting on all uses of their ERA1 and ERA2 awards. Recipients must report on all ERA-related costs incurred during each quarterly reporting period.

See below for the sequence for entering the required information on the “Project” and “Subrecipient – Subaward” tabs on Treasury’s portal. See the Reporting Guidance and the User Guide for additional details.

Sequence for Entering Required Project and Subrecipient Information

Project Tab:

Under the “Project” tab, the ERA Recipient is required to enter the project name, recipient project identification number (an identification number to be created by the ERA Recipient), and a narrative description of the ERA project. The required information includes data points required for reporting on FSRs.gov.

(See Reporting Guidance, p. 11 and User Guide, p. 18 for detailed requirements).

“Subrecipient – Subaward” Tab:

The Recipient is required to enter the following information on the “Subrecipient – Subaward” Tab (See User Guide, p. 21):

- Information about each Subrecipient to which the ERA Recipient has issued a subaward, contract or direct payment in an amount greater than or equal to \$30,000. The required information includes data points required for subaward reporting on FSRs.gov.
- Information about each subaward (subaward, contract or direct payment) the ERA Recipient has issued to a Subrecipient as noted above. Required information includes the amount of ERA funds obligated (or expended); the period of performance; place of performance; type of subaward, and so forth.
- Information about each expenditure of ERA award funds associated with each subaward noted above (or other obligations made by the ERA Recipient but not associated with a Subrecipient or subaward). Required information about each expenditure includes:
 - Start and end dates;
 - Amount; expenditure category; and
 - If the subaward type is a subaward, an indication of whether the subrecipient is complying with the terms of its subaward (if applicable).
- Aggregate amount of all subawards, contracts, and direct payments obligated or expended by the ERA Recipient or any Subrecipient(s) in amounts less than \$30,000, categorized by type of obligation.
- Aggregate amounts of all direct payments made by the ERA Recipient and any Subrecipient(s) in amounts less than \$30,000 obligated or expended to individuals.

Clarification of Required Financial Reporting on Recipient and Subrecipient Activities

Each ERA Recipient must report the following information for each of its ERA awards (one award constitutes one ERA Project).

- A. The ERA Recipient's (Prime Recipient) obligations of \$30,000 or more and related expenditures
 - a. Contracts issued by the Prime Recipient of \$30,000 or more
 - i. Obligations (individually reported) as applicable
 - ii. Related expenditures (individually reported), including expenditures made by the Prime Recipient and those made by each Subrecipient, as applicable
 - b. Grants (including Subawards) issued by the Prime Recipient of \$30,000 or more
 - i. Obligations (individually reported) as applicable
 - ii. Related expenditures (individually reported), including expenditures made by the Prime Recipient and those made by each Subrecipient, as applicable.
 - c. Direct Payments of \$30,000 or more
 - i. Obligations (individually reported) as applicable.
 - ii. Related expenditures (individually reported) including expenditures made by the Prime Recipient and those made by each Subrecipient, as applicable.
- B. Aggregate obligations and expenditures of contracts, grants (including subawards) and direct payments made by the Prime Recipient or any Subrecipient, as applicable, in amounts less than \$30,000 (reported in aggregate/totalled by Expenditure Category)
- C. Aggregate obligations and expenditures to individuals, made by the Prime Recipient or any Subrecipient, as applicable, in amounts less than \$30,000 (reported in aggregate/totalled by Expenditure Category)

Examples of Required ERA Recipient and "Subrecipient-Subawards" Reporting

Example #1: State A receives an ERA award of \$50,000,000 on February 15, 2021.

REPORTING requirement: The ERA Recipient must confirm details about its award and the associated ERA Project as part of each quarterly report, beginning with the Full Q1 Report which is due by October 29, 2021.

State A reviews and completes its information on the Recipient Profile tab on the Q1 Report for the ERA grant awarded on February 15, 2021. The Recipient

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Profile tab includes data points about the ERA Recipient required for reporting on FSRs.gov.

Example #2: State A issues an \$1,000,000 subaward to Blue County on March 1, 2021.

REPORTING requirement: When an ERA Recipient obligates \$30,000 or more of ERA funds (by issuing a subaward, contract, or direct payment). It must create the Subrecipient record in the quarter when the ERA Recipient obligates ERA funds to the Subrecipient.

State A creates a Subrecipient Record for Blue County by inputting the required information about Blue County in the “Subrecipient-Subawards” Tab screen of Treasury’s portal or by uploading the information using a Subrecipient bulk upload template. The required information includes the data required for subaward reporting on FSRs.gov. The State must establish the Subrecipient record prior to the submission deadline for the Q1 Quarterly Report.

See User Guide pp. 16-18 for screenshots and instructions for creating the Subrecipient Record.

Reporting requirement: When an ERA Recipient obligates ERA funds, it must record the obligation on the Subaward screen in Treasury’s portal (or by using a bulk upload template). The Recipient must create the Subaward record in the Quarter in which the ERA funds were obligated for the subaward.

State A records the fact that it has obligated \$1,000,000 to Blue County directly into Treasury’s portal on the “Create Subaward” screen (Or, State A may provide the required information via bulk upload template).

See User Guide pp. 18-20 for screenshots and instructions for creating Subaward Records.

Example #3: State reports Blue County’s Q1 quarterly expenditures associated with the \$1,000,000 subaward provided to Blue County on March 1, 2021.

REPORTING requirement: The ERA Recipient must record its Subrecipients’ expenditures of ERA funds quarterly using the appropriate expenditure screen. Recording the subaward expenditures on the appropriate screen links the Subrecipient’s expenditures to the associated subaward and its obligations under the subaward.

State A gathers details about Blue County’s quarterly expenditures related to the \$1,000,000 previously obligated for the subaward. State A reports those details on the Q1 Quarterly report form.

3a) Blue County provides a total of \$75,000 in ERA funds for rent payments in Quarter 1. The entire \$75,000 in rent payments is in the form of payments less than \$30,000 to tenants and landlords.

- State A must record Blue County's expenditures for rent payments using the "Aggregate Disbursements to Individuals less than \$30,000" screen. State A must select "Financial Assistance: Rent" as the expenditure category and provide the Subaward Number and other relevant information. The State may choose to report this information directly in the portal or using a bulk upload template.

3b) Blue County provides a total of \$15,000 in ERA funds for Utility / Home Energy Bill payments in Quarter 1. A total of \$5,000 is in the form of payments less than \$30,000 to tenants, and \$10,000 is in the form of payments to Utility / Home Energy providers.

- State A must record Blue County's expenditures paid to tenants using the "Aggregate Disbursements to Individuals" screen. State A must select "Financial Assistance: Utility / Home Energy Bill" as the expenditure category, The State may choose to report this information using the "Aggregate Disbursements to Individuals" bulk upload template.
- State A must record Blue County's expenditures paid to Utility / Home Energy providers using the "Aggregate Disbursements < \$30,000" screen. State A must select "Financial Assistance: Utility/Home Energy Bill" as the expenditure category and select "Aggregates of Direct Payments less than 30000" as the "Subaward Type (aggregates)". The State may choose to report this information using the "Aggregate Expenditures Less than \$30,000" bulk upload template.

Example #4: State A awards an additional \$10,000,000 to increase the total subaward issued to Blue County. It takes this action on April 1, 2021.

REPORTING requirement: When an ERA Recipient obligates \$30,000 or more of ERA funds (by issuing a subaward, contract or direct payment). It must create the Subrecipient record in the quarter when the ERA Recipient obligates the ERA funds to the Subrecipient.

Given that State A had previously established a Subrecipient record for Blue County in Treasury's portal, there is no need for it to re-enter that information into the system.

The State must update its previous "Subaward" record for Blue County for Q2 to record the new obligation of \$10M. This additional information will reflect a total subaward amount of \$11,000,000 for Blue County fir Q1 and Q2.

Example #5: State A issues a \$10,000,000 Subaward to Green County on April 1, 2021

REPORTING requirement: When an ERA Recipient obligates \$30,000 or more of ERA funds (by issuing a subaward, contract or direct payment). It must create the Subrecipient record in the quarter when the ERA Recipient obligates the ERA funds to the Subrecipient.

The required action for processing the subaward to Green County is the same as outlined in Example 2 above regarding the subaward issued to Blue County. This must be recorded in the Q2 report.

Example #6: State A pays Jane Jones, an individual, \$5,000 for professional consulting services on May 15, 2021

REPORTING requirement: Each ERA Recipient is required to report subawards, contracts and direct payments in amounts less than \$30,000 in the aggregate.

Given that the payment to Jane Jones is less than \$30,000, State A is not required to set-up a Subrecipient Record for it. In addition, the expenditure was not based on a previous obligation. Therefore, State A is not required to create a subaward record for this transaction.

For its Q2 Quarterly Report, State A must record the \$5,000 direct payment to Janes Jones "Aggregate Disbursements to Individuals" screen. The State must categorize the expenditure category as "Administrative Cost." The State may choose to report this information using the "Aggregate Disbursements to individuals" bulk upload template.

Example #7: State A reports Blue County's and Green County's Q2 quarterly expenditures associated with their respective subawards.

REPORTING requirement: The ERA Recipient must record its Subrecipients' expenditures of ERA funds quarterly using the appropriate expenditure screen. Recording the expenditure on the appropriate screen links the Subrecipient's expenditures to the associated subaward and obligations.

State A gathers details about Blue County's and Green County's Q2 quarterly expenditures. State A reports those details on its Q2 Quarterly report form.

9a) Blue County (\$350,000) and Green County (\$400,000) provides a combined total of \$750,000 in ERA funds for rent payments in Quarter 2. The entire \$750,000 in rent payments is in the form of payments less than \$30,000 to tenants and landlords.

- State A must record Blue County's expenditures for rent payments using the "Aggregate Disbursements to Individuals" screen. State A must

select “Financial Assistance: Rent” as the expenditure category and provide the Subaward Number and other relevant information.

- State A must record Green County’s expenditures for rent payments using the “Aggregate Disbursements to Individuals” screen. State A must select “Financial Assistance: Rent” as the expenditure category and provide the Subaward Number and other relevant information.
- State A may choose to report the above information directly into the portal or using a bulk upload template.

9b) Blue County and Green County provide a combined total of \$25,000 in ERA funds for Payments for Housing Stability Services. This includes a \$10,000 payment by Blue County under a contract with Legal Services and a \$15,000 payment by Green County to Local Law Firm.

- State A records the combined expenditures for Housing Stability Services using the “Aggregate Expenditures < \$30,000” screen. It selects “Housing Stability Services” as the expenditure category, and “Aggregate of Direct Payments less than 30000” as the Subaward Type.

Example #8: State A awards a contract to Accounting Firm to develop the financial accounting system for the State’s ERA program reporting. The Contract amount is \$25,000 and the contract date is February 15, 2021.

REPORTING requirement: Each ERA Recipient is required to report subawards, contracts and direct payments in amounts less than \$30,000 in the aggregate.

Given that the obligation amount for the contract is less than \$30,000, State A is not required to create either a Subrecipient Record or a Subaward record for this transaction.

For its Q1 Quarterly Report, State A must record the \$25,000 obligation and expenditure with Accounting Firm on the “Aggregate Expenditures < \$30,000” screen in Treasury’s portal. The State must categorize the expenditure category as “Administrative Cost” and the “Subaward Type (aggregates)” as “aggregate of contracts awarded for less than 30000.” The State may choose to report this information using a bulk upload template (expendituresLT30000BulkUpload) to report these details.

Example #9: State A enters a contract to with Tech Firm on April 1, 2021 in the amount of \$1,500,000. State A pays Tech Firm \$100,000 on May 1, 2021 for services performed in the month of April, in keeping with the contract terms.

REPORTING requirement: When an ERA Recipient obligates \$30,000 or more of ERA funds (by issuing a subaward, contract or direct payment). It must create the Subrecipient record in the quarter when the ERA Recipient obligates the ERA funds to the Subrecipient.

State A must create a subrecipient record before it can record the required contract for Tech Firm as part of its Q2 report. The State either inputs the information on the portal's "Subrecipient-Subawards" screen or via the "Subrecipient" bulk upload template.

See User Guide pp. 16-18 for screenshots and instructions for creating the Subrecipient Record.

Reporting requirement: When an ERA Recipient obligates ERA funds greater than \$30,000, it must record the obligation on the portal's Subaward screen (or by using the appropriate bulk upload template). The Recipient must create the Subaward record in the quarter when it obligated the ERA funds.

State A records the fact that it has obligated \$1,500,000 to Tech Firm. It does this on the portal's "Create Subaward" screen. The subaward type is recorded as "contract." The State may either enter the information manually or use the "Subaward" bulk upload template.

See User Guide pp. 18-20 for screenshots and instructions for creating Subaward Records.

REPORTING requirement: When an ERA Recipient obligates or expends \$30,000 or more of ERA funds, it must create an expenditure record that links the expenditure to the associated subaward and obligation.

State A records its expenditure of \$100,000 to Tech Firm in the quarter in which it made the expenditure. The State either manually enters the information on the "Aggregate Expenditures more than \$30,000" screen and the Expenditure Category is recorded as "Administrative Costs". State A provides additional details, as appropriate, in the "Administrative Cost Narrative" text box. It may also choose to report via the "Expenditures > \$30,000" bulk upload template.

Example #10 – Blue County, a State subrecipient, contracts with Neighborhood Services, a local non-profit, to market the ERA program in the county in Quarter 1. The initial contract is for \$50,000 and Blue County provides an initial payment of \$35,000 in Q1. In Q2, Blue County increases the contract value by \$20,000 and makes a second payment of \$35,000.

REPORTING requirement: When an ERA Recipient obligates \$30,000 or more of ERA funds (by issuing a subaward, contract or direct payment). It must create the Subrecipient record in the quarter when the ERA Recipient obligates the ERA funds to the Subrecipient.

State A must create a subrecipient record before it can record the required contract for Neighborhood Services as part of its Q1 report. The State either inputs the information on the portal's "Subrecipient-Subawards" screen or via the "Subrecipient" bulk upload template.

See User Guide pp. 16-18 for screenshots and instructions for creating the Subrecipient Record.

Reporting requirement: When an ERA Recipient obligates ERA funds greater than or equal to \$30,000, it must record the obligation on the portal's Subaward screen (or by using the appropriate bulk upload template). The Recipient must create the Subaward record in the quarter when it obligated the ERA funds.

State A records the fact that it has obligated \$50,000 to Neighborhood Services. It does this on the portal's "Create Subaward" screen. The subaward type is recorded as "contract." The State may either enter the information manually or use the "Subaward" bulk upload template.

See User Guide pp. 18-20 for screenshots and instructions for creating Subaward Records.

REPORTING Requirement: The ERA Recipient must report Subrecipient expenditures quarterly.

State A records Blue County's \$35,000 expenditure to Neighborhood Services on the "Aggregate Expenditures more than \$30,000" screen. State A selects "Administrative Costs" as the expenditure category. State A provides additional details, as appropriate, in the "Administrative Cost Narrative" text box. State A may provide the needed information on the County's expenditures via the "Expenditures > \$30,000" bulk upload template.

REPORTING Requirement: The ERA Recipient must report any additional obligations to a specific Subrecipient on the specific subaward.

In Q2, State A records the fact that it has obligated an additional \$20,000 to Neighborhood Services. It does this on the portal's "My Awards" screen. The subaward is updated to reflect the total obligation of \$20,000 in Quarter 2.

REPORTING Requirement: The ERA Recipient must report Subrecipient expenditures quarterly.

State A records Blue County's Q2 expenditure of \$35,000 to Neighborhood Services on the "Aggregate Expenditures more than \$30,000" screen. State A selects "Administrative Costs" as the expenditure category. State A provides additional details, as appropriate, in the "Administrative Cost Narrative" text box. State A may provide the needed information on the County's expenditures via the "Expenditures > \$30,000" bulk upload template.

Questions and Answers on Subrecipient – Subaward Tab Reporting

The following Questions and Answers apply to the ERA1 and ERA2 Award Reporting. These questions and answers are modeled on Treasury OIG Guidance for the Coronavirus Relief Fund, dated March 22, 2021.

Q1) What level of subrecipient data will the ERA Recipient be required to report?

The ERA Recipient is required to report on the first subrecipient level only.

Example: A State Government ERA Recipient issues a subaward to Entity A to provide ERA services in a specific county. For reporting purposes, the ERA Recipient must report the details of this subaward including the amounts of ERA funds obligated to Entity A. As Entity A provides ERA services under the subaward agreement, the ERA Recipient must report the assistance Entity A provides as expenditures associated with the obligation.

Q2) What are the ERA expenditure categories?

The ERA Expenditure categories are as follows:

- Financial Assistance: Rent
- Financial Assistance: Rent Arrears
- Financial Assistance: Utilities / Home Energy Bills
- Financial Assistance: Utilities / Home Energy Bills Arrears
- Financial Assistance: Other Housing Services
- Housing Stability Services
- Administrative Costs

Q3) What are the ERA subaward obligation types?

The obligation types for ERA reporting are as follows:

- Contract: Purchase Order
- Contract: Delivery Order
- Contract: Blanked Purchase Order
- Contract: Definitive Order
- Grant: Lump Sum Payment(s)
- Grant: Reimbursable
- Direct Payment

Q4) If an ERA Recipient reports a contract using Treasury's portal (for a Quarterly report) that is subsequently modified to either increase or decrease the contract amount, how should this be reported?

Contract modifications should be reported for the quarter in which the contract modification is executed. For contracts of \$30,000 or more, the ERA Recipient should go to the "My Awards" screen under the "Subrecipient-Subawards" tab and search for the specific contract. Select the "Show Information" button. This allows you to review all subaward information and make the necessary edits to the "obligation amount".

You will be required to create a subrecipient profile and a subaward profile in case any contracts previously reported in aggregate receive additional funding and therefore now exceed the \$30,000 threshold.

Q5) If an ERA Recipient enters multiple obligations with Entity B, some of the obligations are in amounts more than \$30,000 and others less than \$30,000, how should these obligations be reported?

When an entity receives obligations of \$30,000 or more, they must be reported as a Subrecipient. If a subrecipient receives multiple obligations, the sum of all obligations should be reported as the subaward obligation amount. Subsequent Expenditures of \$30,000 or more by expenditure category should be reported in the "Aggregate Expenditures >more than \$30,000" screen. The recipient may also use the "Expenditures > \$30,000" bulk upload template.

Expenditures of less than \$30,000 should be aggregated with other expenditures by Expenditure category and Subaward Type and reported in the "Aggregate disbursements less than \$30,000" screen. The recipient may also use the "Aggregate expenditures < \$30,000" bulk upload template.

Q6) Where an ERA Recipient originally obligated \$25,000 to Entity C and reported that obligation in the aggregate of expenditures or obligations less than \$30,000. Later, in a subsequent quarter the ERA Recipient increased the amount obligated to Entity C for their work on the ERA project by \$10,000, bringing the total obligation for its work to

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\$35,000. How should the obligation be reported?

The ERA Recipient should reduce the obligation and any related expenditures from the specific aggregate obligation and expenditures amounts. Then, the ERA Recipient should create a Subrecipient record for Entity C. Next, the ERA Recipient should report the obligation by the applicable obligation type \geq \$30,000, along with related expenditures.

Q7) Are ERA Recipients required to report the expenditure category as part of the aggregate reporting?

Yes. All aggregated reporting must be associated with a specific type of Expenditure Category.

Q8) Under the “Expenditures” tab, for aggregate reporting of obligations to individuals, what information is required to be reported about the individuals?

None. The only information collected under aggregate reporting are Recipient Project Id, Expenditure Category, Total Obligations, Total Expenditures and Administrative Expense Explanation.

Q9) How should payroll costs be reported?

Payroll costs to individuals, and any other direct payments to individuals, regardless of the amount, should be reported with the Aggregate Direct Payments to Individuals category.