

Scenarios on Reporting an ERA Recipient's Allocations of ERA Funds to Subrecipients, Contractors and Beneficiaries

Note: The following information is also found in Appendix 10 of the ERA Reporting Guidance. Please see the Reporting Guidance for additional information on these and related topics.

Each ERA Recipient must report on its uses of ERA funds. This includes reporting on all the Recipients' obligations to subrecipients, contractors and beneficiaries and the associated expenditures on subawards, contracts and direct payments.

In general, each ERA Recipient must report the following information for each of its ERA awards (ERA Project) in the reporting quarter.

1. The ERA Recipient's obligations of \$30,000 or more and related expenditures.
 - a. Subawards (issued to Subrecipients) by the Prime Recipient valued at \$30,000 or more
 - i. Obligations (individually reported as applicable) on the Subrecipients, Contractors and Beneficiaries Tab
 - ii. Related expenditures (individually reported) made by the subrecipient on the Expenditures Tab under the Expenditures Associated with the ERA Recipient's Subawards, Contracts and Direct Payments Valued at \$30,000 or More section.
 - b. Contracts (issued to Contractors) by the Prime Recipient valued at \$30,000 or more.
 - i. Obligations (individually reported as applicable) on the Subrecipients, Contractors and Beneficiaries Tab
 - ii. Related expenditures (individually reported) made by the contractor on the Expenditures Tab under the Expenditures Associated with the ERA Recipient's Subawards, Contracts and Direct Payments Valued at \$30,000 or More section.
 - c. Direct Payments (issued to Beneficiaries) by the Prime Recipient valued at \$30,000 or more (not including benefit payments to individual who tenants or unincorporated small landlords, regardless of the amount).
 - i. Obligations (individually reported) on the Subrecipients, Contractors and Beneficiaries Tab
 - ii. Related Expenditures will be the same as the obligation amount. This will be reported on the Expenditures Tab under the Expenditures

associated with the ERA Recipient's Subawards, Contracts and Direct Payments Valued at \$30,000 or More section.

2. For subawards, contracts and direct payments to beneficiaries valued at less than \$30,000, report the aggregate amount of all obligations and aggregated amount of all expenditures. This reporting must be performed up to 24 times (reported by 8 Expenditure Category types across 3 Aggregate Types). This will be reported on the Expenditures Tab under the Total of all Obligations and Total of all Expenditures Associated with the ERA Recipient's Subawards, Contracts, and Direct Payments Valued at Less than \$30,000 section.
3. For all direct payments to individuals (tenants or unincorporated small landlords), report the aggregate amount of all obligations and aggregate amount of all expenditures. This reporting must be performed up to 8 times (reported by 8 Expenditure Category types). This will be reported on the Expenditures Tab under the Recipient Obligations and Expenditures (Payments) to Individuals (Beneficiaries) section.

The following brief examples present separate scenarios in which an ERA Recipient obligates funds to a Subrecipient, Contractor or Beneficiary and records the associated expenditures. In general, the scenarios illustrate the steps of creating Subrecipient, Contractor and Beneficiary records; recoding the obligating the ERA funds via a corresponding subaward, contract or direct payment; and recording the expenditure of the funds and required details on the appropriate Treasury portal screen.

Each scenario presents a brief statement of the reporting requirement for each transaction and a bulleted list of required actions for reporting the required details on the Treasury portal screens (or by using the bulk upload functionality).

EXAMPLE 1

State A (the ERA Recipient) issues a subaward in the amount of \$1,000,000 to Blue County on February 22, 2021

REPORTING REQUIREMENT

The ERA Recipient must create a Subrecipient record and a Subaward record in Treasury’s portal when it obligates \$30,000 or more of ERA funds via a subaward, contract, or direct payment. It must record this information in the quarter when it obligated the ERA funds.

ACTION REQUIRED

- State A must create a Subrecipient Record for Blue County on the “Subrecipient, Contractor, Beneficiary” tab in Treasury’s portal. It must use the “Subaward, Contract, Direct Payment” tab to create a subaward record {Subaward A} and record the \$1,000,000 obligation issued to Blue County.
- Note, State A may opt to provide the required information via the bulk upload function in Treasury’s portal.

EXAMPLE 2

State A modifies the pre-existing subaward with Blue County with an additional \$10,000,000 obligation on May 1, 2021

REPORTING REQUIREMENT

The ERA Recipient must record modifications to existing subawards, contracts, and direct payments in Treasury’s portal in the quarter when it made the modification.

ACTION REQUIRED

- State A has previously created a Subrecipient Record for Blue County in the earlier quarter. Therefore, there is no need for it to re-enter the information about Blue County or modify the existing Subrecipient Record in any way (unless there was a change to Blue County’s profile information).
- State A must record the additional \$10,000,000 obligated to Blue County by updating the existing {Subaward A} record associated with the original Blue County obligation on the “Subawards, Contracts and Direct Payments” tab. The State updates the existing

{Subaward A} by updating the obligation amount. Treasury’s portal will reflect a total subaward amount of \$11,000,000 under {Subaward A} for Blue County for Q1 and Q2.

EXAMPLE 3

State A pays Jane Jones \$5,000 for professional consulting services on March 15, 2021. The services were provided from March 1 through March 15.

REPORTING REQUIREMENT

The ERA Recipient must report the payment for Ms. Jones’ services among the aggregate expenditures for contracts less than \$30,000.

ACTION REQUIRED

- Given that the \$5,000 fee paid to Jane Jones for consulting services is less than \$30,000, State A does not create a record for the “Contractor” Jane or for the associated “Contract” for this expenditure.
- State A must record the \$5,000 payment to Jane Jones for the consulting services using the “Aggregate Expenditures Associated with Subawards, Contracts or Direct Payments less than \$30,000” screen in the Expenditures tab. State A characterizes the expenditure category as “Administrative Cost” and will record both the obligation and expenditure in aggregate.
- Note, State A may provide the required information via the bulk upload function in Treasury’s portal.

EXAMPLE 4

Blue County paid \$350,000 in ERA funds to beneficiaries for rent payments in the month of March. The entire \$350,000 in rent payments is in the form of payments less than \$30,000 to individuals who are tenants or unincorporated small landlords. These expenditures are associated with State A’s \$1,000,000 subaward issued to Blue County on February 22, 2021.

REPORTING REQUIREMENT

The ERA Recipient must record its Subrecipients’ expenditures of ERA funds quarterly. Recording the expenditures links the expenditures to the associated subaward and to the related obligations under the subaward.

ACTION REQUIRED

- State A must report Blue County’s expenditure of \$350,000 using the “Expenditures Associated with the ERA Recipient’s Subawards, Contracts and Direct Payments Valued at \$30,000 or More” screen and selecting “Financial Assistance: Rent” as the expenditure category in the “Expenditures” tab.
- State A must associate this expenditure with {Subaward A} by providing the appropriate Subaward ID or Subaward Number for Blue County.
- State A must also report the expenditure start and end dates.
- Note, State A may provide the required information via the bulk upload function in Treasury’s portal.

EXAMPLE 5

Blue County entered into a \$50,000 contract with Legal Services Office, a local nonprofit, on April 5 for six months of work providing Housing Stability Services as part of State A’s ERA Project. On August 15, Blue County paid Legal Services \$18,000 for its work in over the period April, May and June.

REPORTING REQUIREMENT

An ERA Recipient is required to report its obligations associated with its First Level Subrecipients only, with no reporting on obligations made by subrecipients to second-level entities. However, ERA Recipients must report First Level Subrecipient’s expenditures. In this scenario, Blue County is a First Level Subrecipient. Therefore, State A must report on Blue County’s expenditures concerning its contracted services from Legal Services Office.

5a) Blue County contracted with Legal Services for \$50,000 on May 5

ACTION REQUIRED

- State A does **not** create records for Blue County’s contract with Legal Services.
- State A must report Blue County’s expenditure of \$18,000 using the “Expenditures Associated with the ERA Recipient’s Subawards, Contracts and Direct Payments Valued at \$30,000 or More” screen and selecting “Housing Stability Services” as the expenditure category in the “Expenditures” tab
- State A must associate this expenditure with {Subaward A} by providing the appropriate Subaward ID or Subaward Number for Blue County.
- State A must also report expenditure start and end dates.

- Note, State A may provide the required information via the bulk upload function in Treasury’s portal.

5b) Blue County pays Legal Services Office \$22,000 for its housing stability services on August 10.

ACTION REQUIRED

- State A does **not** create records for Blue County’s contract with Legal Services.
- State A must report Blue County’s expenditure of \$18,000 using the “Expenditures Associated with the ERA Recipient’s Subawards, Contracts and Direct Payments Valued at \$30,000 or More” screen and selecting “Housing Stability Services” as the expenditure category in the “Expenditures” tab
- State A must associate this expenditure with {Subaward A} by providing the appropriate Subaward ID or Subaward Number for Blue County.
- State A must also report expenditure start and end dates.
- Note, State A may provide the required information via the bulk upload function in Treasury’s portal.

EXAMPLE 6

Blue County bought five laptop computers from Technology Firm on May 1. The payment amount was \$10,000.

REPORTING REQUIREMENT

An ERA Recipient is required to report its obligations associated with its First Level Subrecipients only, with no reporting on obligations made by subrecipients to second-level entities. However, ERA Recipients must report First Level Subrecipient’s expenditures. In this scenario, Blue County is a First Level Subrecipient. Therefore, State A must report on Blue County’s expenditures in purchasing the laptops.

ACTION REQUIRED

- State A records the expenditure of \$10,000 using the “Expenditures Associated with Subawards, Contracts and Direct Payments Valued at \$30,000 or More” screen and selects “Administrative Costs” as the expenditure category in the “Expenditures” tab.

When reporting “Administrative Costs”, State A will also be required to provide a brief description/reason on the costs incurred.

- State A must associate this expenditure with {Subaward A} by providing the appropriate Subaward ID or Subaward Number for Blue County.
- State A must also report expenditure start and end dates.
- Note, State A may provide the required information via the bulk upload function in Treasury’s portal.

EXAMPLE 7

State A provides ERA services directly in some portions of the state. It contracted with Marketing Firm A to inform residents and landlords about the State’s ERA program for \$75,000 and paid a total of \$545,000 in rent as direct payments to individual beneficiaries (tenants or unincorporated small landlords) in March, as described below. State A also paid the following rent arrears payments to Landlord Business, an individual corporate landlord, in March: \$32,000; \$15,000; and \$10,000.

REPORTING REQUIREMENT

The ERA Recipient must record its expenditures of ERA funds quarterly. The ERA Recipient must create a Subrecipient record and a Subaward record in Treasury’s portal when it obligates \$30,000 or more of ERA funds via a subaward, contract and so forth. It must also report all Direct Payments to individual beneficiaries (tenants or unincorporated small landlords) regardless of the amount of the ERA benefit payment. It must record this information in the quarter when it obligated the ERA funds.

Guidance from Special Reporting Tip: Reporting Any Payments to Individuals¹ –

Payments from the ERA Prime Recipient to individuals under an ERA Project – regardless of the amount – should be reported via the “Aggregate Disbursements to Individuals” bulk upload file or the equivalent on-screen “Payments to Individuals” section without individual unique identifiers but labeled with expenditure category (for example, “Financial Assistance: Rent” or “Administrative Costs”). An individual is unincorporated and, for example, reports rental income to the IRS on the Form 1040, *U.S. Individual Income Tax Return*, Schedule E,

¹ This reporting requirement is similar to the Treasury CARES Act Coronavirus Relief Fund reporting in GrantSolutions

Supplemental Income and Loss, under a personal tax identification number such as a Social Security Number rather than an Employer Identification Number (EIN) issued by the IRS.

7a) State A entered into a \$75,000 contract with Marketing Firm A to publicize the State’s ERA program in March.

ACTION REQUIRED

- State A must create a Contractor profile for Marketing Firm A on the “Subrecipient, Contractor and Beneficiary” tab in Treasury’s portal.
- State A It must use the “Subawards, Contracts and Direct Payments” tab to create a Contract record {Contract A} with Marketing Firm A and record the \$75,000 obligation.
- No additional steps are required If there are no expenditures under {Contract A} in the reporting period.
- Note, State A may provide the required information via the bulk upload function in Treasury’s portal.

7b) State A paid \$545,000 in ERA funds to beneficiaries for rent payments in the month of March. The entire \$545,000 in rent payments is in the form of payments less than \$30,000 to individual beneficiaries (tenants or unincorporated small landlords).

ACTION REQUIRED

- State A does not create a “Beneficiary” profile for any of the individual beneficiaries (tenants or unincorporated small landlords) irrespective of the amount of the ERA benefits received.
- State A reports the \$545,000 in direct payments using the “Recipient Obligations and Expenditures (Payments) to Individuals (Beneficiaries)” screen and selects “Financial Assistance: Rent” as the expenditure category in the “Expenditures” tab.
- Note, State A may provide the required information via the bulk upload function in Treasury’s portal.

7c) State A paid the following rent arrears payments to Landlord Business, a corporate landlord, in March: \$32,000 paid out in 3 checks (\$15,000; \$7,000 and \$10,000).

REPORTING REQUIREMENT

Guidance from Special Reporting Tip: Reporting ERA Amounts of \$30,000 or More Paid to Business, Corporations, or Non-Profits -- When an ERA Recipient pays \$30,000 or more in ERA Financial Assistance to a business, corporation, or non-profit entity that is

receiving the payment exclusively as a beneficiary of the program (excluding unincorporated individuals as noted above), the ERA Recipient must create a beneficiary profile record that includes the entity's DUNS or Unique Entity Identifier (UEI) number (where registered in SAM.gov), the Taxpayer Identification Number/Employer Identification Number (TIN/EIN, not SSN), the legal name, the entity type (for example, "For-profit Organization"), and the legal address (usually the headquarters location corresponding with the TIN/EIN reported and registration required for a DUNS or SAM.gov). Until Treasury posts an updated reporting screen, ERA Recipients are instructed to answer "N/A" to the question, "Is the subrecipient registered in SAM.gov?" for any non-individual beneficiaries to enable report acceptance by Treasury's portal and satisfy the mandatory data fields. The answer would be "N/A" even if the entity is not registered in SAM.gov and the recipient is using a TIN/EIN for reporting. Treasury apologizes for this inconvenience. The ERA Recipient must then follow the normal procedure for setting up a Direct Payment record on the "Subawards, Contracts, Direct Payments" tab as outlined in the reporting guidance.

ACTION REQUIRED

- State A must create a Beneficiary Record for Landlord Business on the "Subrecipients, Contractors and Beneficiaries" tab.
- State A must create a Direct Payment Record {Direct Payment B} for Landlord Business on the "Subawards, Contracts, and Direct Payment" tab in Treasury's portal, and record the \$32,000 payment in March.
- State A records the expenditure either as a lumpsum of \$32,000 or separate transactions using the "Expenditures Associated with Subawards, Contracts and Direct Payments Valued at \$30,000 or More" screen and selects "Financial Assistance: Rental Arrears" as the expenditure category in the "Expenditures" tab.
- State A must associate this expenditure with {Direct Payment B} by providing the appropriate Direct Payment ID or Direct Payment Number for Landlord Business.
- State A must also report expenditure start and end dates (as applicable).
- Note, State A may provide the required information via the bulk upload function in Treasury's Portal.