



Reporting of Extraordinary Federal Grants Provided in Response to the COVID-19 Pandemic

As previously announced, OASAS has implemented a two-year closeout process to help mitigate the financial impact of the COVID-19 pandemic for fiscal periods July 1, 2019 through June 30, 2021 and January 1, 2020 through December 31, 2021 that will net the reconciliation results for Year 1 and Year 2. Providers will be notified of the results of the Year 1 and Year 2 reconciliations including the net result and any calculated recovery of State aid.

Additionally, OASAS will allow providers to retain surplus revenue resulting from extraordinary Federal funding provided directly to providers in response to the COVID-19 pandemic.

Providers are required to report all appropriate expenses and the offsetting revenues, including the use of Federal grants, in the OASAS programs where the expenses were incurred. Such revenue should be reported on Line 24, Federal Grants. Any remaining revenue from awarded Federal grants should be reported on the CFR schedules consistent with the provider's financial statements and the provider's CFR filing requirements. However, surplus revenues from the extraordinary Federal grants will not be reported on the DMH-2 claiming document.

This does not apply to any Federal funding paid to providers from OASAS, either through a direct contract or via the *State Aid Funding Authorization* (SAFA), such as SAPT Block Grant funds or any awards made under the Supplemental Federal SAPT Block Grant awards.

Please note: This guidance may result in the need for providers to submit a revised claim for the July 1, 2019-June 30, 2020 or January 1, 2020-December 31, 2020 fiscal periods. Grant revenues must be applied consistent with the terms and conditions of the Federal grant including required reporting. Expenses may only be covered by one reimbursement source. Unspent State Aid will be recovered through the usual reconciliation process.

Providers intending to submit a revised claim for the July 1, 2019-June 30, 2020 or the January 1, 2020-December 31, 2020 fiscal period must notify the Claims Unit at APStAid@oasas.ny.gov by December 31, 2021. Revised claims for these fiscal periods must be submitted no later than January 31, 2022.

Reporting Future Use of Surplus Federal Grant Funds:

For Claims reporting (DMH-2 & DMH-3), as approved expenses are made in future years, the expenses must be appropriately reported on the DMH-2 claiming schedule with the offsetting surplus Federal grant revenue reported on line 29 "Other Revenue." Use of the surplus Federal grant funds in future years should be consistent with the terms and conditions of the grants from which they were paid.

Additional Information:

- Providers are responsible for using any Federal grants consistent with the terms and conditions of the grant(s) received.
- No additional State aid will be made available in future years to support on-going costs added by the provider through this process.
- Programs will continue to be subject to all reporting and performance monitoring.
- OASAS reserves the right to discontinue this process.

Questions related to this notice should be sent to OASASBudget@oasas.ny.gov.

Questions related to the CFR schedules including the DMH-2 claiming schedule should be sent to CFRS@oasas.ny.gov.