

## DHS Publishes FAQs for CARES Act Funding

Today, July 23, 2020, The Department of Human Services published CARES Act funding FAQ's to assist providers in Pennsylvania who are eligible for these funds.

In addition to several other pertinent questions, the very important distinction regarding contractor or status for recipients is clarified as follows:

### **Are Act 24 CRF payments considered federal financial assistance for purposes of the Single Audit Act?**

For the Act 24 CRF payments to be considered a federal award, there needs to be a subrecipient relationship between the entity and DHS. The Act 24 CRF payments would not affect the subrecipient vs. contractor determinations under the Uniform Guidance (see 2 CFR Part 200, Section 200.330). That is, if the entity has a subrecipient relationship with DHS, the Act 24 CRF payments would not change that and the entity would consider the Act 24 CRF payments to be a federal award. Conversely, if the entity has a contractor relationship with DHS, the Act 24 CRF payments would not be considered a federal award.

### **How will the entity know if they are a subrecipient or contractor?**

DHS recommends that if the entity is uncertain of their designation as a subrecipient or a contractor by DHS that they contact their Certified Public Accountant (CPA) or other financial representative. Entities that do not have a CPA or other financial representative or when the designation between a subrecipient or a contractor is not known by the financial representative, the entity can contact DHS, [Audit Resolution Section](#).

**As it relates to ODP**, these FAQs are applicable to payments that were outlined in [ODP Announcement 20-070](#). Providers should pay particular attention to appropriate uses of funding as well as expected documentation and reporting requirements. While each organization should seek professional financial advice, generally ODP providers who receive funding solely through Fee Schedule rates would be considered to have a contractor (not subrecipient) relationship with ODP/DHS for the purposes of Single Audit requirements.

Please refer to the [website](#) for complete information.