

2003-45



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- Administration
- Bureau of Motor Vehicles
- Emergency Management Agency
- Emergency Medical Services
- Investigative Unit
- Ohio State Highway Patrol

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MEMORANDUM

TO: CLERK/TREASURER OF LOCAL GOVERNMENTS AND PRIVATE NON-PROFIT ORGANIZATIONS APPLYING TO THE PUBLIC ASSISTANCE GRANT PROGRAM

FROM: *Laura Adcock*
LAURA ADCOCK, DEPUTY PUBLIC ASSISTANCE OFFICER

SUBJECT: DISPOSITION OF PUBLIC ASSISTANCE FUNDS, DR-1453

This memorandum will address the internal disbursement of federal funds received (warrant enclosed) through the Ohio Emergency Management Agency for approved projects under the Public Assistance Grant Program.

The enclosed Auditor of State Bulletin 98-013 addresses how to handle the associated federal funds. When reviewing this document, please note that the procedures have been separated by completion of work. The first bullet addresses how to handle your warrant(s) if all work is complete when money is received and the second bullet addresses how to handle your warrant(s) if work is outstanding and/or some percent complete. Please note that Damage Survey Reports (DSR's) are now called Project Worksheets (PW's).

Key items to remember are:

- These funds must be placed into a FEMA fund. This allows you to track all federal expenditures to ensure they are reported to the office completing your regular fiscal year audits (State Auditor's Office or independent auditor).
- Provides important phone numbers for obtaining further information or clarification on the FEMA fund(s).
- Provides appropriate fund numbers and classifications for the FEMA fund(s).

If you have any questions regarding the Public Assistance Program, please contact Greg Keller or me at (614) 799-3665. Questions regarding funds management should be referred to the Local Government Services Division of the State Auditor's Office at (800) 345-2519.

Mission Statement

"to save lives, reduce injuries and economic loss, to administer Ohio's motor vehicle laws and to preserve the safety and well being of all citizens with the most cost-effective and service-oriented methods available."

AUDITOR OF STATE BULLETIN 98-013

DECEMBER 16, 1998

TO: All City Auditors, Finance Directors and Treasurers
All Village Clerks and Treasurers
All Township Clerks
All County Auditors
All IPAs

SUBJECT: Accounting for FEMA grants

This office has been receiving numerous questions about the proper accounting treatment for grants received from the Federal Emergency Management Agency. The following are some general guidelines for handling FEMA money:

- When no work has been completed at the time a check is received, your entity must:
 - Place all funds into a special FEMA fund,
 - Pay bills directly from the FEMA fund keeping in mind that the FEMA fund pays the federal share of each Damage Survey Report (DSR), that is 75% (federal) of the 100% total. The remaining 25% state/local match of any bills may be paid out of the general fund or other non-federal fund that permits expenditures for this purpose. When the state share is received, the state money may be receipted directly into the fund(s) from which the original payment(s) were made. As an alternative, if you wish to keep all expenditures related to the project in one fund, money may be advanced to the FEMA fund and repaid when the state share is received. The Auditor of State recommends that all project expenditures be maintained in one fund.
- When a portion or all of the work has been completed and paid for at the time the FEMA money is received, your entity must:
 - Place all funds into a special FEMA fund,
 - For work completed and paid for, reimburse the fund(s) used to pay for the goods and/or services (before the FEMA money was received). One way to repay the fund is to reduce the expenditure in the fund making the original payment and to record the expenditure in the FEMA fund. A second method is to have advanced money to the FEMA fund in anticipation of the receipt of the grant. Repay the advance once the FEMA money is received. A third approach is to transfer the FEMA money from the FEMA fund to the fund that made the original payments.

A final alternative to repay from the FEMA fund is to create a bill from the fund that made the original payment to the FEMA fund. The bill should identify the invoices(s) that were previously paid and show the portion(s) that are being charged to the FEMA fund. This method is most useful when the original expenditures were made in one