



OFFICE OF THE  
**STATE AUDITOR**

## **Auditor Alert 2020-02**

**Date:** June 10, 2020

**Subject:** Reporting CARES Act Funds Received from the State of Utah

### **Introduction**

In June of 2020, the State of Utah Governor's Office will begin distributing federal CARES Act funds to qualified Counties, Cities and Towns. To facilitate accountability and transparency, these entities must designate CARES Act funds in the Transparent Utah database.

### **New Uniform Chart of Accounts Function Code**

These entities must use a new Uniform Chart of Account (UCA) function code created for the CARES Act. The UCA function code for the CARES Act is any function code with "a" as the second character in the six digit function code, such as 1a0000.

### **Combined and Previously Reported Transactions**

In situations where only part of a transaction qualifies for the CARES Act, the transaction must be split by creating a CARES Act function in the general ledger, or by editing the Transparent Utah data file before it is uploaded. (See walkthrough video and step-by-step instructions at [resources.auditor.utah.gov](https://resources.auditor.utah.gov) under Transparent Utah heading.) CARES Act qualifying transactions already submitted to Transparent Utah without the CARES Act function code will necessitate the deletion of previously submitted files, editing of function codes and resubmission.

### **Other Reporting Option**

Entities that do not wish to create a new department within their accounting system and do not want to modify their transparency files to update the function codes on individual transactions may submit Transparent Utah data files as they have in the past, but they must also create a separate data file containing only transactions related to the CARES Act. The additional data file would contain previously submitted transactions with negative amounts and non-CARES Act UCA codes along with a matching transaction with a positive amount, but with a CARES Act UCA code. The net of all amounts in this file would be zero since each transaction would have a matching transaction with the

opposite amount. The effect of this data file would be to cancel out a previously submitted transaction with the non-CARES Act UCA code and replace it with a matching transaction containing a CARES Act UCA code.

### **Required Reporting**

Only entities that receive CARES Act funds directly from the State are required to provide this reporting. Entities that receive CARES Act funds directly from Salt Lake County, Utah County or directly from the federal government may choose to use the CARES Act function code, but it is not required.