

# State and Local Fiscal Recovery Funds (SLFRF) in Colorado

## OSC Office Hours

Oct. 16, 2025



**COLORADO**

Office of the State Controller

Department of Personnel & Administration

# Agenda

- Welcome!
- Compliance Updates
- Monitoring & Compliance Updates - KPMG
- Governor's Office Updates
- Reporting Updates
- Q & A

# CELEBRATE!

Three State Agencies are completely closed out for SLFRF funding

Way to go DOC, Revenue and Treasury



# Compliance Updates

## Reminders:

- SLFRF Projects that were refinanced follow the same guidance as if they were SLFRF 6.1 projects. This means 2 CFR 200 provisions must be followed.
- If a project was refinanced, and the original SLFRF allocation has been spent, but the same project continues with GF, close out should occur when the project as a whole is finished and ready to be closed out.
- If you need a waiver for procurement per our Grant Policy when reobligating SLFRF grant funds, please work with our office.

# Compliance Updates

## Refinance Reminder

- Although there is no formal obligation deadline for refinanced funds, we highly encourage all refinanced projects to obligate sooner than later
- Refinance does not change the end date previously established in legislation through HB24-1466, unless specifically included in HB24-1465.
- Refinance does not automatically change end dates of those included in HR24-1465 unless the eligibility document changed the end date—check with your Strategy Officer
- The total amount of SLFRF funding, even if refinanced, applies to the threshold for single audits (A-133 Audit) and should align with the State’s SEFA reporting

# Compliance Updates

## A-133 Audits

- 2 CFR 200.501 states: A non-Federal entity that expends \$1,000,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.
- Department responsibilities: Notify entity of the single audit requirement; Obtain a copy either directly from the subrecipient or via the Federal Clearinghouse; If there are findings, determine (opine) if those findings relate to your award to the entity; Take appropriate action.

# False Claims Act

The False Claims Act (FCA) has been getting increased scrutiny lately due to heightened oversight of federal funding and recent shifts in grant terms, conditions, and eligibility requirements.

The False Claims Act prohibits knowingly submitting false or fraudulent claims to the U.S. government. (Note: This includes unintentional errors!) That includes reimbursement requests, financial reports, and certifications tied to your grant funding.

- You don't need intent to defraud—just reckless disregard
- Whistleblowers can file complaints on the government's behalf
- Penalties can include 3x the claimed amount, plus fines up to \$27,000 per violation

Examples:

- Staff charged time they didn't actually work- Always Verify Staff Time based on actual hours and not budgeted percentage
- Travel and supplies were mischarged to the grant- Double check to make sure costs are allowable and documented
- Final reports certified that all requirements were met—while documentation was still missing- Make sure certifications are accurate and complete and all documentation is available and maintained

# Important SLFRF Deadlines

The General Assembly passed HB24-1466 regarding subrecipients of SLFRF funds with a 12/11/2026 date to return unspent SLFRF funds.

- Departments must determine if the subrecipient will be able to fully spend the SLFRF funding or if they must return funding to the State.
- For subrecipient projects that are blended, the department must ensure that any unspent SLFRF funding is returned to the state by December 11, 2026 date. All other funding may continue to be spent until the grant agreement end date.



# What Departments Can Do?

- Strongly encourage subrecipients to spend down their SLFRF funding first.
- Ensure that the appropriate SLFRF accounting codes are used when paying reimbursement requests.
- Provide any guidance to assist subrecipients with determining what funding must be spent.
- **Coming Soon!** *Funding Source and Period of Performance Change Letter* and *Subrecipient Cover Letter* (both available on the ARPA website October 22) to make revisions to funding and the end date of the agreement.

**Note:** If there are any budgetary or scope of work revisions needed, the department must use the OSC's *SLFRF Grant Agreement Amendment*.

# Repayment/Recoupment Guidance

A new Guidance Document on Recapture and Repayment will be available within the next few days.

You will get a Communication notice by 10/22 with a link to the document as soon as it is available.

# Closeouts

- Closeout is required per 2 CFR 200.344—timely closeout is required
- Includes financial, performance and other required reports
- If you plan on closing out early, please contact us to let us know
- For SLFRF, closeout of the project must occur within 90 days from the project end date; subrecipients must closeout within 45 days
- NOTE: Closeout is NOT the same as the Final Performance Narrative

We will be providing refresher closeout trainings on a quarterly basis moving forward

Training dates: **10/30/25** (2-3:30); **3/18/26** (9-10:30); **6/23/26** (2-3:30); **9/23/26** (9-10:30); **10/27/26** (1-2:30)

**Please make sure all appropriate individuals attend (grant, finance, etc.)**

# Updated Compliance Team Assignments

OSC Compliance Liaison Department Assignments

Jessra Snyder jessra.snyder@state.co.us	Louis Pantalacci louis.pantalacci@state.co.us	Gail Hoagland 303.866.4466 gail.hoagland@state.co.us	Gina Salazar-Love 303.866.3289 gina.salazar@state.co.us	Ernie Duff 303.866.4444 ernest.duff@state.co.us	Stacey Alles 303.866.4020 stacey.alles@state.co.us
Education	CDPHE	CDLE	OEDIT	Special Projects	OIT
DOC	CEO	CDHE		Project Profiles	
DNR	Agriculture	CDHS		Governor's Office Closeouts	
DOLA	JUDICIAL	BHA			
CDEC	CDOT	HCPF			
GOV	DPA	DMVA			
DEPT CLOSEOUT	CDPS DCJ	CDPS DHSEM			

\*As of 10/8/2024



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# Monitoring & Compliance - KPMG

## Recent accomplishments

- Round 3 Risk Assessment Activities concluded!

## New Activities

- **Grant Future Proofing Senior Leadership Training Series**
  - Kicking off soon; department specific; 5 CPE available
  - DoB, Fraud Prevention Framework, Fund Use Documentation, and Subrecipient Management
- **Refi Inventory**
- **Closeout Readiness and Desk Review**
  - Prep for future statewide OIG desk review
- **Fraud Investigation Support**
- **Round 2 Risk Assessment and Monitoring for BHA and DHSEM** almost wrapped up
  - Debriefs to be held soon

## Ongoing Activities

- Compliance Team continuing to partner with departments to implement recommendations from KPMG risk assessment and guidance review activities
- Project Profiles for closed SLFRF projects

# SLFRF Project Profiles- Key Source Documentation

- Enabling statute(s)
- Eligibility and Compliance Documents
- Award letter/notice of funding
- Communication between department and contractor/subrecipient
- Award documentation and SOW
- Post award materials (e.g. invoices, requests for reimbursement, monitoring documentation and reports)
- Completed project profiles reference supporting documentation throughout, including linked Appendices.

# Current Profile Snapshot

Total SLFRF Projects	<b>253</b>
Total Profiles Completed*	110
Profiles In Progress (Oct - Dec 2025)	7
Total Profiles Completed - Projected 12/31/25	117
Total Profiles Remaining (as of 12/31/2025)	<b>136</b>

\*As of September 30, 2025



# Governor's Office Updates

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# SLFRF

**Actively Manage SLFRF to completion:** Please actively manage any projects that have SLFRF remaining over the next 14 month to ensure timely spending of SLFRF funds.

**Reversions:** If you are anticipating reverting any SLFRF funds, even if your project is not completed, please alert your Strategy Officer as soon as possible



# SLFRF Reporting Updates

## Quarter Ending June 30, 2025 UST SLFRF Financial Status:

- Total Projects: 253
- Budgeted & Obligated: \$3,828,761,790
- Expended: \$3,715,758,483

## Quarter Ending June 30, 2025 Refinance Funds Financial Status:

- Total Projects: 125
- Budgeted: \$1,248,304,225
- Obligated: \$978,215,033
- Expended: \$387,738,559

Published on Governor's [Moving Colorado Forward](#) Dashboard

# SLFRF Financial Statistics

June 30, 2025

## SLFRF Portion

Complete - 208

Incomplete - 45

## The Big 5 By Total Number of Projects

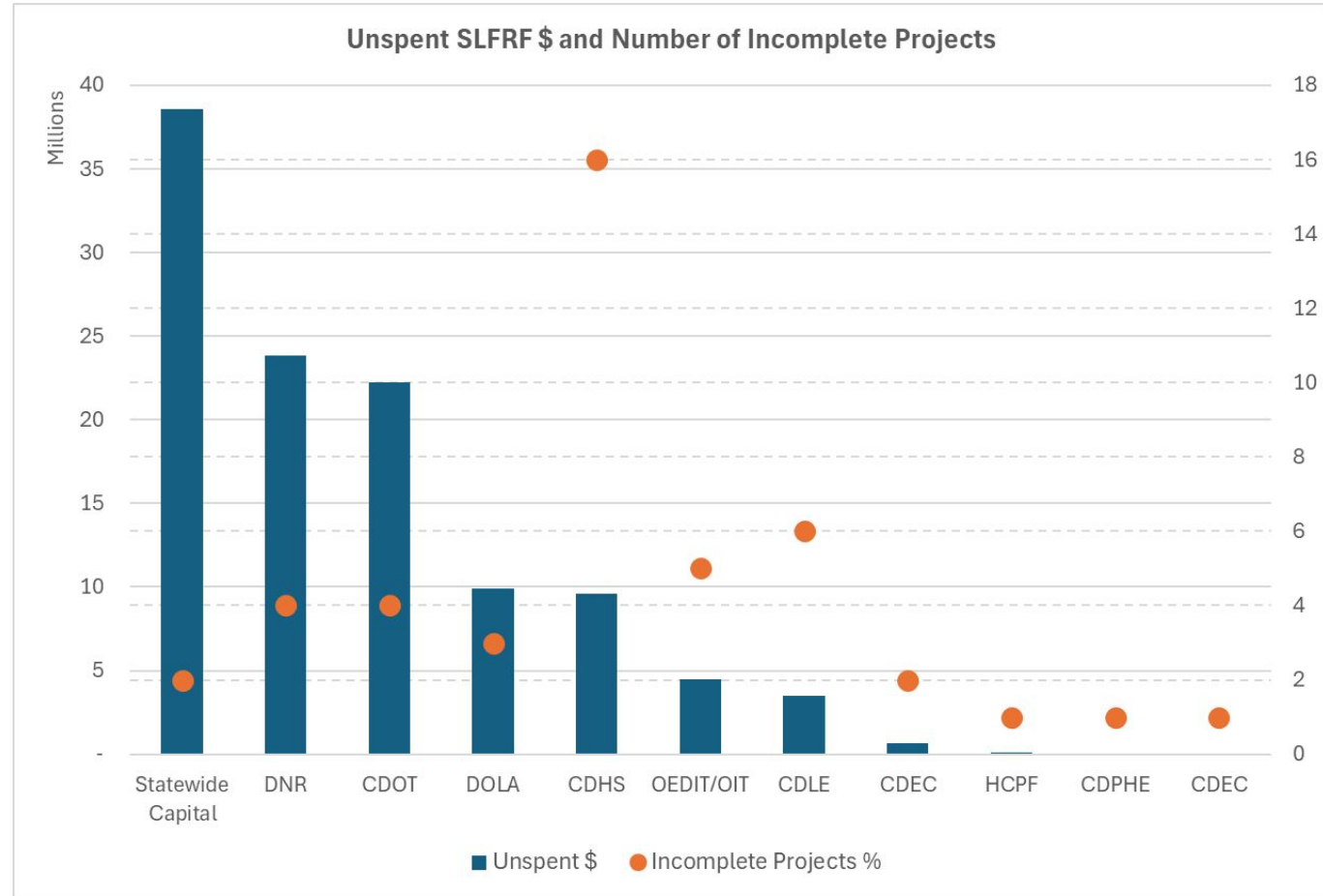
CDHS 65

CDPHE 45

OEDIT/OIT 21

DOLA 20

CDHE 19



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# Gravity Reporting & Reobligation Deadlines

- Financial Activity and Performance Metrics Templates  
(Now past due if not already submitted)
- SLFRF Reversions - **Step 1 and Step 2 Must Both Occur!**
  - Step 1 - Obligations Need to be Reduced in Gravity
  - Step 2 - Re-Obligation/Reclassification Requests must be submitted by your SO and be heard on the Meeting Schedule by October 23
    - The OSC will coordinate Capital Construction Reversions and Complete the Reclassification Request for RR9010/RR9030
  - Final Date for Reclassifications - February 28, 2027

**Reversion  
Reclassifications:**  
11 Last Quarter  
+  
5 for Capital  
Construction  
Projects

# Refi Reversions

- No Obligation Deadline on Refi funds
- Expenditure Deadline
  - Per legislation, but no later than December 31, 2026
  - Unexpended Refi Funds Revert to the General Fund on January 2, 2027  
EXCEPT the Governor's Office Discretionary Account
    - Different process than for SLFRF Reversions (See Alert 242)
    - Agencies to revert budget
    - OSC to complete the cash transfer in a unique funding source code, similar to the HB24-1466 and SB25-312 transfers
      - Transfers will occur on the statutory date or as soon as practical thereafter, which may require multiple rounds of transfers

# Refi Reversions

- Governor's Office Discretionary Account Refi Reversions
  - Spending Deadline: Close-out administration funds are available through May 31, 2027 to cover the final reporting cycle, with unexpended dollars in CRFG reverting to the General Fund on 6/1/2027
    - Governor's Office will coordinate the Discretionary Account (Fund CRFG) reversions



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# Reporting Contacts (Effective August 15, 2024)

<b>Joel Banas</b>	<b>Kathryn Brocko</b>	<b>Theresa Winsor</b>	<b>Patrick Karschner</b>	<b>Evan Stathopoulos</b>
Corrections	Agriculture	Public Safety	Natural Resources	Public Health
OIT	Higher Education	Human Services	Local Affairs	HCPF
OEDIT	IHE's	CDOT	Early Childhood	Gov's Office
Labor and Employment	Judicial	Education	Personnel & Admin	
Regulatory Affairs	Local Affairs	Military Affairs		
CEO	State	Revenue		



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# OSC Resources

OSC American Rescue Plan Act website:

<https://osc.colorado.gov/american-rescue-plan-act>

SLFRF questions can be sent to:

[soc\\_slfrf\\_mailbox@state.co.us](mailto:soc_slfrf_mailbox@state.co.us)

Federal Reporting Calendar:

[Google Calendar Link](#)





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# Thank You!

Next Meeting:  
January 15, 2026  
@ 3:00 p.m.



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