



## Guidance on Tracking COVID-19 Financial Impact

Fiscal Services  
March 19, 2020

George Mason University will be tracking the financial impact of the COVID-19 preparation and response for reporting to university leadership as well as to the Commonwealth of Virginia and the Federal Emergency Management Agency (FEMA) in the event that funding is available to compensate for the impact of the pandemic.

The following are types of activities that might need to be captured. Only *extraordinary* costs should be included (e.g., those that would not have been required except for response to the outbreak). We are relying on the sound judgement of transaction initiators and approvers as stewards of Commonwealth funds in identifying the incremental costs of this unprecedented event.

### Direct expenses

To enable the tracking of COVID-19 costs, campus departments should use Banner Activity Code "CORONA" on transactions to capture extraordinary costs that would not have otherwise been required in the normal course of business. Examples would include purchases of materials or services to support the response to the outbreak and non-refundable costs related to canceled events. These costs should be captured in the department account incurring such costs. Further guidance is provided below related to travel.

Transaction approvers should note when the activity code is applied to a transaction and validate that the expense is, in fact, an incremental expense that would not have been incurred in the normal course of business prior to approval. Manager/supervisor approval of transactions that include the activity code will be interpreted as evidence that this review has occurred and that the expense is appropriately tagged as related to the COVID-19 response.

If there are increased costs associated with the acquisition of routine goods in short supply, those costs will need to be captured and evaluated separately. Similarly, if you are purchasing incrementally larger quantities of goods under existing purchase orders that do not include the activity code, the costs will need to be tracked and evaluate separately. We will determine at a later date whether journal vouchers will be used to tag the incremental expenses in Banner.

Departments should reimburse travelers for the cost of canceled travel and conferences if those costs are non-refundable and a travel voucher/credit cannot be issued. Travelers are encouraged to reach out to airlines and other booking agencies to request direct refunds or travel vouchers/credits before requesting reimbursement from Mason. Since the situation is fluid and airlines appear to be regularly reassessing their policies, travelers might consider waiting closer to their travel date before canceling if a refund or voucher will not be offered. If a travel voucher is issued for future use, the department should track the use of that voucher to ensure it is used for future university business. All expenses submitted for reimbursement that relate to COVID-19 cancelations or disruptions should utilize the aforementioned activity code.

Questions regarding future business travel plans should be directed to [risk@gmu.edu](mailto:risk@gmu.edu)

For Sponsored Projects, please follow the guidance issued by the Office of Sponsored Programs at <https://www2.gmu.edu/research-continuity-guidelines>.

## Labor

It is likely that there might be extraordinary labor costs. Those will need to be analyzed and captured after-the-fact as doing this through the system would require split labor distributions in Banner. Please keep track of overtime hours as a result of the COVID-19 response.

In the event of a closure of the University, we will track use of Public Health Emergency Leave (PHEL) via timesheets.

If necessary, we can record after the fact Journal Vouchers to tag labor costs with the CORONA activity code for consolidated reporting.

## Lost revenue

Since this is not captured in our financial system, the Controller's office is working with affected units to evaluate any claims of lost revenue. A COVID-19 Financial Impact Assessment Team (FIAT) led by the Controller's office has been established to evaluate and capture the overall impact. A template to report lost revenue and forecast incremental expenses has been provided to the FIAT so that we can capture the impact campus wide for reporting to university leadership as well as the Commonwealth or FEMA. When forecasting lost revenue from cancellation of events, include expenses to be incurred for non-refundable deposits, etc. (which should be tagged in Banner as described above under Direct Expenses), as well as expense 'savings' from not holding the event. Lost revenue *will not* be entered into Banner, nor will the anticipated expense 'savings.'