

SAO ARRA Implementation Guidance



STATE ACCOUNTING OFFICE
AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)
IMPLEMENTATION GUIDANCE

TABLE OF CONTENTS

Contents

Overview 3

ARRA Accountability Objectives..... 3

Federal Government’s Role to Ensure Accountability..... 3

 Material Omissions: 3

 Significant Reporting Errors: 3

Internal Controls 4

 Data Integrity 4

 Source Documentation 4

 Audit Trails 5

Reporting Accuracy 6

Anti-Fraud Program and Processes..... 8

Next Steps 10

Timeline 10

ARRA Reference Section 11

Topics Pending Future Guidance 12

Appendix Section..... 12

Overview

The American Recovery and Reinvestment Act (ARRA) enacted on February 17, 2009 came with unprecedented levels of accountability, transparency and reporting requirements.

ARRA Accountability Objectives

- Funds are both awarded and distributed in a prompt, fair and reasonable manner.
- Agencies clearly and accurately report the recipients and uses of all funds in a timely manner. This reporting will allow the use and benefit of the funds to be transparent to the general public.
- Funds are used solely for authorized purposes and any instances of fraud, waste, abuse or error are properly mitigated.
- Any projects funded under the ARRA avoid both delays and cost overruns.
- Program goals are achieved, including specific program outcomes and improved economic conditions.

Federal Government's Role to Ensure Accountability

The Federal Government will focus on the following:

- Internal Controls
- Reporting Accuracy
- Anti-Fraud program and processes

The Federal Government will perform Data Quality Reviews on Section 1512 Reporting and focus on 2 key areas:

- Material Omissions
- Significant Reporting Errors

Material Omissions: those instances where required data is not reported or reported information is not otherwise responsive to the data request and such reporting gaps result in significant risk that the public will be misled or confused by the recipient report in general. In general, material omissions should be minimized by the www.FederalReporting.gov solution, which will require fields to be completed for successful transmission, as well as include edits and cross-edits to ensure data validity. However, a material omission may still occur to the extent submitted data is not responsive to a specific data request. For example, a recipient required to report a description of a purchase made from a vendor may not provide sufficient detail in the description for the reader to derive the nature of the purchase.

Significant Reporting Errors: those instances where required data is not reported accurately and such erroneous reporting results in significant risk that the public will be misled or confused by the recipient report in question. An example of this would be a recipient, or sub-recipient who reports expenditures in excess of the amount awarded by the Federal funding agency, excluding funding resulting from match requirements.

Internal Controls

All agencies and institutions receiving ARRA funds, need to develop an internal control framework that addresses the accountability objectives of the Act. Recipients should establish internal controls to ensure data quality, completeness, accuracy and timely reporting of all amounts funded by the Recovery Act. Recipients reporting Section 1512 reporting data must initiate a review of the data both prior to and following the formal submission of data. The internal control framework should ensure that the following elements are represented:

- Data integrity
- Source documentation
- Audit Trails

Data Integrity

Each agency and institution receiving ARRA funds must establish a system that provides reasonable assurance that required data elements for Section 1512 reporting are recorded in an accurate and timely manner. Each agency must ensure that all data are recorded correctly. Correct transactions must:

- Reflect the actual values involved
- Define report data elements consistently
- Contain sufficient detail for proper identification and classification
- Be posted in a timely manner in the proper period
- Be stored securely
- Be readily retrievable for inquiry or reporting, and
- Be safeguarded against improper alteration

Source Documentation

Source documents are important because they establish the authenticity and provide evidence to support transactions. The evidence must be valid, reliable, accurate and complete. Evidence in the form of documents and written representation is more reliable than oral representations. Documentary evidence is the most common form of evidence and may come in many forms including:

- Award letters
- Contracts
- Invoices
- Written policies and procedures
- Management Reports
- Internal Audit Reports
- Accounting records
- Databases maintained by the entity

Audit Trails

The purpose of the audit trail is to allow verification of a transaction by tracing it from the source documentation to the final report. Agencies and institutions receiving ARRA funds should perform walkthroughs of their ARRA transactions. A walkthrough is simply the act of tracing a transaction through organization records and procedures to understand how the information is flowing through the organization. In a walkthrough the agency traces a transaction from the origin or source document through the information system(s) until it is reflected in a report.

The advantages of performing walkthroughs include:

- A determination of whether controls have been designed effectively and actually placed in operation.
- An identification of points in organizational processes where material omissions or significant reporting errors might occur.

The primary objective when performing a walkthrough is to develop an understanding of how transactions are initiated, authorized, recorded, processed, and ultimately reported.

To get started in developing your internal control framework consider the following:

- Document your processes by first identifying all the steps necessary in gathering all of the required data for Section 1512 reporting.
- Identify and list all source documents where the data is coming from to include documents, systems, and business process owners.
- Trace transactions from the source documents to the report.
- Create checklists that list all data requirements, due dates, business process owners, and source documents.
- Perform data quality reviews for material omissions and/or significant reporting errors and work with sub-recipients to address any data quality issues.
- Establish control totals for reasonableness and verifying that reported information matches the established control totals.
- Establish a data review protocol or automated process that identifies irregular or abnormal results.

The General Accounting Office has recommended that some of the following controls be considered:

- Validating data used in decision making against other government or third party sources
- Whenever possible inspecting information to confirm its validity prior to payment
- Conducting system edit checks to identify problems before payments are made; and
- Train staff on fraud awareness

Reporting Accuracy

The State of Georgia is responsible for timeliness and accuracy of all Section 1512 reporting submitted through the Federal Reporting website. Georgia has chosen a decentralized approach which means prime recipients (agencies and institutions) will be responsible for the reporting of all data required by the Section 1512 of the Recovery Act.

Prime Recipient Defined

Prime recipients are non-Federal entities that receive Recovery Act funding as Federal awards in the form of grants, loans, or cooperative agreements *directly* from the Federal government. Payments made by prime recipients of Federal Award dollars can be classified into two categories- (i) payments to sub-recipients and (ii) payments to vendors. The prime recipient is responsible for reporting data on payments made to both sub-recipients and vendors. As a result of this decentralized approach there is a need for strong process and controls to be in place.

Sub-Recipient Information

The State of Georgia has adopted the policy that agencies and institutions will be required to enter sub-recipient information into FederalReporting.gov. This policy will allow Georgia to better control the accuracy, completeness and timeliness of reported information.

Pass-through Funds between State Agencies

Pass-through funds from one state agency to another state agency do not represent a sub-recipient disbursement. *For ARRA reporting purposes, a reportable transaction does not occur until funds are disbursed to a non-state entity (vendor, sub-recipient, locality/non-profit, etc., or individual).*

Occasionally one state agency or institution receives funds from the federal government, and then subsequently provides all or part of these federal funds to another state agency or institution. Since the award documents and other pertinent information are maintained by the agency/institution that originally received the funds, this agency/institution will be responsible for reporting ARRA information via the FederalReporting.gov. However, since the actual disbursements to sub-recipients/vendors are made by the agency/institution receiving the pass-through funds, the receiving agency/institution will need to provide appropriate information to the agency responsible for reporting, including jobs created/retained information.

Example:

Agency A receives ARRA award for \$500,000. Agency A spends \$100,000 on a vendor and transfers out 400,000 to Agency B. Agency B grants 1 sub-award of \$250,000 to a local government (sub-recipient) and disburses \$150,000 to a contractor.

Agency A is responsible for reporting 1512 data elements for entire \$500,000 to the FederalReporting.gov. Agency B will have to provide Agency A with all required data elements related to the \$250,000 disbursed to the sub-recipient and the \$150,000 spent on the contractor.

A federal reporting excel template has been created. The Excel template has four tabs: Instructions, Prime Recipient, Vendor, and Sub-Recipient. The instructions tab provides field definitions, field length and format, examples and comment information. This information has been copied from the OMB supplement information and updated to match the Excel template field names.

The required data elements necessary to complete the Section 1512 are listed as an appendix item to this guidance. Additionally, a data dictionary showing the required data elements and the excel template can be found at the following link:

<http://www.recovery.gov/?q=content/recipient-reporting>

A report must be made for each unique grant award number. Therefore, multiple excel templates will be needed for multiple awards.

The goals of each agency for reporting Section 1512 reports should include:

- Prompt website reporting
- Accurate and required data elements are being reported
- All data has been reviewed, reconciled, approved and certified prior to submission.

Recipients should:

- Document the steps to gather the data.
- Documents the steps to review and validate the data
- Document the steps to certify the data
- Document the steps to submit the data.

Anti-Fraud Program and Processes

The Recovery Act requires the state to ensure funds are used for authorized purposes and to mitigate instances of fraud, waste, and abuse.

- Fraud is the intentional misrepresentation of facts with the intention of achieving personal gain.
- Waste is considered unnecessary spending or careless squandering of resources whether intentional or unintentional. Example: spending state or federal funds to purchase items that have no business purpose.
- Abuse is the intentional destruction, diversion, manipulation, misappropriation, or misuse of State or Federal resources. Example: use of a state vehicle for personal use.

Fraud:

- A. Fraud is defined as an intentional deception, misappropriation of resources or the manipulation of data. It usually involves the deliberate concealment of facts. Fraud can range from minor employee theft and unproductive behavior to misappropriation of assets and fraudulent financial reporting.
- B. Some examples of fraud include:
 - Altering documents (changing an actual document with the intention of deceiving) including cash receipts, checks, expense reports, and time sheets
 - Falsifying documents (creating a fictitious document) including cash receipts, checks, expense reports, and time sheets
 - Forging signatures on documents including cash receipts, checks, expense reports, and time sheets
 - Bribery
 - Collusion between two or more parties for fraud or deceit
 - Failure to account for monies collected
 - Theft of inventory items or theft of scrap or surplus items
 - Misappropriation or misuse of assets, including cash, equipment, property, and supplies
 - Payroll- creating fictitious employees, inflating hours worked, theft of time, and keeping former employees on the payroll.
 - Purchasing- bid rigging, kickbacks, purchase of inferior products, purchase of personal items
 - Theft of assets, including cash, equipment, property, and supplies
- C. Reporting of Fraud or Corruption
 - Allegations and concerns about fraudulent or corrupt activity may come from various sources including:
 - Employees
 - Vendors
 - Customers

Results of internal or external audit reviews

Any other interested parties

- All employees have a duty to report concerns they have or information provided to them about the possible fraudulent or corrupt activity of any manager, employee, vendor or any other party with any association with the state agency.

D. Management Antifraud Programs and Controls

1. Create and maintain a culture of honesty and high ethics

- It is the organization's responsibility to create a culture of honesty and high ethics and to clearly communicate acceptable behavior and expectations of each employee.
- Such a culture is rooted in a strong set of core values that provides the foundation for employees as to how the organization conducts its business.
- It also allows an entity an ethical framework that covers (1) fraudulent financial reporting, (2) misappropriation of assets, and (3) corruption as well as other issues
- Creating a culture of honesty and ethics should include the following:
- Setting the tone at the top: Directors, managers, and supervisors set the "tone at the top" for ethical behavior within any organization.
- Creating a positive workplace environment: Wrongdoing occurs less frequently when employees have positive feelings about an entity than when they feel abused, threatened, or ignored. Without a positive workplace environment, there are more opportunities for poor employee morale, which can affect an employee's attitude about committing fraud
- Hiring and promoting appropriate employees
- Training
- Discipline

2. Antifraud Processes and Controls

- Identifying and Measuring Fraud Risks: Management has primary responsibility for establishing and monitoring all aspects of the agency's fraud-risk assessment and prevention activities. The fraud risk assessment process should consider agency vulnerabilities and its exposure to material losses, taking into account the agency's size and complexity of its operations
- Mitigating Fraud Risk: Management should conduct an internal risk assessment to identify and prioritize the different types of fraud risks and apply appropriate fraud mitigation strategies.
- Implementing and Monitoring Appropriate Internal Controls: Most risks can be mitigated with an appropriate set of internal controls. Once a fraud risk assessment has been performed, the agency must identify the ongoing processes, controls, and other monitoring procedures that are needed to identify and/or mitigate those risks

3. Appropriate Oversight Process

- Management: Fraud prevention and detection requires commitment from both management and the decision makers of the agency. Ideally, managers must be assigned direct responsibility to develop, implement,

and maintain effective fraud prevention measures within their area of expertise

- Internal Audits: The Internal Audit department can provide expertise, knowledge, experience, and objective, independent, input into the agency's fraud risk assessment process. They can assist in developing prevention and mitigation measures and in the resolution of allegations or suspicions of fraud.

Next Steps

Agencies and institutions should perform continuous monitoring and review of all quality control processes related to Section 1512 reporting. Continuous monitoring includes observation and testing of activities. Prime recipients should review the following:

- Processes that ensure Section 1512 reporting requirements are met in a timely and effective manner;
- Internal control measures as appropriate to ensure accurate and complete information;
- Performance of data quality reviews for material omissions and/or significant reporting errors, making appropriate and timely corrections to prime recipient data and working with the designated sub-recipient to address any data quality issues;
- Verify that all DUNS information has been compiled and verified;
- Register for reporting on: <https://www.federalreporting.gov/federalreporting/home.do>

Timeline

- Aug. 26, 2009 – Agencies and institution to register at FederalReporting.Gov. Prior to registration, recipients must be registered in the Central Contractor Registration (CCR) database and must have a Dun & Bradstreet DUNS number.
- Oct. 10, 2009 – Agencies and institutions to submit Section 1512 reports to FederalReporting.Gov.
- Oct. 11, 2009 – Section 1512 reporting made available to the public on Recovery.Gov
- Oct. 11-21, 2009 – Agencies and institutions ensure that complete and accurate Section 1512 reporting information is provided prior to the Federal agency comment period.
- Oct. 22-29, 2009 – Federal agencies review and, if determined, comment on the submitted Section 1512 reporting information

ARRA Reference Section

Additional guidance can be found at the following websites:

OMB Reporting Implementation Guidance:

http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf

Recovery.gov Recipient Reporting Guidance:

<http://www.recovery.gov/?q=content/recipient-reporting>

OMB FAQs:

http://www.whitehouse.gov/omb/recovery_faqs/

Federal Fund Information for States:

<http://www.ffis.org/452501/index.html>

Government Accountability Office:

<http://www.gao.gov/>

Recovery Act Webinar Training:

<http://www.whitehouse.gov/recovery/webinartrainingmaterials/>

FederalReporting.gov (Prime Recipient Sect. 1512 Reporting Site):

<https://www.federalreporting.gov/federalreporting/home.do>

Congressional District Finder:

<http://www.govtrack.us/congress/findyourreps.xpd>

Congressional District Source:

<https://writerep.house.gov/writerep/welcome.shtml>

County/City Finder by Zip:

<http://zipinfo.com/search/zipcode.htm>

OPB Guidance:

<http://www.opb.state.ga.us/publications/policies/state-policies.aspx>

Inspector General Fraud Reporting Link:

http://oig.georgia.gov/00/agency/contact_us/0,2688,1586806_1594644,00.html

Dun and Bradstreet:

<http://fedgov.dnb.com/webform>

Topics Pending Future Guidance

We understand that this implementation guidance does not address all Section 1512 ARRA reporting topics as such future guidance will be forthcoming in the following areas:

- ARRA Oversight Admin Funds
- Development of an SAO ARRA website
- Data elements needed for state website
- Additional guidance pursuant to readiness review questionnaires, GAO reviews, OMB clarifications, and any new information relevant to ARRA Section 1512 reporting

Appendix Section

- SAO Accounting Directives
- Have You Checklist
- Internal Control Framework
- ARRA Internal Control Monitoring Tool
- Section 1512 Reporting Checklist
- Things to Look for
- Section 1512 Monetary Field Explanations
- Section 1512 Static Data Elements
- Contract Checklist
- Jobs Calculation



Accounting Directive: Accounting for Federal Stimulus Funds
--

<u>Accounting Directive Reference:</u> AD_200901	<u>Authoritative Reference:</u> American Recovery and Reinvestment Act (ARRA)	<u>Issue Date and Version:</u> 03/12/2009 – v1
--	---	--

Applicability:

This Accounting Directive applies to all agencies, departments, commissions, courts, councils, boards, universities, colleges, retirement funds, authorities, associations, foundations, and other organizations for which financial information is reported in the State of Georgia Comprehensive Annual Financial Report (CAFR), and/or for which expenditures of Federal awards are reported in the State’s Single Audit Report.

Background:

The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law on February 17, 2009, advancing an ambitious plan to revitalize the nation’s economy. Recipients of funds under the ARRA are subject to quarterly reporting requirements and oversight by Federal agency inspectors. The General Accounting Office has selected Georgia as one of the targeted states in which it will conduct its oversight activities. State activities will be subjected to extensive public scrutiny and will have to meet very high standards with respect to transparency and accountability.

General Directive:

Each State organization is responsible for maintaining financial and other information in order to facilitate Federal reporting as required by the ARRA, for reporting in conformity with existing Federal agency and program reporting requirements, for compliance with any additional reporting requirements that may be issued by the Federal government relating to specific grant awards, and for reporting to the executive management of the State.

The management of each State organization is responsible for establishing and maintaining effective internal controls over compliance with applicable laws, regulations, contracts and grants, as well as those controls over financial reporting.

Required Reporting (Federal):

Refer to the matrix in Exhibit A for currently known ARRA general reporting requirements, suggested sources of information and PeopleSoft references. In accordance with the ARRA, such reports are due no later than ten (10) days after the end of each calendar quarter, starting on July 10, 2009.

Note that the extensive reporting requirements outlined in Section 1512 of the ARRA (see Exhibit A) apply only to the prime recipients of Federal funding, and the subawards (i.e., subgrants, subcontacts, etc.) made by these prime recipients. They do not require each subsequent subrecipient to report under the Section 1512 requirements. Also, the Section 1512 reporting requirements only apply to recipients who receive funding provided through discretionary appropriations; they do not apply to funding received through entitlement or other mandatory programs, except as specifically required by the (U. S.) Office of Management and Budget.

In addition to the ARRA general reporting requirements, there may be requirements issued by individual Federal grantor agencies or requirements related to specific grants with which State organizations must also comply.

Procedures/Guidelines:

Guidelines on accounting for Federal stimulus funds are outlined below. Although these guidelines are written from the perspective of an organization using the State Accounting Office (SAO) PeopleSoft financial system, State organizations using other financial systems must ensure that transactional data is maintained in such a manner as to fulfill all financial reporting requirements.

Notice of Award. Upon receipt of an approved award of Federal stimulus funds, and prior to recording transactions relating to the grant, an organization must perform the following set-up activities:

- Create a unique fund source to identify each individual grant award (see Exhibit B for required numbering convention for the first two (2) digits of the fund source).
 - ◆ Fund source description should include title of grant
 - ◆ Fund type selected for fund source must be “Federal”
 - ◆ CFDA number assigned by grantor agency must be entered
 - ◆ Request addition of new fund source to budget trees (new fund source “types” and “categories” have been established for stimulus funds – see listing on Exhibit C). Instructions and forms for adding new tree values may be found on the following web link: [Financial Tree Maintenance \(http://sao.georgia.gov > Financial Systems > PeopleSoft Financials > Commitment Control > Forms\)](http://sao.georgia.gov)
- Assign project number(s) as appropriate to account for grant activity in accordance with the grant award (project numbering is agency-defined).

Budgeting. Federal stimulus funds must be amended into each State organization’s budget. In the BudgetNet system, as in an organization’s accounting records, stimulus funds must be separately identified. Refer to the *Budget Instructions for Federal Recovery Funds* on the Office of Planning and Budget web site (<http://budgetnet.opb.state.ga.us/main.asp> under “Documents”).

Expenditures. All purchases should be made in accordance with the State’s procurement policies as issued by the Department of Administrative Services. Qualifying expenditures/expenses should be reported when incurred. All contractual obligations (including encumbrances) should be recorded using the assigned fund source and project numbers, should be charged to the appropriate budgetary program, and should be posted to expenditure accounts in accordance with definitions provided in the State’s Accounting Procedures Manual. The following General Ledger chartfields will be required for each expenditure transaction:

Sample Expenditure Transaction:

Business Unit	Account	Dept	Fund	Fund Source	Program	Project	Budget Period	Amount
40700	707001	407xxxxx	10100	1L001	6180103	123	2009	10,000.00
40700	202001	407xxxxx	10100	1L001	6180103	123	2009	(10,000.00)

Revenues. Revenues should be recorded at least monthly based on the type of grant received. The principal types of grants and financial assistance received by State organizations are described below, along with the associated revenue recognition criteria. Federal stimulus revenue should be charged to account 431xxx (for grant funds received directly from a Federal agency) or account 432xxx (for Federal funds received through an organization other than the Federal government). Grant revenue should be recorded using the assigned fund source and project numbers, and should be charged to the appropriate budgetary program.

- Expenditure-Driven Grants (reimbursement grants) – Based on grant availability, revenue should be recorded when qualifying expenditures have been incurred and any additional grant requirements have been met (e.g., matching, maintenance of effort, etc.). For purposes of recording revenue on expenditure-driven grants, “qualifying expenditures” include encumbrances.
- Entitlement and Shared Revenues (formula grants) – Revenue should be recorded as soon as it is measurable and available, and all eligibility criteria have been met. Revenues should only be recognized for the period they are intended to finance. Entitlements and shared revenues that are collected in a fiscal year before the fiscal year they are intended to finance should not be reported as revenue, but should rather be reported as deferred revenue (account 250001).
- Pass-Through Grants - State organizations may receive grants or other financial assistance to transfer or spend on behalf of other secondary recipients. Revenue should be recognized when all eligibility requirements have been met and the resources become available, which typically is considered to occur when the resources are, in fact, transmitted to their intended final recipient.

The following General Ledger chartfields will be required for each revenue transaction:

Sample Revenue Transaction (Earned):

Business Unit	Account	Dept	Fund	Fund Source	Program	Project	Budget Period	Amount
40700	122001	407xxxxx	10100	1L001	6180103	123	2009	10,000.00
40700	431001	407xxxxx	10100	1L001	6180103	123	2009	(10,000.00)

Sample Revenue Transaction (Deferred):

Business Unit	Account	Dept	Fund	Fund Source	Program	Project	Budget Period	Amount
40700	101001	407xxxxx	10100	1L001	6180103	123	2009	10,000.00
40700	250001	407xxxxx	10100	1L001	6180103	123	2009	(10,000.00)

Cash Management. Cash must be drawn from the United State Treasury in accordance with the applicable provisions of the *Cash Management Improvement Act of 1990*.

General Ledger Accountability. Reconciliations should be performed monthly to ensure that all general ledger balances are supported by subsidiary ledgers (modules) or other appropriate documentation. *Trial Balances by Fund Source Detail* (SAO PeopleSoft report 44N) for Federal stimulus grants should be reviewed at least monthly. This examination should include a general review of revenue and expenditure accounts as well as a determination of the ending fund balance for the fund source, which may also be determined by using the Peoplesoft *Balance Sheet by Fund Source Detail* (SAO PeopleSoft report 4EB; see Exhibit D). Take appropriate action to correct errors discovered during the reconciliations, the fund source trial balance review, and in the fund balance analysis as described below:

- **Deficit Fund Balance** - Generally, no deficit fund balances should be reflected for any type of grant or other financial assistance. If the fund balance analysis results in a deficit fund balance, determine whether there are deferred revenues recorded which should have been recognized as current period revenue. If deferred revenues are available, reverse sufficient deferred revenues to the appropriate revenue account (debit deferred revenue; credit revenue) in an amount sufficient to bring the deficit fund balance to zero. If there are no deferred revenues available, determine why recorded expenditures exceed recorded revenues. If expenditures have been appropriately recorded for this grant *and* if additional grant revenue is available *and* if applicable eligibility requirements have been met, accrue sufficient accounts receivable and revenue to bring the deficit fund balance to zero.

- Positive Fund Balance – By definition, there should be no fund balance on hand for expenditure-driven or reimbursement-based grants, which make up the majority of grants received by State organizations. If the fund balance analysis results in a positive fund balance, determine whether it is appropriate for this grant to retain a fund balance at period-end. If it is not appropriate for a fund balance to exist and the recorded fund balance is offset only by cash (no accounts receivable for this program are recorded), sufficient revenues should be reduced and reclassified to deferred revenues to bring fund balance to zero (debit revenue; credit deferred revenue). If the fund balance is offset by cash and accounts receivable, revenue and accounts receivable should be eliminated to bring the fund balance to zero (to the extent that account receivable are available), with any remaining fund balance being eliminated through a reclassification of revenue to deferred revenues as previously described.

Additional Reporting (State):

It is anticipated that each State organization receiving Federal stimulus funding will report selected information to the State Accounting Office on a periodic basis to provide an executive overview on the status of these funds. Each organization will be responsible for ensuring that information reported to the State Accounting Office agrees with amounts reported to the Federal government (for quarterly cumulative totals). Specific reporting requirements are still under development and will be issued in a supplement to this Accounting Directive.

* * * * *

As additional accounting and reporting requirements are released by the Federal government relating to the ARRA, supplements to this Accounting Directive will be issued as appropriate.

Questions concerning this Accounting Directive may be directed to Sandra Warr (404) 651-7802; swarr@sao.ga.gov.

REQUIREMENTS AND POTENTIAL SOURCE OF DATA

Title XV - Accountability and Transparency

	Outside of Financial System	PeopleSoft (PS)	Comments
Subtitle A			
Section 1511 Certifications (for Infrastructure investments)			
1. description of investment	✓		similar information required below - see Section 1512, 3e (i - iv)
2. estimated total cost	✓		
3. amount of covered funds to be used	✓		
} shall be posted on website and linked to Federal website			
Section 1512 Reports on Use of Funds (c) - Recipient Reports			
1. total amount of recovery funds received	✓		grant award document
2. amount of recovery funds expended or obligated		✓	PS: expenditures by fund source (can report encumbrances separately)
3. detailed list of projects or activities			
a. name of project or activity		✓	PS: project description
b. description of project or activity	✓		
c. evaluation of completion status of project or activity	✓		
d. estimate of number of jobs created/retained	✓		
e. infrastructure investments			
i. purpose		✓	
ii. total cost		✓	similar information required above - see Section 1511 (1 - 3)
iii. rationale for funding infrastructure investment with recovery funds		✓	
iv. name of person to contact (infrastructure)		✓	
4. detailed information on subcontracts/subgrants ≥ \$25,000 (aggregate reporting on awards < \$25,000)			PS: info from "GG" report
a. name of entity receiving award		✓	vendor name
b. amount of award		✓	amount
c. other award information			
i. transaction type	✓		contract/grant/loan
ii. funding agency		✓	Federal / State agency
iii. NAIC code or CFDA number		✓	CFDA
iv. program source	✓		
v. award title (descriptive of purpose)	✓		
d. location of entity receiving award			
i. city		✓	vendor address
ii. state		✓	vendor address
iii. congressional district	✓		
e. unique identifier of entity receiving award (FEI?) and of parent entity (if any)		✓	FEI (parent FEI not available)

Note: Must register with the Central Contractor Registration database or complete other registration requirements as determined by the Director of OMB (per section 1512 (h))

FUND SOURCE STRUCTURE - FEDERAL STIMULUS FUNDS

A fund source identifier is a five-digit code used to designate revenue sources and track expenditures made against those revenues.

For Federal programs, a separate fund source must be established for each grant received.

The initial two digits of the fund source code have been standardized for statewide reporting purposes as follows:

First Digit indicates direct or indirect funding - use number "1" or "3":		
1		Direct Funding (Grant Award is directly from a Federal agency)
3		Indirect Funding (Grant Award is through an organization other than the Federal gov't)
Second Digit indicates Section of American Recovery and Reinvestment Act from which funds are received - use alpha character as outlined below		
<u>Appropriations Provisions</u>		
A	Title I	Agriculture, Rural Development, Food & Drug Admin and Related Agencies
B	Title II	Commerce, Justice, Science and Related Agencies
C	Title III	Department of Defense
D	Title IV	Energy and Water Development
E	Title V	Financial Services and General Government
F	Title VI	Department of Homeland Security
G	Title VII	Interior, Environment and Related Agencies
H	Title VIII	Labor, Health & Human Services, Education and Related Agencies
J	Title IX	Legislative Branch
K	Title X	Military Construction and Veterans Affairs and Related Agencies
L	Title XI	State, Foreign Operations and Related Programs
M	Title XII	Transportation, Housing & Urban Development and Related Agencies
N	Title XIII	Health Information Technology
P	Title XIV	State Fiscal Stabilization Fund
<u>Tax, Unemployment, Health, State Fiscal Relief, and Other Provisions</u>		
R	Title I	Tax Provisions
S	Title II	Assistance for Unemployed Workers and Struggling Families
T	Title III	Premium assistance for COBRA Benefits
U	Title IV	Medicare and Medicaid Health Information Technology; Miscellaneous Medicare Provisions
V	Title V	State Fiscal Relief
W	Title VI	Broadband Technology Opportunities Program

FUND SOURCE TYPE AND CATEGORY - FEDERAL STIMULUS FUNDS

	<u>FS_CAT</u>	<u>FS_TYPE</u>
Federal Stimulus Funds - AL	STIM1	
Stim-Child Care & Dev BI Grant PL		ZCCBG
Stim-CCDF Mandatory & Matching		ZCCDF
Stim-Comm Mental Hlth Svcs BG		ZCMHS
Stim-Community Services BG PL		ZCSBG
Stim-Foster Care Title IV-E PL		ZFCIV
Stim-Fed - Not Spec Identified		ZFED2
Stim-FHWA Hwy Plan & Cons		ZFHWP
Stim-FTA Capital Investment PL		ZFTAC
Stim-Low-Income Home Energy PL		ZLIHE
Stim-Medical Assistance PL		ZMAP
Stim-Mat & Child Hlth Svcs BG		ZMCHS
Stim-Prev Hlth & Hlth Svcs BG		ZPHHS
Stim-Prev & Treat - Subs Abuse		ZPTSA
Stim-State Child Ins Program		ZSCIP
Stim-Social Svcs Block Grant		ZSSBG
Stim-Temp Asst Needy Families		ZTANF
Stim-TANF - Unobligated Bal		ZTANU
Stim-TANF Transfer to CCDF		ZTANX
Stim-TANF Transfer to SSBG		ZTANZ

Business Unit: ████████ State Of Georgia ██████████, Dept of ██████████ Report ID: GL████04EB
 Ledger: ACTUALS Balance Sheet by Funding Source Detail Print Date: 01/14/2009
 Fiscal Year: 2009 Period: 0 - 6 As of 12-31-2008 Page 524
 Funding Source: ██████████ General Ledger Report PS Id: GLS4050X

Account	Description	Account Balance	Account Group Totals	Account Category Totals
101001	Cash OP Wachovia 1	-853.12		
101420	Cash PR Wachovia Bank of GA	-73,155.09		
	Total CASH		-74,008.21	
106001	Cash Equivalents-Pooled-OFTS	56,025,771.63		
	Total INVESTMENTS		56,025,771.63	
125004	A/R Travel Advances - One Trip	-1,667.00		
	Total RECEIVABLES		-1,667.00	
196009	Clearing Account 9	33.08		
196050	Clearing Acct-PR WH (Distrib)	-52,737.60		
196119	Clearing Acct-Gen Fund Trans	-849,285.14		
	Total OTHER ASSETS		-901,909.66	
TOTAL ASSETS				55,048,106.76
				=====
200001	Accounts Payable - 1	-489,038.92		
215530	Employer's Share-Phoenix System	-24,171.28		
230001	Due to Other Funds	-0.01		
233001	Interfund Payable-1	-971.22		
	Total ACCOUNTS PAYABLE		-514,181.43	
TOTAL LIABILITIES				-514,181.43

328001	Reserved for Encumbrances	-86,094.49		
337001	Other Reserves	-9,506,429.31		
	Total RESERVED FUNDS		-9,592,523.80	
Computed Surplus		-44,941,401.53		
	Total Unreserved (Surplus)		B -44,941,401.53	
TOTAL RESERVES AND FUND BAL				-54,533,925.33

TOTAL LIA, RESERVES, and FUND BAL				-55,048,106.76
				=====
Total Fund Balance = any reserve EXCEPT Reserve for Encumbrances (A)			(9,506,429.31)	
plus Total Unreserved (Surplus) (B)			(44,941,401.53)	
Total Fund Balance			<u>(54,447,830.84)</u>	

Note: Positive number (debit) = deficit fund balance
 Negative number (credit; as in Exhibit above) = positive fund balance



Accounting Directive: Contract/Grant Monitoring
--

Accounting Directive Reference: AD_200902	Issue Date and Version: 03/24/2009 – v1
---	---

Applicability:

This Accounting Directive applies to all agencies, departments, commissions, courts, councils, boards, universities, colleges, retirement funds, authorities, associations, foundations, and other organizations for which financial information is reported in the State of Georgia Comprehensive Annual Financial Report (CAFR), and/or for which expenditures of Federal awards are reported in the State’s Single Audit Report.

Background:

In July, 2003, the Department of Audits and Accounts issued *Components of an Effective Contract Monitoring System* to increase awareness of the importance of contract monitoring and to explain the basic tools used in monitoring. This report was designed to serve as a resource for individuals who are directly responsible for ensuring that contracted services are adequately delivered.

General Directive:

Each State organization distributing public funds has an obligation to ensure that contracted services are adequately delivered (contracts), and that recipients adequately perform all agreed-upon services (grants).

Each State organization is responsible for designing and implementing an effective contract management system that mitigates risk to the organization and/or to the State.

Procedures/Guidelines:

General. Refer to *Components of an Effective Contract Monitoring System* (attached) for guidance in the development of an effective contract monitoring system.

American Recovery and Reinvestment Act of 2009 (ARRA) Contracts. Contracts issued under the ARRA should include language addressing the following issues if applicable and should be monitored to ensure compliance with the ARRA requirements (see ARRA Division A Title XVI):

- Limit on funds – Funds may not be used for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pools. [Sec. 1604]

- Buy American – Projects for the construction, alteration, maintenance, or repair of a public building or public work must use iron, steel, and manufactured goods produced in the United States, unless this requirement is waived by the Federal grantor agency. [For more details reference Sec. 1605]
- Wage rate requirements – All laborers and mechanics employed by contractors and subcontractors must be paid wages at not less than prevailing rates on projects of similar character in the locality. [Sec. 1606]

Other contract requirements are included in Title XVI. State organizations are responsible for demonstrating compliance with all applicable requirements of this Title, as well as requirements of specific Federal programs.



Statewide Accounting Directive

Subject File Reference:

AD_200903_Jobs Created / Retained for ARRA
1512 Reporting

**Authoritative
References:**

See Authority
Section Below

Effective Date: 07/24/2009

Revision Date: 07/24/2009

ARRA Section 1512 Reporting – Guidance on Jobs Created / Retained

Index:

[Event Description](#)

[Authority](#)

[Background and Discussion](#)

[Related Policies and Procedures](#)

[Required Journal Entries](#)

[Definitions](#)

Event Description:

The purpose of this Accounting Directive is to provide guidance on calculating jobs created and jobs retained in accordance with American Recovery and Reinvestment Act Section 1512 reporting requirements which are submitted quarterly to OMB at www.federalreporting.gov.

Authority:

Office of Management and Budget (OMB) Memo M-09-21

Background and Discussion:

The American Recovery and Reinvestment Act of 2009 was signed into law on February 17, 2009, advancing an ambitious plan to revitalize the nation's economy. Recipients of funds under the ARRA are subject to quarterly reporting requirements as itemized in Section 1512 of the ARRA. The Office of Management and Budget issued Memorandum M-09-21 on June 22, 2009. It provides guidance to recipients on reporting jobs created and retained (Sections 5.2, 5.3, and 5.4).

Related Policies and Procedures:

General Directive

Each state organization receiving ARRA funding through discretionary appropriations (i.e., Division A of the Act) must report information on estimated jobs created or retained for each funded project or activity in accordance with Section 1512 of the ARRA. This reporting is in addition to any other job reporting requirements by a federal agency that go beyond ARRA Section 1512 requirements.

Prime recipients (state organizations that have received ARRA grants directly from federal agencies) are required to report on all jobs created or retained as a result of the ARRA, by project or activity. This information will be reported as an aggregate number for the cumulative jobs created or retained for the

quarter and will include a separate narrative with an expanded description of the job creation and reporting methodology. Prime recipients will report the number of jobs created and retained using a standard calculation, translating both full and part-time employees into full-time equivalents (FTEs).

In addition, an estimate of jobs created and retained on projects and activities managed by prime recipients must be included in the prime recipient's aggregate number. Prime recipients are required to generate estimates of job impact by directly collecting specific data from sub-recipients and vendors on the total FTEs resulting from a sub-award. Statistical sampling techniques may be used in limited circumstances and only upon receipt of additional supplemental guidance from the appropriate federal agency.

Reporting Requirements

Prime recipients should report the following information about jobs relating to projects or activities managed directly by the recipient and, if known, by their sub-recipients, vendors and contractors. Additionally, sub-recipients for which the grantor has delegated the responsibility for data entry of Section 1512 data into the state website should adhere to this Accounting Directive.

Jobs Created and Jobs Retained

- Description of jobs created and retained – Include the job titles or broader labor categories that are widely understood and explain the general nature of the work.
- Estimates of the number of jobs created* and jobs retained* by project and activity or contract – Calculate a cumulative number each reporting period (currently defined as calendar quarter) using the methodology described in the example below.

****Only jobs that are compensated should be reported.***

The number of jobs is reported as one number – a total of created and retained. The jobs narrative field should be used to describe the types of jobs, whether they are created or retained, whether they are recipient or sub-recipient level jobs and anything else needed to clarify the reported activity for the reader.

A job cannot be counted as both created and retained. Recipients are encouraged to clarify in their narrative job descriptions:

- Which projects or activities are funded by multiple federal awards and
- Which jobs are attributable to ARRA funds

Calculation

The estimates of the number of jobs created and jobs retained shall be expressed as “full-time equivalent” (FTE), calculated cumulatively as all hours worked divided by the total number of hours in a full-time schedule, as defined by the recipient.

Job Estimate Example

Assumptions / instructions for example below:

- Project ***begins*** in calendar quarter 3 with two full-time employees and one half-time employee; this remains the case for the first two quarters of the project (calendar quarters 3 and 4).
- The project then adds a temporary worker for the 3rd project quarter (calendar quarter 1) who works on this project for 130 hours during the quarter.

- The increment columns on the table show the hours in the schedule and the hours worked per employee for that quarter only.
- The cumulative columns on the table show the previous quarter’s cumulative column *plus* the current quarter’s increment column to reach the current quarter’s cumulative column.
- Each *quarterly cumulative* column is used to calculate that quarter’s FTE.
- The calculation requires summing each employee’s “hours worked” to get a cumulative total hours worked through the quarter.
- This sum is then divided by the total cumulative hours in the work schedule through that quarter.
- The result is that quarter’s FTE, which is reported in the Section 1512 reporting database.

Remember to include created and retained positions in these calculations.

Example:

	3 rd Qtr Increment and Cumulative	4 th Qtr Increment	4 th Qtr Cumulative	1 st Qtr Increment	1 st Qtr Cumulative
Full Time Schedule - (hrs)	520	520	1040	520	1560
1 Full Time Employee	520	520	1040	520	1560
1 Full Time Employee	520	520	1040	520	1560
1 half time employee	260	260	520	260	780
1 Temporary Employee	0	0	0	130	130
Total Hours Worked	1300	1300	2600	1430	4030
Quarterly # FTE	2.5		2.5		2.58

* * * * *

The State Accounting Office will continue to prepare periodic accounting directives to distribute ARRA information as it becomes available. Questions concerning this Accounting Directive may be directed to ARRA_Reporting@sao.ga.gov

Required Journal Entries:

N/A

Definitions:

Jobs Created – Those new positions created and filled, or previously existing unfilled positions that are filled, in the United States and outlying areas (as defined by Federal Acquisition Regulation Part 2.101) as a result of ARRA funding.

Jobs Retained – Those previously existing filled positions in the United States and outlying areas that would have been eliminated had it not been for receiving ARRA funding.

Prime Recipient – Any organization that receives ARRA funds (including funds received through grant, loan, or contract) directly from the Federal Government; or any Executive Branch agency that received ARRA funds from another Executive Branch agency (example: ARRA Stabilization funds).

Sub-recipient – Any organization that receives ARRA funds (sub-grant) from a prime recipient to carry out specific activities or specific deliverables.

AGENCIES ARRA REQUIREMENTS

"Have you "Checklist

Purpose: To provide agencies with a ARRA checklist by asking have you completed the following?

HAVE YOU:

Task	Due Date	Responsible Party	Completed	Comments
GENERAL:				
Determined you are a Prime Recipient and subject to Section 1512 Reporting			<input type="checkbox"/>	
Been awarded ARRA Funds			<input type="checkbox"/>	
Registered on FederalReporting.gov			<input type="checkbox"/>	
Obtained a DUNS number for your agency			<input type="checkbox"/>	
Reviewed and updated your Central Contractor Registration (CCR) database			<input type="checkbox"/>	
Identified all of your sub-recipients , their DUNS #'s and (CCR's)			<input type="checkbox"/>	
Updated all of your ARRA contracts to ensure compliance with Recovery Act			<input type="checkbox"/>	
ACCOUNTABILITY OBJECTIVES:				
Built an infrastructure to ensure ARRA accountability objectives are in place			<input type="checkbox"/>	
Objectives include the following:			<input type="checkbox"/>	
Funds are both awarded and distributed in a prompt, fair and reasonable manner			<input type="checkbox"/>	
Reports are clear and accurate			<input type="checkbox"/>	
Funds are used solely for authorized purposes and any instances of fraud, waste, abuse or error are properly mitigated			<input type="checkbox"/>	
Any projects funded under ARRA avoid both delays and cost overruns			<input type="checkbox"/>	
Program goals are achieved, including specific program outcomes and improved economic conditions			<input type="checkbox"/>	
INTERNAL CONTROLS, PROCESS REVIEW:				
Developed an internal control framework that addresses the accountability objectives of the Act			<input type="checkbox"/>	
Documented your processes by first identifying all the required data elements			<input type="checkbox"/>	
Documented your steps in gathering all required data.			<input type="checkbox"/>	
Identified and listed all source documents where the data is coming from to include documents, systems, and business process owners			<input type="checkbox"/>	
Traced transactions from the source documents to the report			<input type="checkbox"/>	
Created checklists that lists all data requirements, due dates, business process owners, and source documents			<input type="checkbox"/>	
Performed data quality reviews for material omissions and/or significant reporting errors				
Communicated with all sub-recipients and vendors addressing data quality, methodology of data collection, due dates, contract requirements, job creation/retention calculations, etc.			<input type="checkbox"/>	
			<input type="checkbox"/>	
REPORTING ACCURACY				
Completed the Process Review questionnaire			<input type="checkbox"/>	
Identified your reporting process methodology (Excel, XML)			<input type="checkbox"/>	
Documented and reviewed your data collection process (include Prime, Sub, and Vendor data)				
Documented and reviewed your data review and validation process prior to submission to OMB			<input type="checkbox"/>	
			<input type="checkbox"/>	
Documented and reviewed your data certification process			<input type="checkbox"/>	
Documented and reviewed your data submission process			<input type="checkbox"/>	
Reviewed your processes to ensure reporting requirements are met in a timely and effective manner			<input type="checkbox"/>	
FRAUD AWARENESS				
Completed a fraud risk analysis in your agency			<input type="checkbox"/>	
Provided Fraud training within your agency, to sub-recipients and vendors			<input type="checkbox"/>	
Established antifraud processes and controls			<input type="checkbox"/>	
Established ongoing monitoring for fraud			<input type="checkbox"/>	
Established and communicated a fraud reporting site and fraud hotline			<input type="checkbox"/>	

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) INTERNAL CONTROL FRAMEWORK

Purpose: This list is intended as a resource for agencies to establish an ARRA internal control framework.

Category	Action
ARRA Accountability	<p>Adopt the ARRA accountability guidelines for federal agencies as the state agency's own:</p> <ol style="list-style-type: none"> 1. Make recipients and uses of all funds transparent; 2. Ensure the reporting of the public benefit of the funds is clear, accurate, timely and transparent; 3. Ensure funds are used for authorized purposes and that instances of fraud, waste error and abuse are mitigated; 4. Ensure projects funded by ARRA funds avoid unnecessary delays and cost overruns; and 5. Ensure program goals are achieved — those of specific programs, and improved results on job indicators.
Accounting	<p>To provide reasonable assurance that ARRA Section 1512 Reports submitted include all activity in the reporting period, are supported by underlying accounting or performance records, and are presented fairly in accordance with program requirements.</p> <ol style="list-style-type: none"> 1. Establish controls to ensure ARRA funds are not comingled with non-ARRA funds by providing training and transparency of all ARRA fund source codes. 2. Develop procedures to ensure that ARRA funds received by agency are easily identifiable, transparent, and have a clear audit trail to be able to trace and account for these funds. 3. Develop a list of allowable and unallowable costs associated with the ARRA grant. Make these available to all business process owners responsible for authorizing payment.
Contracts	<p>Ensure all ARRA contracts meet new requirements of the Act.</p> <ol style="list-style-type: none"> 1. Establish controls to ensure award process is fair and meets the goals of the ARRA. 2. Ensure all ARRA contracts have been updated to include all new requirements associated with the Act. 3. Ensure contracts are written to mitigate the risk in schedule delays, cost overruns and performance risk. Ensure contracts have measurable outcomes consistent with the Act. 4. Consider drafting award documents such that they contain the use of a unique number on all documents relating to the award by all levels of recipients, so that the funds per program can be tracked.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) INTERNAL CONTROL FRAMEWORK

Purpose: This list is intended as a resource for agencies to establish an ARRA internal control framework.

Category	Action
	5. Utilize contracts with Flowdown provisions with the initial contractor, in subcontracting any of its performance, to legally bind its subcontractors to perform and make such contractors subject to all duties, requirements, and obligations of the contractor under the contractor's agreement with the state agency including ARRA provisions and other federal and state requirements.
Reporting	Establish a process for preparation and submission of Section 1512 Reporting. Ensure a process is in place to compile, verify, and submit all required data.
Fraud	Funds are for authorized purposes and instances of fraud, waste, error, and abuse are mitigated. <ol style="list-style-type: none">1. Establish an anti-fraud program.2. Provide fraud training to agency personnel, vendors, and sub-recipients.3. Provide hotlines, phone numbers, and contact information for reporting instances of fraud.

ARRA IC Monitoring Tool

Process	Objective	Expected Control(s)	Existing Control	Evidence of Control	Process Owner
Reporting Requirements Met	To provide reasonable assurance that ARRA Section 1512 Reports submitted include all activity in the reporting period, are supported by underlying accounting or performance records, and are presented fairly in accordance with program requirements.	<ol style="list-style-type: none"> 1. A system is in place that reminds staff members/vendors/subrecipients when reporting data is due. 2. Checklists are in place that lists all required reports, data elements and due dates. 3. The General Ledger or other reliable source documentation is reconciled to the Section 1512 Report. 4. Written procedures are in place that define process owner responsibilities necessary for reviewing, monitoring, and verifying report information. 5. The agency head and CFO review and approve the Section 1512 ARRA report before it is submitted. 			
Activities allowed or unallowed	To provide reasonable assurance that Section 1512 ARRA funds are expended for allowable activities and the cost of goods or services charged to the program are allowable and in accordance with federal requirements.	<ol style="list-style-type: none"> 1. Payments are approved by a person who is knowledgeable of the requirements for determining activities allowed or unallowed for the program. 2. A listing of allowed or unallowed activities readily available and shared. 3. Supporting documentation and invoices submitted for payment are reviewed for allowed costs prior to being approved for payment. 			
Job Data Verification	To ensure employment data submitted on the ARRA Section 1512 report is accurate, reliable, and verified.	<ol style="list-style-type: none"> 1. Verify agency/contractor personnel have received training in calculating FTE's. 2. Verify contractors are using consistent forms and methodologies to calculate jobs created/retained. 3. Compare certified payrolls to jobs reported. 			
Contract Monitoring	Funds are awarded and distributed in prompt, fair, reasonable manner, and all new ARRA Section 1512 requirements are included in all contracts.	<ol style="list-style-type: none"> 1. Ensure agencies are following the DOAS effective contract monitoring system. 2. Contracts contain provisions which address allowable costs. 3. Contracts have been reviewed to ensure that they contain all new ARRA requirements. 			
Controls in place to mitigate fraud, waste, and abuse	Funds are for authorized purposes and instances of fraud, waste, error, and abuse are mitigated.	An anti-fraud program and related controls exist. Fraud training given to agency, vendors, and subrecipients. Fraud hotlines, emails and phone numbers have been developed and are readily accessible.			

FEDERAL STIMULUS- REPORTING REQUIREMENTS CHECKLIST FISCAL YEAR 2009

REPORTS	
ARRA Sections 1512	Supporting Documentation
Section 1512 required Data Elements	
Prime Recipient	
Reporting Information	Source of Data
Award Type	Award Document ("Grant")
Award Number	Award Document (Grant No.)
Final Report	Enter "Y" if no further reports for this award
Award Recipient Information	
Recipient DUNS Number	Dunn & Bradstreet Registration
Recipient Account Number	Fund Source Number or Unique Acct #
Recipient Congressional District	Based on Zip+4 or street address
Award Information	
Funding Agency Code	Agency Drop-Down List from FedSpread
Awarding Agency Code	Agency Drop-Down List from FedSpread
Award Date	Award Document
Amount of Award	Award Document
CFDA Number	Award Document
Program Source (TAS)	Award Document, Federal Agency
Sub Account Number for Program Source (TAS)	Award Document, Federal Agency
Total Number of Sub Awards to Individuals	PO by Fund Source (Contracts)
Total Amount of Sub Awards to Individuals	PO by Fund Source (Contracts)
Total Number of Payments to Vendors less than \$25,000/Award	Payments Table, Vendor Payment History
Total Amount of Payments to Vendors less than \$25,000/Award	Payments Table, Vendor Payment History
Total Number of Sub Awards less than \$25,000/Award	PO by Fund Source (Contracts)
Total Amount of Sub Awards less than \$25,000/Award	PO by Fund Source (Contracts), Vendor Payment History
Award Description	Award Document ("Grant")
Project Information	
Project Name or Project/Program Title	Award Document
Project Status	Project Manager
Total Federal Amount ARRA Funds Received/Invoiced	Cash Received by Fund Source
Number of Jobs	Timesheets + Subs Certified Timesheets
Description of Jobs Created	Job Titles or Labor Categories
Quarterly Activities/Project Description	Contract Scope of Work Performed
Agency Code (NAICS or NTEE-NPC)	Award Document, Federal Agency
Total Federal Amount of ARRA Expenditure	44N, GG, Payroll by FndSrc, ARRA Expense Accts
Total Federal ARRA Infrastructure Expenditures	44N, GG, Payroll by FndSrc, ARRA Expense Accts
Infrastructure Contact Name	Project Manager
Infrastructure Contact Email	Project Manager Email
Infrastructure Contact Phone	Project Manager Phone
Infrastructure Contact Phone Ext.	Project Manager Phone Ext.
Infrastructure Contact Street Address 1	Project Manager Street Add. 1
Infrastructure Contact Street Address 2	Project Manager Street Add. 2
Infrastructure Contact Street Address 3	Project Manager Street Add. 3
Infrastructure City	Project Manager City
Infrastructure State	Project Manager State
Infrastructure Zip Code+4	Project Manager Zip Code+4
Infrastructure Purpose and Rationale	Award Document
Primary Place of Performance	
Street Address 1	Prime Recipient Street Add. 1
Street Address 2	Prime Recipient Street Add. 2
City	Prime Recipient City
State	Prime Recipient State
Zip Code+4	Prime Recipient Zip Code+4
Congressional District	Based on Zip+4 or street address
Country	"US"
Recipient Highly Compensated Officers	
Prime Recipient Indication of Reporting Applicability	"N"
Officer Name	N/A
Officer Compensation	N/A
Sub Recipient	
Reporting Information	
Award Type	Award Document ("Grant")
Award Number	Award Document (Grant No.)
Recipient DUNS Number	Dunn & Bradstreet Registration
Final Report	Enter "Y" if no further reports for this award
Sub Recipient Information	
Sub Recipient DUNS Number	Dunn & Bradstreet Registration of Sub
Sub Award Number	Sub-Award Document
Sub Recipient Congressional District	Based on zip+4 of sub address
Sub Award Information	
Amount of Sub Award	Sub-Award Document ("Contract")
Total Sub Award Funds Disbursed	44N, GG, Payroll by FndSrc, ARRA Expense Accts
Sub Award Date	Sub-Award Document ("Contract")
Sub Recipient Place of Performance	
Address 1	Sub-Award Document ("Contract")
Address 2	Sub-Award Document ("Contract")
City	Sub-Award Document ("Contract")
State	Sub-Award Document ("Contract")
Zip Code+4	Sub-Award Document ("Contract")
Congressional District	Sub-Award Document ("Contract")
Country	Sub-Award Document ("Contract")
Sub Recipient Highly Compensated Officers	
Sub Recipient Indication of Reporting Applicability	Applicability Drop-Down from FedSpread
Officer 1 Name	From Sub Recipient
Officer 1 Compensation	From Sub Recipient
Officer 2 Name	From Sub Recipient
Officer 2 Compensation	From Sub Recipient
Officer 3 Name	From Sub Recipient
Officer 3 Compensation	From Sub Recipient
Officer 4 Name	From Sub Recipient
Officer 4 Compensation	From Sub Recipient
Officer 5 Name	From Sub Recipient
Officer 5 Compensation	From Sub Recipient
Vendors	
Reporting Information	
Award Type	Award Document ("Grant")
Award Number	Award Document (Grant No.)
Recipient DUNS Number	Dunn & Bradstreet Registration
Subaward Number	Sub Vendor only, Sub-Award Document
Vendor DUNS Number	From Vendor Dunn & Brad, if available
Vendor Name	From Vendor Contract, if no DUNS
Vendor HQ Zip Code+4	From Vendor Contract, if no DUNS
Product and Service Description	From Vendor Contract / Invoice
Payment Amount	Payments Table by Fund Source, Vendor Payment History

Legend: Those data elements highlighted in yellow represent elements that will require continual entry through life of the grant.

Section 1512 Reporting

Things to look for during the review of data

Things to look for:

- 1 Expenditures are not more than Award Amount
- 2 Expenses not expenditures being reported (exclude encumbrances)
- 3 All required fields have been entered (no omission of data)
For example, ensure all programs with expenditures (with the exception of personal services) have corresponding sub recipient and vendor information.
- 4 Verifiable and consistent methodology for "Number of Jobs" field
- 5 Verifiable and consistent methodology for "Description of Jobs Created" field
- 6 Sufficient evidence to support all recorded transactions are in place and can be traced to ARRA Section 1512 Report

ARRA Recipient Reporting Model
 OMB Excel Spreadsheet Template
 Documentation and Explanation of Fields associated with dollar amounts

Item #	Source Worksheet	Field Description	Field Explanation
1	Prime Recipient	Amount of Award	The total amount of Federal dollars on the award
2	Prime Recipient	Total amount of Sub Awards to Individuals	Total amount of sub awards to individuals (N/A)
3	Prime Recipient	Total amount of payments to vendors less than \$25,000/award	Total amount of payments to vendors less than \$25,000/award for the reporting quarter (this is at the summary level or cumulative level)
4	Prime Recipient	Total amount of Subawards less than \$25,000/award	Total amount of Subawards less than \$25,000/award for the reporting quarter. (this is at the summary level or cumulative level)
5	Prime Recipient	Total Federal Amount ARRA Funds Received/Invoiced	The amount of Recovery Act funds <u>received</u> through draw-down, reimbursement or invoice
6	Prime Recipient	Total Federal Amount of ARRA Expenditure	Amount of recovery funds received that were expended to projects or activities ("Federal Share of Expenditures"). The cumulative total for the amount of Federal fund expenditures. For reports prepared on a cash basis, expenditures are the sum of cash disbursements for direct charges for property and services; the amount of indirect expense charge; the value of third party in kind contributions applied; and the amount of cash advance and payments made to subcontractors or Subawardees.
7	Prime Recipient	Total Federal ARRA Infrastructure Expenditure	Total federal ARRA Infrastructure expenditure
8	Sub Recipient	Amount of Sub Award	The anticipated total amount of funds to be disbursed to the sub-awardee over the life of the award.
9	Sub Recipient	Total Sub Awards funds disbursed	Amount of Subaward disbursed. The cumulative amount of cash disbursed to the sub-awardee as of the reporting period end date.
10	Vendor	Payment Amount	The amount invoiced to the vendor (aggregated) that will be paid with ARRA funds. *This field is required for Prime Recipients but optional for vendors of sub-recipients

PRIME RECIPIENT

- 1 Federal Funding Agency Name
- 2 Award identification
- 3 Recipient DUNS
- 4 Parent DUNS
- 5 Recipient CCR information
- 6 CFDA number
- 7 Recipient Account number
- 8 Project / grant period
- 9 Award type, date, description and amount

- 10 Amount of ARRA funds expended
- 11 Activity code and description
- 12 Project description and status
- 13 Job creation narrative and number
- 14 Infrastructure Expenditures and rationale
- 15 recipient primary place of performance
- 16 Recipient area of benefit
- 17 Recipient officer names and compensation (top
- 18 Total number and amount awards (<\$25,000)

RECIPIENT VENDOR

- 1 DUNS or Name and zip of headquarters
- 2 Expenditure amount
- 3 Expenditure description

SUB-RECIPIENT

- 1 Sub-recipient DUNS
- 2 Sub-recipient CCR information
- 3 Sub-recipient type
- 4 Amount received by sub-recipient
- 5 Amount awarded to sub-recipient
- 6 Sub-award date
- 7 Sub-award period
- 8 Sub-recipient place of performance
- 9 Sub-recipient area of benefit

- 10 Sub-recipient officer names and compensation (5)

SUB-RECIPIENT VENDOR

- 1 DUNS or Name and zip of Hdqrtrs

NOTE:

DATA ELEMENTS SHOWN IN RED DO NOT CHANGE FROM QUARTER TO QUARTER; THEREFORE, ONLY THE DATA ELEMENTS IN BLACK WILL REQUIRE CONTINUING

DATA ENTRY THRU LIFE OF GRANT

American Recovery and Reinvestment Act
 Contract Checklist

Reference	Description	Included
ARRA Sec. 902 Notification of the authority of the U.S. Controller to access records	<p><i>Section 902 of the American Recovery and Reinvestment Act (ARRA) of 2009 requires that each contract awarded using ARRA funds must include a provision that provides the U.S. Comptroller General and his representatives with the authority to:</i></p> <p><i>“(1) to examine any records of the contractor or any of its subcontractors, or any State or local agency administering such contract, that directly pertain to, and involve transactions relating to, the contract or subcontract; and</i></p> <p><i>(2) to interview any officer or employee of the contractor or any of its subcontractors, or of any State or local government agency administering the contract, regarding such transactions.”</i></p>	
ARRA Sec.1515 (a) Notification of the authority of the Inspector General to access records (recommended)	<p>While Section 1515 does not require contractual language, contracting agencies are encouraged to provide a notification in all contracts regarding the OIG’s authority. A suggested provision follows:</p>	

American Recovery and Reinvestment Act
 Contract Checklist

Reference	Description	Included
	<p><i>Section 1515(a) of the ARRA provides authority for any representatives of the Inspector General to examine any records or interview any employee or officers working on this contract. The contractor is advised that representatives of the inspector general have the authority to examine any record and interview any employee or officer of the contractor, its subcontractors or other firms working on this contract. Section 1515(b) further provides that nothing in this section shall be interpreted to limit or restrict in any way any existing authority of an inspector general.</i></p>	
ARRA Sec. 1604 Limit on Funds	<p>Funds may not be used for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pools.</p>	
ARRA Sec. 1605 Buy American	<p>Buy American – Projects for the construction, alteration, maintenance, or repair of public building or public work must use iron, steel, and manufactured goods produced in the United States, unless this requirement is waived by the Federal grantor agency.</p>	
ARRA Sec. 1606 Wage rate requirements	<p>Wage rate requirements – All laborers and mechanics employed by contractors and subcontractors must be paid wages at not less than prevailing rates on projects of similar character in the locality.</p>	

American Recovery and Reinvestment Act
 Contract Checklist

Reference	Description	Included
ARRA Sec. 1608 Individuals with disabilities/business owned by individuals with disabilities	<p>REFORM OF CONTRACTING PROCEDURES UNDER EESA. Section 107(b) of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5217(b)) is amended by inserting “and individuals with disabilities and businesses owned by individuals with disabilities (for purposes of this subsection the term ‘individual with disability’ has the same meaning as the term ‘handicapped individual’ as that term is defined in section 3(f) of the Small Business Act (15 U.S.C. 632(f)),” after “(12 U.S.C. 1441a(r)(4)),”.</p>	

American Recovery and Reinvestment Act
Contract Checklist

Reference	Description	Included
	<p>Recipients agree to separately identify the expenditures for each grant award funded under ARRA on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." This identification on the SEFA and SF-SAC shall include the Federal award number, the Catalog of Federal Domestic Assistance (CFDA) number, and amount such that separate accountability and disclosure is provided for ARRA funds by Federal award number consistent with the recipient reports required by ARRA Section 1512(c). (2 CFR 215.26, 45 CFR 74.26, and 45 CFR 92.26)</p>	

ARRA JOBS CALCULATION PROCESS

FTEs must be calculated using two data elements:

1. Total number of hours worked that were funded by ARRA
2. Total number of hours in a full-time schedule as defined by the recipient, sub-recipient or vendor

FTE Formula:

$$\frac{\text{Cumulative Recovery Act Funded Hours Worked since award date}}{\text{Cumulative Hours in a Full time Schedule since award date}}$$

The purpose of this formula:

To avoid overstating the number of jobs created in the case where some jobs may not be fulltime positions. Thus, this formula converts part-time or temporary jobs into "full-time equivalent" jobs.

Jobs must be reported cumulatively each quarter from the award date through the end of the reporting period. If the same number of employees work the same number of hours in the second quarter, then the same number of FTEs should be recorded in that quarter.

What you need to calculate jobs retained for Stabilization ARRA funds:

Here is the process:

1. Obtain Award date
2. Obtain Amount of Stabilization ARRA funds received (spent on Payroll)
3. Determine total payroll amount for all employees since award date
4. Number of employees as of award date
5. Divide stabilization amount received by total payroll amount above.
Ex. \$10 in stabilization money
 \$100 in total payroll
10/100= 10%
6. Multiply % above by the total number of employees as of the award date
Ex: 50 employees x 10%= 5 FTE's

Formula:

$$\frac{\text{Stabilization \$ Received (Amt spent on Payroll)}}{\text{Total Payroll since award date}} = \frac{10}{100} = 10.00\%$$

$$\begin{aligned} & \times \# \text{ of Employees} && 50 \\ & = \text{Jobs Retained (FTE's)} && 5 \end{aligned}$$