



Date: August 7, 2009

To: ARRA Agency Heads

From: Greg Griffin *GS*
State Accounting Officer

Re: **Important ARRA Communication**

The purpose of this memo is to brief you on an American Recovery and Reinvestment Act (ARRA) issue that significantly impacts your agency. This overview will be discussed in detail with your representatives at the next ARRA Implementation Team meeting scheduled for Friday, August 14.

ARRA Section 1512 Quarterly Reporting:

The state will use a **decentralized** approach to ARRA reporting. This is a change from the state's initial direction for centralized reporting through the State Accounting Office (SAO). Accordingly, the agency, institution or authority that receives the initial award will be responsible for reporting information via the OMB Central Reporting Solution (<http://www.FederalReporting.gov/>). Agencies will generally not be allowed to delegate this reporting responsibility to sub-recipients. Instead, each agency will be required to enter sub-recipient information into the Central Reporting Solution. This policy will allow the State of Georgia (through accountable agencies, institutions and authorities) to better control the accuracy, timeliness and completeness of the reported information. If adherence to this policy will create an undue hardship, agency personnel should contact the SAO to request an exception. Additional guidance and direction under this reporting approach will be forthcoming in a future Accounting Directive.

Why is this change being made?

- 1) The federal Office of Management and Budget (OMB) has now clarified that "prime recipients" [i.e., individual agencies] are responsible for recipient and sub-recipient data, not the state. If questions arise regarding data reported, state agencies will be contacted directly by their federal agencies through the OMB Central Reporting Solution process; not by the SAO. This is a change from understandings of previous OMB guidance.
- 2) It appears that some agencies will be required to report data to their federal counterparts, in addition to providing 1512 Reporting. And in a few cases, agencies will report directly to Congress. Reporting to the SAO is a duplication of effort.
- 3) Funds to adequately develop a long term centralized data warehouse at the SAO have not materialized as anticipated. Pending legislation in Congress that would have funded the effort has not been passed and has no hope of passing for months.
- 4) Many agencies have requested permission to pursue a decentralized reporting approach.

What does this mean for my agency?

Agencies (prime recipients) will report 1512 data on a quarterly basis directly into the FederalReporting.gov website developed and administered by OMB. Effective immediately, there is no longer a requirement for agencies to enter monthly data into the Georgia ARRA Transparency Reporting website. The first 1512 report is due October 10. The initial cumulative report will contain data on activity from February 17 through the end of the reporting period.

Can my agency use the information that has been entered into the Georgia ARRA Transparency Reporting website?

Each agency will be provided with a report of all of its data that has been entered into the Georgia ARRA Transparency Reporting website. You should have access to this report by Friday, August 14.

Please examine this data (for accuracy, completeness, etc.) and review your findings with the SAO by August 21. We will use your feedback from these reports to help structure training efforts prior to the October reporting date.

[Next Steps](#)

State Quality Assurance Plans:

The SAO is responsible for ARRA reporting oversight for the State of Georgia. To ensure that all agencies are prepared to meet the October 10 reporting deadline, the SAO will be working individually with ARRA agency heads and CFOs to assess their agency's reporting readiness. Each ARRA agency head will be asked to present to a central readiness review team its agency's reporting plan for collecting, validating, and reporting its respective Section 1512 data to FederalReporting.gov.

Additional information and assistance will be forthcoming in the next two weeks. The SAO plans to begin conducting these readiness reviews in late August and early September. Each agency will be allotted approximately sixty minutes for this review.

Data Accountability:

Agency heads and CFOs are accountable for the accuracy, completeness and timeliness of Section 1512 data reporting. As a standard internal control to ensure a proper level of review, the SAO will require a certification of the data from each agency head and CFO prior to submission to OMB. You will be provided with the certification form for signature in the near future.

Additional Training:

The SAO is preparing to provide additional training and information to agency Section 1512 coordinators, CFO's and agency staff involved in Section 1512 reporting. This training will focus

on the reporting requirements and will include a detailed example of how to complete OMB's Excel spreadsheet reporting tool/option.

This training is mandatory for agency Section 1512 representatives and CFO's.

State Summary Report:

The SAO will be developing an Accounting Directive with guidance for capturing required ARRA information for the state's stimulus website and for sharing with various stakeholders. The SAO will provide additional information after decisions are finalized regarding required data elements and determinations are made about the feasibility of leveraging information reported via the Central Reporting Solution. In developing the Accounting Directive, the SAO will make every attempt to minimize operational impact to the agency, institution or authority.

Thank you for your patience and cooperation in this process – it is appreciated.

cc: Implementation Team
Tommy Hills
Jim Lientz
Celeste Osborn
Debbie Dlugolenski
Sid Johnson