



DATE: September 14, 2010
TO: Agency Heads and CFOs
FROM: Greg S. Griffin, State Accounting Officer *gsg*
RE: Federal Funding Accountability and Transparency Act (FFATA)

The US Office of Management and Budget recently released a series of documents concerning the Federal Funding Accountability and Transparency Act (FFATA). Attached please find a memorandum on FFATA reporting and implementation, Guidance on FFATA Reporting for Sub-award and Executive Compensation, FFATA Data Architecture and the FFATA Data Model. While much of the information is directed at Federal agencies, data concerning compensation and sub-awardee information is required of the prime recipient. **States and local entities receiving federal awards are affected by this guidance as are sub-awardees who must provide information to the prime recipient.**

As background information, FFATA was signed into law in September of 2006 and requires that information on federal contracts and grants be made available to the public via an easy to use single, searchable website. While federal agencies have been submitting prime recipient information to USASpending.gov since January 2008, the requirement for sub-recipient information to be posted by January 2009, was never fully implemented or enforced. **OMB is now requiring sub-recipient reporting beginning on October 1, 2010.** The required data elements include:

- Name of the entity receiving the award.
- Amount of the award.
- Award information such as transaction type, funding agency, the North American Industry Classification Code or the Federal Domestic Assistance number, program source (Treasury Account Symbol), and award title that describes purpose of the funding.
- Location of the entity receiving the award and the primary location of performance under the award, including the city, state, congressional district and country.
- A unique identifier (DUNS number) of the entity receiving the award (and of the parent entity, when applicable).
- The names and total compensation of the five most highly compensated officers of the entity (under certain conditions).
- Other relevant information specified by the OMB in subsequent guidance or regulation.

When are new reporting requirements effective?

Reporting the data elements referenced above begins on October 1, 2010, and will be on a rolling basis with the reporting event tied to the time of the award. Recipients (the prime awardee) must report

information by the end of the month following the month the sub-award or obligation was made. For example, an award made on October 1, 2010 must be reported by November 30, 2010

What awards are covered by this new guidance?

All awards greater than or equal to \$25,000 are required to be reported with the following exceptions:

- Grants, whether existing or new as of October 1, 2010, that are funded by the Recovery Act (ARRA). Rather, such awards will continue to report those awards and related sub-awards through FederalReporting.gov;
- Federal awards to individuals who apply for or receive Federal awards as natural persons (i.e., unrelated to any business or non-profit organization he or she may own or operate in his or her name);
- Federal awards to entities that had a gross income, from all sources, of less than \$300,000 in the entities previous tax year

The new guidance applies only to new awards beginning October 1, 2010, so grants awarded under prior fiscal years are not subject to this reporting.

How will prime grant awardees report in compliance with the Transparency Act?

Prime recipients will be required to utilize two systems to comply with the reporting requirements of the Transparency Act.

- Grant awardees will be required to register into the Central Contractor Registration System (“CCR”). For any new Federal grants, as of October 1, 2010, prime grant awardees must ensure that they have an active registration, for the DUNS number under which the grant was made, in CCR, and provide all required information.
- Grant awardees will be required to register into the FFATA Sub-award Reporting System FSRS and report sub-award and/or sub-awardee executive compensation data through FSRS (www.FSRS.gov).

Federal agencies are required to populate most of the data elements for the prime recipient; however, prime recipients will be required report all the data elements for the sub-recipient (this is consistent with how State of Georgia reports Recovery Act information).

Next Steps:

SAO will be scheduling a meeting next week to further explain the requirements and respond to any of your questions. In the meantime, please review the attached information and direct all questions to SAO at pturner@sao.ga.gov. The attached documents will also be posted and available on the SAO website at http://sao.georgia.gov/00/channel_createdate/0,2095,39779022_161450469,00.html