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Governor

STATE OF NEBRASKA

DEPARTMENT OF ADMINISTRATIVE SERVICES
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Director

MEMORANDUM

Date: August 4, 2009

To: State Agencies, Boards and Commissions receiving American Recovery and Investment Act (ARRA) Grant Awards

Attention: Agency Directors, Finance Officers and ARRA Coordinators

From: Gerry Oligmueller
State Budget Administrator

Topic: This memo outlines the key responsibilities of prime recipient state agencies to comply with the reporting requirements of Section 1512 of the American Recovery and Reinvestment Act (ARRA).

Your agency, as a state agency prime recipient, plays the central role in achieving successful ARRA Section 1512 reporting. Key responsibilities of a prime recipient state agency are:

- The prime recipient state agency is responsible for all reporting both from the prime recipient and the sub-recipient for their specific grant award.
- The prime recipient state agency must complete the necessary planning and communication to assure the timely and accurate sharing and reporting of the required information.
- The prime recipient must have a written data collection plan and data quality review plan containing the necessary internal controls to assure the timely and accurate reporting of information.

On June 22, 2009, the Whitehouse Office of Management and Budget (OMB) published ARRA Section 1512 reporting guidance. Agency directors, ARRA reporting coordinators, and finance and program staff with responsibilities related to ARRA grant awards must be familiar with these guidelines. They are available at:

OMB Memorandum M-09-21:

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

Supplement 1: Programs requiring 1512 reporting:

http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21-supp1.pdf

Supplement 2: 1512 Reporting Data Elements:

http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21-supp2.pdf

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During the week of July 20th, a series of two hour webinars explained the guidance and reporting process. A recording of these webinars and the slides is available on this link:

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

The General Overview, Prime Recipient Reporting and Data Quality Requirements are the source of information shared in this memo.

Please review all information cited above and begin the planning process. It is imperative that your agency complete its planning early and be fully prepared for registration on FederalReporting.gov and the subsequent reporting. Your assigned AS Budget Analyst will contact you to review periodic progress. Our goal is compliance with the requirements of ARRA Section 1512 through successful registration, report preparation/submission and data quality review that includes documentation of the process and internal controls to assure data quality.

Please keep your assigned AS Budget Analyst informed as you progress to a completed plan and validated data.

The remainder of this memo outlines key points from the guidance and the webinars providing you with foundation information for your planning process. These highlights should not be considered to be in lieu of reviewing the resources cited earlier in this memo.

Outline of Major Topics Involved in ARRA Section 1512 Reporting

The Websites

Recovery.gov provides the central web presence to the public and is the data warehouse for ARRA information. It is managed by the Recovery Accountability and Transparency Board (RATB). The contents are:

- Financial activity reports published weekly by the federal agencies
- Federal agency program plans
- Reports of contracts, grant awards and loans.

Federal Reporting.gov is the data collection site for ARRA grant awards. Data is input into FederalReporting.gov by the prime recipients and sub-recipients and moved into Recovery.gov where reports are available to the public.

Definitions

Federal Agency: Receives appropriation from Congress for the specific ARRA program

Prime Recipient: The Federal Agency passes the ARRA funds to the prime recipient. This is usually a state agency or other governmental entity within the state.

Sub-Recipient: Receives the ARRA funds from the prime recipient through an agreement. This could be another governmental entity, a non-profit entity or organization that will use the ARRA funds to carry out the mission of the ARRA program. An individual is not a sub-recipient unless that individual is a sole proprietor.

Vendor: The prime recipient or the sub-recipient may pay vendors for goods and services. The vendor is not a sub-recipient. They are paid ARRA funds in exchange for goods or services required to perform the mission of the ARRA funded program.

Contractor: Refers to a federal contractor. Federal contractors are not yet reporting into FederalReporting.gov but are expected to be required to report in the future.

Resources

These resources will be made available by OMB:

- Help Desk via an 800 number on FederalReporting.gov
- Updated OMB M-09-21 Supplements of required reporting and data element descriptions on whitehouse.gov
- Frequently Asked Questions (FAQ) located on FederalReporting.gov
- Excel spreadsheet for input of report information on FederalReporting.gov
- Webinars on registration and system use

Timeline

- August 1 to 17: State agency planning
Availability of updated data element descriptions, excel spreadsheet, FAQs
- August 17:* FederalReporting.gov registration opens
- August -
- September: Complete registration, collect data, and review data
- October 1: FederalReporting.gov opens for report creation and submission
- October 10:* Report due date; final day to create and submit reports to comply with the ARRA Section 1512 reporting requirement
- October 11-21: Prime recipient and sub-recipient report creators can review their report.
Federal agencies are also able to review the reports.
The prime recipient and sub-recipient can make corrections (creating a new report version). All report versions in the system will be viewable by the federal agency and analyzed for possible failure to comply with the October 10 deadline. The most current report versions may be available to the public on Recovery.gov during this time.
- October 22-29: FederalReporting.gov will be locked.
Federal agency review will continue. They will contact the report originator with comments and open the report for corrections. Corrections recommended by the federal agency but not made by the recipient agency will be reported on Recovery.gov.
- October 30 Reports are published on Recovery.gov.
FederalReporting.gov will be locked.
- January 10 Next reporting due date for cumulative reporting from February 17, 2009 to December 31, 2009.

Planning Process

- Clearly coordinate reporting/review responsibilities in your organization.
- Identify key points of contact to approve/deny registrations.
- Determine who in your organization will register in FederalReporting.gov.
- Determine the DUNS number for each registrant.
- Verify that the DUNS number is associated with an active CCR registration.
- If you are delegating reporting to your sub-recipients, verify that they have a valid DUNS number.
- Register early. FederalReporting.gov registration opens August 17.
- Assemble information in advance.
- Compile list of award numbers. Award numbers must be input exactly as they appear on the award notice.
 - Obtain key fields of information from the award notice using the excel spreadsheet and OMB M-09-21 Supplement 2 Data Element Descriptions.
 - Fill in excel spreadsheet for each award.
- Plan internal review process and criteria.
- Design internal controls for data quality review.

Document plans and internal controls.

Read FAQ periodically throughout the process.

Reporting is cumulative from February 17, 2009 to September 30, 2009.

Allow time for validation of data by FederalReporting.gov

FederalReporting.gov validates the data. Make corrections, re-validate and submit when error free.

A confirmation email is sent for each report submission.

Recommendations for Prime Recipient Reporting

- Register early
 - o Prime recipients must be registered in the Central Contractor Registration System (CCR)
 - o The organization's DUNS number is required to register with CCR
 - o CCR registration requires the organization's Tax ID Number (TIN) or Employer ID (EIN)
- Clearly communicate with sub-recipients expectations for reporting
- Clearly coordinate reporting responsibility within your organization
- Gather as much information in advance as possible
- Read over the FAQs in advance

Recommendations for Sub-Recipient Reporting

- Register early
 - o Sub-recipients will need to have a DUNS number to register
- Work with the prime recipient to understand expectations
- Identify a prime recipient point of contact
- Clearly coordinate reporting responsibility within your organization
- Gather as much information in advance as possible
- Read over the FAQs in advance

Registration

Prime recipients must determine who in their organization will register in FederalReporting.gov for the purpose of inputting and submitting reports. There is no super-review function in FederalReporting.gov. In this initial release of FederalReporting.gov, it is our understanding that only the user who input the report can review the report or make corrections to it. All others will have to review the data on Recovery.gov and the RATB has indicated that data may be available October 10 but most certainly will be available October 30.

Determine your organization's DUNS numbers and verify CCR registration. To verify the CCR registration, enter the DUNS number at CCR.gov. Review the CCR registration information and update as necessary. If the CCR is expired, renew the CCR registration. The information in the CCR registration and behind the DUNS number will be used to automatically populate many of the required reporting fields.

Report Submission: Excel spreadsheet method

The state agencies will use the excel spreadsheet method to submit reports.

Instructions will be provided so that all spreadsheets and other extract files will be provided to the State Budget Division in addition to submission to FederalReporting.gov. This will facilitate state level presentation of report data on Recovery.Nebraska.gov.

Jobs Created/Retained

The prime recipient is responsible for determining the number of jobs created or retained. Although the jobs may be created or retained at the sub-recipient level or the vendor level, the prime recipient is responsible for gathering the information from their own organization, the sub-recipients and vendors. The prime recipient should look at job creation/retention only at the first level of jobs needed to carry out the mission of the ARRA program. Secondary economic effects, such as how earnings of the employees impact other job creation, are not to be calculated or included in the report.

The calculation is hours worked that are funded by ARRA divided by the number of work hours in a year, usually 2,080 hours. The result is number of full time equivalents (FTE). The calculation of jobs created/retained is one number reported in total. Sick leave and vacation time paid for with ARRA funds are counted in the calculation. Pay for a suspended worker should not be funded by ARRA and not counted in the calculation. The prime recipient should start counting from the first quarter in which the jobs are created and report a cumulative total from February 17 to the end of the current quarter.

The prime recipient needs to analyze the data collected to determine if further research is needed. If the prime recipient or sub-recipient uses a car dealer to procure vehicles funded by an ARRA program, the prime recipient needs to inquire of the manufacturer to determine the number of jobs created. The prime recipient is responsible for that decision making process. The prime recipient needs to document the data and discussion that led to the calculation of the jobs created/retained FTEs.

Vendor Reporting

Both the prime recipient and sub-recipient report vendor information. Total expenditures reported include vendor payments. One category of vendor payments requires separate reporting by the payee, either the prime recipient or the sub-recipient. Reporting of vendor data elements is triggered by payment of an individual invoice greater than \$25,000. A series of invoices, each less than or equal to \$25,000 does not trigger the reporting requirement. For these invoices greater than \$25,000, the vendor DUNS number is entered into FederalReporting.gov by the prime recipient or the sub-recipients.