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COGR-FDP FAQ on ARRA

Author: COGR-FDP

The FAQs are an initiative of a joint COGR-FDP working group. The FAQs are based on questions being gathered on an ongoing basis from the COGR and FDP memberships. Questions are answered to the best of our knowledge based on reviews of all available ARRA information, as well as discussions with Federal representatives.

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COGR-FDP Frequently Asked Questions and the American Recovery and Reinvestment Act of 2009 (ARRA)

(last updated December 18, 2009)

Introduction to the COGR-FDP Frequently Asked Questions (FAQs)

The FAQs listed below are an initiative of a joint COGR-FDP working group. The FAQs are based on questions being gathered on an ongoing basis from the COGR and FDP memberships. Questions are answered to the best of our knowledge based on reviews of all available ARRA information, as well as discussions with Federal representatives. When applicable, a link to specific Federal, OMB or agency guidance is provided. When new and/or additional information is available, a notation will be added to the FAQ to indicate an update has been made.

In the Table of Contents below, we have designated questions 1, 2, and 3 as high level orientation questions that provide important prerequisite information and guidance. The main body of the FAQs can be accessed by going directly to item 4. COGR-FDP Frequently Asked Questions. From there, each FAQ is presented and can be accessed by clicking on the desired link.

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1. What if my question is not found in the FAQs or in the Federal Guidance?

The Office of Management and Budget (OMB) has indicated questions can be directed to OMB at recovery@omb.eop.gov. Please consider sharing with us any answers you receive from OMB that you feel would benefit the research community.

FederalReporting.gov is available and the Help Desk can be reached by phone at 1-877-508-7386 or by email at support@federalreporting.gov.

COGR and the FDP generally are not in a position to provide official answers to questions, but can provide our understandings and insights. You can contact David Kennedy at dkennedy@cogr.edu or Jeffrey Silber at jas9@cornell.edu. In order to maintain a user-friendly interface, we will not list all questions that are raised. However, we will respond to the best of our ability to all questions, and as appropriate, integrate questions into the FAQ. In addition, an [FDP ListServe](#) is available to post questions and comments for discussion. We appreciate all input as our goal is to make the FAQ a useful resource to the COGR and FDP memberships.

2. What is new and/or requires immediate attention? (updated 12/18/09)

We will update this section on a regular basis to provide important notices and/or updates. As of the date shown above, the following may be of importance:

The following updates have been made to the COGR-FDP FAQs:

[FAQ #3 below](#) (high level orientation question) – Updated links to ARRA guidance and templates; links to Department of Education (Federal Work Study) guidance.

[Section D. Accountability and Project Performance](#); includes section D1. Buy American, Wage Provisions, Foreign Nationals and Other Compliance, D2. Audit – A-133 and Federal Offices of Inspectors General (OIG) Activity, and D3. Facilities & Administrative (F&A) Rates.

NEW FAQs:

[Section C2, #7](#). Does a Section 1512 report need to be submitted for awards to the prime recipient of less than \$25,000?

[Section C2, #8](#). Have institutions utilized the “Best Available Data” reporting model where, for example, data through August 31 (rather than September 30) was utilized for the October reporting cycle?

[Section C2, #9](#). Has there been a change in guidance that will now allow institutions to access FederalReporting.gov at any time to correct their data?

[Section C3, #17](#). Are institutions required to complete Effort Reports for those employees who were funded by State Fiscal Stabilization Funds?

[Section C3, #18](#). Has OMB provided new guidance on jobs reporting methodology? Does this affect how we determine if a job is retained/created?

[Section C3, #19](#). Is there new guidance specific to the treatment of tenured faculty?

[Section C3, #20](#). Should a “jobs weighting” methodology be used to account for situations where employees: a) were charged to an ARRA award after July 1, 2009, and b) have been (and could continue to be) charged to an ARRA award at varying levels from quarter to quarter?

[Section C3, #21](#). How should the Federal Work Study (FWS) program and the corresponding jobs reporting be treated in the January 2010 (and subsequent) reporting cycles?

[Section C4, #15](#). Does the officer compensation (five most highly compensated) for the institution’s subrecipients have to be reported? Is the prime recipient also required to report this information?

3. Where can I find the most up-to-date Federal Guidance on ARRA?

In addition to utilizing the [COGR website](#) and [FDP website](#), there are a number of Federal Government websites that can be accessed:

General ARRA Information

[American Recovery and Reinvestment Act of 2009 – Full text of the legislation](#)

[Recovery.gov](#) – The main Federal site designed for access by American citizens.

[Section 1512 of ARRA](#) – COGR copy of Section 1512 of ARRA (Reports on Use of Funds), which includes the legislative requirements on reporting of ARRA funds.

[Office of Management and Budget \(OMB\) and Recipient Reporting Information](#)

The primary Federal guidance has been shifted between several web locations since ARRA was passed on February 17, 2009. Currently, Recovery.gov includes a [Recipient Reporting](#) tab, which then directs you to [FederalReporting.gov](#). The [Downloads](#) link on FederalReporting.gov is where the Data Model, Templates, Webinars, and other guides can be found.

The [OMB ARRA Home Page](#) includes links to some of the same documents available under Recovery.gov and FederalReporting.gov, as well as OMB memos and clarifications. Some of the useful material on the OMB page includes:

[June 22nd Implementing Guidance \(M-09-21\)](#) – The most current version of the OMB implementing guidance.

[Recipient Reporting Data Model](#) – This is listed as Supplement 2 on the OMB site and is the same data model that is available through FederalReporting.gov. Funding agencies such as NIH and NSF (see below) have provided data model templates specific to the data elements applicable to their agencies.

[OMB Recovery FAQs](#) – OMB FAQs that address issues not answered in the June 22nd Implementing Guidance (M-09-21), as well as other areas of clarification.

[Interim Final Rules for Contracts](#) – September 30, 2009 OMB memorandum specifying Federal Acquisition Regulatory Council interim rules dated March 31, 2009 remain in effect, as communicated August 25, 2009 in the Federal Register (74 FR 42877). Federal Acquisition Regulation (FAR) case 2009-009 implemented the public reporting requirements for contractors under Section 1512 of the Recovery Act and requires FAR clause 52.204-11 to be included in all solicitations and contracts. Therefore, the interim final guidance remains applicable, though could be modified when the final guidance is released.

[OMB Recovery FAQs for Federal Contractors](#) – Addresses some of the same issues in the OMB Recovery FAQs above, while also addressing issues specific to Federal contractors.

OMB has indicated they will continue to provide updated guidance and clarifications, as necessary. The OMB FAQs have been regularly updated and should be referred to on a regular basis for new updates.

Agency Specific ARRA Web Sites

National Institutes of Health (NIH)

[NIH ARRA Home Page](#)

[NIH ARRA Recipient Reporting Index Page](#) – Includes links to NIH Notices, FAQs, Sample Reports and other information.

[NIH ARRA FAQs](#)

National Science Foundation (NSF)

[NSF ARRA Home Page](#)

[NSF ARRA Recipient Reporting Information Page](#) – Includes links to NSF Guidance, Sample Reports and other information.

[NSF ARRA FAQs](#)

Department of Education (ED)

[ED ARRA Home Page](#)

[ED ARRA Recipient Reporting Requirements Page](#) – Includes links to Federal Work Study (FWS) reporting guidance (note: the ED October 9, 2009 Word document link contains the algorithm for jobs reporting).

4. COGR-FDP Frequently Asked Questions.

Click on a topic listed below to see a list of questions and answers on each topic.

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A. INTRODUCTORY INFORMATION AND ARRA SPECIAL TERMS

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[NEW 19. Is there new guidance specific to the treatment of tenured faculty?](#)

[NEW 20. Should a "jobs weighting" methodology be used to account for situations where employees: a\) were charged to an ARRA award after July 1, 2009, and b\) have been \(and could continue to be\) charged to an ARRA award at varying levels from quarter to quarter?](#)

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D. ACCOUNTABILITY AND PROJECT PERFORMANCE

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A. INTRODUCTORY INFORMATION AND ARRA SPECIAL TERMS

1. To whom does the ARRA Guidance apply?

All institutions receiving ARRA funded awards are subject to the ARRA Guidance and all the special ARRA terms and conditions for agreements funded with ARRA funds. In limited instances, such as the HIPAA changes incorporated into the Recovery Act, there may be an impact beyond ARRA-funded agreements.

2. Is the Guidance consistent between Grants, Cooperative Agreements, Loans, and Contracts?

The June 22nd Implementing Guidance (M-09-21) applies to recipients of grants, loans, tribal agreements, cooperative agreements, and other forms of assistance. Contracts are governed by the Federal Acquisition Regulation (FAR) clause 52.204-11. For the most part, there is consistency, though grant and contract recipients should be aware that interpretations could differ in selected situations. As to recipient reporting, both grant and contract data are entered in the same interface, via FederalReporting.gov.

3. Are there special terms and conditions that come with ARRA Awards?

NIH Standard Terms and Conditions:

http://grants.nih.gov/grants/policy/NIH_HHS_ARRA_Award_Terms.pdf

NSF Standard Terms and Conditions:

http://www.nsf.gov/pubs/policydocs/arra/arratc_509.pdf

4. Are there any unusual ARRA requirements that need to be highlighted?

- Some Federal agencies have indicated that they will not be able to transfer ARRA funds from one institution to another.
- The ARRA Buy American requirements are stricter than the Buy American Act or the Buy America law, and exemptions may be difficult to obtain. This should be taken into consideration when proposing or managing construction projects.
- ARRA has changed HIPAA privacy and security rules, such that all covered entities should review the new regulations, especially as it relates to the expansion of security rules to business associates.

B. GENERAL INSTITUTION PREPARATION

1. What is the most important information PIs should know about ARRA?

PIs should be aware that because of the short timeline of the ARRA funding, they should start work on the project promptly, and make sure expenditures are booked in a timely manner. PIs should be prepared to confirm jobs created or retained, expenditures to date, progress achieved, and to describe large (> \$25,000) purchases from vendors.

2. Which institution central administrative offices should be involved in assembling the data and maintaining compliance with ARRA regulations?

Each institution is structured differently, however generally the offices that will need to be involved to assist in meeting the ARRA regulations and reporting requirements include: Sponsored Projects offices (pre and post award), purchasing, facilities, human resources, payroll, information technology, and finance, among others.

3. How can institutions best prepare for ARRA reporting requirements?

Prime recipient institutions should first make sure they are registered in the Central Contractor Registration (CCR), Dun & Bradstreet and FederalReporting.gov. Organizations who do not have a DUNS number, should request one through the D&B D-U-N-S Request Service for US Federal Government Contractors and Grantees. The CCR and DUNS registration could take several days, so advanced preparation is recommended.

Information on CCR is available at: <http://www.bpn.gov/ccr/FAQ.aspx>

Information on DUNS is available at: <http://fedgov.dnb.com/webform>

Each institution should then determine the procedures needed for collection of the necessary data and which office(s) will be responsible for collecting and reporting the data. Each institution should also establish internal controls for data quality review to ensure accuracy, completeness and timely reporting. In addition, each institution will need to determine whether they will allow their subrecipients to directly submit their data into FederalReporting.gov and notify them as appropriate.

Subrecipient institutions will need to ensure they are registered in Dun & Bradstreet. Registration by subrecipients in FederalReporting.gov is only required if the prime recipient has delegated reporting responsibility. Similar procedures will need to be developed as listed above for the prime recipient. If the subrecipient has not been delegated reporting responsibilities by the prime institution, they will require earlier submission of data in order to have time to review prior to the FederalReporting.gov deadlines.

4. What happens to the information that is reported by institutions via FederalReporting.gov?

All information first should undergo a quality assurance review by the submitting institution. This is followed by a data quality review by the applicable Federal agency. At the end of the reporting period, the data reported via FederalReporting.gov will be available for the public to view on Recovery.gov.

C. REPORTING

C1. Reporting Submission Basics - FederalReporting.gov

1. How will institutions submit reports of required ARRA information to the Federal government?

The Federal government has developed a central reporting submission site for submission of all required ARRA reporting called FederalReporting.gov.

2. How does an institution obtain access to FederalReporting.gov?

FederalReporting.gov is available for registration and reporting. The [Downloads](#) link on FederalReporting.gov is where the Data Model, Templates, Webinars, and other guides can be found. The [OMB ARRA Home Page](#) includes links to some of the same documents available under FederalReporting.gov, as well as OMB memos and clarifications.

Even if your institution is already registered in CCR or Grants.gov, your institution will still need to register in FederalReporting.gov. In order to register to use FederalReporting.gov institutions will be required to have a Dun & Bradstreet (DUNS) number and prime recipients will need to be registered in CCR.

Information on CCR is available at: <http://www.bpn.gov/ccr/FAQ.aspx>

Information on DUNS is available at: <http://fedgov.dnb.com/webform>

3. When can institutions register and report using FederalReporting.gov?

Registration for FederalReporting.gov was made available on August 17, 2009. The reporting functionality was made available on October 1, 2009. Institutions should not have to re-register for future reporting periods and the reporting functionality should be made available on the 1st of each new reporting period (i.e., January 1, April 1, July 1, October 1).

4. When will the FederalReporting.gov Help Desk be open and what are the hours?

The Help Desk can be reached by phone at 1-877-508-7386 or by email at support@federalreporting.gov. According to FederalReporting.gov, the Service Desk will be available for user support from 8 a.m. through 6 p.m. (ET) Monday through Friday and 7 a.m. to 9 p.m. in months that reports are due (January, April, July, October). Current contact information is available at <https://www.federalreporting.gov/federalreporting/help.do>

5. Was there a Pilot test, Data Submission test, or Data Validation test prior to the October 10, 2009 deadline for FederalReporting.gov?

Per information provided during OMB Webinars in July 2009, three agencies piloted FederalReporting.gov with key recipients and system upgrades are ongoing. COGR volunteered (on behalf of its members) to be involved with the pilot testing for FederalReporting.gov, though at this point it appears OMB will continue testing using in-house personnel and contractors.

6. Can institutions have multiple individuals accessing FederalReporting.gov to submit data?

Yes, more than one individual can be registered to submit reporting. There is no technical limit to how many individuals can register. The institution must take steps to properly coordinate activities among their registrants.

7. What options for submitting data via FederalReporting.gov exist?

Per OMB, the three options for submitting reporting data to FederalReporting.gov are:

Direct on-line submission

Excel upload of data

XML extracts (The XML approach could require significant technology resources by the institution)

The [Downloads](#) link on FederalReporting.gov is where the Data Model, Templates, and other technical information can be found. Institutions will need to determine the most appropriate approach depending on ARRA award volume and other considerations.

8. What are some of the pros and cons of each submission method?

| Submission Method | Pros | Cons |
|--------------------------|---|---|
| Direct online data entry | Limited technical capacity and support is required. | Manual data entry required. |
| Excel Spreadsheet | Ability to populate offline. | No ability to upload in draft form and review in system |

| | | |
|------------|--|--|
| | Ability to populate data without manual entry. | prior to submission. |
| XML | Automates population of data. | Increased technical capacity and support required. |

9. What options does the Prime recipient have in terms of delegation of reporting to Subrecipients?

Prime recipients are not required to delegate, but it is an option to delegate selected data elements to subrecipients. However, only selected data elements can be delegated (e.g., DUNS, CCR, Subrecipient logistical information), while other elements can not be delegated (e.g., jobs reporting). In addition, delegation could require significant management and technology controls.

Each institution will need to determine whether they will allow their subrecipients to directly submit their data into FederalReporting.gov and notify them as appropriate. If the institution delegates to the subrecipients they will need to have a data quality review procedures in place to review the data submitted by the subrecipient in FederalReporting.gov. If they do not delegate to the subrecipient then the institution will need to have a procedure to collect and review the information from the subrecipients in order to submit the data directly via FederalReporting.gov.

FDP surveys have indicated that few institutions have chosen to delegate their ARRA reporting to subrecipients

10. Can agencies request additional data to the data being submitted via FederalReporting.gov?

Individual agencies have some latitude to ask for additional data. However, the June 22, 2009 OMB Guidance includes some checks on how an agency can precede with additional data requests. If there are unusual agency data requests, please contact COGR; David Kennedy at dkennedy@cogr.edu to make COGR aware and they can look into the matter and provide information back to the membership.

11. Will any of the fields in FederalReporting.gov be pre-populated since much of the information being requested already exists in other Federal systems?

At this point, no. According to the [OMB Recovery FAQs](#) (see Technical Recipient Reporting Solution FAQ, Reporting FAQs, OMB FAQ #1), the initial release of FederalReporting.gov will focus on core functions and additional features such as pre-population may be considered for future releases.

12. Can Financial, Logistical, HR, Jobs, and other data be submitted independently or will they need to be consolidated?

All data required to be submitted under section 1512 of ARRA (quarterly reports) must be submitted in a consolidated manner via the FederalReporting.gov website.

13. Will annual financial reports still be required on ARRA awards, in addition to the quarterly reports?

Yes, annual reports as required based on the award terms and conditions will still be required. However, annual reports are not to be entered via FederalReporting.gov. These reports will continue to be reported via the SF269 and SF425.

C2. Reporting Dates, Timelines, and Data Correction

1. When are the ARRA reporting due dates?

The law states that recipient reports are due no later than 10 days after the end of each quarter. The first reporting due date was October 10, 2009. Deadlines that are impacted by weekend and/or holiday dates are not altered. Reporting due dates in 2010 will be January 10, April 10, July 10, and October 10.

At this point, it is undetermined when ARRA reporting requirements will “sunset”. However, it is likely reporting will be required throughout 2011, and possibly beyond.

2. What was the timeline for completion and review of data submitted for the October 10, 2009 deadline and future reporting periods?

The first reporting deadline was October 10 and cumulative data since the onset of ARRA (February 17, 2009) was required. October 11 through 21 (days 11-21 after the end of the quarter) was when agencies could view the data entered and institutions still could make corrections during this time period. October 22 through 29 (days 22-29 after the end of the quarter) was when agencies completed their data quality reviews; institutions could only update the data in this timeframe if notified by the agency. October 30 was when reports were finalized and made available to the public on www.recovery.gov. The timing of the phases for future periods is expected to be the same dates in the respective reporting month.

3. What time period of data was required to be submitted on October 10, 2009?

A new FAQ that serves as an update to this FAQ is provided in FAQ #8 below.

As stated above, cumulative data since the onset of ARRA (February 17, 2009) was required. Also, it appears that cumulative data through September 30, 2009 was required. While COGR had requested to OMB that the “most complete and final data” be reported (e.g., cumulative data through August 31, 2009), COGR has not had any confirmation from OMB if this would or would not be acceptable. At this point, the conservative approach would be to plan to report cumulative data through September 30, 2009. It is understood that institutions may only be able to estimate the September portion of the data.

4. How will institutions make corrections to data entered into FederalReporting.gov?

A new FAQ that serves as an update to this FAQ is provided in FAQ #9 below.

As mentioned above, October 11 through 21 (days 11-21 after the end of the quarter) is when agencies can view the data entered and institutions still can make corrections during this time period. If only estimates were available for the final month of the quarter or there were specific errors, this time period can be used to make corrections. Corrections during the period of October 22 through 29 (days 22-29 after the end of the quarter) only will be possible if the Federal agency unlocks the data. Regardless of the data entry option chosen (Direct on-line submission, Excel upload of data, XML extracts), the same correction dates are applicable.

If there are errors that could not be corrected, those errors will remain until the next reporting cycle. However, because cumulative data again will be reported at the next reporting due date, errors can be corrected at that time. According to the [OMB Recovery FAQs](#) (see Technical Recipient Reporting Solution FAQ, Reporting FAQs, OMB FAQ #3), an initial report on an ARRA award (e.g., reported on October 10th) as well as a corrected report (corrected on October 17th) are archived in FederalReporting.gov and are maintained for audit purposes.

The reporting due dates (October 10, January 10, etc.) should be taken seriously by institutions. Even though days 11-21 of the quarter allow for corrections, OMB would not consider it acceptable to report for the first time on, for example, October 20th, even though the system can be accessed through October 21st.

5. Although the first reporting deadline is October 10, 2009, how far in advance should recipients plan to register and submit their reports?

Plan to register as far in advance as possible. FederalReporting.gov access is now available.

6. If an award is issued by an agency on September 29th and received by the prime on October 1st, must it be included on the first report? What cutoff dates are pertinent? What about future quarters?

Yes, all awards issued prior to the reporting due date will be required to be included in the quarterly report. For the October 10, 2009 report due date all awards issued on or before 9/30/09 should be reported even if there is no activity to report. Similar rules are expected to apply for future quarters.

NEW 7. Does a Section 1512 report need to be submitted for awards to the prime recipient of less than \$25,000?

No, a Section 1512 report is not required in these situations. This is confirmed in the [OMB Recovery FAQs](#) (see Clarification on Aggregation of Recipient Reports, OMB FAQ #1). However, the \$25,000 threshold should not be confused with the \$25,000 threshold applicable to subrecipient and vendor reporting. Subrecipient awards and vendor payments less than \$25,000 still must be reported in aggregate (see FAQ sections C4. and C5. later in the COGR-FDP FAQs).

NEW 8. Have institutions utilized the "Best Available Data" reporting model where, for example, data through August 31 (rather than September 30) was utilized for the October reporting cycle?

Yes, some institutions have utilized this model. At issue has been whether an institution should report incomplete data available thru September 30 or complete and auditable data available thru (for example) August 31 or September 15. At a COGR Federal Panel on October 29, 2009, the Federal panelists agreed that using September 30 data can be problematic because the fiscal month normally is not closed until at least five to ten days into October. Furthermore, if incomplete data is reported, it will not match up with other quarterly reports that may be required. While this issue has not been addressed in official OMB or agency guidance, the solution appears to be for institutions to report the "best available data" as determined by the institution, with an understanding that the cumulative reporting model results in a self-correcting mechanism (e.g., September data will be complete and auditable in the January 10 report). Furthermore, as the cumulative reporting period covers a longer and longer period of time, excluding the incomplete data from the final month of the quarter becomes more and more insignificant.

COGR raised this question in a July 17, 2009 letter to OMB. COGR continued communication with OMB over the next two months. In a September 11, 2009 email to OMB, COGR asked if the following was a reasonable approach by an institution:

"Best Available Data between October 1 and 10. For the reporting deadline on October 10, institutions will report the best available expenditure data for the quarter ended September 30, 2009. Inevitably, best available expenditure data varies from institution to institution, though the overriding principle will be to provide quarterly data in a manner that will result in the most accurate presentation to the American public. Since final and complete September expenditure data may not be available, institutions will need to document how they have chosen to report the quarterly data. While it will vary across institutions as to what constitutes the most complete and best data available, the underlying OMB data model where cumulative data is reported provides for an automated correction mechanism. As a result, September data will be represented as complete and final data in the January 10 reporting cycle. COGR suggests that if a University submits quarterly data using an approach that is well-documented, consistently applied from quarter to quarter, and presents the American public with the most accurate snapshot of ARRA activity, it will be in compliance with the law and OMB guidance."

In an email to COGR dated September 17, 2009, a representative from OMB stated that OMB reviewed the COGR approach and that OMB was "fine" with that approach. While the OMB position has not been addressed in official OMB guidance, the OMB email response to COGR suggests that a "Best Available Data" reporting model is acceptable.

It may be prudent for an institution to develop an auditable report or database that reconciles to the data submitted to FederalReporting.gov. This along with broader data processing documentation that demonstrates a consistent methodology may be important to maintain. As appropriate, an institution may need to engage their A-133 auditor on this topic (see section D2, FAQs #8 and #9).

NEW #9. Has there been a change in guidance that will now allow institutions to access FederalReporting.gov at any time to correct their data?

Yes, this change in guidance was announced by Earl E. Devaney, Chairman of the Recovery Board. A [Press Release](#) from the Recovery Accountability and Transparency Board was released on December 15, 2009. Included in the press release was the following:

Improving data quality. Under existing government guidance, recipient mistakes in quarterly reports can be corrected only during a 20-day period after the submission process closes. One new change will allow recipients to correct mistakes on a continual basis each quarter on FederalReporting.gov, our inbound collection website. This change also will permit federal disbursing agencies to view recipient reports and suggest corrections on a continuing basis. This new process will begin after the next quarterly recipient reports are posted on January 30. Recovery.gov will then post corrected data publicly every two weeks, beginning on February 10. We believe this new procedure will vastly improve the quality of recipient data.

C3. Jobs Reporting

1. Where can I find the official OMB guidance on “Jobs Reporting”?

The [June 22nd Implementing Guidance \(M-09-21\)](#), Section 5-page 33, Reporting on Jobs Creation Estimates by Recipients provides the official OMB guidance. The [OMB Recovery FAQs](#) include a section on Supplemental Jobs Guidance for Federal Agencies, which provides additional clarifications.

2. What is the metric to be used for reporting ARRA jobs?

FTEs (full-time equivalents) directly charged to an ARRA award is the basis for jobs reporting; percent of effort rather than hours is an acceptable metric for colleges and universities. The use of percent of effort rather than hours to determine FTEs is specified in the [June 22nd Implementing Guidance \(M-09-21\)](#), Section 5.3-page 36.

3. What are the definitions of a job “retained” compared to that of a job “created”?

A new FAQ that serves as an update to this FAQ is provided in FAQ #18 below.

The [June 22nd Implementing Guidance \(M-09-21\)](#), Section 5.2-page 34 provides definitions. A job retained is a pre-existing position that would not have been continued without ARRA funding. A job created is a new position created and filled or an existing position that is unfilled but now being filled as a result of ARRA funding. A job can not be counted as both retained and created, it needs to be classified as one or the other. These definitions are consistent with the [Council of Economic Advisors \(CEA\), May 2009](#) definitions (see page 7 of the CEA report).

However, two clarifications are important. First, for reporting purposes, jobs retained and jobs created are reported as a single number (see FAQ 4. below). Second, as discussed in FAQ 5. below, OMB guidance suggests that while the definitions of “retained” and “created” are important, FTEs direct charged to ARRA awards is the most important consideration for determining jobs to be reported.

4. Should jobs retained/created be reported as two separate entries or as a single number?

The [Recipient Reporting Data Model](#) provides a single data entry cell to capture jobs retained/created for each ARRA award. Consequently, only a single FTE job count can be entered and any differentiation the institution chooses to describe will have to be part of the jobs narrative. This single cell data entry cell would also include the jobs reported applicable to subrecipients and vendors.

5. Should all FTEs charged to ARRA awards be reported as a job retained/created, and should there be special consideration for tenured faculty?

A new FAQ that serves as an update to this FAQ is provided in FAQ #19 below.

At the direction of OMB for the October 2009 ARRA reporting cycle, many institutions treated all (or almost all) FTEs charged to an ARRA award as a job to be reported. Several institutions have suggested that unless the FTE can be specifically identified as a job created, the FTE would be treated as a job retained. In light of significant budget cuts at almost every institution across the country, justifying the FTEs directly charged to ARRA awards as a job retained or created seems to be reasonable.

This approach also is consistent with the [June 22nd Implementing Guidance \(M-09-21\)](#). Section 5.3, page 36 provides an example: “*For example - A faculty member charging 50% effort on an ARRA award will be counted as .5 FTE. Hourly and part time employees shall be calculated based on actual hours worked on the sponsored agreement and the institution’s definition of a full workload for employment.*”

One exception to treating FTEs charged to ARRA awards as a job retained/created may be in the case of *tenured faculty*. Some institutions have determined tenured faculty will not be treated as a job retained/created due to the unique, protected status of this type of employee. Other

institutions are including tenured faculty in their jobs counts. By including tenured faculty, this both facilitates the reporting and seems to be consistent with the OMB example. We do not expect OMB to provide specific guidance on how to treat tenured faculty, so each institution should utilize a practice that it considers appropriate.

A Federal panel representative at the June COGR meeting (June 25, 2009) suggested that if an institution utilizes a thoughtful and reasonable methodology, that methodology should be considered acceptable. Another Federal panel representative then indicated that whatever methodology is utilized could be subject to audit by an Inspector General (IG). However, he also indicated that the IG will consider OMB guidance that has been provided to grant recipients.

6. How should hourly and part-time jobs be reported?

As specified in the previous FAQ, the OMB Guidance states "*Hourly and part time employees shall be calculated based on actual hours worked on the sponsored agreement and the institution's definition of a full workload for employment.*" Consequently, the job counts for hourly and part-time employees should be accumulated in a manner that is consistent with how time and effort normally is accounted for these types of employees and should be included in the jobs reporting.

7. How should Students, Post Docs, Research Fellows, and other similar positions be treated for jobs reporting?

At the direction of OMB for the October 2009 ARRA reporting cycle, many institutions treated all (or almost all) of these positions as a job to be reported. When these positions are captured in the institution's payroll system, quantifying the FTE should be relatively straightforward. If the compensation associated with these positions is not captured in the payroll system, these positions could still be counted, but care should be taken to have available the appropriate documentation.

8. Can jobs reporting be delegated to a sub-recipient?

No, per the [June 22nd Implementing Guidance \(M-09-21\)](#), Section 2.3, page 9, jobs reporting can not be delegated to sub-recipients. Only the FFATA data elements can be delegated (see section C4, Subrecipient Reporting, FAQ #5). Also, as addressed in FAQ #4. above, there should be a single figure reported for jobs retained/created for each ARRA award.

9. What is the relationship between the jobs narrative reporting requirement and the number of jobs reported?

A narrative description of the jobs retained/created is required. A Federal panel representative at the June COGR meeting (June 25, 2009) emphasized that the job narrative data entry is equally as important as the job counts that are entered.

The [Recipient Reporting Data Model](#) includes guidance on what should be entered for the narrative. This data entry cell is a free form data entry cell (4000 characters) that can include items such as job titles and general descriptions of the jobs.

The extent to which more elaborate descriptions and anecdotes are included depends on what the institution deems appropriate. For example, unique circumstances that could be of special interest to OMB or the American public might merit a more thorough discussion in the narrative. However, a generic approach such as providing job titles may be a sufficient and reasonable approach, while also eliminating unnecessary questions or concerns. One clear challenge will be completing a jobs narrative for each ARRA award, especially in the case where an institution has hundreds of awards.

In addition, an "*alternate method*" is described in the Recipient Reporting Data Model under the jobs narrative section and refers to an "*approved statistical methodology*". Issues related to statistical methodologies are discussed in the next FAQ.

10. Under what circumstances can ARRA award recipients use statistical analysis for jobs reporting?

Per the [OMB Recovery FAQs](#) (see Supplemental Jobs Guidance for Federal Agencies, OMB FAQ #2), grant recipients must get permission from Federal agencies to employ a statistical methodology for jobs reporting. Using a statistical methodology could be applicable to jobs reporting associated with subrecipients and vendors. COGR's understanding is that OMB approval would not be required if the methodology is approved by the agency. However, OMB approval is necessary if the agency desires to prescribe a methodology that would be applicable to all grant recipients.

COGR has contemplated several statistical methodologies that could help alleviate administrative burden associated with accumulating jobs data associated with subrecipients and vendors. One would be to utilize the [Council of Economic Advisors \(CEA\), May 2009](#) metric (see page 5 of the CEA report) that \$92,136 of government spending is required to create one job year. COGR contacted representatives from selected research funding agencies to review this option; however, it is unlikely a statistical methodology will be accepted.

11. The OMB Guidance on Reporting, page 34, states that recipients should not attempt to report on the employment impact on materials suppliers and central service providers (so-called "indirect jobs"). However, guidance on pages 11 and 36 indicate that prime recipients and sub-recipients are required to report employment impact for vendors. Can this be clarified?

As explained in an email from OMB to COGR, a "materials supplier" is distinct from a "vendor". The [June 22nd Implementing Guidance \(M-09-21\)](#), Appendix-page 39, defines the term "vendor" as "*individuals or entities from which the prime recipient or sub-recipient procures goods or services needed to carry out the project or program.*" In the OMB email to COGR, it was described that for the purchase of a piece of equipment (microscope) from company A, company A would be considered a "vendor" and jobs reporting is required. However, a separate company B whose goods (the lens) went into making that piece of equipment would be considered a "materials supplier" and jobs reporting associated with company B is not required. Also see FAQ Section C5, Vendor Reporting, FAQ #6.

12. Should institutions report on Central or Departmental administrative jobs retained/created that will help adhere to the new ARRA reporting requirements or other ARRA related functions?

No, the [June 22nd Implementing Guidance \(M-09-21\)](#), Section 5.2-page 34 states: "*Employees who are not directly charged to Recovery Act supported projects/activities, who, nonetheless, provide critical indirect support, e.g., clerical/administrative staff preparing reports, institutional review board staff members, departmental administrators, are NOT counted as jobs created/retained.*" However, as an institution deems appropriate, these jobs (e.g., hiring new personnel in a central office to support ARRA activity) could be described in the jobs narrative.

13. How should an institution manage quarterly fluctuations associated with the percent of time individuals charge to an ARRA award?

A new FAQ that serves as an update to this FAQ is provided in FAQ #20 below.

One interpretation of the [June 22nd Implementing Guidance \(M-09-21\)](#), Section 5.3-page 35 is that a weighting methodology is necessary to correct for quarterly changes for an individual's time charged to an ARRA award. If a weighting methodology is utilized, this introduces an added complexity to jobs reporting. Below is an example using a modified example of the OMB model on page 35.

The OMB example on page 35 is presented in terms of hours, but can also be translated in terms of percent of effort. Using a modified OMB example, the following shows how quarterly changes are carried forward in terms of hours and percent of effort. Employee #1 is 100% charged to the ARRA award in both the 3rd and 4th quarters; Employee #2 is 50% charged to the ARRA award in the 3rd quarter and drops to 0% in the 4th quarter.

| Period | 3 rd qtr HOURS | 3 rd qtr PERCENT | 4 th qtr HOURS |
|-------------------------------|------------------------------|--------------------------------|------------------------------|
| (A) Full-Time Schedule | 520 hrs | 25% of yr | 1040 hrs |
| Full-time #1 | 520 hrs | 25% of yr | 1040 |
| Full-time #2 | 260 hrs | 12.5% of yr | 260 |
| (B) Total Worked | 780 hrs | 37.5% of yr | 1300 |
| Quarterly FTE (B / A) | 1.5 | 1.5 | 1.25 |

Under both the hours and percent models, the Full-Time Schedule accumulates the number of hours (or percent of the year) that has been completed to date; this is the denominator. For each employee, the hours (or percent of the year) that has been contributed to the ARRA award to date is accumulated. Total Worked is computed by adding the hours (or percent) for each employee; this is the numerator. The Quarterly FTE (Total Worked / Full-Time Schedule) results in a weighted FTE.

Using this model, additional questions are raised.:

a) For the first reporting period (the quarter ending September 30), should there be a weighting allowance for awards made either before or after July 1?

OMB had provided no guidance, though they have indicated that they do not want the jobs reporting methodology to be overly complex. Adjusting the percent of effort for the time periods before or after July 1 could make the reporting even more complex.

b) While the basis of the jobs reporting is the percent of effort charged to the award, how should a retroactive adjustment from an effort report certification be treated?

Some institutions are considering this variable, though once again, it will create an additional complexity. OMB's position that the jobs reporting methodology should not be overly complex, as well as "materiality" thresholds, may be items an institution should consider.

c) How should hourly or part-time employees be treated in the model?

The OMB model on page 35 accounts for this. For both hourly and part-time employees, the actual hours being entered as part of the numerator automatically results in the correct answer. Therefore, hourly employees can follow the OMB model. For a part-time employee (half-time appointment) who is 100% charged to an ARRA award, the 3rd quarter entry would have to be 12.5% (rather than 25%, which would be entered for a full-time employee, 100% charged). This proration for the part-time employee would result in the correct answer.

If an hourly employee contributes overtime hours, this could distort the calculation assuming the hours denominator is a fixed number. While there is no OMB guidance for this situation, one approach may be to ignore overtime hours so as to not create an FTE of greater than 1.0.

d) What happens after four quarters are reported for an ARRA award; are the numerator and/or denominator reset or should each continue to accumulate?

This will require OMB guidance. However, because it is not an immediate concern, COGR will pursue this issue with OMB at a later date.

e) Does my institution have to use a weighting methodology?

Each institution will need to utilize a methodology that it considers appropriate. While the hours example on page 35 incorporates a weighting methodology, page 36 specifies the "*alternative calculation*" applicable to universities and weighting is not specifically referenced. However, some institutions are using a weighting methodology (though not necessarily identical to the OMB model on page 35). Depending on whether or not weighting is utilized, the example above would provide two different jobs numbers in the 4th quarter. With weighting, 1.25 FTEs would be reported. Without weighting, only 1.0 FTE would be reported (the second employee was not charged to the ARRA award in the 4th quarter).

COGR realizes that arriving at the weighted Quarterly FTE for each ARRA award may be a cumbersome exercise. Ultimately, audit concerns and perceived risk are significant variables in determining the practices to be utilized. FAQ 15. below, "To what extent are the jobs reported numbers subject to Audit?", briefly addresses audit concerns. Furthermore, COGR will continue to work with OMB to receive clarifications on those issues that are most troublesome to research institutions and universities.

14. How is job reporting data generated for construction projects? Is this the sole responsibility of the general contractor? What guidance should an institution provide to the General Contractor?

There is no specific guidance related to ARRA-funded construction projects, so it should be assumed that the standard jobs reporting requirements are applicable. The general contractor, most likely, should be treated as a subrecipient and the reporting requirements applicable to subrecipients and vendors would apply. Per the [June 22nd Implementing Guidance \(M-09-21\)](#), Section 2.3-page 11, there are no reporting requirements applicable to sub-awards made by the subrecipient, so using a strict interpretation of the OMB Guidance, jobs reporting for subcontractors to the general contractor is not required. However, in this situation, it could be in the institution's interest to either develop a statistical methodology to accumulate job counts or to use the job narrative to describe the job estimate impact in more detail.

15. To what extent are the jobs reported numbers subject to Audit?

Section D2. Audit – A-133 and Federal Offices of Inspectors General (OIG) Activity is dedicated to the audit implications of ARRA.

As was discussed in FAQ #5 previously in this section, a Federal panel representative at the June COGR meeting (June 25, 2009) suggested that if an institution utilizes a thoughtful and reasonable methodology, that methodology should be considered acceptable. Another Federal panel representative then indicated that whatever methodology is utilized could be subject to audit by an Inspector General (IG). However, he also indicated that the IG will consider OMB guidance that has been provided to grant recipients.

Also worth noting is that the Federal audit community will be highly focused on the internal controls established by institutions specific to monitoring and accounting for ARRA funding. Overall, research institutions and universities maintain a relatively good reputation with the Federal audit community, compared to smaller and newer grant recipients. Furthermore, identifying "Fraud, Waste, and Abuse" is the number one priority for the Federal audit community. While jobs reported could be subject to audit and institutions need to establish reasonable methodologies, it is fair to infer that jobs reported will not be the primary focus of Federal audit initiatives.

16. What are the job reporting requirements if my institution has received ARRA funding via the State Fiscal Stabilization Fund (SFSFunds)?

If applicable to an institution, each State could disburse SFSFunds in a unique manner, though most likely disbursement would be through the general state appropriation to the university. How each university accounts for SFSFunds also could be unique. In almost every situation, a university recipient of SFSFunds would be considered a subrecipient, in which case, the State would be responsible for jobs reporting associated with the SFSFunds. Consequently, each university will need to work with their State point of contact to determine how best to provide job counts to the State.

NEW 17. Are institutions required to complete Effort Reports for those employees who were funded by State Fiscal Stabilization Funds?

No, effort reports are not required. COGR raised this question in a July 17, 2009 letter to OMB. In an email to COGR dated August 25, 2009, a representative from OMB wrote:

"University administrative employees funded with [the] State Fiscal Stabilization Fund are not required to complete effort reports required in section [J.]10 of OMB Circular A-21. However, the University must comply with the 1512 reporting requirement for all positions funded with [the] State Fiscal Stabilization Fund."

The OMB response would appear to apply to all employees. Confirmation of effort (payroll distribution) under standard sponsored agreements is applicable to all employees; i.e., faculty, research assistants, administrative personnel, etc. It follows that in this unique situation of accounting for State Fiscal Stabilization Funds, all employees should be treated consistently and that confirmation of effort (payroll distribution) would not be applicable. Of course, confirmation of effort is still required for faculty, research assistants, administrative personnel, etc. as it relates to standard sponsored agreements (ARRA and non-ARRA). However, if these individuals also were funded by State Fiscal Stabilization Funds, this portion of their effort would not have to be specifically identified and confirmed in an effort report.

NEW 18. Has OMB provided new guidance on jobs reporting methodology? Does this affect how we determine if a job is retained/created?

See the original FAQ #3 that is related to this FAQ. The new FAQ #18 serves as an update to the original FAQ.

NEW 19. Is there new guidance specific to the treatment of tenured faculty?

See the original FAQ #5 that is related to this FAQ. The new FAQ #19 serves as an update to the original FAQ.

NEW 20. Should a "jobs weighting" methodology be used to account for situations where employees: a) were charged to an ARRA award after July 1, 2009, and b) have been (and could continue to be) charged to an ARRA award at varying levels from quarter to quarter?

See the original FAQ #13 that is related to this FAQ. The new FAQ #20 serves as an update to the original FAQ.

NEW 21. How should the Federal Work Study (FWS) program and the corresponding jobs reporting be treated in the January 2010 (and subsequent) reporting cycles?

Department of Education (ED) guidance for the October 2009 reporting cycle stated that the ARRA portion of the FWS allocation was considered to be expended prior to the non-ARRA portion of the allocation. Consequently, some institutions may have fully expended the ARRA

portion. Technically, if this was the case, the institution should have indicated that the ARRA report submitted was a "final report." If the institution did not indicate the October report as a "final report," then a January report will need to be filed and marked as the "final report."

If the ARRA portion of the FWS allocation was not fully expended, the institution will need to file a January 2010 report. This will also be the case for the April and July 2010 reports if the ARRA portion is not fully expended. When the ARRA portion has been fully expended, the corresponding ARRA report should be marked as the "final report." While it will vary from institution to institution, it is expected that the ARRA portion of the FWS allocation should be fully expended by the July 2010 report, at the latest. ED does not expect to provide ARRA funding in conjunction with the 2010-2011 Federal Work Study allocation.

The FWS jobs reporting methodology was defined in the [October 9, 2009 ED memo](#) found under the [ED ARRA Recipient Reporting Requirements Page](#). What the memo does not address is a "jobs weighting" methodology (see FAQ # 20 above) that accounts for the number of months (or hours) an individual has been charged to an ARRA award. However, preliminary ED guidance is that a "jobs weighting" methodology is not applicable to FWS jobs reporting and that the formula defined in the October 9 memo should be followed.

C4. Subrecipient Reporting

1. What must be reported for Subrecipient awards greater than \$25,000?

The [Recipient Reporting Data Model](#) specifies those data elements that must be reported. In effect, the subrecipient data elements represent the "FFATA data elements" – i.e., the data elements that were specified for reporting under the Federal Funding Accountability and Transparency Act (FFATA) of 2006. According to ARRA, Section 1512(c)(4), reporting of the FFATA data elements is required. FFATA data elements include items such as subaward number, subawardee congressional district, amount of subaward, subawardee address, subawardee officer compensation (five most highly compensated), etc.

2. How should Subrecipient awards less than \$25,000 be reported?

The [June 22nd Implementing Guidance \(M-09-21\)](#), Section 2.4-page 12, states that grant recipients are required to report in aggregate all payments less than \$25,000 to subrecipients. This includes an aggregation of both the total number of awards to subrecipients and the total amount. In addition, the same aggregation of the number of payments and the total amount is applicable for all payments less than \$25,000 to vendors (*see section C5, Vendor Reporting, FAQ #5*). For the treatment of payments to "individuals", *see FAQ #3 below*.

3. To what extent will reporting on payments to "Individuals" be applicable?

The [June 22nd Implementing Guidance \(M-09-21\)](#) specifies that the total number of subawards and the total amount of those subawards applicable to "individuals" be reported in aggregate. Unlike the subrecipient and vendor reporting, there is no distinguishing between payments above and below \$25,000. Instead, all subawards (or payments) to individuals are reported in aggregate. A situation where reporting on "individuals" may be applicable is when a consultant or independent contractor is paid from an ARRA award. However, each institution should determine applicability in a manner that is consistent with normal institutional practices.

4. Who reports on Subrecipient data to FederalReporting.gov; the Prime or the Subrecipient?

Either can report, depending on whether or not the prime recipient delegates to the subrecipient. Delegation of reporting is the decision of the prime recipient, though there are limitations to delegation (*see FAQ #5 below*). If the prime recipient determines they will be delegating reporting responsibility, this decision should be communicated to the subrecipient in a timely fashion and preferably via a revised subaward agreement.

5. If delegation is utilized, what exactly can (and can not) be delegated to the Subrecipient?

Only the FFATA data elements can be delegated, as described in the [June 22nd Implementing Guidance \(M-09-21\)](#) Section 2.3, pages 9, 10, 11. The FFATA data elements are those data items that were specified for reporting under the Federal Funding Accountability and Transparency Act (FFATA) of 2006, and according to ARRA, Section 1512(c)(4), reporting of the FFATA data elements is required. FFATA data elements include items such as subaward number, congressional district, amount of subaward, address, officer compensation, etc. Data elements such jobs reporting, percent completion, etc. are not FFATA data elements and can not be delegated to the subrecipient.

6. Can a Subrecipient decline a reporting delegation?

No standard has been established in this regard, however if a subrecipient is itself a prime recipient of ARRA funds, it would be reasonable to expect that it would accept a reporting delegation.

7. If delegation is utilized, who "owns" the data that is reported on FederalReporting.gov?

The [June 22nd Implementing Guidance \(M-09-21\)](#) Section 4.2, page 28, clearly states that the Prime Recipient "*owns the recipient data and sub-recipient data*". All delegation of data decisions should give consideration to this OMB guidance on page 28.

8. How will Prime recipients delegate reporting responsibilities to their Subrecipients? Is this handled in the FederalReporting.gov system?

Subrecipients first will need to register in FederalReporting.gov if they will be given delegation rights. However, registration alone does not give the subrecipient automatic access to the necessary reporting modules in FederalReporting.gov. According to the [OMB Recovery FAQs](#) (see Technical Recipient Reporting Solution FAQ, Reporting FAQs, OMB FAQ #2), delegation takes place independent of a technical solution within FederalReporting.gov. This suggests that the prime recipient will need to share their FederalReporting.gov log-in information with a subrecipient. Consequently, this process may raise data integrity issues and influence a prime recipient's decision to utilize subrecipient delegation.

In addition, it appears a premise of the delegation process is that the institution will be utilizing the "Direct on-line submission" option for reporting (*see section C1, Reporting Submission Basics - FederalReporting.gov, FAQ #7*). If an institution is utilizing the Excel or XML solutions, subrecipient delegation may require additional technical considerations.

9. If delegation is utilized, how much notice is considered sufficient to be provided by the Prime to the Subrecipient?

No norm in the research community has been established, however it is recommended that prime recipients notify their subrecipients as soon as possible in order for subrecipients to properly prepare and register in FederalReporting.gov.

10. Is there a trend in the research community as to how institutions are approaching delegation to Subrecipients?

An [FDP Survey – Delegation of ARRA Reporting Responsibilities](#) was conducted in late August through early September 2009. Approximately 125 institutions participated in the survey. According to the results of the survey, more than 66% of the respondents do not plan to delegate reporting.

11. If delegation is utilized, would the Prime recipient need to deduct the Subrecipient's expenses from its totals? What is the risk of "double-counting" subrecipient data?

The final structure of the [Recipient Reporting Data Model](#) suggests that the prime recipient will not need to deduct subrecipient expenses, and further suggests that the risk of double counting expenses is minimal. The instructions for reporting "Total Federal Amount of ARRA Expenditures" indicate that expenditures for subcontractors and subawardees should be included, and this appears to be the primary data field for expenditure data. "Total Subaward Funds Disbursed" is a

separate data field that must be completed. However, completion of this data field should not compromise the data entered into the "Total Federal Amount of ARRA Expenditures" data field. Furthermore, there should be little risk of double counting data specific to subrecipient awards greater than and less than \$25,000 (see FAQs #1 and #2 above). Data entry for these data elements are entered into separate sections of the FederalReporting.gov data model.

12. If delegation is NOT utilized, is there a common format for the reporting of Subrecipient information to the Prime Recipient?

The FDP Subaward Committee has developed a template that is available as [Attachment 4A](#) to the standard FDP subaward. The template has been designed to handle ARRA subrecipient reporting requirements.

13. Is the requirement to aggregate reporting on subawards less than \$25,000 based on the annual or the total award?

While this is not answered specifically in the OMB Guidance, using the "total award" amount as the threshold will result in more active reporting of the detailed subrecipient information and is more consistent with the transparency goals of the ARRA legislation.

14. Since jobs reporting can not be delegated to Subrecipients, how will the Prime recipient obtain this information and where will it be reported?

Institutions will need to work with their subrecipients to determine an appropriate reporting process (see FAQs #12 above). Regardless of that process, job counts must be received from subrecipients. The [Recipient Reporting Data Model](#) provides a single data entry cell to capture jobs retained/created for each ARRA award. Consequently and when applicable, this single data entry cell will include the jobs reported applicable to subrecipients.

NEW 15. Does the officer compensation (five most highly compensated) for the institution's subrecipients have to be reported? Is the prime recipient also required to report this information?

Yes, this information must be reported for subrecipients. Specifically, the subrecipient data elements represent the "FFATA data elements" – i.e., the data elements that were specified for reporting under the Federal Funding Accountability and Transparency Act (FFATA) of 2006. According to ARRA, Section 1512(c)(4), reporting of the FFATA data elements is required.

However, one of the conditions defined in the [Recipient Reporting Data Model](#) specifies that officer compensation has to be reported if the public does not have access via periodic reports filed under the Securities Exchange Act of 1934 (section 13a or 15d) or the Internal Revenue Code of 1986 (section 6104). Therefore, if this information has been filed, the OMB guidance suggests that this information does not have to be reported. If this exception is applicable, it may be appropriate for the institution to reference to this condition.

The [Recipient Reporting Data Model](#) also indicates that officer compensation (five most highly compensated) for the prime recipient must be reported. While neither ARRA nor FFATA require this, OMB appears to have added this requirement to enhance the reporting transparency of the prime recipient. Like the subrecipient reporting exception described above, the OMB guidance suggest the information does not have to be reported if periodic reports were filed under the Securities Exchange Act of 1934 or the Internal Revenue Code of 1986. Again, if this exception is applicable, it may be appropriate for the institution to reference to this condition.

C5. Vendor Reporting

1. What is the easiest way to obtain Vendor DUNS numbers?

Since there may be multiple DUNS listings for organizations, it is best to confirm the vendor's DUNS number directly with the vendor.

2. What is the easiest way to obtain Vendor headquarters (HQ) address and zip code?

Although this information can be obtained from the CCR database, contacting the vendor directly will provide the most accurate means of obtaining this information.

3. What triggers the reporting of Vendor information and what exactly must be reported?

A payment of greater than \$25,000 to a vendor by either the prime recipient or a subrecipient triggers vendor information reporting. The vendor reporting information includes the DUNS number (or the name and zip code of the vendor's headquarters), expenditure amount, and expenditure description. For vendor payments less than \$25,000, aggregate reporting is required (*see FAQ #5 below*). Also note, for subrecipient reporting vendor reporting, only the DUNS number (or the name and zip code of the vendor's headquarters) must be reported for a subrecipient vendor payment greater than \$25,000.

4. Is the \$25,000 trigger based on a single payment or the sum of multiple payments to a Vendor?

Vendor reporting information is triggered by a single payment of greater than \$25,000 by the prime recipient or a subrecipient. If the vendor receives multiple payments that each individually are less than \$25,000 (but in total are greater than \$25,000), the vendor reporting requirements are not triggered (note, however, aggregate reporting still is required; *see FAQ #5 below*). This is confirmed in the [OMB Recovery FAQs](#) (*see Clarification on Aggregation of Recipient Reports, OMB FAQ #4*).

5. How should all other Vendor payments (less than \$25,000) be treated?

The [June 22nd Implementing Guidance \(M-09-21\)](#), Section 2.4, page 12, states that grant recipients are required to report in aggregate all payments less than \$25,000 to vendors. This includes an aggregation of both the total number of payments and the total amount. In addition, the same aggregation of the number of payments and the total amount is applicable for all payments less than \$25,000 to subrecipients (*see section C4, Subrecipient Reporting, FAQ #2*). For the treatment of payments to "individuals", *see section C4, Subrecipient Reporting, FAQ #3*.

6. Where in the OMB Guidance on Reporting is jobs reporting for Vendors addressed?

The [June 22nd Implementing Guidance \(M-09-21\)](#) includes references to jobs reporting for vendors on three different pages: pages 11, 34, and 36 (*also see FAQ section C3, Jobs Reporting, FAQ #11*). However, the guidance is confusing in its use of terminology (e.g., materials suppliers, central service suppliers, vendors). Page 39 of the guidance provides a definition for the term "vendor", but this still does not fully clarify how jobs reporting for vendors should be accomplished.

In addition, COGR contacted representatives from selected research funding agencies to discuss if a statistical methodology could be used to determine accumulate jobs data associated with vendors. However, at this stage it is unlikely a statistical methodology will be accepted (*also see FAQ section C3, Jobs Reporting, FAQ #10*).

Consequently, institutions will need to determine a methodology for quantifying job counts associated with payments to Vendors.

7. In the absence of OMB guidance on how to approach jobs reporting associated with Vendor payments, how should an institution proceed?

Institutions should establish reasonable methodologies to account for vendor jobs reporting. Several points and approaches could be considered.

a) The [Recipient Reporting Data Model](#) provides a single data entry cell to capture jobs retained/created for each ARRA award. Consequently and when applicable, this single data entry cell will include the jobs reported applicable to vendors.

b) The jobs reporting requirement is applicable to all vendor payments; those less than, equal to, and greater than \$25,000. However, below a certain payment threshold, job retention and/or creation by the vendor may be immaterial. Since the \$25,000 threshold has been established for vendor information reporting, this may represent a reasonable threshold for further investigation of possible jobs retained and/or created by the vendor.

c) Based on the reasonable threshold for further investigation of jobs retained and/or created by the vendor, a standard practice could be to ask the vendor if a purchase results in the retention and/or creation of jobs for that vendor. If the vendor is not able to provide an answer, the [June 22nd Implementing Guidance \(M-09-21\)](#), Section 5.4-page 36, includes some guidance: *To the maximum extent practicable, information should be collected from all sub-recipients and vendors in order to generate the most comprehensive and complete job impact numbers available.*" In certain situations it may not be practicable to obtain accurate data on jobs retained and/or created by the institution's vendors, in which case, no jobs would be reported.

D. ACCOUNTABILITY AND PROJECT PERFORMANCE

D1. Buy American, Wage Provisions, Foreign Nationals and Other Compliance

1. Are colleges and universities required to comply with the Buy American provisions of ARRA?

Private institutions are not required, while most Public institutions are required to comply with the Buy American provisions. Section 1605 of ARRA specifies: "None of the funds ... may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States." This is confirmed in the [OMB Recovery FAQs](#) (see General Recovery Act FAQ, OMB FAQ #7).

2. Are any Public institutions exempt from the Buy America provisions?

The [OMB Recovery FAQs](#) (see General Recovery Act FAQ, OMB FAQ #7) referenced in the previous FAQ goes on to state that certain Public institutions are exempt depending on whether or not U.S. obligations under international agreements apply to the particular state college or university. The [Appendix to 2 CFR Part 176 subpart B](#) lists U.S. States, Other Sub-Federal Entities, and Other Entities Subject to U.S. Obligations under International Agreements.

For example, State colleges and universities in the State of Delaware are specifically identified as covered under International Agreements, which means that International Agreements treat iron and steel made in selected countries as if it were produced domestically. Consequently, Buy American is not applicable to colleges and universities in Delaware. Some states are not listed in the Appendix, which suggests that colleges and universities in those states are subject to the Buy American provisions.

3. How is a request for a waiver of the Buy American requirement submitted to agencies?

Each Federal agency is handling the request for waiver process differently, but based on experiences of some institutions so far, request letters have been submitted directly to the agency, either sent separately or as part of a proposal submission. The request letter should

clearly indicate the reasons that the waiver is being requested, based on one of the three possible waiver circumstances provided for in the guidance.

- Iron, steel, or relevant manufactured goods are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality;
- Inclusion of iron, steel, or manufactured goods produced in the United States will increase the cost of the overall project by more than 25 percent; or
- Applying the domestic preference would be inconsistent with the public interest.

4. How do institutions demonstrate they are in compliance with the Buy American provisions?

Where "Buy American" applies, institutions are advised to keep appropriate records in a fashion consistent with OMB A-110, Section 46, Procurement Standards. An institution's procurement records shall include the "basis for contractor selection". Consequently, institutional records and documentation should demonstrate that the procurement met the Buy American standards, or that a waiver was obtained.

5. Are major equipment and other similar acquisitions subject to the Buy American provisions?

Section 1605 of ARRA specifically refers to: "... construction, alteration, maintenance, or repair of a public building or public work ..." Equipment and similar acquisitions are outside the scope of Section 1605 of ARRA.

6. Are colleges and universities required to comply with the Wage Rate provisions of ARRA?

Yes, institutions must demonstrate compliance on all contracts or subcontracts funded under ARRA where laborers and/or mechanics have been employed. Section 1606 of ARRA specifies: "... all laborers and mechanics employed by contractors and subcontractors ... shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code." This section of the United States Code is commonly referred to as the Davis-Bacon Act.

7. How do institutions that are covered demonstrate they are in compliance with the Wage Rate provisions?

[Payroll Form WH-347](#), available through the Department of Labor, could be used to demonstrate compliance with the Wage Rate provisions of ARRA. However, WH-347 may not be an absolute requirement to demonstrate compliance, and institutions may be able to demonstrate compliance through other means.

8. Can foreign nationals be employed on ARRA awards?

Yes. The NIH addresses this in an [NIH FAQ](#): "Yes, foreign nationals working in the US are eligible to work and be compensated with ARRA provided they are employed by a domestic institution and are in the country under valid visas. It is the grantee institution's responsibility to assure that an individual's visas will allow them to remain in this country long enough for them to be productive on the research project."

The NIH FAQ also refers to Section 1611 of ARRA, "Hiring American Workers in Companies Receiving TARP Funding." Section 1611 effectively states that it is unlawful to hire a foreign national by any recipient of funding under the Emergency Economic Stabilization Act of 2008 (i.e., TARP) or section 13 of the Federal Reserve Act. Therefore, unless an institution has received funding in these situations, hiring of foreign nationals is allowable. Of course, all other citizenship requirements and laws must be complied with.

9. What guidance have Federal agencies provided in regard to No-Cost Extensions, PI Transfers, and Subawards to Foreign Institutions?

At a COGR Federal Panel on October 29, 2009, a number of these topics were addressed. A regular concern that has been raised relates to the availability of "No Cost Extensions" (NCEs) under ARRA funding. An NSF representative specified that NCEs would be granted. NIH also has confirmed that NCEs would be available via [NIH Notice Number NOT-OD-09-080](#), dated April 3, 2009.

The NSF representative shared two additional NSF policies applicable to ARRA funding: PI transfers would not be allowed if expenditure activity has been initiated and subawards to foreign institutions would not be allowed. [An NIH FAQ on PI transfers](#) states that while NIH supports PI transfers, NIH business processes currently do not accommodate PI transfers. [An NIH FAQ on subawards to foreign institutions](#) states that these are allowable only if the foreign component does not exceed 10% of total requested costs, or \$25,000/year aggregate for all foreign subcontracts and subawards, whichever is less.

D2. Audit – A-133 and Federal Offices of Inspectors General (OIG) Activity

1. What A-133 audit guidance is available?

The [2009 A-133 Compliance Supplement](#) includes an Appendix 7 addressing ARRA. OMB subsequently released an [Addendum 1](#), dated June 30, 2009. COGR expects additional guidance will be available either through another addendum and/or via the 2010 A-133 Compliance Supplement.

The Governmental Audit Quality Center (GAQC) has a link to the [GACQ Recovery Act Resource Center](#) that provides detailed audit guidance and resources.

2. What will be the focus of the A-133 audit?

For institutions that had a fiscal year close of June 30, 2009, ARRA expenditures were minimal. Aside from reviewing internal controls for administering ARRA funds, a detailed review of expenditures may not be applicable for FY2009. However, a more detailed review of expenditures may be applicable for institutions with a fiscal year close on August 31, 2009 or September 30, 2009.

However, exact and final A-133 audit guidance is still a work in progress. What seems to be clear is: 1) ARRA awards will be considered "high-risk" (note, this does not mean the institution will be considered a "high-risk" institution), 2) each ARRA award must be separately identified on the Schedule of Expenditures of Federal Awards (SEFA) with an "ARRA-" prefix, and 3) internal controls will be emphasized.

In addition to an institution's ARRA research awards portfolio, State Universities that received State Fiscal Stabilization Funds and institutions that received ARRA allocations on the Federal Work Study program should expect to have those programs represented in the A-133 audit.

3. What is the effect on major program determination when Type A programs have both ARRA and non-ARRA expenditures?

OMB has suggested that A-133 auditors should consider all Federal programs with expenditures of ARRA funds to be programs of higher risk. Type A programs with expenditures of ARRA funds should not be considered low-risk except when the auditor determines and clearly documents the reasons that the expenditures of ARRA funds is low-risk for the program. However, a determination of low-risk is expected to be rare. This may seem "heavy-handed," particularly when very little money may have been expended from an award. However, it has been implied that any ARRA expenditure, no matter how small, would "taint" a Type A program and should keep it from being considered low-risk.

The OMB has provided examples of factors that should affect an auditor's consideration of whether a program is low-risk. They include the following:

- As a part of the consideration of internal control over compliance, material increases in funding which may create capacity issues as it relates to resources needed to properly manage would not support a designation of a program as low-risk.
- Even though there may have been a lack of findings in prior years, the implication of the new compliance requirements specific to ARRA awards must be considered.
- The auditors also will have to carefully consider the unprecedented levels of transparency and accountability and the unlikely event that the audit community would support the designation of a program as low-risk.

4. Will the same guidance be applicable for Type B programs?

Though no formal guidance has been released by OMB on this determination, it is expected that the same reasoning would apply to an assessment of risk for Type B programs.

5. What does it mean to be designated as a high-risk program?

The auditor has a responsibility to perform sufficient procedures to understand the internal control environment and to ensure expenditures are reported properly. If a program is deemed high-risk, it is likely that the scope, including the number of awards the auditor will review and the testing and verification procedures, will be increased. Note, the fact that a program is considered high-risk does not mean that the institution will be considered a "high-risk" auditee.

6. What can institutions expect in regard to Federal audit activity from the Offices of Inspectors General (OIGs)?

It is too early to tell. The Recovery, Accountability and Transparency Board (RATB), the Government Accountability Office (GAO), and the Offices of Inspectors General (OIG) all have a role in the audit and accountability process. A Federal panel representative at the June COGR meeting (June 25, 2009) indicated the respective OIG offices would most likely set the course of all Federal audits, not the RATB.

We have indications that Federal audit activity associated with NSF and NIH ARRA funding could begin in the Spring of 2010. In addition, many State universities were recipients of Department of Education (ED) State Fiscal Stabilization Funds, and the ED OIG most likely will conduct audits related to this program.

The NSF OIG released its [FY2010 Audit Plan](#). The NSF OIG has made it clear that they view the \$3B of ARRA funds in addition to the \$6.5B of funds received under NSF's FY 2009 appropriations as a significant increase of funds in a short period of time. In their view, this greatly increases risk and also acknowledges the NSF management challenges of managing, accounting for and reporting on these funds with little or no additional support. The NSF OIG audit plan devotes considerable resources to the assessment of ARRA activities and the [NSF OIG Recovery Act \(ARRA\)](#) web page includes further information on the NSF OIG perspective.

The HHS OIG also released its [FY2010 Workplan](#), which includes an appendix dedicated to its planned ARRA reviews. The HHS OIG workplan focuses its work on determining whether NIH grantees have the capacity to manage and account for federal funds and to operate in accordance with Recovery Act requirements. "Recipient Capability Audits" and "Recipient Compliance" also are targeted. "Indirect Costs Claimed as Direct Costs" is listed under the appendix and piggybacks on recent audits on administrative and clerical charging practices. The [HHS OIG Recovery Act Oversight](#) web page includes further information on the HHS OIG perspective.

[Recovery.gov](#) includes a web page where all [Offices of Inspector General Plans](#) have been posted. The user can enter an agency to access the plans for a specific OIG of interest. These plans tend to provide more detail and are more up-to-date than the plans posted in the annual audit plans.

7. Will A-133 or Federal OIG audit activity focus on Jobs Reporting?

From an A-133 audit perspective, it is unknown. More guidance should be available soon from OMB (see FAQ #1 above).

From a Federal OIG audit perspective, it is possible. "Fraud, waste, and abuse" will be a central tenet of the OIG audit activities. Data elements such as "jobs reported" may not necessarily be a primary audit focus, but because of the political sensitivity of this area, other influences could elevate jobs reporting to a higher priority. A Federal panel representative at the June COGR meeting (June 25, 2009) suggested that if an institution utilizes a thoughtful and reasonable jobs reporting methodology, that methodology should be considered acceptable. Another Federal panel representative then indicated that whatever methodology is utilized could be subject to audit by an OIG. However, he also indicated that the OIG will consider OMB guidance that has been provided to grant recipients.

8. Will A-133 or Federal OIG audit activity focus on the "Best Available Data" reporting model where, for example, data through August 31 (rather than September 30) was utilized for the October reporting cycle?

From an A-133 audit perspective, it should not be a focus, though this is subject to change depending on new guidance from OMB (see FAQ #1 above).

COGR correspondence with OMB suggests that a "Best Available Data" reporting model is acceptable (*see section C2, Reporting Dates, Timelines and Data Correction*). However, it is unlikely that the COGR correspondence with OMB will be incorporated into official OMB guidance, so A-133 audit treatment of this topic is uncertain. Consequently, it will be important for the institution to have appropriate discussions with their A-133 auditor (see FAQ #9 below).

From a Federal OIG perspective, it is possible, though unlikely that this will be a focus. COGR staff met with several representatives from OIG offices in the Fall 2009. The perspective from one OIG office was that they are most interested in testing and auditing "reliable data" and they recognize data thru September 30 and reported on October 10 may not be the complete and final September data. They also recognize data reported for the January 10 reporting cycle will include complete and final September data, and that this may be sufficient from an audit perspective.

9. What if our A-133 auditor takes a position that appears contrary to Federal guidance or is not addressed in the Federal guidance?

ARRA is new and unprecedented and the ARRA audit landscape presents many unknowns. Consequently, there could be auditor interpretations that require further discussion. It will behoove your institution to engage senior audit partners, senior audit professionals and other experts in these situations with the understanding that everyone is doing their best to make judgments that are consistent with the ARRA legislation and Federal guidance.

D3. Facilities & Administrative (F&A) Rates

1. Has ARRA been raised in recent F&A rate negotiations?

Yes, ARRA has been raised. Institutions that have a pending negotiation or will be negotiating F&A rates based on FY08 or FY09 (base years with no ARRA, or insignificant ARRA expenditures) and those that will submit a proposal based on FY10, FY11, and possibly FY12 (base years where ARRA expenditures could be significant) should expect ARRA to be raised during the rate negotiations. However, each Division of Cost Allocation (DCA) region and the Office of Naval Research (ONR) may have varied approaches.

2. Should an "ARRA projection" addendum be included in the F&A rate proposal?

Some institutions have considered including an "ARRA projection" addendum to the base year F&A rate proposal. This addendum would demonstrate the impact of ARRA funding for FY10, FY11, and possibly FY12. If the institution chooses not to include this addendum, it would be prudent to prepare an internal analysis that is available after Federal negotiators raise this issue.

In the course of developing an "ARRA projection", impacts to both the research base and research space should be considered. The research base impact may be relatively straightforward to assess, while the research space impact may be more complex, especially if new research buildings will be coming on-line. For research space that was surveyed for the base year proposal, an ARRA space growth factor may be appropriate (e.g., increase research rooms from 50% to 75% research).

For new research buildings coming on-line, institutions normally include a separate projection applicable to those new buildings and submit that projection as an addendum to the base year proposal. Most likely, an institution will want to continue this practice. However, in doing so, it will be important to quantify the new research building impact of the non-ARRA versus ARRA research space. If new research buildings temporarily will house ARRA funded research, this should be factored in. Separating the projection for new research buildings coming on-line from the "ARRA projection" could be a prudent approach.

As stated in FAQ #1 above, COGR is in the process of accumulating rate negotiation summaries, and we will report on ARRA projection issues, as appropriate.

3. Should DCA space adjustments be considered differently in the context of ARRA?

Yes. A DCA space review often results in an adjustment to the base year space survey of research space. In the context of projected research base increases due to ARRA funding, it might follow that space adjustments made by the DCA are subject to closer analysis. Again, this highlights the complexity and challenge of negotiating F&A rates when considering the ARRA impact on the research base and research space.

ARRA introduces complexities to the rate negotiation that are unique and institutions should be prepared to address the rate negotiations in a manner that acknowledges the inherent complexities, with an expectation that Federal negotiators do the same. Consequently, one-sided positions that suggest ARRA impacts the research base only should be balanced with appropriate counter-positions related to the dynamic nature of space usage.

4. Can an institution expect to receive a rate extension without a rate decrease "penalty"?

Again, the complexities introduced by ARRA are unique and require both the institution and the DCA to recognize the exceptional situation. While the DCA, at times, has imposed a rate decrease "penalty" when an institution requests a rate extension, it may be appropriate for an institution to receive the rate extension without a penalty. Because of the understood short-term distorting impact of ARRA, a fair outcome may be to re-establish an institution's base year rate as either FY12 or FY13 after ARRA expenditures begin to wind-down.

5. Should State Fiscal Stabilization Funds be considered during the preparation of the F&A rate proposal?

Yes, these funds should be considered as State Universities could have SFSF monies as part of their FY09 and FY10 state appropriations. Consequently, some of these monies could be used to fund F&A activities, and if applicable, may need to be excluded from the appropriate F&A cost pools.

While it is certain that institutions need to account for the SFSF under the ARRA reporting requirements, there should be institutional flexibility as to how these funds are designated to specific activities. For example, to the extent that the SFSF is used to fund faculty salaries and other instructional activities, this will be preferable from an F&A rate proposal standpoint. Paramount to accounting for the SFSF, it will be in the institution's interest to maintain documentation to support how these funds are captured in the institution's financial system.