



ARRA GUIDANCE UPDATE OCTOBER 5, 2010



alabamastimulus@finance.alabama.gov

(334) 242-7160

Federal Reporting System open for recipient reporting for additional three days

1512 recipient reporting on FederalReporting.gov began Friday, October 1, and will continue through Sunday, October 10. The Office of Management and Budget (OMB) will leave the reporting system open until Wednesday, October 13, for recipients to make corrections to reports submitted prior to October 10. Any new reports submitted between Monday, October 11, and Wednesday, October 13, will be flagged as late.

Updated ARRA Guidance from OMB now available

On Friday, September 24, 2010, OMB released updated 1512 reporting guidance: <http://www.whitehouse.gov/sites/default/files/omb/memoranda/2010/m10-34.pdf>. The Recovery Office waited to issue this notification because there were notable discrepancies that were amended by OMB as late as Friday, October 1. The link above reflects the final guidance issued on October 1, 2010. Updates included in this guidance contain information for both federal agencies and recipients. The State Recovery Office strongly suggests recipients review the full draft of the attached updated guidance to ensure full compliance with the new requirements. Some of the notable updates for recipients in the guidance are:

- The definition of award dates and descriptions
- Marking recipient reports as final
- Making adjustments to prior reports
- Increased narrative detail for activity/project descriptions and award descriptions

The guidance also includes a revised version of the data dictionary known as the Recipient Reporting Data Model, Version 3.0. **The new Recipient Reporting Data Model, Version 4.0, does not include any new data elements, but rather updates some of the definitions of the current data elements.**

Due to the rapidly approaching October reporting period, we understand that recipients may have questions pertaining to the newly issued guidance. Questions or clarifications pertaining to this guidance document should be sent to alabamastimulus@finance.alabama.gov for timely review. Below is a summary of each of the significant guidance updates mentioned above:

Award date and description

The Recipient Reporting Data Model, Version 3.0, instructed recipients to enter an award date when reporting. OMB notes the award date may differ across various ARRA programs in order to accurately reflect the availability of funding and other important factors. The definition of award date in the Recipient Reporting Data Model, Version 4.0, included with this guidance, is defined as the date the award document is signed by the Awarding Agency Official.

Marking a Recipient Report as “Final”

A project is considered final for Recovery Act reporting purposes when the following requirements are met:

- All ARRA funds associated with the award have been expended at the prime recipient level
- All or nearly all ARRA funds associated with the award have been invoiced and received
- No additional jobs will be funded
- The project status is complete per agency requirements and/or performance measures, and
- The project status is marked as “Fully Complete” (marked as “4”).

When a federal agency determines a record is correctly marked as final, the recipient is relieved of reporting requirements for subsequent quarters, barring any errors that would need to be corrected. A recipient will be considered a non-reporter/non-compliant in subsequent quarters until the record is correctly marked as final. In cases where expenditures are reimbursed to recipients and invoices/receipts lag expenditures, a project may be marked as final when all funds have been expended, 75% or more of the funds awarded have been invoiced and received, and the project status is “Fully Complete.”

In instances where the final prime recipient expenditures are less than the award amount listed on the report due to an amendment in the original agreement, or if the project came in under budget, the recipient must provide a description in the “Quarterly Activities/Project Description for Prime and Sub-recipients” field explaining why the final amount in the “Total Federal Amount of ARRA Expenditure” field does not equal the amount in the “Award Amount” field, and confirming that no more funds will be expended by the prime recipient. Upon providing this description, recipients meeting all other requirements for a final report outlined in this guidance should mark the award as final.

Making adjustments to prior reports

Recipients are allowed to make changes to a prior report, but must first provide the federal agency with documentation to support the requested change. The federal agency must determine that the change is “material.” If so, it may be submitted as a requested change, which can either be made by the federal agency or the recipient. Information is “material” if its omission or misstatement in the prior period report could mislead the public on how the Recovery Act funding is being expended.

*****Changes to prior reports may not be initiated for the “Number of Jobs” field. *****

Increased narrative detail for activities/projects descriptions and award descriptions

Recipients must provide complete descriptions in both the “Award Description” and “Quarterly Activities/Project Description for Prime and Sub-recipients” fields. Standards of completeness include, but are not limited to, the following attributes:

- Explanation of all abbreviations or acronyms that may be unfamiliar to the general public
- Use of complete sentences
- Adherence to instructions and examples for narrative fields in OMB and agency-specific guidance
- Taken in conjunction, entries in the “Award Description” and “Quarterly Activities/Project Description for Prime and Sub-recipients” fields must provide, at a minimum, clear and complete information on the award’s purpose, scope and nature of activities, outcomes, and status of activities

Federal agencies will identify instances where these standards are not met during their data quality reviews. Recipients will be directed to update or correct these fields during the reporting period or the continuous corrections period, when incomplete descriptions would mislead the public or fail to provide sufficient information to discern the award’s purpose and activities.

Reporting Sub-Recipient and Vendor Expenditure Information

For any state recipient that reviewed the OMB guidance updates originally published on September 24, prior to this Interim Guidance, OMB has since received significant feedback from ARRA recipients that a particular element of the guidance relating to aggregation of sub-awards and payments would cause a major and unanticipated increase in administrative burden. The impact of this guidance change caused OMB to revise the guidance again on October 1, returning to the original method of reporting for these entities. **As of this notification, there is no change to the way that sub-recipient and vendor expenditures should be reported.**