

THE VICE PRESIDENT

WASHINGTON

April 23, 2009

The Honorable Joseph I. Lieberman Chairman Committee on Homeland Security and Governmental Affairs United States Senate Washington, D.C.

The Honorable Susan M. Collins
Ranking Member
Committee on Homeland Security and Governmental Affairs
United States Senate
Washington, D.C.

Dear Chairman Lieberman and Ranking Member Collins:

Thanks to your leadership, just over sixty days after Congress passed the American Recovery and Reinvestment Act (ARRA), it is already providing immediate financial relief for American families and funding billions of dollars in new projects that are creating jobs, strengthening local economies and building a strong foundation for our economic recovery.

Because of your support:

- Ninety-five percent of working families have begun to see the benefit of the Making Work Pay tax credit in their paychecks.
- Unemployed individuals are collecting an extra 25 dollars a week in unemployment benefits and paying 65% less for group health benefits through COBRA.
- More than 2,400 transportation construction projects have now been funded in all fifty states.
- Stimulative spending is ahead of schedule with more than \$75 billion in Recovery Act funds already made available for specific grants and projects.

The President has asked me to oversee the Recovery Act, a responsibility I take particularly seriously given the size and scope of the law. I am not alone in providing this oversight. The Recovery Act established the Recovery Accountability and Transparency Board and also gave the Government Accountability Office (GAO) significant responsibilities in this area. To ensure that Recovery Act implementation meets the highest standards of accountability and transparency, I recommended Earl Devaney, a former Secret Service agent and Interior Department Inspector General, to chair the Board. My staff and I are in constant communication

with both Mr. Devaney and GAO to ensure that oversight efforts are coordinated and avoid overburdening the recipients of Recovery Act funds.

Recently, the Acting Comptroller General and I met to discuss reports GAO was preparing pursuant to their responsibility under the Recovery Act. We welcome this dialogue with GAO and look forward to building on the observations from their field work, as well as their overall insights. I have also been reaching out to governors and local officials on a weekly basis to solicit their feedback on what more we might be doing to implement the Act. Many of the items GAO discusses also have been raised by the governors and local officials. To address these concerns, I asked OMB Director Peter Orszag to review their current guidance and see where it might be supplemented.

As you know, the Office of Management and Budget (OMB) has issued two guidance documents on Recovery Act implementation on February 18, 2009 and April 3, 2009. OMB is preparing additional rounds of guidance which are currently being discussed with Federal agencies, state and local governments, and other potential recipients. OMB will begin issuing updated guidance in early May that will address several points that GAO has touched on as well as concerns from state and local officials. Allow me to summarize some of the areas of guidance here:

- Additional detail on data reporting requirements, including data definitions, formats, and methods of transmission
- Roles and responsibilities of recipients and sub-recipients with respect to data collection, data quality, and other compliance and performance issues associated with the Recovery Act
- New flexibilities for states for costs of administrative activities associated with the Recovery Act
- Changes to the single audit process to ensure Recovery Act activities receive special emphasis and audit scrutiny
- A standard procedure for recipients to calculate jobs created

This guidance will be issued in final form but, as they have done in the past, OMB will welcome questions and comments.

Our work with the Recovery Board is also proceeding in the area of solution development for reporting. OMB has responsibility for establishing the policies that ensure timely and reliable data is obtained from Federal agencies and recipients. The Board has responsibility for determining how best to present that data on Recovery.gov so that the public has transparency into the who, what, where, and how of Recovery Act funding.

Beginning April 27th, Recovery.gov will host a week-long national online forum, Recovery Dialogue on Information Technology Solutions, to engage the public, potential recipients, solution providers, and state, local and tribal partners in developing more effective tools for public monitoring of Recovery Act funds. Information from the online event will be used to inform procurement decisions and improve communication going forward with both key stakeholders and the public at large.

APR-22-2009 19:15 P.003

Letter to Chairman Lieberman and Ranking Member Collins-Page 3

I look forward to working with you as we continue these and other efforts to ensure Recovery Act funds are moving promptly and in full transparency toward the projects and programs that will most effectively drive our economic recovery.

Again, I would like to thank you for your support and to encourage you to contact me with any questions you may have.

Sincerely,

Joseph R. Biden, Jr.