

FREQUENTLY ASKED QUESTIONS AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

CLARIFICATION OF M-09-21 GUIDANCE (June 22, 2009)

1. M-09-21 stated that it did not apply to federal contracts, just grants, loans, and other financial assistance; however, the Supplement 1 list includes programs that are only supported by federal contracts. Is that a mistake and should Federal "contract" programs be removed?
2. When will the FederalReporting.gov solution be open for registration?
3. Are activities funded by the Recovery Act and executed under PL 93-638 contracting mechanisms with the Indian Health Service; or the Department of the Interior subject to the reporting requirements outlined in M-09-21?

SUPPLEMENTAL JOBS GUIDANCE FOR FEDERAL AGENCIES

1. Is a Federal agency required to issue supplementary guidance on statistical methodology if the agency does not believe that the use of statistical methodology is appropriate or necessary for its grantees for reporting jobs data from sub-recipients and vendors?
2. What types of information should Federal agencies provide in this guidance?
3. When should the agency issue this guidance?

TECHNICAL RECIPIENT REPORTING SOLUTION FAQ

Registration FAQs

1. How do we ensure that only authorized individuals report?
2. How long does it take to register?
3. What if a registrant's organization doesn't have a CCR/DUNS?
4. Can multiple individuals register for a recipient/agency?
5. What if my organization is a Prime for one award and a Sub for another?
6. Will I be able to register during the reporting period (October 1-10)?

Reporting FAQs

1. Will the system pre-populate information from other systems?
2. How will Prime Recipients delegate reporting to Sub Recipients?
3. What happens if multiple reports are submitted for an award (or sub award)?
4. Will I get a confirmation of my report submission?
5. How are Prime and Sub Recipient Reports related in the solution?
6. Can I modify the Spreadsheet structure?
7. How do you know all reports are submitted?
8. Can reports be modified after October 10?
9. Are previous versions stored in the system?
10. Will recipients be able to check their XML formatted submissions in advance (to facilitate system output configuration)?
11. Why does the system use MPIN? How is that information used/protected?

12. If recipients can modify submitted reports are reports submitted prior to 10 days after the end of the quarter considered draft?
13. What is the difference between a sub recipient and a vendor?
14. Can ARRA 1512 reporting be combined with existing reporting structures?

Report Review FAQs

1. Can recipients modify reports after October 21?
2. What happens if an error is discovered after October 30?
3. Will agencies verify that corrections are made?
4. What happens if an agency doesn't review all reports by the final posting date?
5. Who is responsible for ensuring reports are complete and accurate?
6. Who can engage in review activities?
7. How will the system support the identification and communication of any identified reporting issues?

Outbound Reporting FAQs

1. What information from submitted reports will be available on Recovery.Gov?
2. Who can access this information?
3. How will the information be used?
4. What happens if errors are discovered after the final information is posted to Recovery.Gov?
5. Will any data be excluded from posting?

Timing and Support FAQs

1. When will the MS-Excel template be available?
2. Will there be modifications to the data model?
3. When will the XML validation service be available?
4. Who do I contact if I have a problem with reporting?
5. When will the Service Desk become operational?

RECOVERING STATE ADMINISTRATIVE COSTS

1. OMB Memo 09-18, *Payments to State Grantees for Administrative Costs of Recovery Act Activities*, provides the State two alternatives under the current Statewide Cost Allocation Plan process to collect funds in a timelier manner for ARRA administrative activities (http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-18.pdf). It mentions that the budget or estimated cost should not be in excess of 0.5 percent of the total Recovery Act funds received by the State. How is the half percent cost limitation calculated? Will it be based on the total dollars received by the state or will it be calculated for each grant?
2. Is the half percent only for the additional cost related to reporting and does not apply to the normal administration associated with administration of federal grants?
3. Is there any mechanism for additional recoveries if the half percent is insufficient to perform the required oversight, reporting and auditing associated with these grants?

4. Some ARRA programs have limitations on the recovery of administrative costs, does the OMB memorandum give States the authority to collect reimbursements for administrative costs based on an approved Statewide Cost Allocation Plan (SWCAP)?
5. Can the counties and local governments claim the half percent for their administrative costs related to ARRA activities?
6. What is the process for States to recover the administrative costs related ARRA activities?

GENERAL RECOVERY ACT FAQ

1. Can Recovery Act funds be used to implement energy and water efficiency improvements though existing Utility Energy Service Contracts?
2. Will the Weekly Financial Activity Report continue to be cumulative after September 30, 2009, or will the report start a new reporting period on October 1 for fiscal year 2010?
3. To what extent do Recovery Act funded projects need to comply with environmental reviews or assessments?
4. Have the guidelines for lobbyist contact regarding Recovery Act projects been updated?
5. I understand that pursuant to the updated guidance, there are generally supposed to be no oral conversations (with some exceptions) concerning pending applications for competitive funding under the Recovery Act. Can there be written communications and should these be posted online?

CLARIFICATION OF M-09-21 GUIDANCE (June 22, 2009)

#1

Q: M-09-21 stated that it did not apply to federal contracts, just grants, loans, and other financial assistance; however, the Supplement 1 list includes programs that are only supported by federal contracts. Is that a mistake and should Federal "contract" programs be removed?

A: No. Supplement 1 is a list of Recovery Act funded programs that are subject to the recipient reporting requirements in Section 1512 of the Act. If the work of the program listed in Supplement 1 of the guidance is performed under a federally awarded contract, then the recipient is a federal contractor subject to the FAR clause 52.204-11 and the agency awarding that contract is responsible for following the related requirements of the FAR for that Recovery Act funded action. Supplement 1 carries no further implications for programs carried out using federally awarded contracts.

#2

Q: When will the FederalReporting.gov solution be open for registration?

A: The FederalReporting.gov website will be open for registration *only* beginning August 17, 2009. In addition, the Service Desk offering technical support will begin operation on that date.

#3

Q: Are activities funded by the Recovery Act and executed under PL 93-638 contracting mechanisms with the Indian Health Service ;or the Department of the Interior subject to the reporting requirements outlined in M-09-21?

A: Yes. With the exception of a few statutory exemptions, tribal contracts and contract addenda are subject to the reporting requirements outlined in M-09-21 because they are not exempt from the requirements of Section 1512 of the Act. The ARRA contract and contract addendum includes a list of reporting responsibilities for tribes or tribal organization that accept ARRA funds. These reporting requirements only apply to ARRA funded activities. Tribes and tribal organizations with questions about reporting requirements should contact the Federal agency that disbursed the ARRA funds.

SUPPLEMENTAL JOBS GUIDANCE FOR FEDERAL AGENCIES

Section 5.4 of OMB Guidance Memorandum 09–21 requires Federal agencies to issue supplementary guidance concerning situations in which a recipient uses a statistical methodology to support job estimate reporting.

#1

Q: Is a Federal agency required to issue supplementary guidance on statistical methodology if the agency does not believe that the use of statistical methodology is appropriate or necessary for its grantees for reporting jobs data from sub-recipients and vendors?

A: Federal agencies are required to issue supplemental jobs guidance. However, this guidance does not have to address the question of whether grantees may use statistical methods. It is sufficient for the agencies to state that they expect all of their grantees to directly and comprehensively collect the jobs information from all of their sub–recipients and vendors.

#2

Q: What types of information should Federal agencies provide in this guidance?

A: Federal agency supplemental guidance on jobs reporting should include:

1. A general description of the types of jobs–related data that recipients should be collecting, whether through comprehensive reporting or statistical samples.
2. A discussion of the limited circumstances where a statistical estimate, rather than direct and comprehensive job counts, would be appropriate or acceptable. Such circumstances include when a recipient can demonstrate an unreasonable burden for the recipient in using direct or comprehensive job counts.
3. An explanation of the process recipients should follow in obtaining concurrence from the Federal agency on the use of a statistical estimate and the proposed methodology. Since it is anticipated that a statistical estimate will only be employed in rare circumstances, concurrence is required of the Federal agency in consultation with OMB.
4. A description of the information that the grantee must include in its request to the agency seeking permission to employ a statistical methodology rather than directly collecting specific data from all sub–recipients and vendors. At a minimum, agencies should require: 1) a justification from the grantee as to why directly collecting information from all sub–recipients and vendors is overly costly or burdensome for the grantee; 2) a technical description of the recipient’s proposed statistical methodology with sufficient detail and supporting documentation of the sample design and estimation procedures that the validity of the methodology can be assessed; and 3) a statement of the qualifications of the persons who will be carrying out the statistical methodology.

If Federal agencies issue an explicit statistical methodology for recipients to use, they are required to seek OMB approval under the Paperwork Reduction Act before incorporating that methodology into their guidance. In doing so, the justification for the approval will answer many of the questions above regarding appropriateness of use for a statistical methodology and the burden associated with that respondent population. OMB will allow agencies to request "emergency processing" of information collection requests under OMB’s PRA regulations (5 CFR 1320.13).

#3

Q: When should the agency issue this guidance?

A: Federal agencies should provide their Resource Management Office (RMO) point of contact with draft guidance for review and approval by August 7, 2009. Such guidance should be published in final on agency recovery websites and disseminated broadly by August 14, 2009.

TECHNICAL RECIPIENT REPORTING SOLUTION FAQ

Registration FAQs

- 1. How do we ensure that only authorized individuals report?**
A: The combination of DUNS number and Award ID during reporting, while not absolute, reduces the likelihood of unauthorized reporting. The sensitivity of the information is considered low.
- 2. How long does it take to register?**
A: Registration requires only a few basic fields so it should be brief. If recipients need to register in CCR or DUNS that process may increase the time to several days. Advance registration is highly recommended.
- 3. What if a registrant's organization doesn't have a CCR/DUNS?**
A: That organization will need to complete those steps before registration. This may require several days to complete. 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 (<http://fedgov.dnb.com/webform>).
- 4. Can multiple individuals register for a recipient/agency?**
A: Yes. However the organization must take steps to properly coordinate activities among their registrants.
- 5. What if my organization is a Prime for one award and a Sub for another?**
A: Each organization designated recipient reporter only needs to register once, even if the organization has different roles under different awards. ;Registration is necessary for system access. Information provided during the reporting phase will establish Prime/Sub relationships for each report.
- 6. Will I be able to register during the reporting period (October 1-10)?**
A: Yes. Registration will be open throughout the recipient reporting cycle. Advance registration is highly recommended since external prerequisites could take as long as 8 days.

Reporting FAQs

- 1. Will the system pre-populate information from other systems?**
A: No. The initial release of FederalReporting.gov will focus on core functions. Additional features such as pre-population may be considered for future releases.
- 2. How will Prime Recipients delegate reporting to Sub Recipients?**
A: Prime recipients must delegate reporting authority to sub recipients outside the system. Prime and sub recipients will need to coordinate their actions to ensure the most accurate information is submitted. Ultimately the Prime recipient is responsible for the information submitted.
- 3. What happens if multiple reports are submitted for an award (or sub award)?**
A: The last report submitted is considered the final report. After October 10 previous versions will be maintained for audit purposes. Clear coordination among and within prime and sub

recipients is critical.

4. **Will I get a confirmation of my report submission?**
A: Yes. Report submission is a two stage process. The system will confirm initial submission immediately. The system will perform a validation on the spreadsheet and XML extracts to ensure that the data conform with standards. A separate confirmation will be sent that indicates system compatibility and formal acceptance.
5. **How are Prime and Sub Recipient Reports related in the solution?**
A: Prime and Sub recipient awards are related principally through award and sub award numbers.
6. **Can I modify the Spreadsheet structure?**
A: No. Modifying the spreadsheet will break the XML binding and produce data that will not validate with the system.
7. **How do you know all reports are submitted?**
A: The system enables reporting but is not currently designed as a management system. Agencies will be able to identify and review submitted reports in the system.
8. **Can reports be modified after October 10?**
A: Yes. Reports can be updated through 21 days after the end of the quarter but changes are tracked through version control. After day 21 reports can only be unlocked by Federal agencies based on identified issues.
9. **Are previous versions stored in the system?**
A: Yes. After October 10 all changes to reports are maintained through version control.
10. **Will recipients be able to check their XML formatted submissions in advance (to facilitate system output configuration)?**
A: Yes. A service for validating the XML structure of XML extract files will be provided to help recipients configure and check their system output in advance.
11. **Why does the system use MPIN? How is that information used/protected?**
A: The current system design no longer requires the input of MPIN.
12. **If recipients can modify submitted reports are reports submitted prior to 10 days after the end of the quarter considered draft?**
A: No. Reports are expected to be complete and accurate when submitted within the timelines indicated in the ARRA. While changes are possible after this date those changes are logged and may be used for audit purposes.
13. **What is the difference between a sub recipient and a vendor?**
A: The key difference between a sub-recipient and a vendor is that sub-recipient activities directly execute the mission, whereas vendors provide products or services that indirectly support the mission. Data requirements for reporting vendor information are reduced and vendors cannot be delegated reporting responsibility.
14. **Can ARRA 1512 reporting be combined with existing reporting structures?**
A: No. FederalReporting.gov currently operates as an ARRA reporting specific solution. Future modifications may enhance reporting capability and ensure consistency across systems and ease reporting burden.

Report Review FAQs

1. **Can recipients modify reports after October 21?**
A: Yes, but only after a reviewing Federal agency identifies an issue to be resolved.
2. **What happens if an error is discovered after October 30?**
A: That error is updated on the next quarterly report since all reports are cumulative.
3. **Will agencies verify that corrections are made?**
A: No. Due to the short review timeframes agencies may not be able to confirm that corrections have been made by the final posting date (October 30). Some agencies however may have this capability.
4. **What happens if an agency doesn't review all reports by the final posting date?**
A: The reports that weren't reviewed will be posted and the condition indicated as "Not reviewed."
5. **Who is responsible for ensuring reports are complete and accurate?**
A: The primary responsibility rests with the prime recipient. Agencies are expected to perform some level of additional review but are not expected to validate the accuracy of the information provided.
6. **Who can engage in review activities?**
A: Prime recipients may review reports of sub recipients associated with their awards. Federal Agencies can review reports based on their awards.
7. **How will the system support the identification and communication of any identified reporting issues?**
A: The system will provide search capability to find individual reports. Agencies will be able to download XML extracts based on Agency program grouping. When an issue is identified the reviewer will open a comment page that pre-populates the reviewer name and contact information and the report submitter name and contact information. A text box will appear that allows the reviewer to indicate the nature of the issue identified. This information is sent via email to the reporter and is appended to the report. For agency reviews (occurring day 22-29 after the end of the quarter) this also unlocks the file for editing. Once again the changes are maintained through internal version control.

Outbound Reporting FAQs

1. **What information from submitted reports will be available on Recovery.Gov?**
A: Some form of all reports will be available for download.
2. **Who can access this information?**
A: Once posted to Recovery.Gov this information is public and anyone with access to the Internet can access this information.
3. **How will the information be used?**
A: The information may be used for a variety of currently known purposes including compliance with award conditions, detection of waste, fraud and abuse, management oversight, or other specific government functions. The information may also be used by any of a number of purposes by public or academic parties for independent analysis or reporting This information enhances transparency.
4. **What happens if errors are discovered after the final information is posted to Recovery.Gov?**
A: The information will be corrected during the next reporting cycle since reports are cumulative.

5. **Will any data be excluded from posting?**

A: No, with very limited exceptions. Particularly egregious examples of prohibited speech or reports which contain sensitive information may be excluded from publication until those issues are resolved.

Timing and Support FAQs

1. **When will the MS-Excel template be available?**

A: It will be provided no later than August 10, 2009. We also plan on having the final XML schema structure at this time.

2. **Will there be modifications to the data model?**

A: We have identified a few inconsistencies and issues that need to be addressed. We anticipate that the data model will be locked for this reporting period by August 5, 2009. The current model is between 95-98% complete.

3. **When will the XML validation service be available?**

A: The XML validation service is targeted for completion by the end of August.

4. **Who do I contact if I have a problem with reporting?**

A: The first point of contact for recipient reporting problems should be the ARRA Recipient Reporting Service Desk available through the FederalReporting.Gov Web site. The service desk has established escalation procedures to elevate particularly difficult problems for resolution. Information provided outside this channel may or may not solve your problem.

5. **When will the Service Desk become operational?**

A: The service desk will become operational on August 17 in conjunction with the opening of FederalReporting.Gov registration.

RECOVERING STATE ADMINISTRATIVE COSTS

#1

Q: OMB Memo 09-18, *Payments to State Grantees for Administrative Costs of Recovery Act Activities*, provides the State two alternatives under the current Statewide Cost Allocation Plan process to collect funds in a timelier manner for ARRA administrative activities (http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-18.pdf). It mentions that the budget or estimated cost should not be in excess of 0.5 percent of the total Recovery Act funds received by the State.; How is the half percent cost limitation calculated? Will it be based on the total dollars received by the state or will it be calculated for each grant?

A: The half percent is based on the total dollars received by the State and where the State serves as the prime recipient of the programs. The half percent represents the limit that the State can include as estimated or budgeted costs of ARRA oversight administrative costs in the Statewide Cost Allocation Plan that accounts for centralized service costs for individual programs. It does not represent an automatic charge of half percent to all ARRA programs for State oversight administrative costs.

#2

Q: Is the half percent only for the additional cost related to reporting and does not apply to the normal administration associated with administration of federal grants?

A: The half percent covers additional administrative costs related to the ARRA requirements such as oversight, reporting and audit requirements. It does not include normal administration costs such as existing general administrative costs or other program specific administrative costs.

#3

Q: Is there any mechanism for additional recoveries if the half percent is insufficient to perform the required oversight, reporting and auditing associated with these grants?

A: No, the half percent is the limit for ARRA administrative costs. For example, if a State receives \$5 billion in ARRA funds, the limit for ARRA administrative costs will be \$25 million.

#4

Q: Some ARRA programs have limitations on the recovery of administrative costs, does the OMB memorandum give States the authority to collect reimbursements for administrative costs based on an approved Statewide Cost Allocation Plan (SWCAP)?

A: No, the OMB Memorandum does not supersede the specific limitations or restrictions on administrative costs recovery included in some ARRA programs.

#5

Q: Can the counties and local governments claim the half percent for their administrative costs related to ARRA activities?

A: While the OMB memorandum only mentions State grantees, counties and local governments receiving Recovery Act funds directly can use the same methodologies described in the memorandum to recover administrative costs related to carrying out Recovery Act programs. Therefore, counties and local governments can include *budgeted or estimated* costs related to the administration of the Recovery Act in its Cost Allocation Plan (prepared in accordance with OMB Circular A-87, *Cost principles for State, Local and Indian Tribal Governments*) to recoup these costs on a more timely basis. The budgeted or estimated cost amount should not be in excess of .5 percent of total Recovery Act funds received *directly* by the county or local government (excluding pass-through Recovery Act funds received from the State). The local governments should prepare their proposals and keep them on file, unless their cognizant agency specifically requests submission of the proposal.

#6

Q: What is the process for States to recover the administrative costs related ARRA activities?

A: The State must submit and receive approval of a supplemental ARRA SWCAP from the U.S. Department of Health & Human Services, Division of Cost Allocation (DCA) prior to claiming these costs on any ARRA programs. The supplemental ARRA SWCAP identifies the central service costs incurred for ARRA administrative costs. Once the SWCAP is approved, these costs can be billed directly to the ARRA programs (as Section II- Billed Costs) or included in an ARRA supplement to the Department indirect cost rate (as Section I - Centralized Service Costs). The DCA has posted on its website (<http://rates.psc.gov/>) a set of FAQs with detail information on the submission and approval processes of the SWCAP.

GENERAL RECOVERY ACT FAQ

#1

Q: Can Recovery Act funds be used to implement energy and water efficiency improvements though existing Utility Energy Service Contracts?

A: Nothing in the Recovery Act or OMB's implementing guidance prohibits agencies from using Utility Energy Service Contracts (UESCs) - either UESCs that were in existence when the Act was enacted or new UESCs. Therefore, it is appropriate for federal agencies to carefully consider UESCs when implementing energy and water improvements at federal facilities with Recovery funds.

#2

Q: Will the Weekly Financial Activity Report continue to be cumulative after September 30, 2009, or will the report start a new reporting period on October 1 for fiscal year 2010?

A: The weekly Financial Activity Report will continue to be cumulative after September 30, 2009. Note that OMB will most likely be publishing further guidance to assist agencies through the reporting process to address the fact that September 30 falls in the middle of a reporting week.

#3

Q: To what extent do Recovery Act funded projects need to comply with environmental reviews or assessments?

A: There is nothing in the Recovery Act that changes any existing environmental protection and preservation laws or regulations. Agencies should take measures to ensure Recovery funded projects and activities are in compliance with environmental review and related statutes, such as the National Environmental Policy Act, the Endangered Species Act, the National Historic Preservation Act. Agency Recovery Act project planning should include adequate time to conduct environmental reviews and ensure compliance with these laws. Early discussions with regulatory agencies, such as the Fish and Wildlife Service with regards to compliance with the Endangered Species Act, will help avoid unexpected delays in carrying out Recovery Act projects.

#4

Q: Have the guidelines for lobbyist contact regarding Recovery Act projects been updated?

A: Yes. You can review the updated guidelines at:

http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-24.pdf.

#5

Q: I understand that pursuant to the updated guidance, there are generally supposed to be no oral conversations (with some exceptions) concerning pending applications for competitive funding under the Recovery Act. Can there be written communications and should these be posted online?

A: Yes, there can be written communications concerning pending applications and those communications should, consistent with law, regulation and agency guidelines, be promptly (i.e., within 3 working days) posted on the agency's website containing disclosures of Recovery Act communications.