



# ARRA UPDATE

APRIL 2, 2010

## COMPLIANCE SPOTLIGHT

### OMB Circular A-133

An A-133 desk review is a monitoring activity required for applicants subject to the requirements set forth in OMB Circular A-133. Identification of applicants subject to this review is based on total annual federal expenditures and is independent of the risk ranking of applicants. Granting agencies must first identify all applicants who have expended \$500,000 or more in federal funds during the fiscal year and then examine the applicants' independent auditors' reports and related findings. The A-133 audit report includes an independent auditor's report on compliance with federal award programs and internal control over financial reporting, current and prior year findings, questioned costs, and management's response to the auditor's findings.

The A-133 desk reviews must be performed annually based on total federal expenditures of each applicant in their fiscal year. As part of this review, granting agencies are required to (a) review all findings in the applicant's A-133 audit report, (b) evaluate the Management Corrective Action Plans (MCAP) for all findings that relate, either directly or indirectly, to the expenditure of funds that have passed through the granting agency, and (c) issue a decision on the applicant's corrective action plans. For more information about A-133 compliance, please contact GOER and/or the Arizona Auditor General's Office.

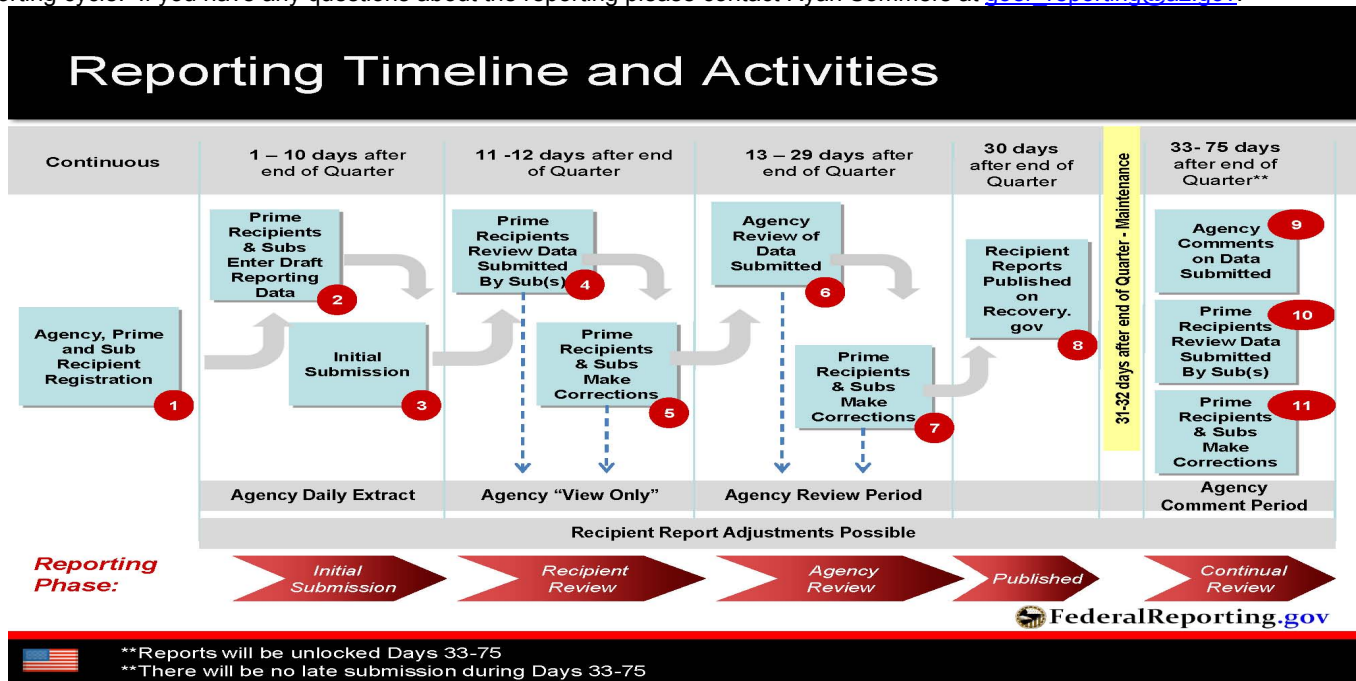
### Fraud, Waste and Abuse

As a follow-up to the last issue of the ARRA Update, Governor Jan Brewer announced yesterday that the State of Arizona is committed to overseeing the prudent fiscal and programmatic management of funds entrusted to the state provided through the American Recovery and Reinvestment Act (ARRA) of 2009. As such, Governor Brewer's Office of Economic Recovery (OER), in cooperation with the Office of the Auditor General, the state's General Accounting Office and the Governor's Accounting Office released on Thursday a 22-page resource for state agencies in order to prevent fraud, waste and abuse from occurring within the programs and projects funded with ARRA resources. To view the "Resource to Combat Fraud, Waste and Abuse" go to <http://az.gov/recovery/assets/docs/04-01-10-AResourcetoCombatFraudWasteAbuse.pdf>.

## 1512 REPORTING

### 2010 Quarter 1 Report

FederalReporting.gov opened up for the next round of quarterly reporting on Thursday, April 1<sup>st</sup>. Below is the timeline for the next reporting cycle. If you have any questions about the reporting please contact Ryan Sommers at [goer\\_reporting@az.gov](mailto:goer_reporting@az.gov).



Recovery Today is a bi-weekly e-publication of the Arizona Office of Economic Recovery. For comments or questions regarding this issue, contact OER at: [azrecovery@az.gov](mailto:azrecovery@az.gov).