

General Overview

Forum 1 Q & A

1. Infrastructure in the guidance is not well defined. Can you clarify the definition of infrastructure for us? Does it include work on public buildings, state houses, town halls, DOT sheds, toll booths, etc?

My answer to this question, first of all looking at the Law in 1512, the infrastructure investments made by state and local governments, there's a separate data requirement, where if you do have an infrastructure investment, you do have to provide a total cost and rationale for the funding of the infrastructure investment, the name of the person to contact in the agency if there are concerns with the infrastructure investment itself. To the extent the guidance does not currently answer your question in terms of where you have a project that is infrastructure or not that is something, the way to approach that, is that we don't have a one size fits all definition that gives you that litmus test. For example, your question on whether toll booths or traffic lights are infrastructure. What you need to do in that situation is where ever you receive the funds from, whatever relevant agency, in this case it seems like it's the Dept of Transportation. Then the answer here is to go to your contact point at the Dept of Transportation, the granting agency in this case, and to provide them the specifics of the situation and they can let you know whether this reporting is infrastructure and its primary trigger. (Not sure exactly what was said here.)

2. If they are in a state agency, how do they know if the state wants them to enter ARRA data?

As I was reading the question I realized I might have left off an important part of the presentation table in the discussion points. One of the questions that has come up is this. When a state as a prime recipient or a prime recipient in general is reporting, does that reporting have to emanate from one source within the prime recipient? Let's just use the state as an example in this case. And the answer to that question is no. The state can decentralize reporting at the prime recipient level by having multiple organizations and point of contacts within a state report. So for example, this state wants to establish reporters in both the states' Dept of Transportation, the State Dept of Education, the State Dept of Health, the state does have the authority and flexibility to establish multiple reporters within the state. But this question raises a good point. And it is how do I know if my state wants me to enter data or not? And this is where the state or the prime recipient has a very important responsibility. It runs parallel to the responsibility we talked about earlier with the subrecipient. Just as the state has the responsibility to make sure that the subs know when they've been delegated, who they are and that they have the responsibility to register, so to must the state make sure that the

people within the state who are required to report know who they are so they can register into the system. So if John Smith in the State Dept of Transportation and James Smith in the State Dept of Education are both expected to report information under the Recovery Act the state must have a coordinating office in place to make sure that John Smith and James Smith know that they are responsible for reporting and need to be told they are responsible for registering in the system. Also, it becomes critically important to the state, for the prime recipient to set up a control framework around making sure that double counting doesn't occur. Because if John Smith enters the data on an award and then closes it out in the system and James Smith goes in later and enters information on the same award, there's a risk of double counting occurring. So the state needs to communicate with the people at the state level that they are expected to report so they know to register, they know what awards they are responsible for putting in. There really should be a consolidated roster, I believe, that the state maintains of both subrecipients and state level reporters with clear lines of responsibility for whose reporting what.

3. Workforce Development Board has multiple locations of area of performance for every worker. Is it the expectation to capture every place a worker is located?

Another good question. This really goes to how you are collecting information. I don't necessarily, in reading the question, I don't necessarily want to give anyone the impression that the location of the worker is as important in terms of understanding the job impact generally. But as funds are flowing into local environments the important process here is to ask the right questions to the right recipients to know what the job impact has. But you don't have to go down to levels beyond, you don't have to go down to the very final level. Going back to the example of the bus company, it's the state's responsibility to ask the bus company; because you signed a contract for 200 new clean fuel buses, how many extra people did you hire? There's not a requirement to go and ask the bus company, then go to the suppliers of the materials and ask, because we are now ordering more supplies from you, how many jobs did you require? So it's a degree. The cutoff here is not, does not go to suppliers, then does not branch out that deeply into the environment. The prime recipient basically has to ask the subrecipient or the vendor that it's directly dealing with to let them know how many jobs were created by the transfer of funds to those entities.

4. It sounds like all subrecipients must register in the CCR even though the prime recipient will be doing all the reporting. Is that correct?

The subrecipients have to register for DUNS only. The prime recipient has to register in CCR and DUNS.

5. Are individual purchase for >\$25,000, or purchases totaling over \$25,000, aggregated by vendor?

Another good question. It's on a purchase by purchase basis. So if I understand the question correctly – let's say vendor A has gotten 3 purchases over the past quarter. One for \$20,000, one for \$15,000 and one for \$10,000. So when you add all 3 purchases together, then that vendor is receiving more than \$25,000 in a quarter. That still under our reporting framework would not trigger a reporting requirement. The reporting requirement would only be triggered if that vendor received an individual payment >\$25,000 in a quarter.

6. Can we clarify subrecipient? Can a subrecipient be something other than a local municipality?

Yes, a subrecipient can certainly be something other than a local municipality. A subrecipient is any entity that is receiving funds from the prime recipient where the purpose is to carry out the underlying federal mission of the program and that there is an associated agreement attached and responsibilities that flow down from the prime recipient to the sub. A great example of that is one that's outlined in the guidance with respect to a research grant to a university. So if you have a university that receives a grant from the federal government and you do research and it is funded by the Recovery Act. Then that university says that I'm going to do some of the research by myself at this university. But also I'm going to subaward some of the money to a second university to do additional research that supplements our research. Well, then that university is not a local municipality, it's another entity but it's another entity that is carrying on essentially the same federal mission as that first university. There will be an associated agreement and terms and conditions of that second university that they'll have to use the money in a way that's consistent with the underlying program regulations. They'll be just like that first university in terms of what they're responsible for in meeting the federal mission. That is another example of a subrecipient. That is to be distinguished from the university example. That first university purchases scientific equipment from a company. They are not subawarding to another university to do additional research. But they are purchasing equipment from a company to help with their own research. That company is not a subrecipient.

7. Where can we access Help as we input data for the first time? Is there a help desk?

Yes, there is definitely going to be a help desk. We are working to put that in place now. We're going to be providing a lot of additional data and contact numbers on the help desk process. The help desk will be set up such that it will try to trouble shoot an answer. Technical questions such as, you know, if the system is acting slow, your user password and ID for some reason aren't

working or there's a problem with the spreadsheet download, those types of questions, the help desk will really, that will be a sweet spot for where the help desk will really be of good use. If you're asking questions like "I'm a recipient of transportation funds and I'm not", just going back to that other question as an example, "I'm not exactly sure whether this project fits the definition of infrastructure or not." That is something that if you call the federalreporting.gov help desk with that, they will route you to another, to the federal agency. They will route you to the Dept of Transportation and the right contact point there. So we plan to arm the help desk with a list of key contacts because if there are questions that are more policy substance in nature, we'll make sure the help desk gets you to the right person to help answer that question.

8. Will the prime know if the federal agency flags an error for the sub in the reports?

Yes, they should know the answer, they should be able see if the agency flags the information. That will be transparent on federalreports.gov.

9. Does the review status that is published on the 30th refer to the federal agency's review status or the prime's review status?

The answer to that is that it refers to the federal agency's review status. So the public will be able to know if the information has been reviewed by the federal agencies. It does not align to the prime recipient review.

10. Can you please confirm job data from subrecipients will not be collectible in the Recovery Act recording format? Prime recipients will need to collect this data on the side directly from subs?

That is exactly correct. The system is not, when you are delegating down to the subrecipient, the system is only creating those data reporting elements that are under the Transparency Act data elements. For the prime, you are collecting information directly from subs and vendors. That happens outside federalreporting.gov framework.

11. If a state has received a notice of award prior to Oct 1, 2009 but has not actually spent or drawn down any of those funds, are they still required to submit reporting on Oct 10, 2009?

The answer to that question is yes they are. The triggering point for the responsibility to report under 1512 is not the actual receipt of funds but the consummation of the award. So once the award has been made, that, and the agreement has been finalized, the grant agreement in this case, that triggers responsibility to report. So when you get into federalreporting.gov, let's say you've been awarded funds but you haven't received any. They haven't been

obligated or you haven't drawn them down, then you would indicate who you are, the award, describe the award, the award number, the award amount, but in terms of funds expended there, you would issue zero. Funds received would be zero. But once the award is consummated and there's a grant agreement in place, or a loan agreement, or a cooperative agreement, that starts the responsibility for the recipient to report in, even before funds are expended or received.

12. We will be creating temporary positions with the Recovery Act funds. This was briefly mentioned but it was not clear if these are to be reported or not. Will this to be discussed in the jobs reporting webinar, or can you please clarify?

Yeah, I'll clarify now and then we'll discuss it in the Jobs Reporting webinar. The way this works is you're reporting total hours on a quarter by quarter basis. So if you have 10 people that are working full time and 5 people that are working part time then you're basically normalizing that data to a 40 hour work week and reporting the total. Once that person is no longer working anymore, so in a subsequent quarter, you lose those hours and therefore your cumulative job creation total at the bottom of your table goes down to reflect the fact that a worker is no longer working for you or the hours are no longer in play. We'll walk you through that table. There's a table in the guidance that shows this. The table has multiple benefits to it. By normalizing it and basically adding all the hours and dividing by the appropriate number to get the number of jobs created you take into account part time workers. Because you're only adding in hours for the part time employee. But it also takes into account temporary, because once that worker is gone, and it's a cumulative chart, you're eliminating the hours that you had in the last quarter and your job numbers will go down. So at the end of the day, temporary workers will count as a job creation while they're employed, but once they're no longer employed, the number will adjust. So that's one of the reasons why it's so important to look at the job creation numbers over time as this process moves forward.

13. Must subrecipients always provide DUNS numbers to the prime recipient even when only the prime is reporting?

In that case, if there's been no delegation and there's no associated responsibility to report a DUNS to the prime. That DUNS responsibility is triggered upon the delegation of responsibility from the prime to the sub.

14. You stated recipients only have to report first tier subrecipient data, but you later stated that the recipients are responsible for reporting all jobs created retained by gathering hours to define FTEs. Please clarify if jobs data should be collected past the first tier subrecipient.

That's a very good question. I will do my best to clarify what the responsibility is. We are trying to capture the full job impact and the way I will describe it and we're going to issue an FAQ in the near term to further clarify this. Is the prime recipient required to go its subrecipient and its vendor and ask the question about the job impacts of the money that's been provided? I've given a couple of the examples that's been provided of the education and the clean fuel buses as examples. That essentially is the requirement however, with the following caveats and exception. If going down to the subrecipient and to the vendor you're missing a huge part of the job creation impact then there is the expectation that you will extend down to the level of reporting to get the major job impact. The other caveat here is you don't need to go into suppliers and indirect impacts, but you do need to find the basic impact of the recovery dollars at that first level. Let me walk you through, as this is a tough one. That example again with the clean fuel buses because I think it helps clarify it. So you're the state and you've purchased 200 clean fuel buses from a bus manufacturing company. That's pretty straight forward because you can go to that bus manufacturing company and ask straight up how many jobs were created or lost as a result of you getting this contract for 200 new buses. Whatever the answer is, is what you go with. You don't have to go to the suppliers. But let's say you ask, the way the deal is structured, you went through a dealer and the dealer provided you 200 buses from a given bus manufacturing company. In that case, knowing that the dealer was really not aware of the major job impact would occur. We would expect you to recognize that the job impact is really when I purchased buses, it's really the purchases, the job impact is most likely to have its critical mass at the manufacturing company. So to the extent you can question down to the manufacturing company, that is what we anticipate you to do. But the problem with this type of data reporting element and the question, is the challenges that we've had here at OMB and in working with the Recovery Board, it's very difficult to establish a bright line response in a way that says always go down to just the first tier. Go down 2 tiers or 3 tiers on this job situation because every situation will present a kind of different nuance to it. So the basic premise here is we're relying on the prime recipient in some cases to use its best judgment and actually to figure out where the highest level job impact is on an intuitive basis and collect information from that source. That's basically the requirement. Something that we'll have to work through over time to make sure we are troubleshooting or answering questions in unique circumstances. Hopefully the clean fuel bus example is informative and multiple other examples. But this is an area where I encourage the community to ask a lot of questions back to the federal agency, back centrally to OMB about different situations so we can help work together to find the right data collection point.

15. When is funding considered received?

That is one of those situations where there's a lot of different funding mechanisms, but I'll use the example a formula grant. The funding is received when it is drawn down. So that reflects that the money is now available for expenditure on your part. Just the fact that the federal government is obligated doesn't necessarily trigger receipt. Receipt means that it's now available for obligation by the recipients themselves.

16. On slide 18 we referenced reporting of vendor job impacts. However, slide 10 reporting requirements for vendors, does not include job impact. Can you please clarify?

That's another good question. The responsibility in the reporting framework for vendors and the federalreporting.gov framework is that if you're a prime recipient and you make a payment >\$25,000 that in the system itself, you are collecting the name or identity, the purchase amount and the purchase description. But as I mentioned in the response to an earlier question the job impact framework is not embedded into the federalreporting.gov solution. There's a variety of different reasons why we didn't embed the data elements in. We could consider doing it in the future. Essentially we don't anticipate, that in all cases, the recipient will be directly asking that first vendor for the job impact. The example I've provided with the dealer is the best example I can come up with on that front. Because again if there's a vendor out there that you are utilizing, but in utilizing that vendor you know the job impact is happening at a kind of subsequent point in the process. We didn't want to create a stringency that you're only asking from that primary vendor. Again, this is one of those challenging areas where we're going in one direction and has some benefits but also has some drawbacks. We will continue to look at this. But the answer to the question is, the questioner is right, there are vendor requirements beyond what was listed on Slide 10 and that one requirement is to work with the vendor to understand what the job impacts are. Again, another reason here is how you ask the question could depend on the nature of the situation in terms of gaining that job impact. Whether you're asking about the manufacturer underlying a dealer, or you're asking other types of questions. We have not at this time have been able to fashion into one size fits all way of capturing job information in the reporting framework. That's why its more flexible model that we are moving towards that is outside of the federalreporting.gov framework.

17. Talking about flexibility, the phrase authority and flexibility suggests that states may elect not to treat their individual agencies as the prime recipients. Is this accurate? May states use their consolidated DUNS numbers on all their Recovery Act funding awards?

That's a good question. The answer to the question is actually the first question. The states do not have the authority and flexibility to call other state entities within the executive branch of the state as a subrecipient. All entities

at the executive branch of the state are prime recipients. So if you get an award for education funds and whether it's received in some central location and then moved into the State Dept of Education, the State Dept of Education is not a sub. They are a prime recipient. Again, all entities at the state level are prime recipients.

18. A state, as a recipient, is funding multiple activities projects statewide that will be carried out by subrecipients. Our understanding is that the state as a recipient provides a general description of projects and activities but will be carried out by subrecipients. Is this accurate?

That's correct. The state is providing the statewide view. So if you have some heterogeneity in what is going out to your subrecipients in terms of projects and activities, your job is to not reflect all the different variations of projects but to summarize and generalize the basic nature of state funding of the projects across the board. Once the funding is spent out to a subrecipient, now the subrecipient, whether its been delegated, can step in and do the transparency act project description and then you start to get more detail and a more unique view of what the activity is in that locality. When you're reporting at the state level, even if there's a lot of projects and a lot of activities that go along with a broad range of different types of activities and projects, your job as the state is to provide that generalized description which might require to be at a high level, education, mineral enrichment or things that are just general across the board. Meanwhile as you get down to the localities you can start to see a better understanding of what the specific areas is. But that would happen at the subrecipient reporting level.

19. Where can we find these slides for this webinar? I can go ahead and answer that for you Danny. The webinar slides that have been presented this morning are available for download at www.whitehouse.gov under blog. Under the blog posted titled online forum: "For Better Understanding the Recovery Act's Transparency Guidelines."

