

Basic Principles and Requirements of Recovery Act Recipient Reporting Forum 2 Q&As

1. Please give a detailed description on what constitutes a project activity as it relates to Section 1512 reporting. For example, if a state agency receives funding for a state energy plant and uses such Recovery Act funds on ten different projects throughout the state, what is the prime recipient required to report on, the overarching energy plan or each individual project?

The prime recipient is the state in this example. The state is responsible for reporting a statewide view of describing the projects or activities. So here, the project or activity should be described with a statewide energy plan in mind. Not with the individual project. The point at which the funds are distributed to a subrecipient for an individual project, it's at that time where the Transparency Act data elements should provide the appropriate description surrounding the specific project. But again, the state, when it's reporting, even if there's a broad range of different individual projects within the larger domain of the state's activities, the goal here is for the state to provide that broad description across the many activities even though there are some unique elements in each individual project directive.

2. It is our understanding that administrative expenditures are excluded from total funds expended. Is this correct?

When a prime recipient receives its funds from the federal agency, the reporting model that we have issued as part of this guidance really asks the prime recipient to look at two different buckets of spending and to track funds associated with those two buckets. The first bucket is subrecipient, any subawards that are made, and the second bucket is payments to vendors. To the extent there are additional buckets of funding out there, such as incidental expenditures for administrative activities, salaries and expenses, those funds are not captured by this reporting framework. If the prime recipient contracts with a vendor for greater than \$25,000 for administrative services, then that would be captured. But the incidental expenditures or other expenditures associated with administering the Recovery Act, if it's not in the form of a subaward, or it's not in the form of a payment higher than \$25,000, then it is not captured in this reporting model. However, when reporting the total amount of expenditures made, the aggregate total would include all Recovery Act expenditures. For the detail, you're only required to track funds to the subrecipient and to vendors. But we're reporting the overall total expended. That's when you include all the Recovery Act dollars spent regardless of the recipient.

3. How do we identify for which programs we need to complete Recovery Act reporting? Will there be new CFDA numbers specific to the Recovery Act

program? Why do only some of the programs in Supplement 1 of Memorandum M-09-21 have CFDA numbers while others do not? Can we assume that if a program is not listed in Supplement 1 that Recovery Act reporting is not required?

Supplement 1 is our attempt to list all of the programs that are subject to 1512 reporting. That includes federal financial assistance programs as well as federal contract programs. So, as you're looking at Supplement 1, you'll notice that some programs do not have CFDA numbers. Those programs are most likely the ones that are federal contracts. As I mentioned during the slide presentation, Supplement 1 is still an evolving supplement. We are working with federal agencies and the public, receiving and reviewing the comments on that particular supplement and are targeting the end of July to have that supplement completed. Likewise, the CFDA website is also in the process of updating all the Recovery Act programs to that website. And again, the CFDA website would be pretty much predominately limited to the federal financial assistance programs and will not include federal contracts in that website.

I believe I have answered one of the other things that I believe you had asked: Are the specific CFDA numbers specific to the Recovery Act program? Predominately, yes. Federal agencies did request new CFDA numbers for the majority of the Recovery Act programs separate and distinct from existing programs that may be doing the same functions as the ones provided by the Recovery Act funding.

4. Is the recipient account number the same as the pass or program source code?

No, I do not believe so. The recipient account number, I believe, is a specific number between the federal agency and the recipient. And, I'm going to read from the supplement, too, which gives the actual specific data elements the recipient internal account number for the project or award. The account number or any identifying number assigned to the recipient of the award. This number is strictly for the recipient's use only and is not required by the awarding federal agency. So this is not the Treasury Appropriation Fund Symbol of the federal entity. This is an account specific to the recipient.

5. If the recipient is a state agency, what top five officer names and compensations should be reported? Is the governor the top official, is the commissioner of the agency the top official?

The requirements of the top five officials comes from the expansion of the Transparency Act. It was an amendment in 2008 to the Transparency Act. It requires that, if the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under a section of the SEC, then they are to report this information. We can come back and we can double check and get back to you. But, I believe that if the compensation for the state employees are already in the public domain and that

will not be required to be reported separately. But we can reach back out to you separately and make sure you have a definitive answer from us.

6. Is the \$25,000 aggregate payment to a vendor for the vendor payments within a quarter?

It's based on the purchase amount of an individual purchase rather than how much a given vendor receives. So you could have a situation in which an individual vendor receives five payments each of \$20,000. So the vendor overall through the quarter received \$100,000. But that would not trigger the requirement to report the additional detail on the vendor identity purchase description or purchase. The only thing that would trigger those additional data elements, is if that vendor received a single purchase of over \$25,000. So for the other five purchases, those would go into the larger aggregate total of all purchases made under \$25,000, where you're simply reporting the total expenditures made to vendors under \$25,000.

7. Are there any fields on federalreporting.gov that are not required? For example, congressional districts where a prime recipient is head of the state.

Yes, there are several fields that are not mandatory. The data model indicates whether the field is mandatory or optional. When recipients log into federalreporting.gov the system will help them identify which fields are mandatory or voluntary. The data model that's been published as part of M-09-21 of the guidance also provides clarification on those points.

8. When you said if a state decides to delegate reporting within itself, does that mean that a state is permitted to centrally submit all its reports using the state's central DUNS number?

Yes. For each award you will have to submit one report but you can use the central DUNS number for a state.

9. If all state agencies are prime recipients can there be more than one prime recipient for state stabilization when more than one state agencies are receiving the funds?

No, there is only one state recipient. I think I understand the context of this question. In some cases, a state will receive that primary set of funds for state fiscal stabilization fund amount. Then there will be transfer of those funds from state agency A to state agency B. For example, they might receive \$100 million for state fiscal stabilization funds for the state. Then that state entity is transferring from the State Dept of Education to the State Dept of Transportation for certain activities that will be carried out with those funds. In that case, all the state agencies in the executive branch are prime recipients. The subrecipient is

not a trigger until the funds leave the executive branch of the state and they're paid out to an additional source outside the executive branch of the state.

10. Do I understand it correctly that if a prime chooses not to delegate reporting, they must report all information about vendors, whether they be the prime vendors or the subvendors? If prime delegates reporting, the sub only has to report identification of the vendor and zip code of the headquarters of the subvendors?

I think that you are correct. If the prime does not delegate reporting to the subrecipients, then the prime is responsible for reporting not only their reporting requirements, but the data elements for the subrecipient, and the data elements for the prime vendors as well as the subvendors. If the prime does delegate to the subrecipient, the subrecipient will be responsible for the subrecipient's data elements and the applicable subrecipient vendor information. The subrecipient vendor information is limited to just the DUNS number or the zip code, a name and zip code of the headquarters for that subrecipient vendor.

11. If your vendor is a general contractor on a large project, are we to report on all associated subcontractors? For example, their expenditures, jobs retained and created?

There's two parts to the answer to that question. If you are a participant recipient, assuming this question is coming from a prime recipient like a state, and you hire a general contractor on a large project and all that is required is for you to report if it is a vendor, the name, the purchase description and the purchase amount for that vendor. In terms of the discussion of payment to that vendor, those are the three key data elements that are required. Again, assuming this is a prime recipient making a payment to a vendor. Beyond that contractor that you're describing, there are not additional reporting requirements with respect to following the funds beyond that primary contractor to the subcontractor.

The second part of this answer relates to jobs retained and created because it's on a different convention than the expenditure issue. As we discussed earlier, the prime recipient in keeping with this example of the state is responsible for requesting information from the contractor in this case about jobs created. It sounds like, in this case, it would most likely be sufficient and appropriate for the prime recipient state or entity to ask the general contractor to report the job impacts for that general contractor. It does not sound like from this example that there would be a situation at play where that contractor really isn't having any meaningful job impacts or would expect to have any meaningful job impacts and you would have to go down to the subcontractors in order to get it. This is different for the example of the bus construction where you're dealing with a dealer that's kind of an intermediary. Here you're actually dealing with a contractor that is working a project. And, therefore it is both intuitive and expected that there will be a job impact of some import from the contractor itself. Here, just to repeat, for the vendor/contractor on the spending side of the house,

identity, purchase amount and description, assuming the purchase price is higher than \$25,000. On the job site, in most cases, it will be sufficient just to ask the general contractor to report the job impact according to that general contractor's purview. In limited cases, based on this example, I do not think it will come up that often. In limited cases, it may be appropriate to move beyond the general contractor to the subcontractor to collect additional job information. If for some reason that general contractor and the circumstances at play was really not intended to be the critical area for where jobs are created. For example, that general contractor is really acting more as an intermediary rather than conducting and coordinating the work themselves.

12. Don't understand explanation of a state agency which is a prime recipient, Agency A, which then gives Recovery Act funding to a second state agency, Agency B. Is Agency A the prime and Agency B the sub, or are they both considered prime recipients? If both are considered prime, how is the reporting split between Agency A and Agency B?

When a federal agency provides federal awards to a state, the state in general is considered the prime recipient. Therefore, if you have multiple agencies within a state that are going to be reporting into federalreporting.gov, that is how they are also considered part of the prime recipient. It is upon the state to coordinate and make sure that the roles and responsibilities between its various organizations are coordinated in such a manner that there is no duplicate reporting or that some program is not reported on by the different organizations within that state. I believe in your example, if the state of Michigan received Recovery Act funding and multiple awards, and one award goes to the State Dept of Education and another award goes to the State Dept of Transportation, the central organization within the State of Michigan can have the Dept of Education and the Dept of Transportation each separately report into federalreporting.gov on their respective awards. However, we still consider that to be the prime recipient. What you have done is just aggregate the reporting for the prime recipient. In the situation in which the State of Michigan were to subaward to a particular county or local government, that is what we consider then a subrecipient, that local or county government would be a subrecipient. Just to clarify one more time, I believe the situation that you described in which two different agencies within the state are going to be reporting separately, that is just what we consider an aggregated way of reporting for the prime recipient. Both of you are considered to be the prime recipient and you will have to establish clear roles and responsibilities of which organization is going to report on which award in the central reporting solution.

13. If a state is submitting information via XML feed from a central state system, should recipients and subrecipients also register in the federal system?

No, registration is solely for the purpose of report submission. If you're not reporting, you don't need to register. If the prime is reporting, they need to register. That's the whole purpose of the registration.

14. Will the system be available for reporting on Oct 10th through 11:59pm?

Yes. The request is do not wait until 11:59pm. We will be open for business.

15. Reporting on jobs created and/or retained, are these two separate numeric values that are to be captured or are the numeric values combined?

The final spreadsheet will not have two separate fields. The values will be combined. To answer your question, there will be one numeric value for jobs created and retained, not two separate values.

16. Your powerpoint describes the FTE calculation as total hours worked in the quarter divided by total hours in a full time schedule. Is this done on a cumulative basis or quarter by quarter? If the latter, how do we reflect teacher employers in the summer quarter?

It is cumulative. As I walked through when I was talking through the example, you'll be adding from the first quarter in which the project works, you'll be adding the hours worked in each quarter will be additive. You're also looking at total hours on a full time schedule cumulatively from the first quarter in which hours are worked on the project activity. Just based on your question how do we reflect teacher employees in the summer quarter. If they start working in Q3 you would add the total, you would start looking at the cumulative hours in a full time schedule in that quarter. In my example that would have been 520. You would add up the total hours worked by those teachers in that quarter. Divide the total hours worked by the total hours of a full time schedule and you would get your number of FTE. All that would be done cumulatively if some of those hours were also worked in the next quarter as well.

17. In cases where recipients halt funding to subrecipients or vendors, you state that these recipients will provide estimates of the jobs created or retained by those entities. Will you expect subs and vendors to report actual jobs to the recipient?

Yes, the guidance clarifies that the prime recipient's effort to generate job estimates, they should be directly counting jobs and the impact of their dollars from subrecipients and vendors to the extent that sampling is used as described, then the collection will not be universal among all subrecipients and vendors but on an appropriately sampled subset of those entities. What will be important is when the agency issues supplemental guidance on jobs reporting, the intent here is to clarify the types of direct job counts that are appropriate in given scenarios. They might not always be identical. Let me give a quick example. We talked a little bit about this subject in the morning session. I may have touched on it earlier in this afternoon's session. Distinguishing between transportation and education. In the education job impact it may be appropriate for the state at the prime recipient to reach out to the various school districts receiving funds under

the Recovery Act and to ask them about their budget outlook through the Recovery Act and post Recovery Act. From that changing budget outlook get a reflection of changing plans for the size of the school district's workforce. Pre Recovery Act the district may have anticipated a layoff rate of about 10% lets say. Post Recovery Act the budget picture changed after receiving an infusion of recovery funds the associated change in their layoff rate may be 2% instead of 10%. In that regard the state will be required, if they're not using a stat sampling methodology, to collect that type of information from every school district in its domain, and in its jurisdiction, and aggregate that information into an estimate of jobs retained in that case, or created if they actually see more jobs being created. At the end of the day more jobs are created as a result the changing budget outlook. The Dept of Education will be providing supplemental guidance to explain and offer assistance on the type of job information that can be collected to support these types of sampling.

Contrast that with the Dept of Transportation award, where the state, rather than sending money to school districts, is instead sending money to vendors to do statewide construction projects and localities to do local level construction projects. In that case we don't a comparable potential budget projection and workforce projection that was organized and coordinated by the county level. Instead we're going to actually go project by project and the asking associated vendors involved that as a result of gaining this work, construction or otherwise, how this change will make up their employment of that particular vendor. Did they hire more people to do the work and how many hours? Did they retain more people as a result of getting the project? A different type of query to the recipient based on the different program involved, in that regard, that's where it will be important that the agencies provide supplemental guidance to describe the type of jobs information that should be collected from the program area.

18. We reviewed the XML schema for jobs created and retained. It did not appear to have a description field in the XML schema. The XML schema only appeared to have a number field. When do you plan on republishing the XML schema?

The end of July.

19. Jobs created by grants, loan or contract to another entity, your slide states that the recipient will provide an estimate of jobs created or retained. Does this mean that neither the prime recipient nor the vendor/subrecipient needs to apply the hours worked methodology described at page 35 of the OMB guidelines?

No, that's not the intention. The law requires us to "estimate the job impact." In developing our guidance, we looked at a lot of different public comment and a lot of different alternatives for how to construe the word "estimate" there. Ultimately the way our guidance reads was the way to carry out the congressional objective of this requirement and that is, to where possible, collect direct counts from vendors and subrecipients in order to generate the estimate. Even with collecting

direct counts we still think there potentially could be some variation in the overall totals. But we still think it is an estimate of sorts. Of course, as it's described, there is the possibility of doing a stat sample and collecting a subset of information. Whether you're doing a stat sample or not, you're still collecting job count information from the locality involved with the subrecipient or vendor. This is distinguished from other types of estimates that were provided in public comment, and debated and dialogued with various stakeholders. For example, some came in and felt the estimate could be generated by having the prime recipient do some kind of multiplier and indicate for every certain amount of dollars that are expended by the prime recipient can provide an estimated job total. That is a different type of estimate. But that is one that we considered and decided not to pursue in the interest of working through this issue with a variety of different inputs we determined that the direct job count was feasible and stat sampling was not. That's the best approach that meets the congressional objective of this requirement.

20. To count jobs as jobs retained, do we need evidence that the employer had planned layoffs or is the goal to capture all labor that is being funded by the Recovery Act, whether those are created or retained jobs? We are concerned that the first methodology will undercount jobs.

Yes, you would be looking at all of the hours that are funded by the Recovery Act, so that everybody working on a Recovery Act project would get paid with Recovery Act funds. You would be aggregating all the hours for all those employees.

21. Can multiple state agencies select one reporter to do prime recipient reporting?

Yes. It's up to the state whether they want it centralized or aggregate the reporting for that state. When a state uses the approach of having multiple reporters at the state level, which is well within the state's authority and capacity to do that, we have asked that the states take due care in really making sure that there is clear instructions and a clear framework for who has been provided that reporting responsibility for what awards. There should be to the maximum extent practicable, a very clear roster of the responsibilities for reporting. The goal here is to avoid double counting or confusion. We don't want a situation where John Smith is reporting information on a particular broadband award, for example, and James Smith, a few hours later, mistakenly reports information on that same award. To prevent that, this is something that the states or the prime recipients have the responsibility to do, is to make sure that both John and James Smith have clear understanding of when and who is reporting what. This is part of the responsibilities associated with decentralizing reporting at the state level. We encourage to find on a level that just requires due care in making sure the various players involved in reporting know that they need to register on federalreporting.gov, that they each need a user ID and password and then know whose reporting what and when so that reporting is coordinated overall.

22. Is CCR just for contracts vs. grants?

No, CCR registration is for both federal financial assistance as well as contracts. In the interim final guidance that was issued in April regarding federal financial assistance we do require that prime recipients register in the CCR. We also indicate that sub recipients will also register in the CCR. We are currently in the process of reviewing all the comments that came in on the internal final guidance and we will issue a final guidance as soon as practicable. Yes CCR registration does apply to grants as well as contracts.

23. Can you clarify which programs require 1512 reporting and which ones do not?

If you're looking a specific detailed list as to which programs are subject to 1512 reporting, we are compiling Supplement 1 which is on OMB's website with the latest memorandum and guidance issued by our director. It's on Recovery.gov as well. Supplement 1 is a list of programs that are intended to be not only federal financial assistance programs but also programs that will involve federal contracts as well. Supplement 1 is a compilation of the programs subject to 1512. If you remember in the earlier slides we talk about some general exceptions to 1512 reporting which include mandatory programs, includes programs in which individuals are the recipients and also includes loan guarantees unless 100% financed by the Federal Financing Bank.

24. In our state we have full time work week hours of 35 and 40 hours a week. How do we calculate the FTE hours for our jobs?

In order to avoid any errors as you move from quarter to quarter, I would recommend that you calculate all of the hours worked on the 35 hours. Find the people that have a 35 hour work week time schedule and divide that out to get your FTE number. Then do all the people who have 40 hour per week full time schedule, calculate that FTE number. Then you should be able to add those FTE numbers to get the total.

25. For reporting on jobs created and retained, prime site must include the job numbers for itself and its subsites. Does prime also have to include all job titles and descriptions for all jobs created and retained at each subsite or do we just fold in their numbers?

We described two separate fields for job reporting. There's a narrative description and there is a numeric field. With respect to the numbers, there's not a requirement to disaggregate all the different pieces of your overall estimates. So if you're reporting, let's say, 30 jobs created in a quarter for a specific award. You believe those 30 jobs came from a variety of different activities, you don't have to assign separate amounts within that 30 to each activity, if you just report the 30. But in reporting the 30 you should generally describe in your narrative the

types of activities generally that led to the creation of those 30 jobs, the retention of those 30 jobs. So to recap, the overall number must be reported. In the narrative you can reflect what was input in that number. But you don't have to give a specific subcount for the 30 for where that 30 comes from in terms of all the various projects and activities.

26. Many of the examples are geared towards the construction field or very expensive pieces of equipment. How does a state agency capitalize or calculate the job creation or retention when the agency is purchasing approximately 20 computers, one at a time, via the internet from a large computer company where no contract is needed?

If you are more in a retail environment like what you're describing here, there is not a significant expectation for us to be able to capture job impact for individual transactions. Going back to the bus example, if the state has signed a contract with a manufacturing company to purchase 200 buses, this is a significant event for the manufacturing company in question and for local economy where that manufacturing company resides. Therefore, it becomes more relevant and appropriate to pursue a meaningful job impact for that type of event. But if one bus is purchased from the manufacturer, it's much more difficult at that point to recognize an overall project activity or job count. So there, it's another case where best judgment is needed. The expectation would be that where you have recipients doing more or less of what you're describing as minor retail purchases, there should be some level of inquiry regarding whether these more smaller individual purchases are having a job impact. Where we want you to make sure you are focusing your energy are on those areas where there is critical mass where you expect the job impacts to be great. In the example I provide, spend more time and more focus working with the vendor of a large contract for either a significant amount of equipment as you described what you called a large expensive piece of equipment, spend some time working to understand if there is any job impact on smaller retail purchases. That time has to be moderated by the value of pursuing that information knowing that it is often difficult to capture job impact from these types of smaller transactions.

27. Would you please clarify whether or not data elements, total federal Recovery Act expenditure, total nonfederal Recovery Act expenditure, and total non expenditure following the total infrastructure in expenditure line items are related to infrastructure expenses? Do these data elements fall within the infrastructure expenses and infrastructure congressional review?

I think we're going to have to digest that question a little more indirectly. Our early impression in looking at the data model, is the answer to the question is yes. But we will to get your contact information and connect back with you. If we find that this question has broader applicability, we'll do FAQ's to define and clarify to the rest of the people.

28. If you are a public institution of higher education responsible for the state and under the state but receive Recovery Act grants directly from the feds for sponsored research, who is the prime? The assumption is the public institution is. Who would be responsible for the reporting? Both the public institution and the state?

The challenge with answering this question is we need more facts around a given situation to understand how best to answer the question. I will offer this to you. If the institution of higher education is a state run university and they are the first entity to receive the funds. Take for example the State University of New York at Buffalo, if that, which is a state run university, receives a research grant directly from the federal government, they are the prime recipient. Whoever they sub to, whether it's a traditional university or otherwise, would be the subrecipient. In the event that the state government, the governor's office's State Dept of Education or some state level entity receives funds under the Recovery Act, if they transfer to the state run university, the answer to that question is whether the state run university is a subrecipient or continues to be a prime recipient is one that needs to be sorted out on a case by case basis. We've got questions on this and depending on the nature and relationship between the state university in question and the state government we come to different conclusions based on a variety of factors that are in play. What we have decided to do is we can't give a global answer that in all cases the state-run university is a sub or that state-run university is a prime. Where that scenario is in existence and you have the state run university receiving some kind of award from another state entity that was the primary recipient. What we need to do is circle that issue with the relevant federal agency that issued the award. We'll likely need to ask you some questions about the relationship between the state university and the state itself. There's certain legal questions that I understand some of the involved lawyers want to work through before we can distinguish that situation. But it's a much easier question if the state university, like in my example, receives the funds directly from the federal agency and it does not come through another state entity. In that case, it is very clear that the state run university is the prime recipient. In other cases, it depends on the circumstances involved, the relationship of that state university to the state government itself.

29. Will reporting on jobs be done with the financial reporting act on federalreporting.gov or will there be a separate outlet created for reporting on jobs?

Yes and no. The overall job number, your total job number completed in the numeric field in describing your narrative that is reported through federalreporting.gov. But the mechanism by which you populate that number, particularly the communication that you have as a prime recipient with your vendors or subrecipients, that will not be mechanized through federalreporting.gov. There are a variety of reasons why we determined that to be the approach. What we are doing is evaluating, and a lot of them have to do with

the variety of different avenues by which recipients will be collecting that information, whether it's through stat sampling or types of information they might be collecting. Like the example I provided with the school districts vs. construction projects. At the time that we finalize the data model for federalreporting.gov, we made a judgment call and determined it's not best suited at this time to standardize that and collect that information through the system. But we are open to doing that on a go forward basis. We will be considering modifying the reporting model if we get public feedback and expressions of support for that for the recipient community but it will be challenging in that there's not a one-size-fits-all way to describe and implement and initiate that data collection. In particular, one point I point out is the way the process works that Dana walked through, subrecipients and prime recipients are reporting on the same day. You're all reporting in advance of Oct 9th and 10th, the reporting deadline. There's a timing challenge in getting the information through federalreporting.gov from the subrecipients to the prime recipients. Also, vendors are not in the system. So there are several logistics issues that would need to be worked out before we can utilize federalreporting.gov as a mechanism for collecting job information to the prime from the sub or vendors.

30. Does the total hours worked for the FTE calculation include actual hours worked including overtime hours or do you just use how many hours that employee should have worked given their full time or part time status?

You should just count the total number of hours worked. Hypothetically, even if you have just one employee working on a project, it is technically possible that you could have more than one FTE working on that project. For instance, if they were 1 ½ times a full time schedule you could report that as 1.5. Just count that as total number of hours that are actually worked on the project by that employee.

31. Are vacation and sick leave hours counted as hours worked?

Yes, they are.

32. Are cumulative job estimates from July 1 or from the Recovery Act passage date?

You'll start counting the cumulative total in the first quarter in which any hours are worked on the project. You don't go back to any arbitrary date. You just look at whatever the first quarter in which any hours are worked and you start counting all the cumulative in that. We will, within the system, look at how things align but from your perspective you should be just calculating the FTEs starting in the first quarter in which that project activity started.

33. Are you reporting all employees that worked on the project or just the new employees that have joined the company?

You're looking at the total hours that are worked by the employees of the company. If they existed at the company before and are now being funded by the Recovery Act or if they just joined the company you don't need to distinguish between that for these purposes given that companies do move employees onto different projects. Sometimes they use employees in shifts and hire to backfill them so we're not making those kinds of distinctions. Just look at the total hours of the employees are working on the project.

34. Do you cap full time employees at 520 even though that one employee worked 630 hours for the quarter?

No, there is no cap for this little number of hours in the period. It can be more than the number of hours in a full time schedule.

35. Can you go back and change the report if you discover an error or can you just modify the current quarter's estimate?

Yes, it depends on when in the sequence this happens. Days 1 – 10 you can update the report and resubmit and it just replaces the data on that particular file. Days 11-21 after the end of the quarter that replaces the report but is version controlled. The previous versions still exist for audit purposes. Of course, the report needs to be submitted by the 10th. Days 22- 29 the system is essentially locked and you can't update the information unless an agency, during the review process, identifies an issue and unlocks that report for you. After day 30 we're considering those submissions final and the update would happen in the next reporting cycle. The next quarter you would just make the adjustment with your cumulative report.

36. How would a state determine the top five officers? Is this determined strictly by salary?

This is going back to the Transparency Act amendment which is what the subrecipients and recipients are required to comply with. It talks about senior executives of the entity. It doesn't go more into specifics. I would think that specifically the more senior you are, your pay is usually paralleling the status within the organization. From the question before, people in the public realm, their salaries are usually already available to the public in one manner or another. But if they are not, yes I would go ahead and see who the top senior executives are. They would probably be the highest salaried people within the organization.

37. Are prime recipients expected to report vendor purchases under \$25,000 in the aggregate? If so, where in the data model does this go? Or is it included in the general expenditures when reporting fields?

Yes, prime recipients are expected to aggregate vendor purchases under \$25,000. The data model included in Supplement 2 currently has a field for subawards less

than \$25,000. As we indicated before, Supplement 2 is still under some slight revisions which at the end of July which you will see the final data model or in the data elements in Supplement 2. You will find a separate field which will have a place holder for a number for the dollar amount of purchases under \$25,000 for vendors. It will have a field for dollar amount for subawards less than \$25,000. It will also contain a dollar field for payments to individuals.

38. Should a reporting entity obtain a separate CCR for individual awards?

I'm not sure we fully defined at what level CCR registration has to take place. There is some discretion and flexibility within that. At the individual award that seems perhaps a little too detailed. I will leave that to your discretion. We don't necessarily indicate at which level the CCR registration has to be filled out for respective recipients.

39. For jobs retained, should we report all personnel paid on the grant, or just those which we qualified as received due to the grant?

You'll be reporting the total hours worked that are funded with granted funds. You don't need to try and bucket people like that. Just report on the total hours worked that are funded.

40. What happens to the bus company in the example used earlier who finishes the buses in quarter 3 so there are 0 FTEs in quarter 4? Do the number of jobs ramp down or are we only reporting on active projects?

It is ok if the number of jobs go down based on those kind of activities. As the reporting progresses and some activities ramp down, the total FTE impact will, in some cases decline, as it does in the example we provided.

41. For purposes of calculation of jobs created or retained, will you please define supplier?

It is used synonymously with vendor. In the guidance in this case it would be a company from whom you are buying goods or services.

42. What penalties are imposed, if any, to the subrecipient when job reporting is not submitted?

The reporting on jobs is also included in the terms and conditions of the federal award. Any kind of noncompliance with that federal award could be subject to termination of that particular award. It could be subject to professional debarment depending on the severity of the noncompliance. The federal agency would definitely need to be involved as to discussions with you as to why you are not compliant with the terms and conditions. It includes jobs reporting.

43. For higher education, many professors only charge a portion of their salary, say 10% of their salary, to grants and contracts during the academic year. If only such a marginal portion of their salary is paid from Recovery Act funds is it ok to still assume that their job has been retained because they were paid with these funds?

The guidance right now has an example of a specific educational institution that clarifies that if there is a portion that is funded by that you can take a percentage against the total hours worked. In that case you would take 10% of the total hours worked. There is going to be supplemental guidance that is going to be coming out on this. There is consideration that for reporting simplicity there's going to be a 50% threshold. I can't answer that right now if we're going to put a 50% threshold in place. For those of you that have this issue, you should watch out for additional guidance on this. But the general concept that you can take proportional funding is in the guidance now.

44. Is there a reporting requirement for certification that the program goal has been achieved? What if the incentive performance objective was actually achieved as required by OMB Director's Memo of Feb 18, 2009?

We'll have to look into that. Every federal agency is looking at the performance reporting requirements. The actual 1512 data elements right now don't include some of those performance requirements. We generally are looking at the reporting of performance being done by federal agencies. If you're a recipient and you're having those questions, contact the individual at your federal agency who are responsible for the grant or contract award.