



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

07/01/2009

OFFICE OF
WATER
ARRA 09-03

MEMORANDUM

SUBJECT: Tracking and Reporting Requirements of the American Recovery and Reinvestment Act of 2009 for the State Revolving Fund Programs

FROM: James A. Hanlon, Director
Office of Wastewater Management (4201M)

Cynthia C. Dougherty, Director
Office of Groundwater and Drinking Water (4601M)

TO: Water Management Division Directors
Regions I – X

This memorandum provides additional information regarding the timing and reporting requirements that apply to water infrastructure projects funded under the American Recovery and Reinvestment Act of 2009 (ARRA) through the State Revolving Fund programs. This supplements guidance issued on March 2, 2009, governing the award of capitalization grants under the ARRA, and is based on guidance issued by the Office of Management and Budget on this subject.

Water infrastructure projects funded under Section 2 Title VII of the ARRA are unique in the time critical deadlines that apply. Each State must ensure that all funded projects are under contract or under construction by February 17, 2010, or EPA is required to take those funds and reallocate them to States that have used their allotment. This requirement together with the additional subsidy and green project reserve requirements along with the universal commitment to transparency on the use of ARRA funds make timely and accurate reporting critical. EPA is also cognizant of the burden on States to manage the ARRA resources within these timelines and transparency demands. We have developed an effective and efficient information application that will allow States to: (1) meet the requirements of Section 2, Title VII (Attachment 1), (2) enter information required by Section 1512 of ARRA (Attachment 2), and (3) meet internal reporting requirements.

The Office of Water has adapted the existing Clean Water State Revolving Fund (CWSRF) Benefits Reporting (CBR) system and Drinking Water State Revolving Fund (DWSRF) Project Benefits Reporting System (PBR) to collect project-level data elements associated with ARRA funded SRF projects and to assist States with meeting the reporting

requirements of the ARRA. The systems are now available for data entry. States should begin reporting data on funded ARRA projects (category 1 above) no later than July 24, 2009. ARRA funded recipients are required to submit ARRA Section 1512 data (category 2 above) to FederalReporting.gov in accordance with guidance issued by OMB. In cooperation with OMB and State SRF program managers, the Office of Water has developed a pilot reporting process in which States may report Section 1512 data via the CBR/PBR systems and provide that information to FederalReporting.gov via file transfer. This process is further described below. OMB guidance calls for reporting to begin on October 10, 2009; however States may begin entering Section 1512 data into CBR/PBR prior to the OMB deadline to meet internal needs.

The specific data reporting requirements are included in Attachments 1 and 2 (which supersede Attachment 4 to the March 2, 2009 memorandum). The key requirements are summarized herein. States should enter all available information for each individual assistance agreement into CBR/PBR by the end of the week (Friday) in which the assistance agreement is made.

As the ARRA-funded project progresses and additional project-level information (e.g. construction start date) becomes available, the state should request that the assistance recipient provide them with the information no later than one week after the information becomes available. The state should enter the data into the appropriate data field in CBR/PBR by the end of the week in which the information is received from the assistance recipient. Most project-level information will be entered into CBR/PBR one time only and will not need to be updated on a weekly basis. However, any change that occurs to previously entered data should be updated in the CBR/PBR no later than the end of the week in which the change occurred or notification of the change was received from the assistance recipient.

Four data elements—completion status, project-level disbursements, number of jobs created and retained, and employment impact—must be updated on a quarterly basis. For these data elements, information is required to be submitted in a timeframe set by OMB guidance.

Transfer of Section 1512 Data to OMB

OMB guidance on Section 1512 requires that ARRA recipients provide quarterly reports to OMB no later than 10 days after the end of the calendar quarter. In order to facilitate this process, EPA will upload capitalization grant level data from existing EPA data systems into CBR/PBR. The CBR/PBR systems have a reporting function that allows State users to compile complete Section 1512 reports into the format requested by OMB. The compiled report will be available for download from CBR/PBR. The State SRF programs will be responsible for providing this report to OMB or to the appropriate intermediate State contact, as determined by the State. Instructions on the process for data transfer to OMB are outlined within OMB's final reporting guidance.

This reporting process is intended to simplify reporting for State SRF programs and increase accessibility to SRF program data within the SRF programs and the Office of Water. States will be able to run reports on the use of ARRA funds, as needed to meet requests by State managers, legislatures, Congress, and others.

Reporting on Administrative Funds and DWSRF Set-Asides

States are required to report on the use of ARRA funds for administration of the SRF programs. If a State has chosen to use the ARRA capitalization grant for administrative costs, the use of those funds must be reported in CBR/PBR. Any contract paid for with administrative funds, including audit contracts, should be reported in the same manner as an assistance agreement, where the primary contractor is the assistance recipient and the work performed under the contract is the project. State employee salaries, travel, supplies, etc. paid for with the administrative funds must also be reported. In this case, the state agency that administers the SRF program is the assistance recipient and the project is the plan for using those funds. For the DWSRF, all State set-aside uses will need to be reported through the PBR in the manner listed above. A specific space for set-aside reporting will be available.

Reporting on Environmental Outputs and Outcomes

For the CWSRF, if the state has elected to use CBR to comply with EPA Order 5700.7, Environmental Results under EPA Assistance Agreements, the State must enter all information for the environmental benefits data elements as well as the ARRA data elements. For the DWSRF, fields required for ARRA will be marked as required fields and must be completed. Additional fields are for voluntary benefits reporting, should a State wish to use it. At this time, filling out the voluntary fields will not be sufficient for meeting EPA Order 5700.7 requirements for DWSRF programs.

If you have any questions concerning the contents of this memorandum, you may contact us, or have your staff contact George Ames, Chief, State Revolving Fund Branch, Municipal Support Division, at (202) 564-0661, or Charles Job, Chief, Infrastructure Branch, Drinking Water Protection Division, at (202) 564-3941.

Attachments

Attachment 1: Water Infrastructure Management Data Elements

		ARRA Water Infrastructure Management Data Element	Description	Reporting Frequency
Financial	1	Additional Subsidy Provided	Check if any principal subsidy will be provided for the ARRA funding.	Weekly*
	2	Grant Amount	The cumulative dollar amount of the ARRA funding that will be provided to the assistance recipient in the form of a grant at the time of disbursement.	Weekly*
	3	Negative Interest Subsidy	The cumulative dollar amount of negative interest subsidy that will be provided over the entire life of the loan.	Weekly*
	4	Principal Forgiven	The cumulative dollar amount of principal that you plan to forgive over the entire life of the loan.	Weekly*
	5	Positive Interest Rate Charged	The positive interest rate (%) charged on any ARRA funds to be repaid.	Weekly*
	6	Total SRF Assistance - ARRA Funding	The cumulative total dollar amount of ARRA funding for this infrastructure investment.	Weekly*
	7	Total SRF Assistance - Other SRF Funding	The cumulative total dollar amount of non-ARRA SRF funding for this infrastructure investment.	Weekly*
	8	Total SRF Funding	The cumulative amount of Total SRF Assistance from both ARRA Funding and Other SRF Funding. This dollar amount is automatically populated to reflect the amounts found in the "Total SRF Assistance - ARRA Funding" and "Total SRF Assistance - Other SRF Funding" sections.	Weekly*
Milestones	1	Funding Agreement Executed	The actual date of the full execution of the funding agreement.	Weekly*
	2	Last Construction Contract Executed (Under Contract Date)	The actual date that the last construction contract funded from this ARRA assistance is fully executed. If the ARRA funding is not funding construction, this date should reflect the date of the last contract being funded. The "Last Contract Executed" date is requested to ensure that a date is <u>only</u> entered once <u>all</u> ARRA funded contracts are executed.	Weekly*
	3	Construction Start Date (First Contract Started)	The <u>actual</u> date that the first contract funded by this ARRA assistance started. This date may precede the date that the last construction contract is executed. Last contract is deemed started when a notice to proceed is issued.	Weekly*
	4	Construction Completed Date (Last Contract Completed)	The <u>actual</u> date that the last contract funded by this ARRA assistance is completed. This date should not be before the date that the contract started. For projects receiving funding from ARRA and other sources of funds, the entire project may not be complete at the time the ARRA funded portion of the project is complete. The "Last Contract Completed" date is requested to ensure that a date is <u>only</u> entered once <u>all</u> ARRA funded contracts have been completed.	Weekly*

Attachment 1: Water Infrastructure Management Data Elements

Project Information	1	Project Number	A unique project identifier. This field is automatically filled from the main form.	Weekly*
	2	Project Name	A brief but descriptive name for the ARRA funded project.	Weekly*
	3	Project Description	Breif description of the goals and objectives of the work funded with ARRA funds.	Weekly*
	4	Project Includes Green Infrastructure?	When checked, indicates that the ARRA funded project includes green infrastructure as defined in ARRA.	Weekly*
	5	Amount of Green Infrastructure to be Funded by ARRA (\$)	The total cumulative dollars of the identified ARRA funding for this project that will be utilized for green infrastructure. The dollar amount reported cannot exceed the amount of ARRA funding for the project.	Weekly*
	6	Project Location	The physical location of the primary place of performance for the ARRA funded activity (Street address, City, State, Zip Code, Congressional District(s)).	Weekly*
Recipient Information	1	Recipient Name	The legal name of the recipient as registered on the Central Contractor Registration web site (www.ccr.gov).	Weekly*
	2	Recipient Address	The physical location of the recipient (Street Address, City, Zip Code).	Weekly*

*As Changes Occur

Attachment 2: Section 1512 Data Fields

	ARRA Field	Description	Frequency	
Financial	1	Total SRF Assistance - ARRA Funding	The cumulative total dollar amount of ARRA funding for this infrastructure investment.	Quarterly*
	2	Federal Share of Assistance - ARRA Funding	The cumulative dollars of ARRA funding that will come from Federal sources. This field will always be equal to the field above (Total SRF Assistance - ARRA funding) and will be automatically populated.	Quarterly*
	3	Total SRF Assistance - Other SRF Funding	The cumulative total dollar amount of non-ARRA SRF funding for this infrastructure investment.	Quarterly*
	4	Assistance - Other SRF Funding	The cumulative dollars of other (non-ARRA) SRF funding that will come from Federal SRF sources.	Quarterly*
	5	Total SRF Funding	The cumulative amount of Total SRF Assistance from both ARRA Funding and Other SRF Funding. This dollar amount is automatically populated to reflect the amounts found in the "Total SRF Assistance - ARRA Funding" and "Total SRF Assistance - Other SRF Funding" sections.	Quarterly*
	6	Non-SRF Federal Funding	The cumulative dollar amount of Federal funding from <u>non-SRF Funding sources</u> (i.e. special appropriation grants, other non-SRF EPA grants, rural development loans/grants, etc.). This amount may be zero.	Quarterly*
	7	Non-SRF Other Funding	The cumulative dollar amount of funding from other non-SRF Funding sources, <u>besides Federal assistance</u> (i.e. all other non-Federal funding that is outside the SRF including local funding, state loans/grants, and debt financing not supported by the SRF). This amount may be zero.	Quarterly*
	8	Total Project Cost - Entire Project	The sum of Total SRF Funding, non-SRF - Federal Funding, and non-SRF - Other Funding. The amount shown should reflect the total dollar amount you understand to be the <u>entire cost of the project</u> .	Quarterly*
	9	Project/Grant Period	The authorized funding period in months. This field may be left blank if the funding does not have a fixed period.	Quarterly*
	10	ARRA Dollars Disbursed	The total ARRA dollars drawn from the ARRA grant and disbursed (cash basis) for the <u>ARRA funded portion</u> of the infrastructure investment that was completed.	Quarterly
Milestones	1	Funding Agreement Executed	The actual date of the full execution of the funding agreement.	Quarterly*
	2	Percent Completion	The percent of the scope of the infrastructure investment that was completed for the <u>entire project</u> .	Quarterly

Attachment 2: Section 1512 Data Fields

Economic Impact	1	Number of Jobs Created or Retained	The number of jobs that will be created or retained in the United States and outlying areas, in this calendar quarter, for the <u>entire project</u> . Jobs created by the primary contractor's workforce and the workforces of subcontractors should be reported. A job cannot be reported as both created and retained. The number shall be expressed at "full-time equivalent" (FTE), calculated cumulatively as all hours worked divided by the total number of hours in a full-time schedule, as defined by the recipient. For instance, two full-time employees and one half-time employee working half days would be reported as 2.5 FTE in each calendar quarter.	Quarterly
	2	Employment Impact - Jobs Created or Retained	A narrative description of the employment impact of work done by jobs created and jobs retained. This narrative should be cumulative to date and must be updated for each calendar quarter and at a minimum, address the impact on the primary contractor's workforce, and the impact on the workforces of subcontractors. At a minimum a brief description of the types of jobs created and retained in the United States and outlying areas should be entered each calendar quarter. This can be reported in terms of broad labor categories, such as "Wastewater Utility Construction."	Quarterly
Project Information	1	Project Number	A unique project identifier. This field is automatically filled from the main form.	Quarterly*
	2	Project Name	A brief but descriptive name for the ARRA funded project.	Quarterly*
	3	Project NAICS Code	For awards primarily funding infrastructure projects or activities: The North American Industry Classification System (NAICS) code that describes the ARRA project or activities under this funding agreement (drop-down list).	Quarterly*
	4	Project NTEE-NPC Code	If there is no NAISC code that applies to the projects: The National Center for Charitable Statistics (NTEE-NPC) code that describes the ARRA funded project (drop-down list).	Quarterly*
	5	Project Description	Brief description of the goals and objectives of the work funded with ARRA funds.	Quarterly*
	6	Funding Rationale	Explanation of how the infrastructure investment will contribute to one or more of the 5 major purposes of the Recovery Act: (1) To preserve and create jobs and promote economic recovery. (2) To assist those most impacted by the recession. (3) To provide investments needed to increase economic efficiency by spurring technological advances in science and health. (4) To invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits. (5) To stabilize State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases.	Quarterly*
	7	Project Location	The physical location of the primary place of performance for the ARRA funded activity (Street address, City, State, Zip Code, Congressional District(s)).	Quarterly*

Attachment 2: Section 1512 Data Fields

Subrecipient Information	1	Central Contractor Registration (CCR) or DUNS Number	The recipient organization's 9-digit Data Universal Numbering System (DUNS) number or Central Contractor Registration (CCR) plus 4 extended DUNS number.	Quarterly*
	2	Area of Benefit	The area that receives a benefit from this project or activity. The area of benefit may be: State, County, City, School District	Quarterly*
	3	Recipient Congressional District (optional)	Congressional district in which the assistance recipient is located.	Quarterly*
	4	Recipient Highly Compensated Individuals (Names)	Three conditions must be met to require reporting of highly compensated individuals. When all 3 items are checked, "recipient highly compensated individuals" must be reported. Based on the preceding fiscal year, the conditions are as follows: (1) The recipient received 80 percent or more of its annual gross revenues in Federal awards; and (2) The recipient received \$25,000,000 or more in annual gross revenues from Federal awards; and (3) The public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986 [26 USCS § 6104]. If these conditions are met, enter the full name of the five highest paid individuals.	Quarterly*
	5	Recipient Highly Compensated Individuals (Total Compensation)	For the five most highly compensated officers of the entity: total compensation. This field is required only if the following 3 conditions are met based on the preceding fiscal year: (1) The recipient received 80 percent or more of its annual gross revenues in Federal awards; and (2) The recipient received \$25,000,000 or more in annual gross revenues from Federal awards; and (3) The public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986 [26 USCS § 6104]. Compensation includes: (1) Salary and bonus. (2) Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with FAS 123R. (3) Earnings for services under non-equity incentive plans. Does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees. (4) Change in pension value. This is the change in present value of defined benefit and actuarial pension plans. (5) Above-market earnings on deferred compensation that is not tax-qualified. (6) Other compensation. For example: severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property if the value for the executive exceeds \$10,000.	Quarterly*

Attachment 2: Section 1512 Data Fields

6	Contractor DUNS Number OR Contractor Name and Zip Code	The DUNS number for any for any payments greater than \$25,000 made to vendors by the SRF assistance recipient. A vendor is defined as an entity or individual from which the recipient procures goods or services needed to carry out the project or program. If the DUNS number is not available, the name and zip code of the vendor's headquarters must be provided.	Quarterly*
1	State DUNS Number	The 9-digit Data Universal Numbering System (DUNS) number of the State Agency that is the recipient of the ARRA SRF capitalization grant.	Quarterly*
2	State MPIN Number	The 9-digit MPIN number created by the State Agency during registration at CCR.gov.	Quarterly*
3	State Account Number (optional)	State's internal account number for ARRA capitalization grant.	Quarterly*
5	State Highly Compensated Individuals (Name)	Three conditions must be met to require reporting of highly compensated individuals. When all 3 items are checked, "State highly compensated individuals" must be reported. Based on the preceding fiscal year, the conditions are as follows: (1) The State received 80 percent or more of its annual gross revenues in Federal awards; and (2) The State received \$25,000,000 or more in annual gross revenues from Federal awards; and (3) The public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986 [26 USCS § 6104]. If these conditions are met, enter the full name of the five highest paid individuals.	Quarterly*

Attachment 2: Section 1512 Data Fields

State-Level Information	6	State Highly Compensated Individuals (Total Compensation)	For the five most highly compensated officers of the entity: total compensation. This field is required only if the following 3 conditions are met based on the preceding fiscal year: (1) The State received 80 percent or more of its annual gross revenues in Federal awards; and (2) The State received \$25,000,000 or more in annual gross revenues from Federal awards; and (3) The public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986 [26 USCS § 6104]. Compensation includes: (1) Salary and bonus. (2) Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with FAS 123R. (3) Earnings for services under non-equity incentive plans. Does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees. (4) Change in pension value. This is the change in present value of defined benefit and actuarial pension plans. (5) Above-market earnings on deferred compensation that is not tax-qualified. (6) Other compensation. For example: severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property if the value for the executive exceeds \$10,000.	Quarterly*
	7	Vendor DUNS Number OR Vendor Name and Zip Code	The DUNS number for any for any payments greater than \$25,000 made to vendors by the State SRF. A vendor is defined as an entity or individual from which the recipient procures goods or services needed to carry out the project or program. If the DUNS number is not available, the name and zip code of the vendor's headquarters must be provided.	Quarterly*
	8	Description of Vendor Services	A description of the product of service provided by the vendor.	Quarterly*
	9	Vendor Amount	The amount of ARRA funds paid to the vendor.	Quarterly*

*As changes occur