

## **City and County of San Francisco**

### **Frequently Asked Questions about Reporting American Recovery and Reinvestment Act of 2009**

#### **Introduction**

Section 1512 of the Recovery Act requires that recipients report on Recovery Act (stimulus) funding no later than the 10<sup>th</sup> day following the end of each calendar quarter. The first reporting deadline is October 10<sup>th</sup> for activity through September 30, 2009. The historic nature and timing of the objectives of the Recovery Act have resulted in instances where recipients and sub-recipients of stimulus money have received incomplete and sometimes changing instructions about how to comply with the reporting requirements. This document will be updated as new or clarifying information becomes available.

City departments are receiving stimulus money directly from federal agencies as well as through various agencies of the State of California. Detailed guidance on all aspects of reporting is still being developed by both federal and state agencies awarding the funds. Guidance to federal agencies was released June 22, 2009 by the Office of Management and Budget (OMB). OMB has published and frequently updates its FAQ for federal agencies. In that document, OMB reports that it does not plan to issue formal guidance directly to state or local governments.

Departments' best source of detail reporting guidance in all cases is the federal or state agency that awarded the stimulus funds. In many cases, the granting agency has issued specific guidance. Most federal agency guidance is addressed to prime recipients, which in most cases are the states. In some cases, the State of California has not published detailed guidance for local government and other sub-recipients.

#### **Providing transparency and accountability over Recovery Act funds**

The City convened its Transparency and Accountability Task Force shortly after the Recovery Act was signed. Participants of the task force included representatives from the Offices of the Mayor, City Attorney, Controller, Contract Administration, and Information Technology.

The following FAQ is intended to assist city departments to meet their statutory and contractual obligations to manage and report on Recovery Act funds received and disbursed by the City. In addition, procedures have been established by the Offices of the Mayor and the Controller that in some cases exceed statutory and contractual reporting requirements. These procedures will allow a layer of citywide review and oversight that is designed to allow the City to report accurately and comprehensively on all Recovery Act resources entrusted to it.

Key to the oversight process is the completion and submission by all departments of a reporting template that the OMB has developed for importing quarterly award activity data into [FederalReporting.gov](http://FederalReporting.gov). This completed template will form the basis of review and public reporting of all awards federal direct and awards passed through the State, whether or not they require reporting under the Recovery Act.

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**Q1: What do the Mayor's Office and Controller require that departments do for the first reporting period?**

**A1:** On September 3, 2009, the Mayor's Office distributed a memorandum to departments outlining the following requirements for the first quarterly reporting period:

**By September 9<sup>th</sup>:** departments to complete a schedule that showed funds awarded or expected, funding entity to which reported, job creation information, and point of contact for each award

**By September 15<sup>th</sup>:** departments that are direct recipients of federal funds that are required to be reported on FederalReporting.gov must register on the FederalReporting.gov web site.

**By September 18<sup>th</sup>:** all departments (whether or not required to report on FederalReporting.gov) to return OMB reporting template identifying data sources to the Controller's Office.

**By October 5<sup>th</sup>:** departments to submit populated template for each award for the reporting period ending September 30<sup>th</sup> to the Controller's Office. Note that even though some stimulus awards are not required to be reported to the state or federal government, the excel reporting template for each award must be submitted by the department for each award..

**No later than October 9<sup>th</sup>:** departments must upload the approved reporting to the funding agency for each grant for which quarterly reporting is required.

**Q2: What is FederalReporting.gov?**

**A2:** It is the central government-wide data collection system via web-portal for Agencies and Recipients of awards under section 1512 of the Recovery Act. Recipients will access Federal Reporting.gov in order to fulfill their reporting obligations. Prime & Sub Recipients are required to submit data on a quarterly basis. The OMB and Federal Agencies will review quarterly reports.

**Q3: Which departments need to register in FederalReporting.gov?**

**A3:** Departments who have or expect to receive federal direct awards of discretionary stimulus funds before September 30, 2009 who are not already registered should register directly on FederalReporting.gov as soon as possible. Funds that are not considered discretionary are entitlements such as Medicare and TANF, or mandatory payments like the COBRA supplement that the Recovery Act established. The web site for registration is <http://www.federalreporting.gov>.

**Q4: Do all departments need to report every stimulus award to the federal government on FederalReporting.gov?**

**A4:** No. All departments that are prime recipients of discretionary stimulus funds are required to report on FederalReporting.gov, unless the department is specifically directed that it should not do so. The California Recovery Task Force has directed that all reporting of stimulus awards which are passed through the State will be reported by the State through the California ARRA

and Accountability Tool (CAAT). State agencies should direct grantee departments how, as sub-recipients, to report grant activities to them. Also according to the Task Force, State agencies should inform their sub-recipients not to register at FederalReporting.gov.

On June 22, 2009, the Office of Budget and Management published guidance to federal agencies that included a supplement listing federal programs that are expected to be reported on FederalReporting.gov. The memorandum (M-09-21) can be located on the OMB website at [http://www.whitehouse.gov/omb/memoranda\\_default](http://www.whitehouse.gov/omb/memoranda_default) , and the supplemental list of federal programs requiring reporting on FederalReporting.gov is Supplement 1. Funds received directly from the federal government that are listed on the supplement must be reported on FederalReporting.gov.

**Q5: What does the Mayor's Office require from all departments as the source of data for local (not federal or state) reporting of the City's receipt and uses of stimulus funds?**

**A5:** All departments are expected to use Stimulus360, a project management and reporting software, to report quarterly all receipt and uses of stimulus funds.

**Q6: For departments required to report on FederalReporting.gov, will the Stimulus 360 software be used to actually submit reports?**

**A6:** Not for the first quarterly reporting cycle, which is for the period ending September 30, 2009. However, when the software has been completely updated and tested, departments may be able to transmit reports using the software.

**Q7: Will departments using Stimulus360 for local reporting be required to submit exactly the same data in exactly the same way as departments that will be reporting to the federal government on FederalReporting.gov?**

**A7:** Additional procedures are being developed for use of Stimulus360 by departments that either are not required to report under the Recovery Act (entitlement and mandatory funds, for example), or are required to report directly to the State or to a federal agency. Specific instructions and a user guide for the software are forthcoming.

**Q8: What DUNS number should I use when reporting ARRA funds for our department?**

**A8:** For reporting stimulus funds that were applied for, use the DUNS number that was listed on the federal application. If funds were not applied for, departments should use the DUNS number that they have used in the past when applying for federal grant funds. If the department has not ever applied for federal grant funds, consult with Kate Howard in the Mayor's Office or Debbie Gordon in the Controller's Accounting and Operations Systems Division about which city-wide number would be best to use.

**Q9: Where can departments locate the Treasury Account Symbol (TAS)?**

**A9:** For recipients of section 1512 reportable grants, loans, and other financial assistance, that must be reported on FederalReporting.gov, the Treasury Account Symbol (TAS) should appear in each award letter. If it cannot be located, contact the awarding agency point of contact. It is also possible to perform a look-up of the TAS related to a specific award on FederalReporting.gov. Refer to the “*Need Help Finding Award Information*” on the Prime Recipient reporting excel spreadsheet. This look-up table allows site users to enter the following fields in order to locate the TAS: Agency Code and Agency Name .

**Q10: Must departments report on an award if it has not yet received or spent any funds?**

**A10:** If the department has not received an award letter, there is nothing to report. If an award letter has been received, the value of the award must be reported. If no funds have been spent, \$0 must be reported for funds expended.

**Q11: What amounts must be reported as spent?**

**A11:** Each quarterly report must show the cumulative amount of stimulus funds that were expended for allowable programs or activities. All financial data reported must be reconciled to the City’s official financial record (FAMIS). The Controller’s Office has created a web-based schedule to aid in reconciling funds expended year to date as of each quarter. Please contact Howard Murayama or Debbie Gordon for instructions for accessing the reconciliation tool.

**Q12: If departments have not gone through the Accept and Expend process can they spend against the awarded funds?**

**A12:** No. Stimulus awards can get into a department’s budget in one of two ways. One is through the annual appropriations process (AAO) during the annual budget cycle. If the awards were not budgeted in this manner, departments must obtain an Accept and Expend Resolution from the Board of Supervisors prior to spending funds. Please refer to the guidance for financial administration of grants and gifts on the Controller’s intranet.  
<http://famis.sfgov.org/controllerspolicies/>.

**Q13: What methodology should departments use when calculating Jobs Created/Retained?**

**A13:** Many state and federal agencies have created detail guidance for job reporting for their stimulus awardees. Contact the awarding agency for each award first to determine if they have instructions related to each award. Many federal agencies have provided information that is linked to the Recovery.gov web site. Failing receipt of instructions, departments should report jobs created and/or retained using the method that OMB cites in its June 22, 2009 guidance (Memorandum 09-21) to federal agencies. Discussion is contained in Section 5 of that OMB memorandum. The formula for calculating “full-time equivalent” (FTE jobs) to be reported is on page 35. The memorandum can be located on the Whitehouse’s Recovery website at <http://www.recovery.gov>

**Q14: What is the difference between a sub-recipient and a vendor?**

**A15:** Sub-recipients carry on the underlying mission of the program for which the award was granted, have responsibilities under the grant agreement, and supplement the mission attainment. Vendors provide goods or services to prime recipients or sub-recipients but do not tie to the grant agreement. Sub-recipients are awarded stimulus funds through a legal instrument from the prime recipient that contains terms and conditions that reflect the terms and conditions of the award to the prime recipient.

**Q16: Must sub-recipients report subsequent sub-awards that they make?**

**A16:** Sub-recipients are currently not required to report information from their sub-recipients. The Department of Transportation states in its FAQ that this determination is still being monitored and may change at a later date.

**Q17: What is the definition of ‘infrastructure’ for purposes of this report?**

**A17:** One definition is that an infrastructure investment is financial support for a physical asset or structure needed for the operation of a larger enterprise. Therefore, infrastructure investments include support for tangible assets or structures such as roads, public buildings, mass transit systems, water and sewage systems, communication and utility systems and other assets or structures that provide a reliable flow of products and services essential to the defense and economic security of the United States, the smooth functioning of government at all levels, and society as a whole. This concept is not well defined in the guidance to date, so departments should seek further clarification from each state or federal funder if this reporting element seems to apply.

**Q18: What is considered each department’s primary place of performance for reporting purposes?**

**A18:** The primary place of performance is the location for which the greatest proportion (not all) of the award funds is being spent. In most cases for the City, the primary place of performance will be San Francisco.

**Q19: Though OMB guidance under M-09-21 allows aggregate reporting for sub-awards less than \$25,000, sub-awards to individuals, and payments to vendors less than \$25,000, are prime recipients required to submit aggregate reports?**

**A19:** Prime recipients must submit aggregate reports on all sub-awards to individuals. However, prime recipients are not required to aggregate its awards for instances where sub-awards are less than \$25,000 and where payments to vendors are less than \$25,000.

**Q20: If the vendor is a general contractor, do sub-contractors need to be reported?**

**A20:** No, beyond the general contractor, no additional requirements need to be reported in terms of expenditures. However, the recipient should ask the general contractor for job estimates, since the general contractor will have a job creation/retention impact.

**Q21: What if the contractors departments work with do not track jobs created?**

**A21:** Prime recipients have responsibility for the quality and completeness of data submitted. Job creation/retention is only one type of information that must be reported on by contractors and sub-recipients. The City Attorney's Office July 2, 2009 memorandum to department heads discusses general provisions for Recovery Act contracts.

**Q22: What are the purchasing provisions required by the City around "Buy American" as stated in the Recovery Act?**

**A22:** The Recovery Act contains a specific Buy American requirement. In general, this means that recipients are prohibited from using funds for the construction, alteration, maintenance, or repair of a public building or public work unless all of the materials used are produced in the United States. These rules may be found in the Federal Register, Vol. 74, No. 77, 2 CFR Part 176, section 176.60. There are exceptions and specific situations in which a waiver could be granted.

The City Attorney's guidance concerning general provisions for Recovery Act contracting stresses the following: **Many contract and grant issues have legal significance. Prior to contacting any federal or state granting agency, it is imperative that you speak with your respective Deputy City Attorney to determine if your inquiry to the granting agency has legal considerations or consequences.**

**Q23: Are there other special contract provisions called for under the Recovery Act?**

**A23:** Yes. Please refer to the memorandum from the City Attorney's Office, issued July 2, 2009, consult with departments' Deputy City Attorney, and the Office of Contract Administration for more complete bid and contract details.

**Q: What other resources are available to answer questions about Recovery Act reporting?**

- OMB website at <http://www.whitehouse.gov>
- Recovery Transparency and Accountability Board website at <http://www.recovery.gov>
- The State of California's Recovery Website <http://www.recovery.ca.gov>
- Federal agency websites (for job creation guidance, some agencies have linked to the Recovery.gov website and can be accessed from there. Click on "Agency Guidance".)
- Grant award letters and grant agreements
- Guidance for Financial Administration of Grants and Gifts, Controller's intranet. <http://famis.sfgov.org/controllerspolicies>)
- ARRA Specific Guidance from CCSF including the Controller, City Attorney and Mayor's Offices. These documents are available on the City's intranet on DocCenter: To access them go to: intranet, click on documents and then from the dropdown menu, select Federal Stimulus. Or visit

<http://mission.sfgov.org/DocCenter/ByDept.aspx?S=0&T=tbd&K=X>

- April 9, 2009 joint memorandum from Mayor's Office, Office of Contract Administration, City Attorney's Office, Controller, and Chief Information Officer, "Preliminary Guidance on Federal Stimulus Bill Administrative Procedures"
- City Attorney July 1, 2009 memorandum on Recovery Act reporting: "Quarterly Recipient Reporting for American Recovery and Reinvestment Act-funded grants, cooperative agreements and loans"
- City Attorney July 2, 2009 memorandum on Recovery Act contracting "American Recovery and Reinvestment Act of 2009 (ARRA) General Provisions"
- Mayor's Office September 3, 2009 memorandum "1<sup>st</sup> American Recovery and Reinvestment Act Federal Reporting Deadline – October 9, 2009"

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