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COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Statewide Reporting and Accounting Policy

September 15, 2010

MEMORANDUM OSRAP 11-09

TO: Fiscal Officers
All State Agencies

FROM: Afranie Adomako, CPA
Director

SUBJECT: New Reporting Requirements for State and Local Entities Receiving Federal Awards

We have received information regarding the Funding Accountability and Transparency Act (FFATA) from the National Association of State Auditors, Comptrollers and Treasurers (NASACT) and the U.S. Office of Management and Budget (OMB). The FFATA contains new reporting requirements for state and local entities receiving federal awards. The changes are effective October 1, 2010. The communication from NASACT states, in part:

While much of the OMB information is directed at federal agencies, data concerning compensation and sub-awardee information is required of the prime recipient. **States and local entities receiving federal awards are affected by this guidance as are sub-awardees who must provide information to the prime recipient.**

FFATA was signed into law in September of 2006 and requires that information on federal contracts and awards be made available to the public via an easy to use single, searchable website. While federal agencies have been submitting prime recipient information to USASpending.gov since January 1, 2008, the requirement for sub-recipient information to be posted by January 1, 2009, was never fully implemented or enforced. Subsequent passage of the Recovery Act further pushed back the effort, and now OMB is requiring sub-recipient reporting beginning on October 1, 2010. The required data elements include:

- Name of the entity receiving the award.
- Amount of the award.
- Award information such as transaction type, funding agency, the North American Industry Classification Code or the Federal Domestic Assistance number, program

source (Treasury Account Symbol), and award title that describes purpose of the funding.

- Location of the entity receiving the award and the primary location of performance under the award, including the city, state, congressional district and country.
- A unique identifier (DUNS number) of the entity receiving the award (and of the parent entity, when applicable).
- The names and total compensation of the five most highly compensated officers of the entity (under certain conditions).
- Other relevant information specified by the OMB in subsequent guidance or regulation.

Reporting the data elements required by FFATA will begin on October 1, 2010, and be on a rolling basis with the reporting trigger being the time of the award. Specific information concerning sub-grant reporting can be found in Appendix A “Sub award and Executive Compensation Data Reporting and Appendix B, Awardee Reporting Architecture.” Recipients will have until the end of the month following the month the subaward or obligation was made. For example, an award made on November 15 would have to be reported by December 31, 2010 (i.e., the remainder of November plus the following month). Awards less than \$25,000 are exempt as are awards to individuals, entities that had gross income, from all sources, of less than \$300,000 in the entity's previous tax year, and any awards that would disclose classified information. Only new awards are covered, so grants awarded under prior fiscal years are not included. Additionally, awards reported as required by the Recovery Act do not have to be re-reported under the FFATA guidance.

Federal agencies are required to populate most of the data elements for the prime recipient; however, the guidance does provide that the prime recipient report executive compensation information. (Other information that may not have been pre-populated by the Federal agency may also be required). Unlike Recovery Act reporting, which allows the reporting to be delegated, the prime **will also be required to report all the data elements for the sub-recipient**. In other words, federal agencies are required to report information on grants they make to a state; if a state then sub-awards to a city, that information is required to be posted by the state. Please also note that the prime recipient must register in the Central Contractor Registration (CCR) and in the FFATA Sub-award Reporting System (FSRS).

OMB has released a series of documents concerning FFATA. The link to the OMB memorandum on FFATA reporting and implementation, Guidance on FFATA Reporting for Sub-award and Executive Compensation, FFATA Data Architecture and the FFATA Data Model is http://www.whitehouse.gov/sites/default/files/omb/open/Executive_Compensation_Reporting_08272010.pdf. On September 10, 2010 NASACT and the National Association of State Budget Officers co-sponsored a webinar on the new FFATA requirements. The link to a recording of the webinar is <http://www.nasact.org/FFATA/index.cfm>.

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OMB is sponsoring a webinar Town Hall Meeting for Federal Grant Recipients on the New Transparency Act Reporting Requirements on Thursday September 23 from 9:00 a.m. – 11:00 a.m. CST. The link to register for the webinar is <https://www1.gotomeeting.com/register/529442257>. Please make sure the IT security over your PC allows you to view webinars from 'gotomeeting.com' prior to the time of the webinar.

Please review these new reporting requirements to determine if they are applicable to the federal programs you administer. If you have any questions regarding your responsibilities for complying with FFATA or the OMB guidance, please contact Karen Lee at klee@omb.eop.gov.

AA:dl

c: Paul W. Rainwater, Commissioner of Administration
Mark Brady, Deputy Commissioner of Administration
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