

# **American Recovery and Reinvestment Act (ARRA) Reporting: How Much Does OMB's Guidance Really Tell Us?**

## **Summary of the July 10, 2009, Web Conference**

**July 2009**

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## ARRA Web Conference Summary

On July 10, 2009, the Great Lakes East Comprehensive Center and Great Lakes West Comprehensive Center at Learning Point Associates hosted the third of a series of four Web conferences. The conference was titled “American Recovery and Reinvestment Act (ARRA) Reporting: How Much Does OMB’s Guidance Really Tell Us?” Following is a summary of the key discussion points regarding recipient reporting requirements and processes, recipient reporting information shared by the U.S. Department of Education, and resources from the Office of Management and Budget (OMB).

### Recipient Reporting for the American Recovery and Reinvestment Act

Trish Brennan-Gac, counsel and senior policy advisor at Learning Point Associates, opened the conference by reviewing the latest information about ARRA recipient reporting.

#### ARRA Recipient Reporting Guidance

- The [Reporting Guidance](#), [Recipient Reporting Data Model](#), and a list of [programs](#) subject to recipient reporting were released on June 22, 2009.
- OMB plans to open the system, [FederalReporting.gov](#), on August 17. The system will open for recipients to start entering data on October 1, 2009.
- The first cumulative quarterly recipient report is due October 10, 2009.

#### OMB Webinar Series on Recipient Reporting Guidance

[OMB](#) and the [Recovery, Accountability, and Transparency Board](#) is sponsoring a [series of webinars](#) during the week of July 20–24, 2009, for recipients to review the guidance in more detail and to discuss solutions to technology challenges or concerns. The audience for these webinars is recipients, sub-recipients, and federal agency staff.

- **Monday, July 20, 2009**
  - Morning Webinar: 10 a.m.–noon EDT
    - Section 1—General Information
  - Afternoon Webinar: 2 p.m.–4 p.m. EDT
    - Section 2—Basic Principles and Requirements
    - Section 5—Reporting on Jobs Creation Estimates
- **Tuesday, July 21, 2009**
  - Morning Webinar: 10 a.m.–noon EDT
    - Section 3—Recipient Reporting Process
  - Afternoon Webinar: 2 p.m.–4 p.m. EDT
    - Federal Agency Technology Solutions

- **Wednesday, July 22, 2009**
  - Morning Webinar: 10 a.m.–noon EDT
    - Prime Recipient Technology Solutions
  - Afternoon Webinar: 2 p.m.–4 p.m. EDT
    - Sub-recipient Technology Solutions
- **Thursday, July 23, 2009**
  - Morning Webinar: 10 a.m.–noon EDT
    - Section 4—Data Quality Requirements

## **ARRA Recipient Reporting Information**

Cynthia Brown, deputy director of the Risk Management Service of the Office of the Secretary at the U.S. Department of Education, provided participants with the latest information from the Department and its future plans to release program-specific guidance and other tools to support state education agencies (SEAs) in their ARRA reporting duties.

### **Office of Management and Budget**

- OMB published the reporting guidance on June 22, 2009. It is available on the [OMB](#) and [Recovery](#) websites.
- On July 9, 2009, OMB held a meeting with federal agencies to discuss and provide additional clarity on the reporting guidance. Information shared at that meeting included:
  - The guidance is the definitive source and driving force for reporting requirements and processes.
  - Current drafts of the reporting form are inconsistent with the guidance in some places. OMB is working on revisions to the reporting form to match the guidance.
  - The Data Model and list of programs for recipient reporting are subject to change and may be revised. However, the list of programs provided by the U.S. Department of Education is not anticipated to change.
  - Revised Data Model will be posted on OMB and Recovery websites.
- During the week of July 13–17, 2009, OMB planned to test the data input process with states. After this test, more information will be available to help determine how the reporting process will work.
- During the week of July 20–24, 2009, OMB will host a series of webinars about the reporting guidance.

### **U.S. Department of Education**

The U.S. Department of Education is planning to provide a number of supports to SEAs regarding the reporting requirements and processes.

- Program-Specific Guidance
  - Program-specific guidance related to the reporting requirements (i.e., Title I, Individuals with Disability Education Act [IDEA])
- Questions and Answers
  - A question-and-answers document will be created to provide additional information on high-level questions such as:
    - How should jobs-creation information be reported?
    - What does it mean to be a program or an activity in the reporting model?
    - What do key terms like *infrastructure* mean for reporting purposes?
- Matrix
  - A matrix that will map each data element to additional explanatory program specific information (i.e., Catalog of Federal Domestic Assistance [CFDA] number, Treasury account code, project/activity code) will help clarify reporting requirements and make reporting easier.

## Questions and Concerns about Recipient Reporting

The following section outlines the questions and concerns raised by the state participants and the information provided in response by the U.S. Department of Education.

### Data Universal Numbering System (DUNS) Numbers and CCR Registration

Questions and/or Concerns	Information Provided in Response
<p><b>Are all local education agencies (LEAs) required to get a DUNS number and register with Central Contractor Registration (CCR)?</b></p>	<p><b>Update:</b> <i>The latest data model requires CCR only for prime recipients. LEAs that are not direct recipients of federal grants, loans, or contracts, and receive federal funds only as a sub-recipient of a state grant, must have DUNS numbers but do not need to register in CCR. Note that it is a term of the prime grant award that sub-recipients register in CCR because OMB was not sure at the time whether CCR would be necessary in order to aggregated data across grants in the Recovery.gov search functions. It may be necessary for sub-recipients to register in the future.</i></p> <p>This ARRA reporting requirement has its origin in the <a href="#">Federal Funding Accountability and Transparency Act of 2006</a> (Transparency Act), which required federal agencies to collect and publically report data on federal grantees. The launch of this system was scheduled for January 2009, but Congress provided an 18-month extension due to technical difficulties in the implementation. ARRA reporting requirements continue this move toward increased transparency and accountability for grant recipients.</p>

Questions and/or Concerns	Information Provided in Response
<p><b>Why do LEAs need a DUNS number?</b></p>	<p>The <a href="http://USAspending.gov">USAspending.gov</a> and <a href="http://Recovery.gov">Recovery.gov</a> websites will use these numbers to aggregate data across federal agencies and programs. Because of variation in names on grants, the federal government cannot match grants by name only. DUNS and CCR allows computer systems to verify the identities of grantees and match grants from across agencies to that entity.</p>
<p><b>Can an SEA use a state-based tracking system that is already in place?</b></p>	<p>State-based identification and tracking systems cannot be used in place of DUNS or CCR.</p> <p>Transparency Act and ARRA reporting requirements are government-wide and not specific to education. Therefore, a common system is needed to collect data. There is no current capacity to translate state identifiers into DUNS or CCR at the federal level—it is a proprietary system.</p>
<p><b>When can a name and ZIP code be used in lieu of a DUNS number?</b></p>	<p>The only time a name and ZIP code can be used in lieu of DUNS information is for contractors.</p> <p>There is an important difference between grantees and contractors. Grantees are sub-recipients (LEAs), and DUNS is required. For contractors (vendors) working on a contract of \$25,000 or more, a name and ZIP code are allowable.</p>
<p><b>Are DUNS and CCR required even if sub-recipients will not be involved in the direct reporting to Recovery.gov?</b></p>	<p>OMB guidance is not clear on this, but the Department asked this question at the July 9, 2009, meeting for federal agencies.</p> <p><b>Update:</b> <i>This is now resolved by the (tentative) rule that subrecipients do not have to register in CCR; <u>everyone needs a DUNS number whether they enter data into the FederalReporting.gov or not.</u></i></p> <p>This information will be included in the reporting that is required by the prime recipient (SEA). This is required so that citizens can have access to grantee information from across state agencies.</p>
<p><b>Will requiring DUNS and CCR information by LEAs create issues regarding data quality if a state decides to do aggregate reporting rather than direct reporting and an LEA registers on the Recovery.gov website?</b></p>	<p>The Department is unsure of the answer, but will ask for more information and clarification from OMB.</p> <p><b>Update:</b> <i>States can only aggregate data for awards of less than \$25,000. LEAs should only register and enter data if their prime recipient asks them to. The state should develop a control mechanism for managing subrecipient reports – a roster of grantees/grants that have been asked to report into FederalReporting.gov – and compare who reported to that roster. There is a higher risk that a subrecipient asked to enter its own data will not do so, than a subrecipient that is not asked to enter its own data doing so. But since the LEAs may have grants from other state agencies, they may get confused and try to enter data on grants they are not supposed to be reporting on.</i></p>

## Data Aggregation for ARRA Reporting

Questions and/or Concerns	Information Provided in Response
<p><b>What information needs to be collected and reported at the individual sub-recipient level and what can be reported as a state aggregate?</b></p>	<p>There are three kinds of transactions that states will need to aggregate rather than report on individually:</p> <ul style="list-style-type: none"> <li>• Payment of stipend or reimbursement for professional development expenses to individuals should be reported in aggregate. The amount does not matter—it can be more than \$25,000—if the money is paid to individuals operating using their Social Security number. This does not include proprietary businesses (i.e., someone operating under an employee identification number [EIN]).</li> <li>• Contracts to vendors that are less than \$25,000 should be reported in aggregate.</li> <li>• Sub-awards or sub-grants that are less than \$25,000 should be reported in aggregate.</li> </ul>
<p><b>Some charter schools are small—if their award is less than \$25,000 should SEAs report their information in aggregate or individually?</b></p>	<p>Charter schools receiving less than \$25,000 can be included in the state aggregate.</p>
<p><b>Is aggregate reporting required (in the situation above) or can the SEA report data at the individual district level in order to be consistent with the rest of the LEA reporting requirements?</b></p>	<p>The Department will ask OMB for additional clarification about this question and will share the state’s preference for the rules to be consistent. I don’t have the answer to this one yet.</p>

## Program-Specific Reporting Guidance

Questions and/or Concerns	Information Provided in Response
<p><b>The Title I guidance released earlier indicated that building-level data would be required for reporting—something that has not been asked for previously.</b></p>	<p>A school-by-school listing of per-pupil expenditures will be required for reporting, but not as part of the OMB quarterly report.</p> <p>This is an education-specific report that was legislatively mandated. (The requirement is in the appropriations section of the <a href="#">American Recovery and Reinvestment Act</a>– Division A, Title VIII; DEPARTMENT OF EDUCATION; Education for the Disadvantaged. LEAs must file the reports with the SEA by December 1, 2009)</p> <p>More information and instructions will be forthcoming from the Department.</p>

Questions and/or Concerns	Information Provided in Response
<p><b>Are the reporting requirements asking for the same kind of data for all programs or different data sets for each program (Title I, IDEA, State Fiscal Stabilization Fund [SFSF], technology, homeless, etc.)?</b></p>	<p>In regard to the OMB quarterly report, the data elements are the same each program. The data fields are set not only for education but for all federal agencies and departments.</p> <p>In addition to the OMB quarterly report, there are two legislatively mandated ARRA-specific reports:</p> <ul style="list-style-type: none"> <li>• Title I school-by-school per-pupil expenditure information report; more information will be released on data required by the Department.</li> <li>• SFSF annual report; collects additional information than required in the quarterly report.</li> </ul> <p>Regular annual title program performance reporting remains as is.</p>

### Reporting Jobs Created and Retained

Questions and/or Concerns	Information Provided in Response
<p><b>How much of a job creation narrative is sufficient to meet the reporting requirement?</b></p>	<p>There has been a lot of discussion regarding this complex and challenging area. The White House, OMB, and the Recovery, Transparency, and Accountability Board have made the determination that they want direct information about the jobs created.</p> <ul style="list-style-type: none"> <li>• OMB wants prime recipients (SEAs) to talk to the sub-recipients (LEAs) about how many jobs are being created with ARRA funding.</li> <li>• States will be put in the position to create some kind of system to collect from LEAs the number of jobs created through ARRA funding.</li> <li>• This system will need some flexibility in terms of how to define “jobs created” so that the states can collect this information consistently on a statewide basis.</li> </ul> <p>The Department will issue additional information about how to collect job data that are program specific and will take into consideration in the development of that guidance that states may be using a state-level system for collecting that information.</p>
<p><b>What level of detail is needed in the collection system of jobs created and retained information?</b></p>	<p>The Department will issue additional guidance that will provide detailed direction. However, a few thoughts for states to consider as they develop a collection system (based on OMB information):</p> <ul style="list-style-type: none"> <li>• For reporting purposes, recipients will be reporting the aggregate total of jobs created and retained. Recipients will not be asked to differentiate the information.</li> <li>• Specific and detailed job categories and titles will not need to be reported to the federal government, and recipients will not need to report information job by job.</li> </ul>

Questions and/or Concerns	Information Provided in Response
	<ul style="list-style-type: none"> <li>The Department guidance will provide more detail, but recipients should plan on reporting how many jobs were created and retained (aggregate) and general categories (instructional versus other personnel).</li> <li>The Department recommends that SEAs wait until the guidance is released before starting data collection.</li> </ul>
<p><b>Will SEAs be required to report on the number of jobs created and retained for vendors (i.e., IDEA funds for Americans with Disabilities Act [ADA] compliance with school construction)?</b></p>	<p>SEAs should take into consideration employment through contracts and those created by sub-awards (to LEAs) but only need to report an aggregate total per project (grant).</p> <ul style="list-style-type: none"> <li>For example, for Title I funds, the SEA should collect the number of jobs created and retained for that program, including those created by vendor and sub-awards.</li> <li>SEAs should ask vendors, contractors, and grantees how many jobs were created and retained through direct employment.</li> </ul> <p>Different information is required for vendors to the SEA and vendors to the district. The Department would like to refer states back to guidance to review the differences between requirements for vendors for the SEA and vendors for the LEA.</p>
<p><b>How is <i>job</i> defined and how should it be reported related to part-time and full-time employment?</b></p>	<p>OMB reporting guidance provides specific directions and calculations for determining how many “jobs” are created.</p> <p>OMB asks recipients to convert part-time jobs into full-time equivalent (FTE) jobs by calculating the total number of hours worked (aggregate for new and retained part-time equivalent [PTE] and FTE) and dividing by the number of hours in the recipient work week.</p>
<p><b>In Data Model, the field of jobs created and retained was only at the recipient level. Is this correct?</b></p>	<p>Recipients (SEAs) will report the aggregate total of jobs created and retained for both the recipient and sub-recipients.</p>

### Data Quality and ARRA Reporting

Questions and/or Concerns	Information Provided in Response
<p><b>What is exactly expected of us for the period ending June 30, 2009?</b></p>	<p>Information regarding expenditures and grant awards through June 30, 2009, should be reported cumulatively in the October quarterly OMB report.</p> <p>OMB is testing the technical capacity of the system but is not expecting all states to participate. The Department will ask OMB whether information from the test can be made available to states prior to the October reporting deadline.</p>

## Technical Assistance From the U.S. Department of Education

The U.S. Department of Education will provide a layered approach to its ARRA-related technical assistance.

- Help Desk
  - A help desk with a toll-free telephone number will be established to help SEAs understand data fields, technical issues, and access. Help desk staff will have a reference and resource list to help funnel questions to the appropriate people if they do not have the answer.
- OMB
  - General policy questions will be referred to OMB.
- U.S. Department of Education Program-Specific Assistance
  - Contacts will be listed for questions on specific programs.
  - For each program guidance is posted on the Department [website](#), and additional help desk e-mail addresses are listed.
    - Contact [OESE@ed.gov](mailto:OESE@ed.gov) for questions about ESEA, McKinney-Vento Homeless, and Impact Aid.
    - Contact [State.Fiscal.Fund@ed.gov](mailto:State.Fiscal.Fund@ed.gov) for questions about the State Fiscal Stabilization Fund programs.
    - Contact [IDEARecoveryComments@ed.gov](mailto:IDEARecoveryComments@ed.gov) for questions about IDEA programs.
    - Contact [RSARecoveryActComments@ed.gov](mailto:RSARecoveryActComments@ed.gov) for questions about VR programs.

## Next Steps

During the discussion at the end of the conference regarding next steps, SEA staff shared their concern in general about the need for additional guidance and definitions that are clear, concise, and timely. The coordination of the hundreds of LEAs and thousands of employees to fulfill the reporting requirements is massive and may not be fully understood at the federal level.

Great Lakes East and Great Lakes West will provide additional information as it becomes available on the reporting requirements as well as other ARRA-related guidance that is released through the ARRA Information listserv. Great Lakes East and Great Lakes West currently are revising the three-page summary of the reporting guidance that was created specifically for this conference and will release the updated draft through the listserv.