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# Stimulus Tracking and Reporting Requirements: ARRA's Impact and Legacy



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# American Recovery and Reinvestment Act (ARRA) of 2009

## *Key elements of ARRA:*

- ◆ Economic stimulus package totals \$787.2 billion.
- ◆ Goal is to stabilize local and national economies & save or create or save 3.5 million jobs over the next two years.
- ◆ Key grant funded initiatives support technology, science/research, infrastructure improvements, education, energy, healthcare and training.
- ◆ Quick turn-around times and “Use or Lose” Provisions
- ◆ New universal transparency and reporting guidelines as well as contracting guidelines for feds.



# ARRA Investments by Agency

\$ in Thousands

Agency	Funds Available	Funds Paid Out
Education	\$55,124,668	\$12,397,257
HHS	\$41,796,221	\$25,856,257
Labor	\$23,868,953	\$13,864,891
Transportation	\$23,359,369	\$1,146,688
SSA	\$13,112,531	\$13,101,076
DOE	\$9,025,316	\$281,883
HUD	\$7,419,677	\$988,041
EPA	\$5,943,374	\$41,656
USDA	\$4,238,851	\$3,212,598
DOJ	\$3,112,318	\$687,168
DOD	\$1,725,219	\$57,901
Treasury	\$1,473,445	\$77,459
GSA	\$1,375,580	\$40,040
NSF	\$1,244,938	\$16,872

Source: [www.recovery.gov](http://www.recovery.gov)



## ARRA Investments by Agency, Continued

Agency	Funds Available	Funds Paid Out
Commerce	\$1,068,756	\$479,083
USACE	\$907,392	\$109,391
DHS	\$694,600	\$62,345
VA	\$577,245	\$468,629
DOI	\$337,659	\$19,601
SBA	\$182,645	\$56,580
RRB	\$137,010	\$135,699
CNCS	\$134,343	\$4,282
NASA	\$94,117	\$43
State	\$70,175	\$13,396
FCC	\$67,316	\$13,187
NEA	\$49,748	\$2,496
SI	\$18,176	\$594
USAID	\$11,002	\$399

\$ in Thousands

Source: [www.recovery.gov](http://www.recovery.gov)



# Transparency: The Buzzword of the Stimulus

***“If Americans start hearing stories about how their money is being wasted on pet projects or funneled to favorite contractors or flat out lost to fraud or theft, faith in government at all levels and support for the overall program [the 2009 American Recovery and Reinvestment Act, or ARRA] will erode – no matter that other parts of the program are successful.”***

- U.S. Senator Joseph Lieberman

Chairman of the Senate Committee on  
Government Affairs and Homeland Security



# Transparency and Oversight Provisions

- ◆ Federal, state, and local agencies must track and report their spending and investment plans on the Recovery.gov website.
- ◆ Federal, state, and local governments must put controls in place to minimize waste, fraud and abuse and undergo additional audits.
- ◆ Newly created federal Recovery Accountability and Transparency Board will serve as a watchdog over ARRA spending with counterpart boards and czars created at the state level.
- ◆ Federal agencies must use fixed-price, competitive contracts (or explain use of other approaches), but may issue task orders off existing contracts.
- ◆ Contractors must sign contract modifications agreeing to comply with new reporting requirements.



# Origin of the ARRA Reporting Requirements

- ◆ **Federal Funding Accountability and Transparency Act "FFTA" (S. 2590)**
- ◆ **Created of [www.USASpending.gov](http://www.USASpending.gov)**
- ◆ **Implicitly requires the strengthening of the grants governance structure**
- ◆ **Communicated the key elements of now President Obama's Transparency Agenda**



# S.3077 Strengthening Transparency and Accountability in Federal Spending Act of 2008

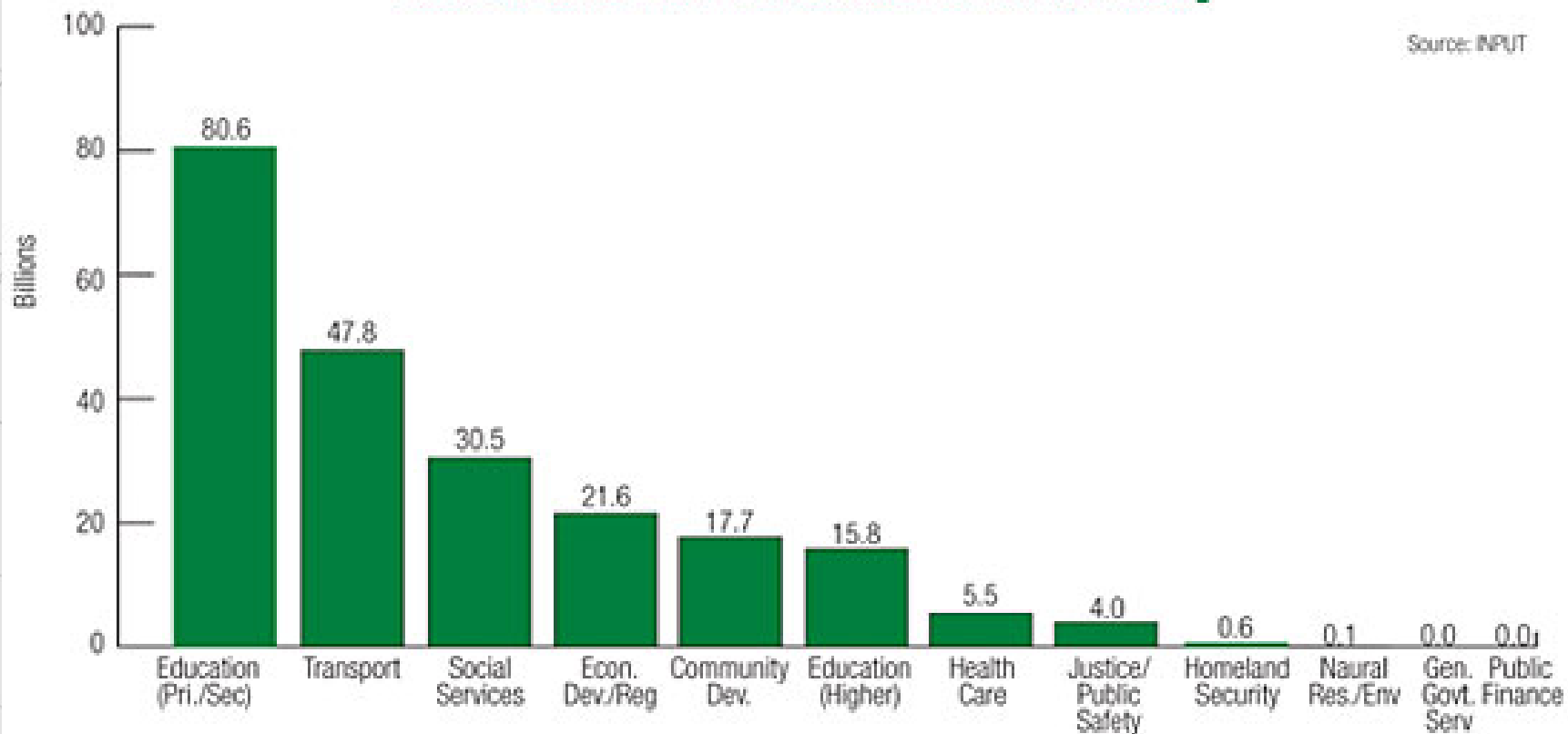
- ◆ ***This Act would expand information on USASpending.gov to include:***
- ◆ *A copy of each Federal contract in both PDF and searchable text format.*
- ◆ *Details about competitive bidding, the range of technically acceptable bids or proposals, and the profit incentives offered for each contract.*
- ◆ *The complete amount of money awarded, including any options to expand or extend under a contract.*
- ◆ *An indication if the Federal award is the result of an earmark.*
- ◆ *Information about government lease agreements and assignments in the same manner that information is reported for contracts, grants, and other assistance.*
- ◆ *An assessment of the quality of work performed on Federal awards.*
- ◆ *Information about Federal audit disputes and resolutions, terminations of Federal awards, suspensions and debarments, and administrative agreements involving Federal award recipients.*
- ◆ *Information about any civil, criminal, or administrative actions taken against Federal award recipients, including for violations related to the workplace, environmental protection, fraud, securities, and consumer protections.*
- ◆ *Information about Federal tax compliance by Federal award recipients.*
- ◆ *Information about parent company ownership that will be made accessible, along with other data on USASpending.GOV, through application programming interfaces.*
- ◆ *Links to publicly available Government reports.*
- ◆
- ◆ ***The Act would improve data quality on USASpending.gov through:***
- ◆ *Improved searchability of data and use of unique award identifiers that prevent the release of sensitive personally identifiable information.*
- ◆ *A simple method for the public to report errors and track the performance of agencies in confirming or correcting the records for which error reports have been filed.*
- ◆ *Agency inspectors general review statistically representative samples of agency awards to verify accuracy and compliance with improved data standards.*
- ◆ *General quality audit of website data every six months, including review and report of public error reporting system and recommendations for new quality standards and procedures"*



# State and Local Breakdown of ARRA Funding

## State and Local Government Breakdown of ARRA Funding

Source: INPUT





# Shared Challenges and Concerns

- ◆ Existing acquisition workforce shortages compounded by an increase in workload
- ◆ Lack of training and program management expertise
- ◆ Lack of processes and tools for tracking and reporting new data elements
- ◆ Lack of clarity on reporting standards (especially on how to calculate the number of jobs)
- ◆ Concern regarding multiple layers of oversight in a politically charge environment



# Unique State and Local Challenges

- ◆ According to the Council of State Governments for the next two fiscal years, the states face a combined budget shortfall of \$350 billion
- ◆ Stimulus has created new unfunded administrative burdens
- ◆ The bulk of the ARRA spending and the contracting will be done at the state and local level and this will have to be done in a contracted timeframe
- ◆ Access to fewer internal IDIQ contracting vehicles

**One Solution: Cooperative Purchasing**



# OMB's Recipient Reporting Data Model v3.0

*Last week OMB released final data definitions for state and local stimulus reporting in a document titled Recipient Reporting Data Model v3.0*

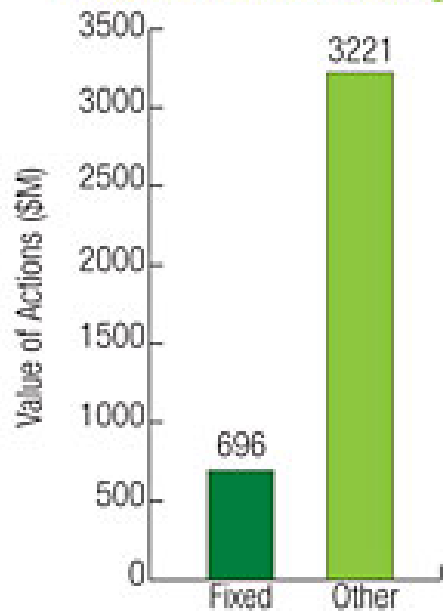
- ◆ Provides detailed descriptions for nearly 100 data elements that recipients of ARRA funds will begin reporting to OMB by Oct. 10
- ◆ Spells out how to report the status of ARRA-funded projects, the number of jobs created by these activities and payments made to vendors
- ◆ Recipients of ARRA funds will submit the data electronically through a new Web site, [www.FederalReporting.gov](http://www.FederalReporting.gov).
- ◆ OMB characterizes this document as a "preview" of the final data definitions, and adds that actual templates for submitting ARRA data are forthcoming



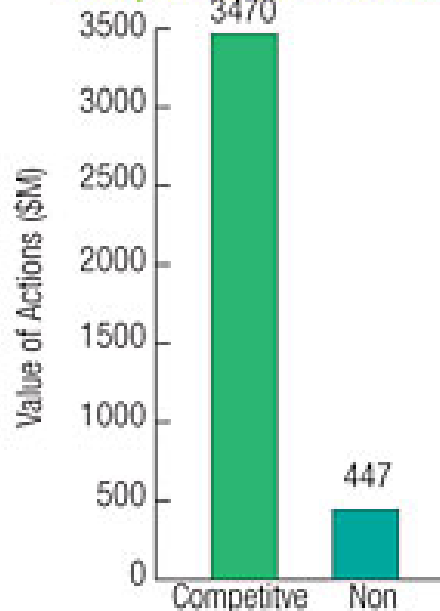
# ARRA Related Federal Contracting Actions

## ARRA Related Contracting Actions

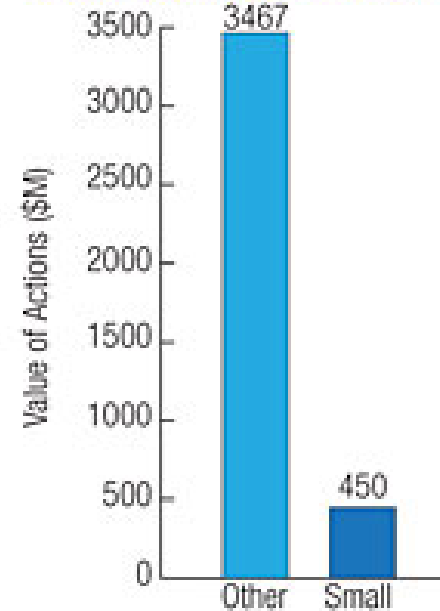
### Fixed Price Contracting



### Competitive Procedures



### Small Business Contracting



Source: FPDS, INPUT



# GAO July Report on State and Local ARRA Progress

*Every other month GAO publishes studies on 16 sample jurisdictions that encompass the bulk of the ARRA funds. Below are the findings that were universal across all jurisdictions surveyed.*

- ◆ Enhancing accounting systems and creating ARRA-specific codes
- ◆ Instituting multiple layers of oversight entities and procedures
- ◆ Acquiring new systems for ARRA data aggregation and roll-up reporting
- ◆ Struggling with the lack of clarity of reporting standards and the lack of accessible funds for ARRA administration and oversight responsibilities



# ARRA's Legacy

- ◆ **The new ARRA reporting and transparency requirements will create a push to reduce paper-based processes, such as claims processing, from state and local governments in order to reduce the risk of fraud, waste, and abuse**
- ◆ **The collection of new data elements will create an expanded requirement for more and better data warehousing and analytical tools**
- ◆ **Grant governance at all levels will begin to mirror contract governance**
- ◆ **Collaboration and cooperation among federal, state, and local oversight entities will continue**



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