

Getting with the Program: A Recipient's Guide to ARRA

Review of ARRA
State Level Issues

Sharon Edmundson
North Carolina Department of State Treasurer



American Recovery and Reinvestment Act of 2009

- How does ARRA money come to states?
 - Tax Law Changes (Individuals & Businesses)
(\$288 Billion of \$787 Billion)
 - Direct Payment to Individuals- Safety Net
 - State Budget Stabilization



American Recovery and Reinvestment Act of 2009

- How does ARRA money come to states?
 - Formula Program Allocation
 - Federal Agency Supplemental Budgets
 - Competitive Grants: Public & Private



ARRA Fourth Quarter 2009 Jobs Report

State	# of Jobs	Jobs/ 1000 Residents	2009 Population
California	71,015	1.92	36,961,664
New York	43,060	2.20	19,541,453
Florida	34,966	1.89	18,537,969
Texas	28,460	1.15	24,782,302
North Carolina	26,119	2.78	9,380,884
Ohio	24,705	2.14	11,542,645
Georgia	24,103	2.45	9,829,211
New Jersey	21,512	2.47	8,707,739
Michigan	20,140	2.02	9,969,727
Missouri	16,074	2.68	5,987,580



1Q 2010 Top Ten States - Jobs Created

1Q 2010 Top Ten States - Jobs Created					
State	Jobs Created	Funds Received	Funds Received per Job Created	Jobs Created per 1000 Popul.	Population
California	70,382.19	\$ 8,785,322,586	\$ 124,823	1.904	36,961,664
Illinois	64,935.66	\$ 3,756,602,875	\$ 57,851	5.030	12,910,409
Texas	43,480.71	\$ 2,901,446,624	\$ 66,730	1.755	24,782,302
New York	40,734.61	\$ 2,537,880,730	\$ 62,303	2.085	19,541,453
Florida	38,514.62	\$ 2,183,255,453	\$ 56,686	2.078	18,537,969
Georgia	31,821.46	\$ 2,041,603,708	\$ 64,158	3.237	9,829,211
North Carolina	24,540.49	\$ 1,648,531,378	\$ 67,176	2.616	9,380,884
Ohio	23,064.16	\$ 1,700,310,620	\$ 73,721	1.998	11,542,645
Pennsylvania	20,557.77	\$ 1,878,240,881	\$ 91,364	1.631	12,604,767
New Jersey	19,294.99	\$ 1,898,502,127	\$ 98,394	2.216	8,707,739
US Average	13,061.31	\$ 1,192,526,615	\$ 118,637	2.279	6,019,736



American Recovery and Reinvestment Act of 2009

- What's different about ARRA funding?
 - Large Funding Levels and Local Decision-Making
 - Tight Time Schedules
 - Extensive Media Interest



American Recovery and Reinvestment Act of 2009

- What's different about ARRA funding?
 - Special Grants Management Requirements
 - On-Going "GAO" Review in 16 states
 - New Federal Recovery, Accountability and Transparency (RAT) Board
 - created by ARRA to coordinate and conduct oversight of funds distributed under ARRA in order to prevent fraud, waste and abuse



American Recovery and Reinvestment Act of 2009

- What's different about ARRA funding?
 - Greater Federal Department-OIG Review
 - Greater State Review
 - Greater Levels of Reporting



American Recovery and Reinvestment Act of 2009

- State responsibilities
 - Coordinate/oversee reporting
 - Centralized or decentralized?
 - Track all federal dollars flowing into state and local governments as well as to private businesses and non-profit organizations



American Recovery and Reinvestment Act of 2009

- State responsibilities (cont.)
 - Maximize state's use of available federal stimulus funds
 - Identify most rapid ways to move the stimulus money into the economy and remove regulatory and other impediments



American Recovery and Reinvestment Act of 2009

- State responsibilities (cont.)
 - Establish open and effective lines of communication with federal and state agencies, local governments and other sub-recipients, and your Congressional delegation to assist in efforts to effectively and rapidly use the federal stimulus funds



American Recovery and Reinvestment Act of 2009

- State responsibilities (cont.)
 - Develop communications network, using a variety of tools including the Internet, to keep the public informed about the status and progress of the recovery effort, along with funding opportunities
 - Develop communications network to facilitate oversight of sub-recipients



American Recovery and Reinvestment Act of 2009

- State responsibilities (cont.)
 - Report to state legislative body and citizens on a regular basis about the status of the use of the stimulus funds, including federal, state and other non-federal money
 - Measure progress of the recovery effort by tracking the state's economic condition



American Recovery and Reinvestment Act of 2009

- Core Management Elements for Funds/Programs/Projects
 - Organization leadership and oversight
 - Budgeting
 - Procurement
 - Financial Management



American Recovery and Reinvestment Act of 2009

- Core Management Elements for Funds/Programs/Projects (cont.)
 - Project Management
 - Conflicts of Interest
 - General Management



American Recovery and Reinvestment Act of 2009

- Organization Leadership and Oversight
 - Roles should be clear
 - Document, document, document
 - Budgets approved by appropriate levels of management/oversight
 - Prior audit findings corrected



American Recovery and Reinvestment Act of 2009

- Organization Leadership and Oversight (cont.)
 - Training
 - Understand flow of funds
 - Be prepared for reports of fraud, waste and abuse and have a system to promptly address
 - Timely action-message that unacceptable actions won't be tolerated



American Recovery and Reinvestment Act of 2009

- Budgeting
 - ARRA funds **must be budgeted separately from other funds**
 - Budget codes must be in place and in use from the date grants are approved
 - Expenditures and encumbrances must be applied to duly approved budget line items
 - Effective budgetary control



American Recovery and Reinvestment Act of 2009

- Procurement
 - Competitive pricing
 - Historically underutilized businesses
 - Avoid sole source if possible, document if not
 - Monitor contractors and state and federal debarment lists



American Recovery and Reinvestment Act of 2009

- Financial Management
 - Stress need for proper internal controls
 - Avoid advancement of funds
 - No payments to cash
 - Proper approval of hiring and overtime



American Recovery and Reinvestment Act of 2009

- Good Project Management
 - Capacity issues?
 - Proper supervision and inspection
 - Review for budgetary compliance before payment is made
 - Buy America and Davis Bacon requirements



American Recovery and Reinvestment Act of 2009

- Good Project Management (cont.)
 - Review of documents to assure compliance with grant requirements
 - Require contractors to confirm in writing compliance with Federal, State and Local tax requirements
 - Widespread availability of job postings
 - Whistleblower notice



American Recovery and Reinvestment Act of 2009

- Conflict of Interest
 - Training of appropriate employees on how to avoid
 - Independent review of sub-recipients and grantees, including vendors and contractors
 - Transparency
 - Tone at the top



American Recovery and Reinvestment Act of 2009

- Potential Problem Areas
 - Theft – fraudulent purchases or travel documents and paying for merchandise not received.
 - Bribery – Contractor pays inspector to overlook substandard materials
 - Kickbacks – buying products from one vendor without competitive pricing with staff receiving personal payment or gifts from vendor



American Recovery and Reinvestment Act of 2009

- Potential Problem Areas (cont.)
 - Fraud
 - Inspector allows substandard work and receives payment
 - Approving applicants for service without adequate qualifying documentation (Income for example)
 - Padded payrolls



American Recovery and Reinvestment Act of 2009

- Potential Problem Areas (cont.)
 - Conflicts of Interest
 - Project supervisor allows family members to receive funds from grants
 - Employee is part-owner in contractor, or subcontractor company
 - Staff receiving gifts from contractors or grant recipients



American Recovery and Reinvestment Act of 2009

- Potential Problem Areas (cont.)
 - Waste
 - Not using competitive procurement and relying on sole source purchases
 - Failure to take advantage of discounts and volume purchasing
 - Unnecessary change-orders and exceeding budgeted appropriations



American Recovery and Reinvestment Act of 2009

- Potential Problem Areas (cont.)
 - High Risk – Advance payment for goods and services (waste potential)
 - High Risk/Fraud – Request for payments in cash or checks made payable to cash
 - Violation of Whistleblower Law – ARRA provides broader protection to any non-federal employee working on ARRA Projects which includes prohibition of reprisal when an employee reports waste, fraud or abuse.



American Recovery and Reinvestment Act of 2009

- Why Correct These Problems?
 - Federal inspections can occur at any time during any given project.
 - Inadequate documentation or expenditure justification can result in REPAYMENT by grant recipient
 - Failure to fix known problems makes you part of the problem instead of part of the solution



American Recovery and Reinvestment Act of 2009

- Why Correct These Problems?
 - Prompt action to fix problems makes a statement to staff about what activities are unacceptable – tone at the top
 - Certain problems or actions may be subject to criminal investigation or indictment
 - Headline risk



Questions and Answers...



Fairfax County Department of Housing and Community Development

Local Government Implementation Of The American Reinvestment and Recovery Act: Challenges and Solutions

Presented by: **Steven Solomon, Director
Of Finance**





Due Dates-Does Anyone Need A Calendar?

- **10th Of The Month During ARRA Reporting Requirement**
 - **October 10-Saturday**
 - **January 10-Sunday**
 - **April 10-Saturday**
 - **July 10- Saturday**



Reporting Guidance-We Need More Time.

- **Initial Implementation Guidance For The American Recovery And Reinvestment Act Of 2009-February 18, 2009**
- **Updated Implementing Guidance For The American Recovery And Reinvestment Act Of 2009-April 3, 2009**
- **Interim Guidance Regarding Communication With Registered Lobbyists About Recovery Act Funds-April 7, 2009**



Reporting Guidance-We Need More Time.

- **Payments to State Grantees For Administrative Costs Of Recovery Act Activities-May 11, 2009**
- **Implementing Guidance For The Reports On Use Of Funds Pursuant To The American Recovery And Reinvestment Act of 2009-June 22, 2009 (First Submission Was Supposed To Be July 10, But Was Delayed)**



Reporting Guidance-We Need More Time.

- **Improving Recovery Act Recipient Reporting-September 11, 2009**
- **Payments To State Grantees For Their Administrative Costs For Recovery Act Funding-October 13, 2009**
- **Improving Compliance In Recovery Act Recipient Reporting-November 30, 2009**
- **Updated Guidance On The American Recovery and Reinvestment Act-December 18, 2009**



Reporting Guidance-We Need More Time.

- **Updated Guidance On The American Recovery And Reinvestment Act-
March 22, 2010**
- **Holding Recipients Accountable For
Reporting Compliance Under The
American Recovery And
Reinvestment Act-May 4, 2010**



Keeping Up With Guidance- What Would We Do Without The Web?

- No Automated Generation Of Update Warnings
- Live On The Web
- Auditors/Consultants
- Associations/Training



Our HUD Awards-Thanks, But.

County Of Fairfax ARRA Awards Through HUD

- **HPRP- \$2.5 Million**
- **CDBG-\$1.6 Million**
- **Capital Fund-\$2.3 Million**



Getting Started-This Should Be Easy.

- **DUNS Numbers**
- **Central Contract Register**
- **Federal Reporting Personal Identification Number (FRPIN)**
- **1512 Report**



Project Management- Hey, Hey The Gangs All Here.

Established A Cross County/ Cross Industry Task Force

- **County Executive**
- **Budget**
- **Finance**
- **Attorney**



Project Management- Hey, Hey The Gangs All Here.

Established A Cross County/ Cross Industry Task Force

- **Debt Manager**
- **Bond Counsel**
- **Financial Advisors**
- **Internal Audit**



Project Management- Hey, Hey The Gangs All Here.

Established A Cross County/ Cross Industry Task Force

- External Audit**
- Procurement**
- Public Works**
- Grants Management**



Systems Management-

Our System Needs To Capture What?

Need To Set Up Unique Accounting For ARRA Funds

- Unique Grant Numbers
- Unique Project Numbers
- Unique Revenue Codes

Systems Management-

Our System Needs To Capture What?

- **Crucial To Segregate ARRA Information**
- **New Upload Technology Or Double The Manual Workload**
- **Processed The 1512 By Uploading The Excel Spreadsheet Into The 1512 System**

Systems Management-

Our System Needs To Capture What?

- **The Federal Government Reports Back To Submitter**
- **Data Analysis Retrieval Tool (DART) Reports Created For ARRA**
- **Need For A Report At The Close Of Calendar Month, Different Than Fiscal Month**
- **Audit Trail**



Job Information-What A Change!

- **October 10, 2009 Rules**
- **January 10, 2010 Rules**
- **Covered By ARRA vs. New/Saved**
- **Cumulative vs. Quarterly**



Buy American-This Sounds Good, But.

- **Iron, Steel, And Manufactured Goods Used For A Project For Construction, Alteration, Maintenance Or Repair Of A Public Building Are Produced In U.S.**
- **Need To Change Procurement Documents**
- **Need To Have County Change Procurement Documents-HUD Boilerplate**



Buy American-This Sounds Good, But.

- **Assembled In U.S.**
- **Can Get Waivers Based On Cost And Availability**



Build America Bonds- Taxable Debt (A Brave New World).

- **Build America Bonds (“BABs”)**
- **Bank-Qualified Eligible Bonds (“BQ Bonds”)**
- **Recovery Zone Economic Development Bonds (“RZEDs”)**



Build America Bonds- Taxable Debt (A Brave New World).

- **Recovery Zone Facility Bonds (“RZFBs”)**
- **Qualified School Construction Bonds (“QSCBs”)**
- **Tribal Economic Development Bonds**



Build America Bonds- Taxable Debt (A Brave New World).

- **Industrial Development Bonds (“IDBs”)**
- **Qualified Zone Academy Bonds (“QZABs”)**
- **New Clean Renewable Energy Bonds (“New CREBs”)**
- **Qualified Energy Conservation Bonds (“QECBs”)**



Build America Bonds- Taxable Debt (A Brave New World).

- **Put Many Of Us In The Taxable Market For The First Time**
- **Many More Players**
- **Different Rules**
- **Creates Reporting Requirements That Challenged Our Automated Systems**



Davis-Bacon- I Should Be Able To Get Out Of This.

- **Wages**
- **Lack Of Familiarity/Need For Training**
- **Need For Coordination With Procurement**
- **Need For Coordination With Vendors**



Subrecipient vs. Vendor Reporting- Pain vs. Pleasure.

Requirements For Subrecipients

- DUNS
- CCR Information
- Type
- Amount Received



Subrecipient vs. Vendor Reporting- Pain vs. Pleasure.

Requirements For Subrecipients

- Amount Awarded
- Sub-Award Date
- Sub-Award Period



Subrecipient vs. Vendor Reporting- Pain vs. Pleasure.

Requirements For Subrecipients

- Place Of Performance
- Area Of Benefit
- Officers Names And Compensation



Subrecipient vs. Vendor Reporting- Pain vs. Pleasure.

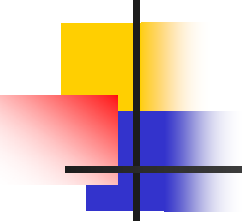
Requirements For Vendors

- DUNS or Name And Zip Of HQ
- Expenditure Amount
- Expenditure Description



Subrecipient vs. Vendor Reporting- Pain vs. Pleasure.

- **Non-profits Borderline**
- **Non-profits Lack Resources**
- **Cutoff Timing**



Administrative Reimbursement-“You Have To Spend Money to Make Money.”

- **20% CDBG Grant, But ARRA May Give Us 10%, 5% or 0%**
- **Need To Use County Funds To Support Program**
- **State Cost Allocation Plans**



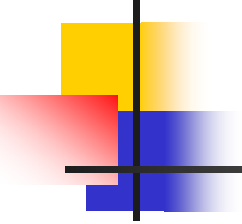
Congressional Districts- One Is The Loneliest Number.

- Three Districts
- Work Performed Throughout County
- Allocation Of Job Information
- Home Address



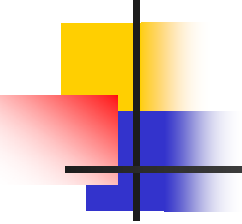
Delayed Notification- How To Survive.

- **State Fiscal Stabilization Funds**
- **Compensation Board**
- **HUD Project Based Section 8**
- **Successful Appeal**



Federal Agency Supplementary Requirements- 'Cause 1588 Pages Of Regs Ain't Enough.

- Environmental Report
- Energy Efficiency Report
- Capital Grant Procurement Regulations
- Five Pre-Draw Audit Steps



Federal Agency Supplementary Requirements- 'Cause 1588 Pages Of Regs Ain't Enough.

- **Systems Were Not Built In Time**
- **Agencies Built Systems Based On Data From Other Systems**
- **Agency Access To Systems**



Federal Agency Oversight- “We’re Here To Help.”

- **May 4th Guidance**
- **Need To Spend**
- **Quarterly Audits**



Single Audit-What Happened To Risk?

- **Increase In Single Audit Major Programs County-wide**
 - **Cluster**
 - **2009- Additional 4 programs**
 - **2010-Additional 5 Programs**
 - **This More Than Doubles The Number Of Programs Audited Annually Under The Single Audit Act**



Contact Information

- Steven A. Solomon, Director of Finance
steven.solomon@fairfaxcounty.gov
Tel: 703-246-5134

Getting with the Program: A Recipient's Guide to ARRA

Review of ARRA
Compliance Mandates and
Impact on the Single Audit

Stephen W. Blann, CPA, CGFM
Rehmann



American Reinvestment and Recovery Act of 2009

§1512 Reports on Use of Funds

- Short title: “Jobs Accountability Act”
- Definitions:
 - “Recipient” means any entity that receives recovery funds directly from the Federal Government, including States
 - “Recovery funds” means any funds that are made available from appropriations made under this Act



American Reinvestment and Recovery Act of 2009

§1512 Reports on Use of Funds

- Recipient reports due 10 days after the end of each calendar quarter
 1. Total amount of recovery funds received
 2. Amount of recovery funds received that were expended or obligated
 3. Detailed list of all projects or activities for which recovery funds were expended or obligated



American Reinvestment and Recovery Act of 2009

§1512 Reports on Use of Funds

- Recipient reports due 10 days after the end of each calendar quarter
 - 3a. the name of the project or activity
 - 3b. a description of the project or activity
 - 3c. an evaluation of the completion status
 - 3d. an estimate of the number of jobs created and the number of jobs retained
 - 3e. the purpose, total cost, and rationale for funding infrastructure investments made by State and local governments



American Reinvestment and Recovery Act of 2009

§1512 Reports on Use of Funds

- Recipient reports due 10 days after the end of each calendar quarter
 - 4. Detailed information on any subcontracts or subgrants awarded by the recipient (amounts < \$25,000 may be aggregated)



American Reinvestment and Recovery Act of 2009

§1512 Reports on Use of Funds

- Federal agencies to make information publicly available within 30 days
- CBO / GAO to comment within 45 days



American Reinvestment and Recovery Act of 2009

§1512 Reports on Use of Funds

- Implementation required within 180 days of enactment (effective 9/30/09)
- OMB to provide a “user-friendly means” for recipients to comply (www.federalreporting.gov)
- Recipients must register with the Central Contractor Registration database (www.ccr.gov)



American Reinvestment and Recovery Act of 2009

§1512 Reports on Use of Funds

- Tips for Users of FederalReporting.gov
 - Registration starts with the CCR
 - You will need a DUNS Number and the Federal Reporting Personal Identification Number (FRPIN) associated with it



American Reinvestment and Recovery Act of 2009

§1512 Reports on Use of Funds

- Tips for Users of FederalReporting.gov
 - Much of the data you need to report should be on **your award document** (such as CFDA number or Government Contracting Office). Questions regarding missing data should be directed to your awarding agency.



American Reinvestment and Recovery Act of 2009

§1512 Reports on Use of Funds

- Tips for Users of FederalReporting.gov
 - The Service Desk operators at FederalReporting.gov do not have access to your award document. They can't answer some of your reporting policy-related questions. Typically, they need to refer those policy questions to **your awarding agency, OMB, or the Recovery Board.**



2009 Compliance Supplement

- Prior update was March 2008
- Changes this edition (App V):
 - Auditors are responsible for “achieving the stated audit objectives”
 - “Suggested” audited procedures are, as the name implies, only suggested
 - Edit/add/delete CFDA numbers and matrix
 - Updated requirements for many programs



2009 Compliance Supplement

- Changes this edition (continued):
 - Updated various references and citations, including:
 - 2 CFR part 215, the OMB A-102 Common Rule
 - 31 CFR part 205, Treasury's implementation of the Cash Management Improvement Act
 - Added American Recovery and Reinvestment Act (ARRA) coverage to Appendix VII



2009 Compliance Supplement

- Appendix VII – ARRA Advisory
 - *Initial Implementing Guidance for the American Recovery and Reinvestment Act of 2009* (February 18, 2009)
 - *Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009* (April 3, 2009)
 - The Single Audit process will be a “key factor” in achieving goals of transparency and accountability



2009 Compliance Supplement

- Appendix VII – ARRA Advisory
 - March 2009 Supplement was not updated for ARRA; addenda to follow
 - ARRA funds may use new CFDA numbers or be included with existing ones
 - Need to separately report ARRA funds on the SEFA and SF-SAC
 - ARRA programs have high inherent risk
 - New ARRA programs in clusters affect the risk of the entire cluster



2009 Compliance Supplement

- Appendix VII – ARRA Advisory
 - ARRA awards and applicable requirements must be identified to recipients and subrecipients
 - Section 1512 reporting is required within 10 calendar days of each quarter close (additional guidance to follow)



2009 CS Addendum #1

- 301 page supplement for ARRA
- Replaces the matrix of compliance requirements, list of clusters, and several cross-cutting provisions
- Adds many new ARRA programs to the Supplement
- Additional guidance on internal controls over ARRA programs



- Activities Allowed or Unallowed
 - ARRA funds cannot be used for:
 - Casino or other gambling establishment
 - Aquarium
 - Zoo
 - Golf course
 - Swimming pool



OMB Circular A-133

2009 CS Addendum #1

- Davis-Bacon Act
 - Updated to cite additional governing requirements from ARRA (Section 1606)



2009 CS Addendum #1

- Procurement and Suspension and Debarment
 - Construction/repair of public buildings with ARRA funds require iron, steel, and manufactured goods used to be produced in the U.S.
 - Certain ARRA grants include Buy-America award terms (waivers may be provided)



2009 CS Addendum #1

■ Reporting

- Section 1512 reporting required quarterly beginning September 30, 2009 (due by October 10, 2009)
- Applicable to audits of September year end clients and later
- OMB plans to issue “an addendum identifying compliance requirements, audit objectives, and suggested audit procedures” by September 30, 2009



2009 CS Addendum #1

- Subrecipient Monitoring
 - First-tier subrecipients must register with the Central Contractor Registration (CCR) and obtain a DUNS number
 - Pass-through agencies must verify compliance



2009 CS Addendum #1

- Special Tests and Provisions
 - Separate accountability of ARRA awards
 - Separate presentation of ARRA awards on SEFA and SF-SAC
 - Subrecipient monitoring of separate accountability and presentation of ARRA awards



2009 CS Addendum #1

- Part 6 – Internal Control
 - ARRA requires “commencing expenditures and activities as quickly as possible consistent with prudent management”
 - Internal control over compliance with ARRA is essential
 - The effects of ARRA will increase throughout 2009 and beyond
 - Imperative to identify and correct control deficiencies early in the process



- Part 6 – Internal Control (continued)
 - ARRA will frequently result in material increases in funding
 - Auditors must consider “capacity” issues
 - Consider current and future expected volume of activity when assessing controls



OMB Circular A-133

2009 CS Addendum #2

- Originally planned for release by September 30, 2009
- Currently in progress
- Will be posted online when available



2010 Compliance Supplement

- Expected release in May 2010
- Effective beginning with audits of FYE June 30, 2010
- Incorporates 2009 CS Addendum
- Updated Appendix VII
 - Major program determination
 - Loans
 - Extensions / Low-Risk Auditee Status



2010 Compliance Supplement

- Major program determination
 - Student Financial Aid and other clusters (excluding Research and Development) with new Recovery Act CFDA numbers would not qualify as low-risk Type A program (only if entity expends awards under the new CFDA numbers)



2010 Compliance Supplement

- Major program determination
 - Type A programs with Recovery Act expenditures will not qualify as low-risk unless all of the following met:
 1. Program or cluster had Recovery Act expenditures in prior audit period
 2. Program or cluster was audited as a major program in the prior audit period



2010 Compliance Supplement

- Major program determination
 - Type A programs with Recovery Act expenditures will not qualify as low-risk unless all of the following met:
 3. Recovery Act expenditures in the current audit period are less than 20% of total program or cluster expenditures
 4. The auditor has followed 520(c) and 525 of Circular A-133 and determined that the program is otherwise low-risk



2010 Compliance Supplement

- Major program determination
 - Type B programs
 - All Type B programs with Recovery Act expenditures to be “higher risk”
 - However, auditors are not precluded from selecting Type B programs with no Recovery Act expenditures in lieu of Type B programs with Recovery Act expenditures



2010 Compliance Supplement

■ Loans

■ OMB Circular A-133 §520(b)(3)

- The inclusion of large loan and loan guarantees (loans) should not result in the exclusion of other programs as Type A programs. When a Federal program providing loans significantly affects the number or size of Type A programs, the auditor shall consider this Federal program as a Type A program and exclude its values in determining other Type A programs.



2010 Compliance Supplement

- Loans

- A “large” loan or loan guarantee is one that is more than four times the largest non-loan program



2010 Compliance Supplement

- Extensions/Low-Risk Auditee Status
 - Extensions no longer permitted (OMB Memorandum M-10-14)
 - Late filing will disqualify from low-risk auditee status
 - Effective 2010 (based on timeliness of 2008 and 2009 submissions to the Federal Audit Clearinghouse)



2010 Compliance Supplement

- 2010 CS Addendum #1?
 - Possible
 - May address auditing requirements for Section 1512 reporting



SF-SAC

2010 Data Collection Form

- Revisions for 2010-2012
 - Draft posted to the *Federal Register* March 30, with comments due April 29
 - Adds field to identify ARRA funding
 - Searchable online



Communicating IC Related Matters

- Single audit implications
 1. SAS 115 definitions apply to A-133
 2. Single Audit Pilot Project (early reporting of findings)
 3. Early reporting of findings for those not in the Pilot Project
 4. Only issue interim communication to report findings. Should not report “no findings” in an interim communication



American Reinvestment and Recovery Act of 2009 Resources You Can Use

- GFOA ARRA Resource Center
 - www.gfoa.org
- AICPA Govt Audit Quality Center
 - gaqc.aicpa.org
- Office of Management and Budget
 - www.whitehouse.gov/omb/recovery_default
- Recovery.gov



Questions and Answers...

