

## **Reporting Subgrant Data and Executive Compensation Data for Subrecipients As Required under the Federal Funding Accountability and Transparency Act**

The Federal Funding Accountability and Transparency Act (FFATA) is designed to increase transparency and improve the public's access to Federal government information. To this end, FFATA requires that subgrant data be reported for all new Federal grants funded at \$25,000 that meet the reporting conditions as set forth in this grant award term, and that are awarded on or after October 1, 2010. Subgrant data and executive compensation data for subrecipients must be reported by the prime awardee. For FFATA reporting purposes, the prime awardee (i.e. the grantee) is the entity listed in box 1 of the Grant Award Notification. Only subgrants made by the prime awardee to **first-tier subrecipients** are reportable in accordance with FFATA.

### **a. Reporting of First-tier Subgrants:**

1. ***Applicability.*** Unless the prime awardee is exempt as provided in paragraph **c** of this grant award term, the prime awardee must report each action that obligates \$25,000 or more in Federal funds for a subgrant to an entity (see definitions in paragraph **e** of this award term).
2. ***Where to report.*** The prime awardee must report each obligating action described in paragraph **a.1.** of this award term at [www.FSRS.gov](http://www.FSRS.gov).
3. ***What to report.*** The prime awardee must report the information about each obligating action that the submission instructions posted at [www.FSRS.gov](http://www.FSRS.gov) specify.
4. ***When to report.*** The prime awardee must report subgrants described in paragraph **a.1.**, by the end of the month following the month during which the prime awardee makes the subgrant. For example, if the prime awardee obligates a subgrant on any date during the month of October of a given year (i.e., between October 1 and 31), the prime awardee must report the subgrant by November 30 of that year.

### **b. Reporting of Total Compensation of Subrecipient Executives:**

1. ***Applicability and what to report.*** Unless the prime awardee is exempt as provided in paragraph **c** of this award term, for each first-tier subrecipient under this award, the prime awardee shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year if all of the following conditions are applicable to the subrecipient:

**i.** in the subrecipient's preceding fiscal year, the subrecipient received--

**(A)** 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); **and**

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); **and**

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Securities and Exchange Commission total compensation filings at [www.sec.gov/answers/execomp.htm](http://www.sec.gov/answers/execomp.htm).)

**2. Where to report.** The prime awardee must report subrecipient executive compensation described in paragraph **b.1** of this award term at [www.FSRS.gov](http://www.FSRS.gov).

**3. What to report.** The types of compensation that must be reported for each subrecipient are listed in the definition of “total compensation” appearing in item **d** of this grant award term.

**4. When to report.** The prime awardee must report subrecipient executive compensation described in paragraph **b.1.**, by the end of the month following the month during which the prime awardee makes the subaward. For example, if the prime awardee obligates a subgrant on any date during the month of October of a given year (i.e., between October 1 and 31), the prime awardee must report any required compensation information of the subrecipient by November 30 of that year.

**5. Conditions imposed on subgrants.** The prime awardee must include a condition on its subgrants that requires the subrecipients to timely report the information required under paragraph **b.1.** to the prime awardee, or in the System for Award Management ([www.SAM.gov](http://www.SAM.gov)) as executive compensation data entered in [www.SAM.gov](http://www.SAM.gov) by the subrecipient will pre-populate in [www.FSRS.gov](http://www.FSRS.gov).

**c. Exemptions:**

If, in the previous tax year, the prime awardee had gross income, from all sources, under \$300,000, the prime awardee is exempt from the requirements to report:

1. Subawards, and
2. The total compensation of the five most highly compensated executives of any subrecipient.

**d. Definitions. For purposes of this award term:**

1. **Entity** means all of the following, as defined in 2 CFR part 25:

- i. A Governmental organization, which is a State, local government, or Indian tribe;
- ii. A foreign public entity;

- iii. A domestic or foreign nonprofit organization;
- iv. A domestic or foreign for-profit organization;
- v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. **Executive** means officers, managing partners, or any other employees in management positions.

**3. Subaward:**

i. Is an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. A subaward does not include payments to a contractor, small purchase agreements, vendor agreements, and consultant agreements, when goods or services under these relationships are provided for the benefit of the pass-through entity.

ii. Payments to an individual that is a beneficiary of a Federal program are not considered subawards for FFATA reporting purposes.

iii. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a [subgrant] or a contract, and is reportable in accordance with FFATA when the subrecipient of the subaward: (1) determines who is eligible to receive what Federal assistance; (2) has its performance measured in relation to whether objectives of a Federal program were met; (3) has responsibility for programmatic decision making; (4) is responsible for adherence to applicable Federal program requirements specified in the Federal award; and (5) in accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity from which it received the subaward (see 2 CFR 200.330(a)). Subgrants as referenced in EDGAR § 75.708, are considered subawards and are reportable in accordance with FFATA, if they are awarded by a pass-through entity to a subrecipient, and the conditions and requirements as addressed within this definition are applicable.

**4. Subrecipient** means an entity that:

i. Receives a subgrant from the prime awardee (i.e. the entity listed in box 1 of the Grant Award Notification) under this award; and

ii. Is accountable to prime awardee (i.e. the entity listed in box 1 of the Grant Award Notification) for the use of the Federal funds provided by the subaward.

5. **Total compensation** means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

- i. Salary and bonus.

**ii.** Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

**iii.** Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

**iv.** Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

**v.** Above-market earnings on deferred compensation which is not tax-qualified.

**vi.** Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

Revised 07/2015