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September 16, 2009

## ***CDE Recovery Act Alert #12***

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**TO:** Superintendents, Chief Financial Officers, Business Managers and Program Managers for ARRA Funded Programs

**FROM:** Nina Lopez, Director of ARRA

**DATE:** September 16, 2009

**SUBJECT:** Guidance on Quarterly Reporting Requirements under Section 1512 of the American Recovery and Reinvestment Act (ARRA)

Compliance with ARRA reporting requirements are being developed as a product of the enacting legislation, as well as guidance and requirements issued by the Office of Management and Budget, the US Department of Education, the Colorado State Controller and the Office of Governor Bill Ritter's Recovery Team. As a result, the guidance is subject to change and further clarification as the process evolves.

### ***When must reports be filed under ARRA?***

Reports under ARRA are required to be filed with the U.S. Government no later than ten (10) days after the end of each calendar quarter. However, in Colorado, the State Controller has centralized the reporting process and is requiring that all information be submitted by CDE to the State Controller's Office no later than 10 days prior to the deadline. The State Controller is intending to collect information on the use of ARRA funds on a monthly basis. The Colorado Department of Education requires an ARRA report whenever a request for ARRA funds is submitted.

### ***Who is a subrecipient?***

ARRA funding for Colorado K-12 education is distributed through CDE or the Governor's office (in the case of State Fiscal Stabilization funds, which are used to supplement the School Finance Act formula). As the "prime recipient" of ARRA funds, each of those state agencies is responsible for reporting to the central system. The recipient of funds from CDE is considered a "sub recipient". The sub-recipient will typically be a school district, but in some instances the grantee from CDE is an administrative unit, BOCES or other fiscal agent. Each sub-recipient is responsible to report the required information for those funds received by them to CDE. Local school districts, BOCES and schools are not required to register in FedRep.gov.

**September 16, 2009**

***Which subrecipients need to comply with the quarterly reporting requirements?***

For the purposes of ARRA reporting, any subrecipient of ARRA funds from the Colorado Department of Education that receives an award of \$25,000 or more from any one of the programs in the table below must complete quarterly reports for each of such awards:

<b>Grant Program Name</b>	<b>Catalog of Federal Domestic Assistance (CFDA) Number</b>	<b>Grant Award Number</b>	<b>Automated Data Exchange (ADE) Grant/Program Code</b>
Title I-A Grants to Local Educational Agencies, Recovery Act	84.389	S389A090006	4389
Title I-D Delinquent, Recovery Act	84.389	S389A090006	7389
IDEA Part B, Recovery Act	84.391	H391A090020	4391
IDEA Part B Preschool, Recovery Act	84.392	H392A090097	4392
Title II-D Ed-Tech Formula Grants, Recovery Act	84.386	S386A090006	4386
Title II-D Ed-Tech Competitive Grants, Recovery Act	84.386	S386A090006	5386
McKinney-Vento Homeless, Recovery Act	84.387	S387A090006	5387
Education Stabilization Fund, Recovery Act*	84.394	S397A090006	4394
National School Lunch Assistance, Recovery Act*	10.579	3CO340001	4579

\* Additional guidance concerning reporting requirements for these programs will be issued later.

***Who is responsible for completing the subrecipient spreadsheets?***

Each subrecipient should identify a single point of contact for *all* ARRA reports. A likely contact would be the chief financial officer or business manager for the subrecipient. This contact

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**September 16, 2009**

person should be identified to CDE, and should review all ARRA reports to ensure accuracy and consistency with the associated Request for Funds and the districts' financial accounting data, as well as retain copies of all reports submitted.

***How will CDE collect quarterly reporting information from subrecipients?***

CDE must use the spreadsheets developed by the Colorado Office of the State Controller to collect information from its subrecipients. These spreadsheets must be completed by all subrecipients receiving more than \$25,000 from any one of the grant programs detailed above.

There are two spreadsheets to be completed:

1. Initial Reporting, which will be completed by CDE; and
2. Monthly Reporting which reports:
  - Grantee and Vendor jobs saved
  - Vendors to which the grantee has obligated more than \$25,000.

Although ARRA anticipates quarterly reporting, Governor Bill Ritter's Recovery Team has requested that information be submitted on a monthly basis. In turn, CDE will require a completed ARRA report when a subrecipient requests ARRA funds.

The spreadsheet will be included with the Requests for Funds for each program as an individual tab in the Excel Workbook file. To receive reimbursement of ARRA funds, grantees must complete the Monthly Reporting sheet. For those programs that do not utilize a Request for Funds, additional guidance will be forthcoming.

***How do we complete the Reporting spreadsheets?***

**Initial Reporting Sheet**

The initial reporting sheet will be completed by CDE for all local education agencies. Non-LEA subrecipients may be required to complete the initial reporting sheet.

**Monthly Reporting Sheet**

The Monthly Reporting Sheet contains 13 fields. Information must be completed as follows:

1. *Date Prepared* (this is the date on which the subrecipient submits the information to CDE)

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**September 16, 2009**

2. *Report Prepared for Month* (indicates the period for which the information is being reported)
3. *Report Prepared for Year* (indicates the year during which the reporting period occurred)
4. *Total Inception-to-Date Subaward Funds Received* This amount should be consistent with the total funds reimbursed by CDE.
5. *Final Report* This is a “Yes/No” drop down box. The response will be “Yes” *only* in the report filed for the final reporting period during which grant funds are expended or obligated.
6. *Number of inception-to-date FTEs of jobs created or retained by the subrecipient* This relates only to employees of the subrecipient and should not include employees of any vendors paid by the subrecipient using ARRA funds. Additional information is below as to the calculation of FTE’s.
7. *Description of jobs created or retained by subrecipient:* General description of the types of positions created or retained as a result of ARRA.
8. *Number of inception-to-date FTEs of jobs created or retained by subrecipient’s vendors* reflects the subrecipient’s estimate of jobs created by vendors paid by the subrecipient using ARRA funds. Additional information is below as to the calculation of FTE’s.
9. *Description of jobs created or retained by subrecipient’s vendors* General description of the types of positions created or retained as a result of ARRA.
10. *Vendor Name* Legal name of any vendor paid at least \$25,000 in a single payment of ARRA funds by the subrecipient.
11. *Number Assigned by the Subrecipient* number assigned by CDE for all vendors who have received a single payment of at least \$25,000.
12. *Vendor Headquarters Zip code+4* Provide the Zip code + 4 (XXXXX-XXXX) of the principal place of business of the vendor
13. *Vendor DUNS Number (Optional)* Include when applicable

***What is a “vendor” for purposes of the ARRA reporting requirements?*** A vendor is any third party (whether a business or a person) that is paid more than \$25,000 from any single ARRA program. A vendor does not include employees of the subrecipient but would include independent contractors.

***How is information about “jobs created or retained” calculated?***

Because it is often difficult to discern whether a job is created or saved using ARRA funds, the estimate of such jobs will be combined. Subrecipients should estimate the total number of FTE who will be funded using ARRA funds from the applicable program for the applicable reporting period.

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**September 16, 2009**

An estimate of direct jobs created or saved as a result of any vendor contracts awarded by the subrecipient using ARRA funds should also be included.

Information as to jobs saved or created should be consistent with the information included in a request for funds reimbursement submitted for the applicable reporting period.

Local school districts will be asked to update this information as to jobs saved or created as a part of the items to be completed in their monthly federal funds reimbursement request. The number of jobs saved or created should reflect the aggregate number for the entire ARRA funding period, through September 30, 2011.

The Instructions sheet for reporting provides general guidelines for calculating an FTE:

$$\text{FTE} = \frac{\text{Cumulative Hours Worked as a result of Recovery Act funding}}{\text{Cumulative Hours in a Full-time Schedule}}$$

NOTE: A “full-time schedule” is the total number of hours determined by the sub-recipient to constitute a full-time schedule. .

*The Office of Management and Budget provides the following illustration of this calculation:*

Assume that a recipient is preparing its first quarterly report and that the recipient’s Recovery Act funded work required two full-time employees and one part-time employee working half days for the quarter. Also assume that the recipient’s full-time schedule for the quarter is 520 hours (2080 hours in a work-year divided by 4). To convert hours worked to number of FTE for the first quarterly report, aggregate all hours worked and divide by the number of hours in a full-time schedule for the quarter. In this example, full-time hours worked (520 hrs x 2 employees = 1040 hrs) + part-time hours worked (260 hrs) ÷ number of hours in a full-time schedule for the quarter (520 hrs) = 2.5 FTE reported in the first quarterly report. Because jobs are reported cumulatively each quarter, this same number of FTE would be reported for the second quarter if the same number of employees worked the same number of hours.

Reporting is cumulative across the project lifecycle, and will not reset at the beginning of each calendar or fiscal year. In the example above, the 2.5 FTE reported in the first quarterly report will stay the same through the project lifecycle, assuming the same number of employees work the same number of hours. The table below shows the FTE calculations through the lifecycle of an 18 month project that uses full-time, part-time, and temporary workers.

**September 16, 2009**

<b>Period</b>	<b>3rd qtr</b>	<b>4th qtr</b>	<b>1st qtr</b>	<b>2nd qtr</b>	<b>3rd qtr</b>	<b>4th qtr</b>
Full-Time Schedule	520	1040	1560	2080	2600	3120
Full Time Employee 1	520	1040	1560	2080	2600	3120
Full Time Employee 2	520	1040	1560	2080	2600	3120
Part Time Employee (half time)	260	520	780	1040	1300	1560
Temporary Employee (650 hrs.)	0	0	130	390	650	650
Total Hours Worked	1300	2600	4030	5590	7150	8450
<b>Quarterly FTE</b>	2.50	2.50	2.58	2.69	2.75	2.71

***Where will this collected information be reported?***

Information collected and reported on the use of ARRA funds will be publicly available at [www.recovery.gov](http://www.recovery.gov)

***How can I find more information about these reporting requirements?***

All guidance issued by the Colorado Office of the State Controller can be found at the following link: [http://www.colorado.gov/dpa/dfp/sco/contracts/ARRA/ARRA\\_Main\\_Page.htm](http://www.colorado.gov/dpa/dfp/sco/contracts/ARRA/ARRA_Main_Page.htm)

Information issued by the US Department of Education is available at: <http://www.cde.state.co.us/scripts/federalstimulus/detail.asp?itemid=227006>

The CDE will host a series of monthly webinars to review the reporting requirements. The first webinar will be held on September 24, 2009. Please check <http://www.cde.state.co.us/scripts/federalstimulus/index.asp> for details about these webinars.

Questions may also be directed to Andrew Lake at [Lake\\_A@cde.state.co.us](mailto:Lake_A@cde.state.co.us) or Nina Lopez at [Lopez\\_N@cde.state.co.us](mailto:Lopez_N@cde.state.co.us)