

*ARRA Quarterly
Expenditure Reporting
Instructions*

*Legislative Budget Board
December 2009*

Contents

	Page
Overview	3
Part I. Federal Awards Instructions.....	5
Part II. Project Instructions	6
Part III. Project Objects of Expense and Strategy Instructions	8
Part IV. Project Full-Time Equivalents Instructions.....	9
Part V. Project Pass-Through Distributions Instructions	10
Part VI. Project Pass-Through Receipts Instructions	12

Instructions Overview

Purpose

The American Recovery and Reinvestment Act (ARRA) online reporting application gathers information concerning all ARRA funding received by agencies. This includes awards that were appropriated to agencies under Article XII of the General Appropriations Act (GAA) or House Bill 4586, 81st Legislature, as well as awards that were not appropriated or are outside the GAA.

This information will be used to generate quarterly reports about ARRA disbursements and expenditures. These reports will show the projects that ARRA awards have funded, their strategies, and start and end dates. They will also account for all objects of expense, the number of jobs the awards created or retained (expressed as full-time equivalents), and the amount of each award that was passed-through to other state and non-state entities.

These instructions are meant to help agencies better understand the online reporting process. While these instructions provide further explanation of the terms mentioned in the reporting application, please refer to the technical manual for detailed operating instructions. The manual is available via the Legislative Budget Board's external website (www.lbb.state.tx.us) under Agency Instructions.

Reporting Requirements

Article XII, Section 5(b) of the General Appropriations Act requires all agencies receiving appropriations under the Article to submit quarterly expenditure reports for funds appropriated from the American Recovery and Reinvestment Act (ARRA) Fund. The reports shall be in the format prescribed by the Legislative Budget Board (LBB). The reports shall be submitted to the Governor, the LBB, State Auditor's Office, and the Comptroller of Public Accounts.

The LBB created an online reporting application to gather this information. This application is available on the LBB's external website (www.lbb.state.tx.us). To use the application, agencies must request a user ID and password under Agency Data Entry.

The data requested is similar to information agencies are reporting to the federal government. The exceptions are grant type, strategy, objects of expense, and pass-through distribution information. The additional information requested is explained in greater detail in *Part I: Federal Awards Instructions*, *Project III: Project Objects of Expense and Strategy Instructions*, and *Part V: Project Pass-Through Distributions Instructions*.

Deadline: All reports must be submitted by January 15, 2010.

Helpful Definitions

- **Appropriated awards** are awards funded in the GAA. They also include awards whose amounts increased after they were originally appropriated (e.g. the federal government increased an award after GAA's passage.)
- **Awards not appropriated** are those that were not included in the GAA but historically or normally would have been included in the GAA.
- **Funds outside the GAA were not and usually have not been included** in the GAA. They may exist within or outside the treasury.
- **Pass-through distributions** are ARRA funds an agency distributes to another state or non-state entity.

Special Instructions for Institutions of Higher Education

Institutions of Higher Education (IHEs) need to report all ARRA awards, including grants not appropriated by the Legislature but subject to ARRA Section 1512 reporting.

For federal grants, IHEs will enter federal award information only (as described in *Part I: Federal Awards Instructions*).

For formula grants and State Fiscal Stabilization Funds appropriated under Article XII, IHEs will follow the entire reporting process (which includes federal award, project, objects of expense, full-time equivalents, distribution, and receipt information.)

General Information

The information agencies provide will allow the LBB to generate quarterly expenditure reports. These reports will include detailed information about each ARRA award, the project(s) it funded, and their related strategies. Additionally, these reports will show the difference, if any, between how much ARRA funding was originally appropriated for an award in the GAA versus how much funding the federal government actually awarded. Agencies will also report what award amounts have already been obligated or exist outside the GAA and how much of the award has been expended.

For each project funded, the reports will show expenditures by objects of expense (OOEs). OOEs are categorical expenses for which ARRA funds were used, such as salary and wages, personnel costs, travel, supplies, etc. Each agency will also report how many jobs were created or retained due to ARRA funds, expressed as full-time equivalents (FTEs), including how many FTEs were Texas state government FTEs.

Furthermore, these reports will allow the LBB and other oversight agencies to understand how agencies have distributed ARRA funds to other state and non-state entities. Conversely, they will show how much ARRA funding agencies have received from other state entities. Finally, these reports will show how much unexpended ARRA funds remain for each award.

Part I: Federal Awards Instructions

Purpose

In the Federal Awards section, the agency will provide general identification information for every ARRA award which the federal government awarded directly to the agency. This includes which federal agency made the award, its amount, type, and the *Catalogue of Federal Domestic Assistance* (CFDA) number and program. The agency will also note if the federal award was a competitive award.

Getting Started

Entering new federal awards: After clicking New Federal Award Info, begin entering information about the federal award(s) which the federal government directly awarded to the agency.

Entering pass-through receipts: If the agency needs to report ARRA awards that were received from another state agency in the form of a pass-through, please refer to *Part VI: Project Pass-Through Receipts Instructions*. **This information will not be entered in the federal awards section.**

General Information

Select a federal agency: In the drop down menu, find the responsible federal agency (funding federal agency responsible for distributing/awarding ARRA funds). If an appropriate federal agency name can not be found, call the Federal Funds Analysis Team at the LBB.

Enter the Federal Award Number and Award Amount. Next, choose the ARRA grant type using the drop-down menu.

Competitive vs. non-competitive awards: Some federal awards are competitive. If the agency competed for the award, check the competitive award box. Otherwise, leave it blank.

Select a CFDA number: In the drop down menu, find the *Catalog of Federal Domestic Assistance* (CFDA) number and program name for each federal award. Please note that there are unique CFDA numbers for all ARRA-related funding sources. Please refer to the LBB website (www.lbb.state.tx.us) under Agency Reference Documents for a complete list of ARRA-related programs and the respective CFDA numbers and program names.

Next Steps

After the federal award information has been entered, click Submit. The federal award has now been added. Click Next to begin entering project, objects of expense, strategy, full-time equivalents, and pass-through distribution information.

Entering multiple awards: It is recommended agencies enter, save, and **complete all information about one award before starting another award**. They may return to the Federal Awards section to enter or edit an award by clicking the Federal Awards link at the top of the page.

Important

- Enter only direct federal awards in this section. For pass-through awards received from another state agency, see *Part VI: Project Pass-Through Receipts Instructions*.
- Check the competitive award box if the agency competed for the award.
- If an appropriate federal agency or CFDA number can not be found, call the Federal Funds Analysis Team at the LBB to get a number or federal agency assigned to the program.

Part II: Project Instructions

Purpose

The Project section captures information about individual ARRA projects, including the project's description and start/end dates. Agencies will also provide the project's awarded amount and indicate how much funding, if any, is outside the GAA or has been already obligated. If agencies are reporting jobs created or retained due to an ARRA project, expressed as FTEs, they will also indicate which methodology they used to calculate the FTEs.

Agencies should submit project information for all ARRA awards. This includes awards that were appropriated to agencies under Article XII of the GAA or House Bill 4586, 81st Legislature, as well as awards that were not appropriated or are outside the GAA.

General Information

Project Name: For the purposes of this report, the same project name used in federal ARRA Section 1512 reporting should be entered.

Project Description: Enter a brief narrative of the project's purpose and expected outcomes.

Projected Start/End Dates: Enter the dates the project is or was expected to start/end.

Start/End Dates: Enter the actual dates the project started and ended. These dates may be different from the projected start/end dates. **If a project has not started/ended, leave these fields blank.**

Project Amount: Enter the project's awarded amount.

Outside of GAA: These are ARRA funds authorized by the state constitution, statute, federal law, or court order that are deposited in funds or accounts **within or outside the state treasury** and under the control of the agency. **They were not and usually have not been appropriated by the Legislature in the GAA.**

Only enter funds that were not and historically have not been included in GAA in this field.

Obligated Funds: These are ARRA funds that are tied to binding agreements that will result in outlays, now or in the future. In other words, they are committed or reserved for specific uses even though they have technically not yet been spent.

Select a FTE methodology: Select which methodology the agency used to calculate FTEs. **If an agency has no FTEs to report, select N/A - No FTEs.**

Note: Agencies will enter the number of FTEs in a different section.

Important

- The project name should be the same name as reported in ARRA Section 1512 reporting.
- The actual project start/end dates may differ from the projected start/end dates. Leave the start/end dates blank if a project has not started/ended.
- **Funds outside the GAA were not and usually have not been included in the GAA.** They may exist within or outside the treasury.
- Obligated funds are tied to binding agreements that may result in outlays, now or in the future.
- Select the appropriate FTE Methodology. If there are no FTEs to report, choose N/A.
- Report all FTEs regardless of the impact of the agency's FTE cap.

Methodology Used to Calculate the Number of Jobs Created or Retained, Expressed as FTEs (select one):

1. Converted hours worked to FTEs [**Converted Hours**]: Estimated the number of jobs created or retained by converting hours worked to the number of FTEs by aggregating all hours worked and dividing by the number of hours in a full-time schedule.

2. Determined the percentage of effort [**Percentage Effort**]: Estimated the number of jobs created or retained by determining, proportionally, the percentage of effort directly charged to ARRA awards by calculating the FTE equivalent, in compliance with OMB Circular, A-21: *Cost Principles for Educational Institutions*.

3. **Statistical**: Estimated the number of jobs created or retained by using a federally approved statistical methodology to generate estimates of job impact. Agencies using a statistical methodology must email an explanation of that methodology to arra_submissions@lbb.state.tx.us.

If one of these three listed methodologies was not used to calculate FTEs, please notify the Federal Funds Analysis Team at (512) 463-1200. Note: This would be a rare or exceptional circumstance.

FTE Caps

Please report all FTEs regardless of the impact on the agency's FTE cap.

Next Steps

After saving the project's information, enter OOE, strategy, and FTE information in the next sections. Agencies can enter more projects later, however **it is recommended they input OOE, strategy, and FTE data for one project before beginning another project.**

Part III: Project Objects of Expense and Strategy Instructions

Purpose

This section gathers information about objects of expense (OOEs) and strategies for each project, including those whose funds pass-through partially or entirely to another state or non-state entity. Complete this section for all projects, except projects outside the GAA.

Please read carefully how to report the OOEs for funds spent during the 2009 Federal Fiscal Year versus how to report the OOEs for funds spent during the first quarter of the 2010 Federal Fiscal Year.

Getting Started

Select a fiscal year: Some agencies have ARRA expenditures for funds spent during the 2009 Federal Fiscal Year. To enter the OOEs for funds used prior to October 2009, select Year 2009. **Enter total 2009 Federal Fiscal Year expenditures by OOE in Quarter 4.**

Although some expenditures may have been made before the fourth quarter of the 2009 Federal Fiscal Year, **enter each OOE total for the 2009 Federal Fiscal Year in Quarter 4.**

For funds spent **during the first quarter** of the 2010 Federal Fiscal Year, which runs Oct. 1-Dec. 31, select Year 2010, and enter the OOE amount in **Quarter 1.**

Select a strategy: For a project, select a strategy from the drop down menu. Example: A strategy for the Internet Crimes Against Children (ICAC) award is 1.1.1: Legal Services.

Select an OOE category: Assign an OOE to each strategy using the drop down menu. Example: For strategy 1.1.1: Legal Services, the Sample Agency may have spent ARRA funds on OOE 1001: Salary & Wages.

General Information

Entering multiple strategies: Some projects have multiple strategies. To add an additional strategy, choose one from the drop-down menu, select an object of expense, and enter the amount expended in the appropriate quarter. Repeat this process for all strategies for a particular project.

Entering multiple OOEs: A strategy may have multiple OOEs. To enter multiple OOEs for a single strategy, select the same strategy from the drop down menu, assign another OOE, and enter the expended amount in the appropriate quarter. Repeat this process for all OOE data for a given strategy.

Pass-Through Distributions OOEs: If your agency has **passed-through some or all of a project's funds**, **select 4000: Grants** as the OOE and enter the pass-through amount.

Next Steps

After all strategies and OOEs have been entered for a project, agencies can enter FTEs in the following section. If no FTEs are being reported for a project, the Project FTE section will be skipped.

Important

- Enter OOE data for all funds spent during the 2009 Federal Fiscal Year under Year 2009 (in Quarter 4).
- Enter OOE data for all funds spent during the first quarter of the 2010 Federal Fiscal Year under Year 2010 (in Quarter 1).
- Some projects have multiple strategies. Some strategies have multiple OOEs.
- For pass-through distributions to other state/non-state entities, enter the OOE as 4000: Grants.

Part IV: Project Full-Time Equivalents Instructions

Purpose

The Project Full-Time Equivalents Section collects information about jobs that have been created and retained due to an ARRA project, expressed in terms of full-time equivalents (FTEs). In addition to collecting data about the total FTEs created and retained, the LBB is also collecting the total State of Texas government FTEs.

The LBB is requesting agencies follow the new Office of Management and Budget guidelines for reporting job estimates in terms of FTEs. According to the December 18, 2009 OMB memorandum, agencies must now report jobs created or retained on a quarterly, not cumulative, basis.

There is one important distinction. Please read carefully how to report jobs created or retained due to funds spent during the 2009 Federal Fiscal Year versus how to report jobs created or retained due to funds spent during the 2010 Federal Fiscal Year.

Getting Started

Select a fiscal year: To enter all FTEs for funds spent before Oct. 1, 2009, make sure to select Year 2009.

Enter all jobs created and retained by ARRA funds spent during the 2009 Federal Fiscal Year, expressed in terms of FTEs, in Quarter 4.

For funds spent **during the first quarter** of the 2010 Federal Fiscal Year, select Year 2010, and enter the FTEs in Quarter 1.

General Information

Total FTEs vs. State of Texas FTEs: Total FTEs includes all full-time equivalent positions. State of Texas FTEs are only Texas state government full-time equivalent positions. They are a subset of total FTEs.

Created vs. Retained FTEs: Created FTEs are new positions that ARRA funding has produced. Retained FTEs are positions that would have been eliminated if not for ARRA funding.

Important

- Be sure to enter FTEs due to all funds spent prior to October 1, 2009 under Year 2009 (in Quarter 4).
- Enter FTEs due to all funds spent during the first quarter of the 2010 Federal Fiscal Year under Year 2010 (in Quarter 1).
- Report all FTEs regardless of the impact on the agency's FTE cap.

FTE Caps

Please report all FTEs regardless on the impact of the agency's FTE cap.

Next Steps

Enter the project's pass-through distributions (if applicable) in the following section.

To add another project, click Add New Project. If agencies are finished entering all the project information for a federal award, they can go to the Federal Awards or Pass-Through Receipts sections.

Part V: Project Pass-Through Distributions Instructions

Purpose

The Project Pass-Through Distributions section collects data about ARRA funds agencies have passed-through to another state or non-state entity for a given project.

Please read carefully how to report funds passed-through during the 2009 Federal Fiscal Year versus how to report funds passed-through during the first quarter of the 2010 Federal Fiscal Year.

For all distributions to non-state entities, agencies will need to submit a separate spreadsheet itemizing these distributions. It will include all sub-recipients, the amounts distributed to them, and the sub-recipient's address. The LBB will provide this spreadsheet template.

Getting Started

The reporting process is slightly different for state vs. non-state distributions. **If your agency did not pass-through any funds for a given project, do not enter any information in this section.**

Select a fiscal year: To enter all distributions made before Oct. 1, 2009, make sure to select Year 2009. Enter all distributions made during the 2009 Federal Fiscal Year in Quarter 4. For distributions made during the first quarter of the 2010 Federal Fiscal Year, select Year 2010, and enter the amount in Quarter 1.

General Information

State Agency Award/Pass-Through Distributions:

Select the appropriate recipient state agency from the drop-down menu. Enter the amount passed-through to the agency for the appropriate quarter. If an agency distributed a project's funds to multiple state agencies, click Add Another Recipient.

Non-State Entity Pass-Through Distributions: Agencies reporting pass-through distributions to non-state entities must follow a **two-step process**.

1. Instead of inputting each non-state recipient directly into the reporting application, the agency will email a spreadsheet that includes itemized sub-recipient information to the LBB. More information about how and what sub-recipient information to submit is on the following page.

2. Choose NSE:Non-state entity from the drop down menu. Enter the **total amount** of ARRA funds the agency passed-through to **all sub-recipients** for a given project for the appropriate quarter.

Important

- Enter the total funds distributed during the 2009 Federal Fiscal Year under Year 2009 (in Quarter 4).
- Enter the total funds distributed during the first quarter of the 2010 Federal Fiscal Year under Year 2010 (in Quarter 1).
- For non-state entity pass-through distributions, the agency must identify sub-recipients using the LBB's spreadsheet.

More about Reporting Pass-Through Distributions to Non-State Entities

In addition to knowing which agencies have distributed funds to non-state entities, the LBB needs to understand where these distributions have gone.

This information cannot be provided via the ARRA online reporting application. A tracking spreadsheet is available to submit this information on the LBB's external website (www.lbb.state.tx.us) under Agency Instructions.

In the tracking spreadsheet, agencies will provide identifying information about the project whose funds are being distributed. This information includes the:

- State agency's name
- Federal agency's name
- CFDA number and program
- Project name
- Year/Quarter (Note: If an agency has project distributions in different federal fiscal years, it must report them in separate spreadsheet tabs).

For each project, agencies will also list the following information for each sub-recipient:

- Sub-recipient's name
- Sub-recipient's address
- The date the sub-recipient was notified of an award
- The total amount that has been or will be passed-through to the sub-recipient
- What amount has actually been paid to the sub-recipient during the quarter (Note: This is the amount the sub-recipient has actually received. It is not the amount that has been allocated for distribution.)

Agencies may or may not be reporting itemized sub-recipient information to the federal government.

Please email the completed spreadsheet to arra_submissions@lbb.state.tx.us. DO NOT send .zip files.

Next Steps

After completing the Project Pass-Through Distributions section, the agency will provide information on ARRA funds received from other state agencies. Instructions for entering the pass-through receipts are provided in the following section.

Important

- For non-state entity distributions only, use the LBB-provided spreadsheet to report itemized distributions to sub-recipients.
- The spreadsheet is available on the LBB website.
- In addition to project identification information, enter the sub-recipient's name, address, date of award, pass-through amount, and the actual amount paid.
- Email the completed spreadsheet to arra_submissions@lbb.state.tx.us.

Part VI: Pass-Through Receipts Instructions

Purpose

The Pass-Through Receipts section collects information about ARRA funds agencies have received from other state agencies. This information includes identifying information such as the awarding agencies and Catalogue of Federal Domestic Assistance (CFDA) number. It also includes project information, objects of expense and related strategies, jobs created or retained by ARRA funds (expressed as FTEs), and any further pass-through distributions.

Do not include federal awards received directly from a federal agency in this section. See Part I: Federal Awards Instructions (page 5) for how to enter the data for these awards.

Getting Started

Select the awarding state agency: From the drop down menu, select the state agency that awarded the funds.

Select the original federal agency: In the drop down menu, find the responsible federal agency. If an appropriate federal agency name can not be found, call the Federal Funds Analysis Team at the LBB.

Select a CFDA number: In the drop down menu, find the *Catalog of Federal Domestic Assistance* (CFDA) number and program name for each federal award. Please note that there are unique CFDA numbers for all ARRA-related funding sources. Please refer to the LBB website (www.lbb.state.tx.us) under Agency Reference Documents for a complete list of ARRA-related programs and the respective CFDA numbers and program names.

Next Steps

Once all the identifying receipt information has been entered, click Submit. The receipt has now been added. Click Next to begin entering project, objects of expense, strategy, full-time equivalents, and pass-through distribution information.

From here forward, the reporting process for pass-through receipts is nearly identical to the reporting process for directly-awarded federal awards. Please refer to the following sections for instructions on how to complete these sections for all receipts.

Part II: Project Instructions (page 6)

Part III: Project Object of Expense and Strategy Instructions (page 8)

Part IV: Project Full-Time Equivalents Instructions (page 9)

Part V: Project Pass-Through Distributions Instructions (page 10)

Important

- Enter only ARRA funds received from another state agency in this section.
- If the appropriate agency or CFDA number can not be found, call the Federal Funds Analysis Team at the LBB to get a number or federal agency assigned to the program.
- Agencies must complete project, OOE/strategy, FTE, and pass-through information for all receipts.
- For the above information, the online reporting process for receipts is the same as for direct federal awards. Please refer to the previous sections' instructions as necessary.