United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

MAY 19 2010

TAKE PRIDE IN AMERICA

Department of the Interior Guidance Release ARRA-2010-02, Amendment 1

Subject: **AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA) RECIPIENT REPORTING GUIDANCE**

References: OMB Memorandum M-10-08, *Updated Guidance on the American Recovery and Reinvestment Act – Data Quality, Non-Reporting Recipients, and Reporting of Job Estimates*, dated December 18, 2009; and
OMB Memorandum M-10-17, *Holding Recipients Accountable for Reporting Compliance under the American Recovery and Reinvestment Act*, dated May 4, 2010.

Issue Date: **December 22, 2009; amended May 19, 2010**

1. Purpose:

This guidance reiterates the importance of timely, comprehensive and accurate recipient reporting in order to meet ARRA's transparency and accountability objectives; and provides instruction on the measures acquisition staff must take to ensure consistent reporting. Attached are templates for standard letters and notifications that must issued to those recipients who are non-compliant with ARRA reporting requirements.

2. Effective Date:

Effective upon issuance. This amended version is a supplement to the previous guidance issued December 22, 2009.

3. Background and Explanation:

OMB Memorandum M-10-17, *Holding Recipients Accountable for Reporting Compliance under the American Recovery and Reinvestment Act*, dated May 4, 2010, addresses the continuing difficulty achieving full compliance with quarterly recipient reporting requirements as required under ARRA. Terms and conditions of all awards require timely, comprehensive and accurate recipient reporting in order to effectively meet the ARRA transparency and accountability objectives. Department of the Interior Guidance Release ARRA-2010-02, issued December 22, 2009, provided extensive guidance on recipient reporting; however, DOI recipients have not been fully compliant with ARRA reporting requirements.

Recognizing similar challenges throughout the Federal Government, President Obama issued an April 6, 2010, memorandum directing agencies to "further intensify their efforts to improve reporting compliance by prime recipients of Recovery Act funds, whenever authorized and appropriate, by terminating awards; pursuing measures such as suspension and debarment; reclaiming funds; and considering, initiating, and implementing punitive actions." In order to

proactively address this reporting issue, templates for three standard letters have been developed for acquisition and financial assistance staff to send to ARRA recipients (Attachments 1-3). The letters are designed to be a communication vehicle to reiterate ARRA reporting requirements to recipients at the time of the award; and to provide notification of subsequent reporting non-compliance and enforcement action, if necessary.

4. Action Required:

Bureaus must provide the following letters to recipients as appropriate to the circumstances below.

- Recipients under a new award must be notified of their reporting obligations under Section1512 by the contracting officer/grants officer in writing through the contract or financial award document and by separately issuing the Recovery Act Required Quarterly Reporting Requirements letter (Reporting Requirements letter), Attachment 1. Recipients of awards made within the ten business days prior to the beginning of the reporting quarter must be informed of their reporting requirements by both the issuance of the Reporting Requirements letter and a phone call. Recipients are also to be informed in writing each time the award amount changes via modifications or amendments to the award. Include the Reporting Requirements letter, appropriately modified with each action that changes the Key Award Information. Ensure that the award amount is correct under Section d of the Key Award Information in the Reporting Requirements letter.

- The initial Non-Compliant Notification, Attachment 2, is to be promptly issued on the 15th of the month following the reporting month when the recipient fails to report for the immediate past quarter. As an example, for the quarter January 1 through March 31, a recipient must complete the reporting between April 1 and April 10. If a recipient is non-compliant with the reporting during that cycle, then the Non-Compliant Notification letter will be issued on May 15. This letter is to be used for recipients that are non-compliant for the first time. Bureaus are to complete the Non-Compliant Notification letter and issue to the recipient either by overnight mail/express delivery services or certified mail/return receipt. This is to ensure confirmation of receipt of the notification. In addition, faxing of the Non-Compliant Notification or placing a phone call to the recipient may used as a secondary means of notification, but not as an alternative to the official mailing/delivery, which results in a signed receipt of delivery or acknowledgement. Bureaus will confirm and record in the award file the date the Non-Compliant Notification letter was received by the recipient.

- The Final Non-Compliant Notification, Attachment 3, is to be issued on the 15th of the month following the second reporting month when the recipient is a two-time non-reporter (e.g. has not reported for two or more quarters). In instances where the recipient has already been non-compliant for two quarters, bureaus will only send the recipient the Final Non-Compliant Notification. In those instances, issuance of the first Non-Compliant Notification, Attachment 2, will not be applicable. Bureaus are to complete the Final Non-Compliant Notification and issue to the recipient either by overnight mail/express delivery services or certified mail/return receipt. This is done to ensure

signed receipt of the notification. In addition, faxing of the letter or phone call may used as a secondary means of notification but not as an alternative to the official mailing/delivery, which results in a signed receipt of delivery or acknowledgement . Bureaus will confirm and record in the award file the date the Final Non-Compliant Notification was received by the recipient. Within 15 days of the end of the reporting month, actions must be initiated and documented such as:

- Increasing award monitoring and surveillance regarding reporting, such as requiring frequent progress reports.
- Including the recipient's failure to comply with reporting requirements as part of the recipient's performance record.
- Formally elevating the failure to perform in accordance with the terms and conditions of the award within the recipient's organization or company.
- Withholding payments until the recipient becomes fully compliant with Section 1512 reporting requirements.

- Finally, if recipients fail to address their quarterly reporting requirements after both notifications have been issued, bureaus are to initiate and implement punitive actions which may include on-site review of the organization by the Inspector General, terminating of awards, pursuing measures such as suspension and debarment, and possible reclaiming of funds. Bureaus are to promptly inform the Director, Office of Acquisition and Property Management, in writing, as to what action(s) will be taken. As always, complete and thorough pre and post award file documentation is essential.

5. <u>Additional Information</u>:

If you have questions about this guidance, please contact Brian Heath, Office of Acquisition and Property Management (PAM) at (202) 208-3185 or Brian_Heath@ios.doi.gov.

Debra E. Sonderman

Debra E. Sonderman, Director
Office of Acquisition and Property Management

Attachments

DIG ARRA-2010-2, Amendment 1
Attachment 1

RECOVERY ACT REQUIRED QUARTERLY REPORTING REQUIREMENTS LETTER

Name of Awardee CEO
Awardee Name
Address

Subject: Recovery Act Required Quarterly Reporting Requirements

Dear Mr./Ms. _____

On [*date*] The (***Bureau Name***) of the U.S. Department of the Interior, awarded *[contract number]/ [assistance award number]* to the *[organization name],* funded under the American Recovery and Reinvestment Act of 2009 (Recovery Act). Under the recipient reporting requirements established by Section 1512 of the Recovery Act, and Section___ (__) of the [*contract] [award agreement*], a recipient must report quarterly on their awards via the central reporting system located at www.FederalReporting.gov . You must report in the FederalReporting.gov system beginning on ***(Fill in the date- April 1, 201_, July 1, 201_, October 1, 201_, or January 1, 201_)*** for the ***(Fill in the month – April, July, October or January)*** reporting period. You must continue reporting until you have fully invoiced the government and all work is completed. In preparation for reporting, please register at FederalReporting.gov. The registration process can take several days to complete so you are strongly encouraged to register immediately.

To complete recipient reporting, you will need the following key award information (***Provide the information for items a. through h. below as appropriate):***

a. Agreement Type
b. Award Number
c. Order Number
d. Award Amount
e. Award Date
f. CFDA number
g. Government Contracting Office Code
h. NAICS Code

Compliance with recipient reporting is not optional. Failure to comply with recipient reporting will result in one of the following consequences:

- Increased award monitoring and surveillance
- Withholding of payments

- Including failure to comply with reporting requirements as part of the recipient's performance record
- Termination of Federal funding
- Initiation of suspension and debarment

A user guide has been included to assist you with recipient reporting. In-depth user guides are available on the FederalReporting.gov web site. Additionally, if you need any technical assistance with recipient reporting, please email interiorrecoveryreporting@ios.doi.gov.

Sincerely,

[Name]
Bureau Official Title

DIG ARRA-2010-2, Amendment 1
Attachment 2

NON-COMPLIANT NOTIFICATION (INITIAL)

Name of Awardee CEO
Awardee Name
Address

Subject: Recovery Act Required Quarterly Reporting - First Delinquency Notification

Dear Mr./Ms. _____

On [*date*] The (***Bureau Name***) of the U.S. Department of the Interior, awarded [*contract number]/ [assistance award number*] to the [*organization name],* funded under the American Recovery and Reinvestment Act of 2009 (Recovery Act). Under the recipient reporting requirements established by Section 1512 of the Recovery Act, and Section___ (__) of the [*contract] [award agreement*], a recipient must report quarterly on their awards via the central reporting system located at www.FederalReporting.gov .

To complete recipient reporting, you will need the following key award information (***Provide the information for items a. through h. below as appropriate):***

a. Agreement Type
b. Award Number
c. Order Number
d. Award Amount
e. Award Date
f. CFDA number
g. Government Contracting Office Code
h. NAICS Code

The reporting deadline for the quarter ending ***(Fill In the date - March 31, 201_, June 30, 201_, September 30, 201_, or December 31, 201_) was (Fill in the date- April 10, 201_, July 10, 201_, October 10, 201_, or January 10, 201_).*** FederalReporting.gov records indicate that your organization has not to date reported for the past quarter. The *[organization]* has not communicated to the *[Bureau Name]*, either by telephone or in writing, a reason for non-compliance.

Recovery Act reporting is critical to providing accurate data to the American public during this time of economic recovery. The failure to enter quarterly award data is a material violation of your award terms and conditions. Delinquent reporting, if uncorrected, can result in sanctions, including termination of your award and/or referral of your organization for suspension and debarment from future award eligibility.

Please note that if your organization has not already registered with FederalReporting.gov, it should do so immediately as the process can take several days. If you are experiencing difficulty fulfilling your reporting requirements, FederalReporting.gov provides assistance via their web site. Only FederalReporting.gov can assist you with completing your reporting requirements. If you need additional assistance from ***[Bureau]***, please contact *[name]*. Mr./Ms._____ may be reached by telephone at _____, and by email at _____. Thank you for your prompt attention to this matter.

Sincerely,

[Name]
Bureau Official Title

cc: Debra E. Sonderman, Director
Office of Acquisition and Property Management
Mary Pletcher, Deputy Recovery Act Coordinator

DIG ARRA-2010-1, Amendment 1
Attachment 3

FINAL NON-COMPLIANT NOTIFICATION

Name of Awardee CEO
Awardee Name
Address

Subject: Recovery Act Required Quarterly Reporting – Final Delinquency Notification

Dear Mr./Ms._____

By letter dated_____, the (***Bureau Name***), U.S. Department of the Interior contacted *[organization name]* in regards to *[contract]/ [assistance]* award number [_____], issued under the American Recovery and Reinvestment Act of 2009 (Recovery Act). The letter notified you that *[organization]* was delinquent in the reporting to Federal Reporting.gov, of Recovery Act Section 1512 data, a material term and condition of [organization]'s award at Section ____ (___).

Quarterly reporting is a mandatory condition of your award via the central reporting system located at www.FederalReporting.gov . The failure to enter award data is a violation of [*organization name*]'s award terms and conditions. FederalReporting.gov records indicate that [*organization name*] has not responded to the prior [*Bureau*] letter and entered the required data.

Because of your failure to comply with recipient reporting, the following actions will be taken against you *(select one or more of the following):*

- Increased award monitoring and surveillance
- Withholding of payments
- Including failure to comply with reporting requirements as part of the recipient's performance record
- Withholding payments until reporting requirements are fulfilled

To avoid further negative actions to include suspension and debarment and termination of federal funding, you must report for the **(Fill in the date- April 201_, July 201_, October 201_, or January 201_)** reporting period.

To complete recipient reporting, you will need the following key award information (***Provide the information for items a. through h. below as appropriate):***

a. Agreement Type
b. Award Number
c. Order Number
d. Award Amount
e. Award Date
f. CFDA number
g. Government Contracting Office Code
h. NAICS Code

The failure to enter the required quarterly reporting data in FederalReporting.gov, can result in action which may include onsite review of your organization by the Inspector General, termination of your award, suspension and debarment throughout all federal government agencies and reclaiming of funds.

Thank you for your prompt attention to this matter.

Sincerely,

[Name]
Bureau Official Title

cc: Debra E. Sonderman, Director
Office of Acquisition and Property Management
Mary Pletcher, Deputy Recovery Act Coordinator