Summary of OMB Initial Implementing Guidance of February 18, 2009

1. **Segregation of Funds**
   - Stimulus funds must be segregated from all other funds and the federal agency and university must be able to report separately.

2. **Agency Web Sites**
   - Must be up and running by Feb. 25, 2009, available from the agency's primary site, and end with /recovery.
   - Must use the Recovery logo.
   - Must be entitled "[Insert Agency Name] Information Related to the American Recovery and Reinvestment Act of 2009."
   - Must include the following sections:
     - Overview of ARRA
     - Implementing the ARRA
     - Agency Plans and Reports
     - Learn More about our Programs
     - Authorizing Legislation
     - How to Apply
     - Link to Inspector General Web site
     - Transparency and Reporting
     - Major contact information and be ADA-compliant

3. **Grant and Cooperative Agreement Proposals** *(excerpts covering items most likely to impact the U of M)*
   - Agencies will obtain and assign new CFDA numbers for Stimulus funding.
   - Within 20 days after enactment (March 9, 2009) agencies must post Stimulus-labeled funding opportunity announcements (synopses) to Grants.gov.
   - Within 30 days after enactment (March 19, 2009) agencies must ensure that the synopsis links to the full Stimulus-labeled announcement on the agency's Web site. Such announcements are expected to include all Stimulus-specific requirements (use of funds, certification, data reporting, performance measures).
   - Agencies may weight selection criteria to favor applicants with "demonstrated ability to develop programmatic results and accountability objectives included in the Recovery Act."
   - Agencies are expected to structure grants to result in "meaningful and measurable outcomes that are consistent with agency plans and promote the goals of the Recovery Act." The evaluation criteria for awards should include those that bear on the measurement and likelihood of achieving these outcomes, such as jobs creation and preservation.
   - Agencies are expected to begin outreach efforts to ensure potential applicants create/update their profiles in DUNS and CCR (*should not impact the U of M, but might impact some of our subrecipients or partners*).
   - Agencies are generally expected to use Grants.gov for applications but may use their own on-line system under limited circumstances with a link provided from Grants.gov.

Agencies that currently use the 'apply' function for Grants.gov must consult with OMB prior to initiating a separate solution.

4. **Grant and Cooperative Agreement Awards** *(excerpts covering those items most likely to impact the U of M, except reporting criteria which is shown in its own section, below)*
   - Agencies are expected to follow A-110 and A-133.
   - Any high-risk programs may be designated as Single Audit major programs which must be tested in a particular year.
   - Agency Inspector Generals will "establish procedures to validate the accuracy of information submitted on a statistical basis and/or risk-based approach as approved by OMB" and agencies must have "defined strategies, developed with the IG, to prevent or timely detect waste, fraud or abuse." OIG may target high-risk programs and entities for priority audits, inspections, and investigations with faster turnaround reporting (e.g, faster than A-133 annual audit, for example).
   - The A-133 Compliance Supplement will be used to notify auditors of compliance requirements which should be tested for Recovery Act awards, and interim updates may be issued if needed to the supplement (rather than the usual annual update).
   - OIG will reach out to the auditing profession to conduct training and to perform quality control reviews to ensure single audits are performed properly and improper payments and other non-compliance is fully reported.
   - Audit results will be reported on Recovery.gov.
   - Agencies are required to include terms and conditions in award documents necessary for effective implementation of Recovery Act data collection and accountability requirements. This includes:
     - Provision for prompt notification to the agency IG of any credible evidence of false claims or violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving ARRA funds.
     - Receipt of funds must be made contingent on recipients meeting the reporting requirements.
     - Agencies must separately track apportionments, allotments, obligations, and expenditures.
   - Agencies are expected to identify opportunities to streamline data collection to help alleviate reporting burden on recipients.
   - Agencies are expected to follow the same laws, principles, procedures, and practices in making awards as they do with other funds. However, OMB goes on to say that agencies may want to consider limited competitions among existing high-performing projects versus full and open competitions and formula allocations.
   - Agencies may consider obligating ARRA funds on an existing grant, including a continuation or renewal, but supplements are "not recommended" as there is a greater risk the recipient will be unable to track these separately (*note that NIH intends to use supplements but the funds must be segregated from the parent grant).*
   - Agencies will require prime grantees to have "mechanisms" in place with their subrecipients to ensure that a DUNS number and CCR registration are available for the first quarter reporting for that prime grant.

5. **Reporting Obligations** *(Section 1512 of ARRA)*
   - 10 days after the end of each calendar quarter, starting on July 10, submit a university-wide report on Stimulus funding:
     - The total amount of recovery funds received from that agency.
     - The amount of recovery funds received that were obligated and expended to projects or activities. This reporting will also included unobligated Allotment balances to facilitate reconciliations.
     - A detailed list of all projects or activities for which recovery funds were obligated and expended, including:
       - The name of the project or activity;
       - A description of the project or activity;
       - An evaluation of the completion status of the project or activity;
       - An estimate of the number of jobs created and the number of jobs retained by the project or activity; and,
       - For infrastructure investments made by state and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with funds made available under this Act, and name of the person to contact at the agency if there are concerns with the infrastructure investment.
   - Detailed information on any subcontracts or subgrants awarded by the recipient to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (P.L. 109-282), allowing aggregate reporting on awards below $25,000 or to individuals, as prescribed by the Director of OMB.
   - The final guidance issued by OMB for the Recovery Act will lay out in more detail specific reporting instructions and how the data collection for this reporting will work government-wide. OMB is actively pursuing options for collecting some of this information centrally (and assisting universities by providing them shell records to complete).

6. **Contract Proposals and Awards**
   - Fixed-price agreements are the preferred contractual instrument. Agencies may deploy partial payments based on interim or partial deliverables, milestone, percent-of-completion.
   - Contracts should be bid competitively whenever possible (agencies may lower their dollar thresholds to ensure competitive bidding takes place).
   - A summary of any contract or modification and a description of the required products and services must be posted in a special section of the Recovery Web site unless the contract is fixed price and competitively awarded (note that this means it is less likely that the University will receive its usual cost-reimbursement contracts).
   - Agencies are required to pay special attention to structuring contract deliverables to promote the economic stimulus goals and timelines in ARRA.
   - Contract solicitations and contract awards will appears on FedBix Opps (FBO) with the first word of the Title field shown as "Recovery."
   - Agencies must post summaries on Recovery.gov (including description of the required products or services) for any transaction valued at over $500,000.
   - Agencies are directed to place special emphasis on responsibility determinations and pre-award surveys, with special attention paid to adequacy of financial resources, ability to

comply with the performance schedule or delivery schedule, satisfactory record of past performance, necessary internal controls, and the necessary equipment or facilities or the ability to obtain them.

- Contract controls that will apply:
  - Davis-Bacon Act and Service Contract Act.
  - Special "Buy American" requirements (including requirement for construction, alteration, repair, or building maintenance awards to use U.S.-made steel, iron, and all manufactured goods unless certain limited exclusions apply).
  - Additional reporting requirements (see reporting section above).
  - Expanded GAO/OIG access to contractor records.