

FACILITIES DIVISION

Facilities Contracts Branch Standard Operating Procedures

DATE: September 2, 2010
SUBJECT: Data Quality Review of Recipient Reports under the American Recovery and Reinvestment Act (ARRA)
NUMBER: CSOP 10-001
EFFECTIVE DATE: Immediately Until Replaced or Superseded

1. Purpose

The purpose of this document is to provide policy and guidance for reporting the results of the Agency's Data Quality Reviews of Recipient Reports submitted in accordance with Section 1512 of the American Recovery and Reinvestment Act (ARRA) of 2009.

2. References

- Section 1512, American Recovery and Reinvestment Act of 2009
- FD Policy Guidance Memorandum (PGM) 10-001, ARRA Recipient Reporting Data Quality Review Guidance
- OMB Memo #M-10-08, Updated Guidance on the American Recovery and Reinvestment Act - Data Quality, Non-Reporting Recipients, and Reporting of Job Estimates (December 18, 2009)

http://www.whitehouse.gov/sites/default/files/omb/assets/memoranda_2010/m10-08.pdf

- OMB Memo #M-09-21, Implementing Guidance for the Reports on Use of Funds Pursuant to the American Recovery and Reinvestment Act of 2009

http://www.whitehouse.gov/sites/default/files/omb/assets/memoranda_fy2009/m09-21.pdf

- OMB Memo #M-10-14, Updated Guidance on the American Recovery and Reinvestment Act (March 22, 2010)

http://www.whitehouse.gov/sites/default/files/omb/assets/memoranda_2010/m10-14.pdf

- OMB Memo #M-10-17, Holding Recipients Accountable for Reporting Compliance under the American Recovery and Reinvestment Act (May 4, 2010)
http://www.whitehouse.gov/sites/default/files/omb/assets/memoranda_2010/m-10-17.pdf
- USDA Procedure for Review of the American Recovery and Reinvestment Act Section 1512 Recipient Reported Information.
http://www.usda.gov/documents/ARRA_Recipient_Report_July_122010.pdf

3. Background

The ARRA requires recipients of ARRA funds to report information on funded projects and activities. Recipient reporting is done on a quarterly basis and is accomplished using the web site at *FederalReporting.gov*. As envisioned by the Act, recipient reporting through *FederalReporting.gov* with public access through *Recovery.gov* ensures that the goals of transparency and accountability are met. Prior to public posting of recipient information, the data must be reviewed in accordance with assigned data quality responsibilities. This Facilities Contracts Branch (FCB) Contracting Standard Operating Procedure (CSOP) documents FCB's process for reporting the results of the Agency's Data Quality Reviews of the ARRA Recipient Reports and the corresponding timeframes.

4. Definitions

Material Omission: Instances where a recipient of an ARRA award does not submit the required report or where reported information is not responsive to the data requests (e.g., insufficient or inadequate narrative information in the "Award Description"). Such an omission causes a significant risk that the public is not fully informed of the status of a Recovery Act project or activity.

Significant Error: Instances where required data is not reported accurately (e.g., incorrect award amount, incorrect award number, number of jobs created/retained, etc.). Such erroneous reporting results in significant risk that the public will be misled or confused by the recipient report in question.

Administrative/Technical Problems: Instances where the recipient has encountered problems that cannot be readily corrected with the *FederalReporting.gov* system. Problems would

include, but not be limited to, inadvertent deactivation or reports, inadvertent deletion of reports, duplicate reports, unlinked reports, technical issues related to a data element in a record, etc.

www.FederalReporting.gov: The web site/system through which information required by Section 1512 must be submitted. This site allows recipients and Federal agencies to register for and manage their accounts, submit reports, view and comment on reports, and update or correct reports when appropriate. It allows for three methods of submission: online data entry in a Web browser, Excel spreadsheet, or an XML extract.

www.Recovery.gov: The website where the recipient reporting is posted and made available to the public.

5. Procedures for Reviews

Guidance from the Office of Management and Budget (OMB) on Recipient Reporting is updated on a regular basis; therefore, it is advisable to review the following website periodically:

http://www.whitehouse.gov/omb/recovery_default/

The Contract Specialists responsible for administration of ARRA-funded construction and architect-engineering (A-E) contracts are responsible for performing the initial Data Quality Reviews of Recipient Reporting data for ARS facilities construction and A-E contracts. They will follow the procedures outlined in the FD Policy Guide Memorandum (PGM) 10-001, ARRA Recipient Reporting Data Quality Review Guidance; communicate on a regular basis with their contractors; and advise them of their responsibilities under ARRA.

The Facilities Contracts Branch (FCB) has responsibility for conducting concurrent and follow up reviews of the these reports to ensure accuracy and to respond to the data calls issued through USDA's Office of the Chief Financial Officer (OCFO) by OMB. The FCB Procurement Analyst or other designated staff in FCB will take the lead in performing these duties:

- a. Provide reminders to the Area and FCB Contract Specialists via e-mail, approximately two (2) weeks prior to Day 1 of the reporting submission timeframe, that by Day 10 (January 10, April 10, July 10, October 10) all new recipients must be registered, current recipients must

submit reports including data on their sub-recipients in *FederalReporting.gov*. These reminders must include information from Section 6 and 7 below on important data elements.

b. Verify that ARRA contractors have registered in *FederalReporting.gov* by utilizing the "Search DUNS #" link under "Administration" on the "Quick Links" section in *FederalReporting.gov*.

c. Utilize the "Recovery Report" from FPDS-NG as a baseline for ARRA actions for ARS. This report is in Excel and can be sorted to identify ARS actions by Contracting Agency Id (12H2), by date signed (oldest to newest or vice versa), and modification number using "0" which will indicate that it is a new award. Review the information on this report to determine the "new" contractors who must register. A separate FPDS-NG Recovery Report can be run without sorting by modification number to determine the remaining contractors who must submit recipient reports.

d. The USDA OCFO posts a Data Extract report that contains recipient submission information from *FederalReporting.gov* on the ARRA Sharepoint web site on a daily basis beginning on the 1st day after the end of the quarter. The Sharepoint web site is:

<https://sharepoint.egov.usda.gov/ARRA/Shared%20Documents/Forms/AllItems.aspx?RootFolder=%2fARRA%2fShared%20Documents%2fRecipient%20Reporting%20Data%20Extract%20documents&FolderCTID=&View=%7bd4f6af0d%2dd4d6%2d4f38%2db2df%2d9509db8469aa%7d>

(NOTE: Data Extract Reports between Days 1 and 10 are for information purposes and are issued prior to the Agency User Comment period. Only Agency points of contact receive them; not individual Contract Specialists.)

The Data Extract report is presented in several formats and contains all ARRA actions for USDA. However, using the Excel format, it can be sorted by Funding and/or Awarding Agency Code (12H2) to filter for just ARS actions.

Once this report is filtered for ARS activity, compare the data to the FPDS-NG report to identify any material omissions, significant errors, and any other discrepancies.

e. Advise the cognizant Contract Specialist within the 1st

six (6) days after the beginning of the reporting period to immediately contact any contractor who has not filed a report to determine the reason and to ensure they file their report in a timely manner. This communication should be documented in the file.

f. Notify the cognizant Contract Specialist of any errors, omissions or other discrepancies identified during reviews who should then verify the information and relay it to the appropriate contractor via the Comments section in the *FederalReporting.gov* system.

g. Perform the initial and follow-up reviews, and comment and communicate with the appropriate contractor(s) as necessary, for those Contract Specialists who will be out of the office for an extended period of time.

h. Perform regular follow-up reviews of all Recipient Reports to ensure that reports have been reviewed by the cognizant Contract Specialist. Communicate any changes or corrections that are required to the cognizant Contract Specialist who should relay the information to the contractor via e-mail and telephone, as well as through the Comments section in the *FederalReporting.gov* system.

6. Data Elements to be Reviewed

The 11 items/data elements below are considered by OMB as key award information that must be reviewed and verified. Any inconsistencies or discrepancies must be communicated to the cognizant Contract Specialist who will relay the information to the contractor through the Comments section in the *FederalReporting.gov* system as soon as possible for correction.

- a. **Award Type:** "C" (for Contract)
- b. **Award Number:** The Contract Number assigned by IAS (this includes the Contract Number for the basic Indefinite Delivery/Indefinite Quantity (IDIQ) contract when a task/delivery order is award; e.g., AG-XXXX-C-XX-XXXX)
- c. **Order Number:** The Delivery Order Number assigned by IAS (e.g., AG-XXXX-D-XX-XXXX)
- d. **Funding Agency Code:** 12H2

- e. **Awarding Agency Code:** 12H2
- f. **Government Contracting Office Code:** The awarding office's contracting office code
- g. **Award Date:** The date of contract award
- h. **Amount of Award:** The contract amount
- i. **CFDA Number:** Leave blank (applies only to grants and loans)
- j. **Activity Code:** The NAICS Code contained in the contract
- k. **Program Source (TAS) Code:** 12-1402

7. Focused Review Elements

There are four (4) priority data elements that need to be reviewed closely by the FCB Procurement Analyst (or designee) and cognizant Contract Specialist and discussed with the contractor, as necessary, to ascertain if an error exists and correction is required when:

- a. **Jobs Created/Retained:** The number of jobs reported that exceeds more than one job per \$25,000 (+/- 10%) of the invoiced or contract award amount. (But see Section 5.4 in OMB Memo No. M-10-08.)
- b. **Project Status:** The percentage of funds expended exceeds the estimated completion timeframe (e.g., 75% of funds were expended but the contract is only 25% complete).
- c. **Project Expenditures:** Discrepancies between amounts obligated and expenditures (e.g., the expenditures exceed the amount of the contract).
- d. **Place of Performance:** Location is different than Agency information.

8. Items Requiring Verification

In addition to the items in Sections 6 and 7 above, the following items must also be verified during reviews. Any inconsistencies or discrepancies must be communicated to the

cognizant Contract Specialist who will relay the information to the contractor either by e-mail and/or telephone, as well as through the Comments section in the *FederalReporting.gov* system as soon as possible for timely correction.

a. **Amount of Award:** After the contractor's first report, this amount should be cumulative to include all modifications that have been executed by the Contracting Officer as of the end of the reporting period.

b. **Total Federal Amount of ARRA Funds Received/Invoiced:** This figure should reflect the cumulative amount of funds that were paid out, NOT what was invoiced by the contractor, as of end of reporting period as per the Status of Funds (SOF). The SOF is generated by the Financial Management Division (FMD) and transmitted to FCB by the 10th day following the close of the quarter. FCB will forward each Area's SOF upon our receipt.

c. **Final Report:** A final report shall be indicated only if the contract has been fully completed and all funds have been paid out for that quarter. Otherwise, the contractor must submit a report for the each quarter until they have received full payment. The contractor may indicate a final report only for the quarter in which they receive final payment.

d. **Other Inconsistencies:** At a minimum, compare the Award Date to the Project Status, Final Report and Funds Received/Invoiced, the Award Date to Jobs Created/Retained, and the Project Status to Funds Received, etc., to ensure that all data "makes sense" (e.g., the project status would not be "fully completed" if the award date was at/after the end of the quarter; the project status would not be "fully completed" if no funds were paid out; the number of jobs created was unusually high but the award date was at/after the end of the quarter and no funds were paid out; etc.).

9. Reporting Timelines and Activities

The following are timelines established by OMB for Recipient Reporting and Government reviews. The reporting period starts on the first day (Day 1) following the end of the quarter (e.g., January 1, April 1, July 1, and October 1):

- Continuous: *REGISTRATION*
- Agencies' staff and Prime Recipients register at the *FederalReporting.gov* website
- Days 1-10: *INITIAL SUBMISSION OF REPORTING DATA*
- Prime recipients enter draft reporting data, including data for 1st tier sub recipients (subcontractors)
 - Agency daily data extract developed
- Days 11-12: *RECIPIENT REVIEW*
- Prime recipients review data
 - Agency comments on data submitted
 - Prime recipients make corrections
- Days 13-29: *AGENCY REVIEW PERIOD*
- Agency reviews data submitted
 - Agency comments on data submitted
 - Prime recipients make corrections
- Day 30: *RECIPIENT REPORTS PUBLISHED ON RECOVERY.GOV*
- Days 31 - 32: *SYSTEM UNAVAILABLE DUE TO SYSTEM MAINTENANCE*
- Days 33-75: *CONTINUAL REVIEW/AGENCY COMMENT PERIOD*
- Prime recipients review data
 - Agency comments on data submitted
 - Prime recipients make corrections

NOTE: For the most part, recipients have 10 days to enter their reports. However, in the past, OMB has extended the reporting timeframe for contractors and will probably continue to do so when the reporting period falls during a holiday period, natural disasters occur, or there are problems with the system. From the 11th to the 29th day, contractors and Government personnel review, comment and make any necessary changes to the reports. On the 30th day, the recipient reports will be posted on *Recovery.gov*. From the 30th to the 32nd day, the systems will be locked down for maintenance. The continuous correction period lasts from the 33rd to the 75th day.

During the continuous correction period, all reports are open to recipients and the Agency for review, updates, and corrections. If a recipient makes a correction to their report during this period, the Agency is not required to approve the report again. However, a final review of all reports on/around the 75th day

must be conducted by the CO's and FCB to ensure all reports have been submitted and corrections made.

10. Agency Reports and Timeframes

The following reports are required to be developed and submitted to OCFO. Templates for these reports are in Excel format and can be found on the ARRA Sharepoint web site, Appendices in OMB Memo No. M-10-08, the OMB MAX/Community web site, and/or as contained in emails from OCFO. The current OCFO contact is:

Mr. Tyson Whitney, Director
 Systems Analysis & Requirements Division
 Telephone number: 202-720-8978
 E-Mail: tyson.whitney@cfo.usda.gov.

Unless otherwise notified, all reports must be e-mailed directly to the OCFO contact, with courtesy copies to the Facilities Division (FD) Director, FD Deputy Director for Design & Construction, and FCB Branch Chief. E-mails containing the completed reports are to be posted in the appropriate quarterly reports folder (XX Qtr 20XX Reports) on the FD "W" drive under FCB, Branch Admin, ARRA-Recovery.

Timeline/Date	Report
On/About: January 25-30 April 25-30 July 25-30 October 25-30	<u>Analysis Report</u> <ul style="list-style-type: none"> • This shows the results of the comparison of data between the data extract and FCB reports (FPDS-NG and FBO notifications). • Indicates any deviations or non-compliance: <ul style="list-style-type: none"> - non-reporter (did not submit the required report) - material omission (failure to submit a report, insufficient description of project or activities) - significant error (incorrect TAS number or Government Contracting Office code, incorrect award number, incorrect number of jobs retained or created, amount of award, etc.)

	<ul style="list-style-type: none"> - administrative/technical error (inadvertent deactivation of report, duplicate report, reports to be deactivated, technical issues relating to a record identifier or the reporting system, etc.) • Provides the names and other pertinent information for those contractors who did not submit a report and the reason for non-compliance. • Provides the names and other pertinent information for those contractors whose reports contained omissions and/or errors that were not corrected. • Refer to Appendix 2 in OMB Memo M-10-08, the ARRA Sharepoint web site, the OMB MAX/Community web site, or OCFO e-mail attachments for the template.
<p>On/About:</p> <p>February 1-4 May 1-4 August 1-4 November 1-4</p>	<p><u>List of Non-Compliant Recipients and Certification</u></p> <ul style="list-style-type: none"> • A list of non-compliant recipients (those contractors who did not file a recipient report) must be compiled, certified, and submitted to OCFO by the 4th day after the end of the agency quarterly review period. • The certification must come from the Agency's Senior Accountable Official, a member of REE's DART Board. The request for this certification will be forwarded by the FD Director or Deputy Director to REE's DART Board. • The certification should read substantially as follows: <p style="margin-left: 40px;"><i>"In connection with recipient reporting required by Section 1512 of the Recovery Act, the undersigned [TITLE] hereby certifies that the information contained in the attached report fairly presents the identity and other relevant information of</i></p>

	<p><i>Recovery Act recipients who have failed to submit a Section 1512 report as required by the terms of their award."</i></p>
<p>On/About:</p> <p>March 23-28 June 23-28 Sept. 23-28 Dec. 23-28</p> <p>Updated On/About:</p> <p>April 5 July 5 Oct. 5 Jan. 5</p>	<p><u>Master List</u></p> <ul style="list-style-type: none"> • This tracks the number of individual Federal contract awards. • It is a comprehensive list of all contract awards and includes all information from the data extract report up to that point in time. • Refer to Appendix 2 in M-10-08, the ARRA Sharepoint web site, the OMB MAX/Community web site, or OCFO e-mail attachments for the template. <p>(OCFO will create the "Controls Total Report" from the Master List.)</p>
<p>(Ad Hoc Report)</p> <p>On/About:</p> <p>March June September December</p>	<p><u>Mismatched Report</u></p> <ul style="list-style-type: none"> • This identifies reports that are for the same award but certain information may have been changed (e.g., the award number and order number may be transposed or input in one report but not the follow-on report). • Refer to the ARRA Sharepoint web site, the OMB MAX/Community web site, or OCFO e-mail attachments for the template.
<p>(Ad Hoc Report)</p> <p>On/About:</p> <p>Same as Mis-Matched Rpt.)</p>	<p><u>Misdirected Report (Orphan Report)</u></p> <ul style="list-style-type: none"> • This identifies awards that could not be identified or related to any specific Agency due to insufficient data from the contractor. • Refer to the ARRA Sharepoint web site, the OMB MAX/Community web site, or OCFO e-mail attachments for the template.

The list of reports above is not all-inclusive as there are periodic data calls for information comparing information from the data extracts and/or *FederalReporting.gov* to other reports developed by OMB and the Department and whose due dates are random.

The dates included in the list above are tentative and subject to any changes that OMB and/or USDA deem necessary in order to respond to inquiries and data calls from various entities.

11. Point of Contact

For further information, contact the Facilities Contracts Branch at (301) 504-1171.

 /s/
BREND A. WOOD
Chief
Facilities Contracts Branch